

WESTMONT PHARMACEUTICALS, INC.,

Opposer,

-versus-

TOKAGAWA GLOBAL CORP.,

Respondent-Applicant.

X-----X

IPC No. 14-2016-00184

Opposition to:

Appln. Serial No. 4-2015-00008436

Date Filed: 28 July 2015

TM: APPETON

Laboratory Inc.

NOTICE OF DECISION

OCHAVE & ESCALONA

Counsel for Opposer

No. 66 United Street,

Mandaluyong City

TOKAGAWA GLOBAL CORP.

Respondent- Applicant

Unit 1204 Corporate Center

139 Valero Street, Salcedo Village

Makati City

GREETINGS:

Please be informed that Decision No. 2017 - 124 dated 18 April 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, 19 April 2017.

MARILYN F. RETUAL
IPRS IV

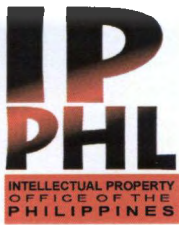
Bureau of Legal Affairs

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WESTMONT PHARMACEUTICALS, INC.

Opposer,

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TOKAGAWA GLOBAL CORP.,

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IPC No. 14-2016-00184

Opposition to:

Appln. No. 4-2015-00008436

Date Filed: 28 July 2015

Trademark: "**APPETON**

Laboratory Inc."

Decision No. 2017 - 124

DECISION

WESTMONT PHARMACEUTICALS, INC. ("Opposer")¹, filed an opposition to Trademark Application Serial No. 4-2015-00008436². The application, filed by TOKAGAWA GLOBAL CORP. ("Respondent-Applicant")³, covers the mark "APPETON LABORATORY INC." for use on goods under class 35⁴ namely: *"business management engaged in promotion, advertising, sponsorship, marketing of human consumption products which shall include pharmaceutical products, food and food products, business administration."*

The Opposer alleges the following grounds for opposition:

"7. The mark 'APPETON Laboratory, Inc.' applied for by Respondent-Applicant so resembles the trademark 'APPEBON 500' owned by Opposer and duly registered with this Honorable Bureau prior to the publication of the application for the mark 'APPETON Laboratory Inc.;

"8. The mark 'APPETON Laboratory Inc.' will likely cause confusion, mistake and deception on the part of the purchasing public, and in fact in a similar case, this Honorable Bureau has already ruled, which ruling has become final and executory that 'APPETON' is confusingly similar to 'APPEBON'.

"9. The registration of the mark 'APPETON Laboratory Inc.' in the name of the Respondent-Applicant will violate Sec. 123.1 (d) of the IP Code.

"10. Under the above-quoted provision, any mark, which is similar to a registered mark, shall be denied registration in respect of similar or related goods or if the mark applied for nearly resembles a registered mark that confusion or deception in the mind of the purchasers will likely result.

¹ A domestic corporation duly organized and existing under the laws of the Philippines, with office address at Bonaventure Plaza, Ortigas Avenue, San Juan City, Metro Manila, Philippines.

² Exhibit "D" of Opposer.

³ A corporation with office address at Unit 1204, Corporate Center, 139 Valero St., Salcedo Village, Makati City, Metro Manila, Philippines.

⁴ 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.

"11. Respondent-Applicant's use and registration of the mark 'APPETON Laboratory Inc.' will diminish the distinctiveness of Opposer's trademark 'APPEBON 500'."

The Opposer submitted the following evidence:

1. Print-out of the pertinent page of the IPO E-Gazette on Respondent-Applicant's trademark application;
2. Certified true copy (Ctc) of Principal Register No. 42788 for the trademark APPEBON 500;
3. Ctc of the Certificate of Renewal of Registration No. 42788;
4. Ctc of the Assignment of Registered Trademark dated 14 August 2014;
5. Ctcs of the Affidavits of Use and Declaration of Actual Use of APPEBON 500;
6. Ctc of Certificate of Product Registration No. DR-XY3104;
7. Sample product label bearing the trademark APPEBON 500; and,
8. Copy of Decision No. 2008-234 dated 17 December 2008 and the Entry of Judgment/Execution of the Decision dated 02 March 2009.

This Bureau issued and served upon the Respondent-Applicant a Notice to Answer on 03 May 2016. Respondent-Applicant however, did not file an answer. Thus, Respondent-Applicant is declared in default and this case is deemed submitted for decision.⁵

Should the Respondent-Applicant be allowed to register the trademark APPETON Laboratory Inc.?

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 out into the market a superior 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

Section 123.1 paragraph (d) of R.A. No. 8293, otherwise known as the Intellectual Property Code ("IP Code") provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of the same goods or services or closely related goods or services if it nearly resembles such mark as to be likely to deceive or cause confusion.

