

NOVARTIS AG,
Opposer,

-versus-

METRO PHARMA PHILIPPINES, INC.,
Respondent- Applicant.

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IPC No. 14-2012-00562
Opposition to:
Appln. Serial No. 4-2012-008881
Date Filed: 20 July 2012
TM: LEZTROL

NOTICE OF DECISION

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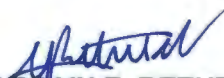
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GREETINGS:

Please be informed that Decision No. 2017 - 109 dated April 10, 2017 (copy enclosed) was promulgated in the above entitled case.

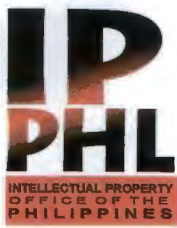
Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, April 17, 2017.


MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs

**Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE**

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NOVARTIS AG,
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}IPC No.14-2012-00562
}Opposition to:
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METRO PHARMA PHILIPPINES, INC.,
Respondent-Applicant.

}Trademark: LEZTROL
}

x-----x }Decision No. 2017- 109

DECISION

NOVARTIS AG (“Opposer”)¹ filed an opposition against Trademark Application No. 4-2012-008881. The application, filed by METRO PHARMA PHILIPPINES INC. (“Respondent-Applicant”),² covers the mark “LEZTROL” for use on “*pharmaceutical preparation*” under Class 5 of the International Classification of Goods and Services.³

The Opposer alleges the following grounds for opposition:

- “1. The trademark LEZTROL being applied for by the respondent-applicant is confusingly similar to Opposer’s trademark LESCOL under Registration No. 055628 as to likely, when applied to or used in connection with the goods of respondent-applicant, cause confusion, mistake and deception on the part of the purchasing public.
- “2. The registration of the trademark LEZTROL will violate Section 123. 1, subparagraph (d) of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines. xxx
- “3. The registration and use by the respondent of the LEZTROL trademark will diminish the distinctiveness and dilute the goodwill of Opposer’s trademark LESCOL.
- “4. The registration of the trademark LEZTROL in the name of the respondent is contrary to the other provisions of the IP Code.”

The Opposer alleges the following facts:

- “1. Opposer is the exclusive owner/registrant of the trademark LESCOL in many countries worldwide, including Albania, Algeria, Angola, Argentina, Armenia, Aruba,

¹ A foreign corporation duly organized and existing under the laws of Switzerland, with office at 4002 Basel, Switzerland.

² A domestic corporation duly organized and existing under the laws of the Philippines with office at 600 Shaw Boulevard, Pasig City.

³ The Nice Classification of goods and services is for registering trademark and service marks, based on a multilateral treaty administered by the WIPO, called the Nice Agreement Concerning the International Classification of Goods and Services for Registration of Marks concluded in 1957.

Australia, Austria, Azerbaijan, Bahamas, Bahrain, Bangladesh, Belarus, Bermuda, Bolivia, Saint Bonaire, Bosnia-Herzegovina, Brazil, Canada, China, Colombia, Congo, Costa Rica, Croatia, Cuba, Curacao, Cyprus, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, European Union, Guatemala, Guyana, Haiti, Honduras, Hong Kong, India, Indonesia, Iran, Iraq, Ireland, Israel, Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Latvia, Lebanon, Liberia, Lichtenstein, Lithuania, Macedonia, Madagascar, Malaysia, Mauritius, Mexico, Moldova, Monaco, Mongolia, Montenegro, Morocco, New Zealand, Nicaragua, Nigeria, Norway, Oman, Pakistan, Panama, Paraguay, Philippines, Qatar, Russian Federation, Saudi Arabia, Serbia, Singapore, Sint Maarten, South Africa, South Korea, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic, Taiwan, Tajikistan, Tanzania, Trinidad, and Tobago, Tunisia, Uganda, Ukraine, United Arab, United Kingdom, United States of America, Uruguay, Uzbekistan, Venezuela, Vietnam and Yemen.xxx

“3. The trademark LESCOL was first used in the Philippines on September 1, 1994.xxx

“4. By virtue of the Opposer’s prior registration of the trademark LESCOL around the world, including the Philippines, said trademark has become distinctive of Opposer’s goods and business.

