

SANOFI,
Opposer,

-versus-

PEDIATRICA, INC.,
Respondent- Applicant.

x-----x

}
} IPC No. 14-2014-00137
} Opposition to:
} Appln. Serial No. 4-2013-014101
} Date Filed: 26 November 2013
} TM: "EQUIFLORA"
}

NOTICE OF DECISION

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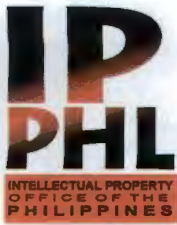
GREETINGS:

Please be informed that Decision No. 2016 - 489 dated December 23, 2016 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, December 23, 2016.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs



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-versus-	}	Opposition to:
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x-----x		Decision No. 2016- <u>489</u>

DECISION

SANOFI¹ ("Opposer"), filed an opposition to Trademark Application Serial No. 4-2013-0014101. The application, filed by PEDIATRICA, INC.² ("Respondent-Applicant"), covers the mark "EQUIFLORA" for use on "*pharmaceutical preparations*" under Class 05 of the International Classification of Goods.³

The Opposer alleges that Respondent-Applicant's application for the registration of the mark EQUIFLORA should not be accepted as it is contrary to Section 123.1 (d) and (f) of the Intellectual Property Code. According to Opposer, although Respondent-Applicant's mark EQUIFLORA has an earlier filing date, based on the previous ruling of this Bureau in one case, the "first-to-file" rule could not have been intended to justify the approval of an application simply because the applicant was the first to file, regardless of whether the person or entity has superior right over the mark being applied for. Opposer claims that despite the earlier filing of Respondent-Applicant, it was first to adopt and use the mark here in the Philippines. Opposer also claims that it was first to register the mark ERCEFLORA although it was later on cancelled for failure to file the Declaration of Actual Use. Opposer also claims that its ERCEFLORA mark is an internationally well-known mark such that the registration of the confusingly similar EQUIFLORA mark of Respondent-Applicant will result in the diminution of the value of its mark.

The Opposer's evidence consists of the following:

1. Authenticated Special Power of Attorney;
2. Authenticated Affidavit of Nicolas David Lair;

¹ A corporation organized and existing under the laws France with address at 54 Rue La Boetie, 75008 Paris, France.

² A domestic corporation with address at 3/F Bonaventure Plaza, Ortigas Avenue, Greenhills, San Juan City.

³The Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks based on a multilateral treaty administered by the World Intellectual Property Organization. This treaty is called the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of Registration of Marks concluded in 1957.

3. List of worldwide registration of the mark ERCEFLORA;
4. Certified copies of sample registration of the mark ERCEFLORA issued in Brazil, Argentina, African Intellectual Property Office, Taiwan, India and Hong Kong;
5. Representative samples of Sales Invoices issued in 2013; and
6. Printout of relevant pages of Sanofi Philippines website.

This Bureau issued on 28 July 2014 a Notice to Answer and served a copy thereof to the Respondent-Applicant on 13 August 2014. After several motions for extension, Respondent-Applicant filed the Answer on 13 October 2014. In its Answer, Respondent-Applicant alleges that the Verified Opposition lacks the required Special Power of Attorney and/or Secretary's Certificate showing the authority of the representative of the Opposer to file the Verified Opposition, and to sign the pleading, verification and certification of non-forum shopping. Respondent-Applicant also contends that it has a superior right over the Opposer to its trademark EQUIFLORA and that Opposer has neither exclusive nor any vested right to its mark ERCEFLORA and thus has no right to prevent others from utilizing the same or any similar mark thereto.

Respondent-Applicant's evidence consists of the following:

1. Original copy of the Trademark Application for the mark EQUIFLORA;
2. Print-out of the relevant page of E-gazette dated 27 January 2014.

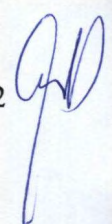
Pursuant to Office Order No. 154, s. 2010, the case was referred to the Alternative Dispute Resolution ("ADR") for mediation on 20 October 2014. However, the parties failed to settle their dispute. On 21 May 2015, the preliminary conference was terminated and the parties were directed to submit position papers. On 01 June 2015, the parties filed their respective Position Papers.

Should the Respondent-Applicant be allowed to register the mark EQUIFLORA?

The essence of trademark registration is to give protection to the owners of trademarks. The function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.⁴

Sec. 123.1 (d) of the IP Code provides:

⁴ See *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 Nov. 1999.

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SECTION 123. Registrability. — 123.1. A mark cannot be registered if it:

x x x

d. Is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of:

- i. The same goods or services, or
- ii. Closely related goods or services, or
- iii. If it nearly resembles such a mark as to be likely to deceive or cause confusion;

At the time the Respondent-Applicant filed its trademark application on 26 November 2013, Opposer has no existing trademark registration or pending trademark application. It was only on 06 January 2014 that Opposer filed an application for registration of its mark ERCEFLORA. As such, at the time that Respondent-Applicant filed its application, it appears that there was no bar to the registration of its mark EQUIFLORA.

Opposer, nonetheless, claims that even if it only filed an application for its mark ERCEFLORA on 06 January 2014, this Office previously granted registration to the mark ERCEFLORA on 25 June 2007 although the said registration was cancelled or the mark was removed from the trademark register for failure of Opposer to file the Affidavit of Use for the Fifth Anniversary.

