



NOVARTIS AG,
Opposer,

-versus-

CLARIS LIFESCIENCES PHILS., INC.,
Respondent- Applicant.

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} **IPC No. 14-2014-00355**
} Opposition to:
} Appln. No. 4-2014-004233
} Date Filed: 04 April 2014
} **TM: "SEDOZ"**

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2017 - 59 dated March 06, 2017 (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, March 06, 2017.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

NOVARTIS AG,
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IPC No. 14-2014-00355

Opposition to Trademark
Application. No. 4-2014-004233
Date Filed: 04 April 2014
TM: "SEDOZ"

Decision No. 2017- 59

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DECISION

Novartis AG¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2014-004233. The contested application, filed by Claris Lifesciences Philippines, Inc.² ("Respondent-Applicant"), covers the mark "SEDOZ" for use on "*pharmaceutical preparation for human use*" under Class 05 of the International Classification of Goods³.

According to the Opposer, Sandoz is its generic pharmaceuticals division, which dates back more than one hundred twenty (120) years. The Chemiefirma Kern and Sandoz was founded in 1886 by Alfred Kern and Edouard Sandoz. After Kern's death, the partnership became the corporation Chemische Fabrik vormals Sandoz in 1895. In 1917, Prof. Arthur Stoll created the Pharmaceutical Department and started research in this field. In 1939, the company name is changed from Chemical Company Kern & Sandoz to Sandoz Ltd. and first steps were made in agribusiness. Sandoz Ltd. acquired Austrian Biochemie GmbH in 1963; this represented the large-scale production of antibiotics and substances developed on the basis of biotechnology. In 1996, Sandoz Pharmaceuticals merged with Ciba-Geigy in one of the largest corporate mergers in history to form herein Opposer company.

The Opposer claims to be the owner of the marks "SANDOZ" and "SANDOZ AND DEVICE", which are registered under Certificates of Registration Nos. 4-2003-004450 and 4-2003-004496 issued on 22 January 2007 and 30 July 2005, respectively. It contends that the Respondent-Applicant's mark "SEDOZ" is confusingly similar to its marks especially that the goods covered are similar and/or

¹ A corporation duly organized and existing under and by virtue of the laws of Switzerland with office address at CH-4002 Basel, Switzerland.

² A domestic corporation with address at 1108, 11F Cityland Herrera Tower, Rufino Street corner Valero Street, Salcedo Village, Makati City 1227, Philippines.

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

competing. In support its Opposition, the Opposer submitted the following as evidence:⁴

1. copies of Certificates of Registration Nos. 4-2003-004450 and 4-2003-004496;
2. its Annual Report for 2013; and,
3. Joint Affidavit-Testimony of Susanne Groeschel-Jofer and Andrea Felbermeir dated 29 September 2014.

The Respondent-Applicant filed its Answer on 30 January 2015 alleging, among others, that the subject marks are not identical and that there is no confusing similarity between the two. It contends that the two are non-competing as they pertain to pharmaceutical products that are different with respect to nature, main ingredients or generic names, purposes, market and labeling information.

According to the Respondent-Applicant, its parent company is an Indian sterile injectibles pharmaceutical company with a market presence across one hundred (100) countries worldwide. "SEDOZ" is a short-acting benzodiazepine with sedative-general anaesthetic properties. The main ingredient thereof, *midazolam*, falls under the definition of "dangerous drugs" defined in R.A. No. 9165, also known as the Comprehensive Dangerous Drugs Act of 2002. As such, "SEDOZ" cannot be easily imported, distributed or dispensed with as it has to comply not only with the rules and regulations of the Food and Drugs Administration ("FDA") but also by the Philippine Drug Enforcement Agency ("PDEA"). It has been manufacturing and distributing "SEDOZ" in various countries for several years now and has registered the same with pertinent government agencies therein. In the Philippines, it has registered with and secured license from FDA and PDEA. The Respondent-Applicant's evidence consists of the affidavit of Rakesh U. Nair, with annexes.⁵

The preliminary conference was scheduled and terminated on 26 November 2015 wherein the parties were directed to submit their respective position papers. After which, the case is deemed submitted for decision.

The primordial issue in this case is whether the trademark application by Respondent-Applicant for "SEDOZ" should be allowed.

Section 123.1(d) of R.A. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), relied upon by Opposer, provides that:

"Section 123.1. A mark cannot be registered if it:

⁴ Marked as Exhibits "A" to "E".

⁵ Marked as Exhibits "1" to "17", inclusive.

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(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; x x x"

Records reveal that at the time the Respondent-Applicant filed the contested application on 04 April 2014, the Opposer has a valid and existing registrations for the marks "SANDOZ" and "SANDOZ AND DEVICE" issued on 22 January 2007 and 30 July 2005, respectively.

To determine whether the marks of Opposer and Respondent-Applicant are confusingly similar, the two are shown below for comparison:

Opposer's mark:

SANDOZ  **SANDOZ**

Respondent-Applicant's mark:

SEDOZ

A practical approach to the problem of similarity or dissimilarity is to go into the *whole* of the two trademarks pictured in their manner of display. Inspection should be undertaken from the viewpoint of a prospective buyer. The trademark complained of should be compared and contrasted with the purchaser's memory (not in juxtaposition) of the trademark said to be infringed. Some such factors as "sound; appearance; form, style, shape, size or format; color; ideas connoted by

marks; the meaning, spelling, and pronunciation, of words used; and the setting in which the words appear" may be considered.⁵ Thus, confusion is likely between marks only if their over-all presentation, as to sound, appearance, or meaning, would make it possible for the consumers to believe that the goods or products, to which the marks are attached, emanate from the same source or are connected or associated with each other.

The Opposer's marks consist of the word "SANDOZ", with or without the "S" device enclosed in a triangle. On the other hand, the Respondent-Applicant's mark consists of the word "SEDOZ". Despite their similar beginning letter and final syllable, the competing marks are different visually, aurally and in connotation. It does not appear that "DOZ" is the prevalent feature of the Opposer's mark as to give it a right to prevent other entities to register a mark containing the said syllable. Taken in their entirety, the marks are not confusing. Noteworthy, the products these marks cover are pharmaceuticals that are dispensed with the aid of pharmacists who are unlikely to confuse the brands given the different use thereof.

Finally, it is emphasized that 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.⁶ The Respondent-Applicant's trademark sufficiently met this function.

WHEREFORE, premises considered, the instant opposition is hereby **DISMISSED**. Let the filer wrapper of Trademark Application Serial No. 4-2014-004233 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 06 MAR 2017


Atty. Z'SA MAY B. SUBEJANO-PE LIM
Adjudication Officer
Bureau of Legal Affairs

⁵ Etepha A.G. vs. Director of Patents, G.R. No. L-20635, 31 March 1966.

⁶ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.