“5. The mark LEZTROL of respondent-applicant is confusingly similar with the trademark LESCOL of opposer Novartis AG since:

“(a) The contending marks are practically identical since four (4) out of seven (7) letters in respondent-applicant’s mark are also in opposer’s mark of six (6) letters only.

“(b) The arrangement of the common letters is the same, with both marks starting with the letters L-E and ending with the letters O-L.

“(c) The letter S (in LES) in opposer’s mark is also visually similar to the letter Z (in LEZ) in respondent-applicant’s mark. Clearly, because the letters and the sequence of the letters are practically the same, the contending marks look alike.

“(d) Since the letters and the syllabic compositions of the contending marks LESCOL and LEZTROL are almost the same, they are also almost identical in sound and pronunciation. In fact, LES in opposer’s mark is phonetically alike as LEZ in respondent-applicant’s mark. The syllable COL in opposer’s mark and TROL in respondent-applicant’s mark are also phonetically similar in that both syllables fade in the end of OL.

“(e) Both marks are word marks in plain letterings and not stylized. Neither is in color nor compounded with a unique devise or design. Hence, the similarity between the two (2) marks is even more pronounced or enhanced.

"6. A boundless choice of words, phrases and symbols are available to a person who wishes to have a trademark, sufficient unto himself to distinguish his products from those of others. There is no reasonable explanation therefore for respondent-applicant to use the word LEZTROL when the field for its selection is so broad.

"7. Moreover, both trademarks cover similar goods under International Class 5 such that confusion is more likely to arise as to the source of goods bearing each mark.

Opposer's mark LESCOLO covers: "*Pharmaceutical preparations namely, cardiovascular preparations*"

while Respondent-Appllcant's mark LEZTROL covers: "*Pharmaceutical preparation*"

"8. The goods are sold in pharmacies, drug stores, hospitals, clinics and similar establishments. The goods therefore are sold in the same channels of business and trade. Hence, confusion on the consuming public with respect to products labelled LEZTROL and products labelled LESCOLO is almost certain.

"9. The registration and use of the trademark LEZTROL by respondent-applicant will deceive and/or confuse purchasers into believing that respondent-applicant's goods and/or products bearing the trademark LEZTROL emanate from or are under the sponsorship of opposer Novartis AG, owner and registrant of the trademark LESCOLO. This will therefor diminish and distinctiveness and dilute the goodwill of opposer's trademark."

To support its opposition, the Opposer submitted as evidence as following:

1. List of trademark registrations and applications for the trademark "LESCOLO";
2. Copies of sales invoices for products bearing the mark LESCOLO covering the years 2008-2012;
3. Corporate Secretary's Certificate of Dr. Charlotte Pames-Wieser;
4. Duly signed and notarized Affidavit-Testimony of Martine Roth; and
5. Novartis AG's Annual Report for the year 2011⁴

The Respondent-Appllcant filed its Answer on May 6, 2013, alleging among other things, the following:

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"12. The registrability of the respondent's LEZTROL trademark has been determined and resolved by no less than the Intellectual Property Office when the latter, through The Bureau of Trademarks, allowed the subject application of the respondent despite the existing Certificate of Trademark Registration No. 055628 for Opposer's trademark 'LESCOLO' which was never cited during the merit examination of the respondent's subject trademark application.

⁴ Exhibits "A" to "E"

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"13. LEZTROL is a genuine mark coined by respondent from the word 'LESS' (hence, the adoption of the first syllable 'LEZ' in the trademark LEZTROL) and then adding the abbreviated last 2 syllables from 'CHOLESTEROL' or "TROL' when combined together formed the trademark 'LEZTROL'.