Records show that the Opposer has registration falling under Class 05 for the trademark "APPEBON 500" dated 20 May 1985 for medicinal preparation for use as appetite normalizer.⁷ It was also issued a Certificate of Renewal of Registration for the same mark on 24 January 2009.⁸

But, are the contending marks, depicted below, resemble each other such that confusion, even deception, is likely to occur?

Appebon 500

Opposer's Trademark

APPETON
Laboratory Inc.

Respondent-Applicant's Trademark

⁵ Order dated 21 February 2017.

⁶ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 Nov. 1999. See also Article 15, par. (1), Art. 16, par. 91 of the Trade-related Aspect of Intellectual Property (TRIPS Agreement).

⁷ Exhibit "B" of Opposer.

⁸ Exhibit "C" of Opposer.

The word marks APPEBON and APPETON are phonetically the same. They have identical sounds with similarity in the consonant and vowel contents. Although the letter "B" in APPEBON is changed to letter "T" in APPETON, it cannot be denied that they produce the same sound when spoken. While there are differences with respect to the numerical "500" appended in the mark APPEBON; and the words "Laboratory Inc." following the mark APPETON, it appear insignificant as it is outweighed by the similarities mentioned.

As to the goods covered by the marks, Opposer's APPEBON is a pharmaceutical product for use as appetite normalizer. Respondent-Applicant's goods/service on the other hand, covers a business management of human consumption products including pharmaceutical products. Thus, the likelihood of confusion may subsists because of the relatedness of one to another in terms of the same medical purpose, group of purchasers and channels of trade. They are deemed related because the pharmaceutical product may be assumed to originate in Respondent-Applicant's laboratory and vice versa.

Confusion cannot be avoided by merely adding, removing or changing some letters of a registered mark. Confusing similarity exists when there is such a close or ingenuous imitation as to be calculated to deceive ordinary persons, or such resemblance to the original as to deceive ordinary purchaser as to cause him to purchase the one supposing it to be the other.⁹ Colorable imitation does not mean such similitude as amount to identify, nor does it require that all details be literally copied. Colorable imitation refers to such similarity in form, context, words, sound, meaning, special arrangement or general appearance of the trademark or tradename with that of the other mark or tradename in their over-all presentation or in their essential substantive and distinctive parts as would likely to mislead or confuse persons in the ordinary course of purchasing the genuine article.¹⁰

It is stressed that the determinative factor in a contest involving trademark registration is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of such mark will likely cause confusion or mistake on the part of the buying public. To constitute an infringement of an existing trademark, the law does not require that the competing trademarks must be so identical as to produce actual error or mistake; it would be sufficient, for purposes of the law, that the similarity between the two labels is such that there is a possibility or likelihood of the purchaser of the older brand mistaking the newer brand for it.¹¹ The likelihood of confusion would subsist not only on the purchaser's perception of goods but on the origins thereof as held by the Supreme Court:¹²

Callman notes two types of confusion. The first is the confusion of goods in which event the ordinarily prudent purchaser would be induced to purchase on product in the belief that he was purchasing the other. In which case, defendant's goods are then bought as the plaintiff's and the poorer quality of the of the former reflects adversely on the plaintiff's reputation. The other is the **confusion of business**. Hence, though the goods of the parties are different, the defendant's product is such as might reasonably **be assumed to originate** with the plaintiff and the public would then be deceived either into that belief or into belief that there is some connection between the plaintiff and defendant which, in fact does not exist. (Emphasis Supplied)

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

⁹ Societe Des Produits Nestle, S.A. v. Court of Appeals, G.R. No. 112012, 04 April 2001, 356 SCRA 207, 217.

¹⁰ Emerald Garment Manufacturing Corp. v. Court of Appeals, G.R. No. 100098, 29 December 1995.

¹¹ American Wire and Cable Co. v. Director of Patents, et al., 31 SCRA 544, G.R. No. L-26557, 18 February 1970.

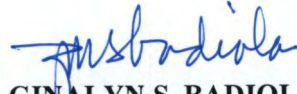
¹² Converse Rubber Corporations v. Universal Rubber Products, Inc. et al., G.R. No. L-27906, 08 January 1987.

opportunity given, failed to explain how it arrived at using the mark "APPETON Laboratory Inc." as it failed to file its Answer to the opposition. The Opposer's mark "APPEBON 500" is unique and highly distinctive with respect to the goods it is attached with.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2015-00008436 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. 18 APR 2017



Atty. GINALYN S. BADIOLA, LL.M.
Adjudication Officer, Bureau of Legal Affairs