Generally, abandonment means the complete, absolute or total relinquishment or surrender of one's property or right, or the voluntary giving up or non-enjoyment of such property or right for a period of time which results in the forfeiture or loss thereof. It requires the concurrence of the intention to abandon it and some overt acts from which it may be inferred not to claim it anymore.⁵ To work abandonment, the disuse must be permanent and not ephemeral; it must be intentional and voluntary, and not involuntary or even compulsory. There must be a thorough ongoing discontinuance of any trade-mark use of the mark in question.⁶ Applying the said concept to ownership or registration of trademarks, in order for a trademark registration to be considered as abandoned, the owner/registrant must relinquish or voluntarily surrender its rights over the trademark.

Opposer's evidence show that despite the removal of its ERCEFLORA mark from the registry, it did not cease to use the mark here in the Philippines.⁷ There was no overt act from which it can be inferred that Opposer abandoned his right over the mark ERCEFLORA. The re-application for registration of the mark ERCEFLORA by Opposer on 06 January 2014 proves that it did not intend to relinquish its rights over the mark. Thus, taking into consideration the continued use by Opposer of its mark since 2005 when it first applied for registration of the mark ERCEFLORA in contrast to the date of application of Respondent-Applicant for the mark EQUIFLORA on 26 November 2013, the former has priority right over

⁵ *Agpalo, Ruben E., Legal Words and Phrases, 1997 Ed., page 1.*

⁶ *Philippine Nut Industry vs. Standard Brands, Incorporated, Et. al., G.R. No. L-23035. July 31, 1975 citing Callman, Unfair Competition and Trademark, 2nd Ed., p. 1341)*

⁷ *See Sales Invoice dated 16 May 2013 issued by Opposer.*

the latter.

But do the marks of the parties resemble each other as to likely cause confusion, mistake or deception on the part of the public? The contending marks are reproduced below:

ERCEFLORA

EQUIFLORA

Opposer's Mark

Respondent-Applicant's Mark

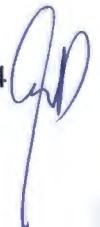
It is very clear that both Opposer's and Respondent's marks contain the identical suffix "FLORA" which means "the bacteria and other microorganisms that normally inhabit a bodily organ or plant".⁸ Opposer's mark is used on "*pharmaceutical preparations for the treatment of gastro-intestinal diseases, dietetic supplements, vitamins, food supplements, mineral and biological active supplements*". Gastro-intestinal diseases are usually caused by bacteria infecting the gut or stomach. Since the suffix "flora" is indicative of the pharmaceutical product of Opposer, the mark is a suggestive mark. Therefore the distinctiveness of the mark is not in the suffix "flora" but in the syllables or letters attached or affixed to it. In Opposer's mark, the suffix "flora" is added to the letters "E-R-C-E" while in Respondent's, the suffix "flora" is added to the letters "E-Q-U-I". Respondent-Applicant's mark differ in spelling with Opposer's but when pronounced, Respondent-Applicant's mark sounds similar to Opposer's. Trademarks are designed not only for the consumption of the eyes, but also to appeal to the other senses, particularly, the faculty of hearing. Thus, when one talks about the Opposer's trademark or conveys information thereon, what reverberates is the sound made in pronouncing it. The same sound is practically replicated when one pronounces the Respondent-Applicant's mark.

In *Marvex Commercial Co., Inc. v Petra Hawpia & Co., et al.*⁹, the Supreme Court took into account the aural effects of the words and letters contained in the marks in determining the issue of confusing similarity, the Court held:

The following random list of confusingly similar sounds in the matter of trademarks, culled from Nims, *Unfair Competition and Trade Marks*, 1947, Vol. 1, will reinforce our view that "SALONPAS" and "LIONPAS" are confusingly similar in sound: "Gold Dust" and "Gold Drop"; "Jantzen" and "Jass-Sea"; "Silver Flash" and "Supper Flash"; "Cascarete" and "Celborite"; "Celluloid" and "Cellonite"; "Chartreuse" and "Charseurs"; "Cutex" and "Cuticlean"; "Hebe" and "Meje"; "Kotex" and "Femetex"; "Zuso" and "Hoo Hoo." Leon Amdur, in his book "Trade-Mark Law and Practice," pp. 419-421, cites [sic], as coming within the purview of the idem sonans rule, "Yusea" and "U-C-A," "Steinway Pianos" and "Steinberg Pianos," and "Seven-Up" and "Lemon-Up." In *Co Tiong vs. Director of Patents*, this Court unequivocally said that "Celdura" and "Condura" are confusingly similar in sound; this Court held in *Sapolin Co. vs. Balmaceda*, 67

⁸ *Flora*. (n.d.) Collins English Dictionary – Complete and Unabridged, 12th Edition 2014. (1991, 1994, 1998, 2000, 2003, 2006, 2007, 2009, 2011, 2014). Retrieved December 22 2016 from <http://www.thefreedictionary.com/flora>

⁹ G.R. No. L-19297. December 22, 1966 cited in *McDonald's Corporation v. L.C. Big Mak Burger, Inc.* G.R. No. 143993. August 18, 2004.

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Phil. 795 that the name "Lusolin" is an infringement of the trademark "Sapolin," as the sound of the two names is almost the same.

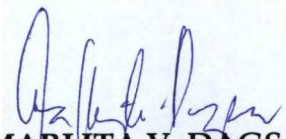
What is more, Opposer's and Respondent-Applicant's marks are also used on similar or closely related goods. As such, there is likelihood that the public will be confused or mistaken into believing that Respondent-Applicant's mark is just a variation of Opposer's mark or that their goods come from the same source or manufacturer.

Accordingly, this Bureau finds that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2013-014101, together with a copy of this Decision, be returned to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 23 DEC 2016


MARLITA V. DAGSA
Adjudication Officer
Bureau of Legal Affairs