"14. The adoption of the trademark LEZTROL was brought about the need for recall for 'less cholesterol' or 'LEZTROL'.

"15. In coining the trademark 'LEZTROL', respondent did so genuinely and in good faith without any knowledge or reference whatsoever to Opposer's LESCOL trademark.

"16. The 'LEZTROL' is an 'RX' drug specifically intended to lower, reduce, or 'lessen' the cholesterol of a medical patient. It is a drug that reduces LDL-cholesterol, apolipoprotein B & triglycerides and increases HDL-cholesterol in the treatment of hyperlipidemias including hypercholesterolemia and combined (mixed) hyperlipidemia (type IIa or IIb hyperlipoproteinemia), hypertriglyceridemia (type IV) and dysbetalipoproteinemia (type III). It is used as adjunctive therapy in patients with homozygous familial hypercholesterolemia who have LDL-receptor function.

"17. The drug 'Leztrol' is a brand name. Its generic name is ATORVASTATIN CALCIUM and is available in round, flat tablets. It is available in 20 mg or 40 mg tablets.

"18. In the packaging of the LEZTROL drug, and under existing regulation, the generic name ATORVASTATIN CALCIUM is written first in emphasized or boxed form while the brand name 'LEZTROL' is written below with the dosage mentioned.

"19. The LEZTROL tablet is a prescription drug (as distinguished from over-the-counter drugs), and cannot be bought by or for patients at a drugstore without the required medical doctor's prescription.

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"22. In fact, LEZTROL, being a doctor-prescribed drug sold in accordance with law, will not cause confusion or deceive the public because it is not a drug that may be brought from the drug store even without a doctor's prescription. Hence, the consumer may not, by his own choice, purchase the LEZTROL drug in the same way that an ordinary consumer purchase goods in the supermarket or grocery.

"23. The purchaser of the drug nor the attending sales lady or representative of the drug store is not even allowed to substitute another drug if the doctor-prescribed drug is not available except as provided for under the Implementing Rules of R.A. No. 9502 (also known as the Universally Accessible Cheaper and Quality Medicines Act of 2008). Hence, in the case of prescription drugs, the purchaser is not given the choice.

"24. Besides, the allegedly competing products in this case have different generic names. The generic name for respondent's LEZTROL drug is ATORVASTATIN CALCIUM whereas the generic name for Opposer's LESCOL drug is FLUVASTATIN SODIUM.

“25. In the event that LEZTROL is not available in the drug store or retail outlet, the sales lady or representative of the drug store or retail outlet would necessarily, under the Implementing Rules of R.A. No. 9502, inform the buyer of other medicines with the same generic name ATORVASTATIN CALCIUM such as, for instance, the drug Lipitor tablet brand which has the same generic equivalent ATORVASTATIN CALCIUM.

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“27. Since respondent’s ATORVASTATIN CALCIUM is a different generic name from Opposer’s FLUVASTATIN SODIUM generic name, then the products subject of this case are not really competing goods since the other is not to be expected as the generic equivalent or substitute of the other.

“28. As the products in this case are not competing products, the alleged violation of the IP Code will not apply especially in this case where prescription drugs are involved.

“29. In addition, there could be no confusion as to source since the packaging of the respondent’s LEZTROL products clearly state that the distributor of the product is METRO PHARMA PHILS, INC., the importer as REGISTRATE PARTNERS CORP. and the manufacturer as MSN LABORATORIES, LTD.

xxx

“32. Moreover, contrary to the Opposer’s allegations, the competing trademarks are visually and phonetically different.

“33. Respondent’s trademark was coined from the abbreviated term of “less cholesterol” or LEZTROL. The first syllable is ‘LEZ’ whereas for Opposer, it is ‘LES’. The second syllable in respondent’s mark is the 4-letter ‘TROL’ which is a world of difference to the Opposer’s second syllable in its mark which is the 3-letter ‘COL’. This apparent difference negates the confusion in the names of the allegedly competing trademarks.

“34. Opposer has not mentioned in their Notice of Opposition how they came to term or coin the trademark LESCOL.

“35. In other words, respondent’s LEZTROL trademark is an original concoction. It was never intended to copy, imitate nor replicate another’s trademark.

“36. Neither is there any cause to believe the respondent’s LEZTROL trademark would cause confusion or mistake and deceive the public that the goods of the respondent are owned by the Opposer, or originated from or sponsored by Opposer. In fact, in respondent’s packaging it is clearly mentioned that the distributor of the product is METRO PHARMA PHILS. INC., the importer as REGISTRATE PARTNERS CORP. and the manufacturer as MSN LABORATORIES, LTD.

“37. On the other hand, Opposer’s packaging reveals that the LESCOL products are manufactured by NOVARTIS FARMA S.A. Barbera del Valles, Spain and imported by

NOVARTIS HEALTHCARE PHILIPPINES, INC. In other words, these are 2 different products by 2 different entities. There can be no mistake about that.

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“42. The packaging and presentation of both parties’ products are also different such as the font used, the color appearance of the box/packaging, the size of the boxes and the prominent display of each other’s marks on the box/packaging.

“43. Besides, the alleged confusion to the public as argued by Opposer will never arise since both parties’ products are prescription drugs dispensed by physician or medical doctor who in the first place will never be confused with respect to the products of the parties. As the competing trademarks in this case have different generic names, the physician or doctor cannot prescribe one for the other because the substitute or replacement drug should have the same generic name. In other words, Lescol (with the generic name FLUVASTATIN SODIUM) cannot substitute for Leztrol (with the generic name ATORVASTATIN CALCIUM) and vice-versa. So the fear that the physician or doctor could commit a mistake in the prescription is more imagined than real xxx”

The Respondent-Applicant submitted as evidence, the following:

1. Affidavit of Norman Z. Baza dated 3 May 2013 ;
2. Corporate Secretary’s Certificate authorizing Norman Z. Basa to represent respondent Metro Pharma;
3. Articles of Incorporation of Metro PharmaPhils., Inc.;
4. Certified true copy of License-to-Operate of respondent Metro Pharma from the Food and Drug Administration;
5. Official Receipt for renewal of FDA registration for the year 2012-2013;
6. Certificate of Product Listing issued by the FDA for LEZTROL;
7. Pictures of LEZTROL and LESCOL with comparative side-by-side pictures; Actual product sample of LEZTROL; and
8. Actual product sample of LESCOL⁵

On 16 September 2013, the Preliminary Conference was terminated and Opposer has been deemed to have waived its right to submit its position paper for its failure to appear. Respondent-Applicant submitted its position paper on 24 September 2013.

The contending marks are reproduced below:

Opposer’s mark

Respondent-Applicant’s mark

LESCOL

LEZTROL

⁵ Exhibits “1” to “12”

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At the outset, the Respondent's mark LEZTROL, under Application Serial No. 14-2012-00881, has been the subject of another opposition case, IPC No. 14-2012-00561 entitled *MSD International Holding GMBH v. Metro Pharma Philippines, Inc.* Decision No. 2014-96 was rendered in said case, which has become final and executory on 9 July 2014. The dispositive portion states:


WHEREFORE, premises considered the instant opposition is hereby SUSTAINED. Let the filewrapper of Trademark application Serial No. 4-2012-008881 be returned together with a copy of this Decision, to the Bureau of Trademark for Information and appropriate action.

With that, the issues have become moot and academic. There is no basis for the opposition, as the trademark application for the mark LEZTROL has been rejected.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2012-008881 is hereby SUSTAINED. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 10 APR 2017


Atty. ADORACION U. ZARE, LL.M.
Adjudication Officer
Bureau of Legal Affairs