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F. HOFFMAN – LA ROCHE A.G., Opposer,

-versus-

JF DRAF PHARMACEUTICALS CORPORATION, Respondent-Applicant. **IPC No. 14-2013-00091** Opposition to: Appln. Serial No. 4-2012-010427 Date Filed: 28 August 2012

TM: BACTRICIN

NOTICE OF DECISION

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GREETINGS:

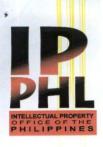
Please be informed that Decision No. 2017 - <u>244</u> dated 22 June 2017 (copy enclosed) was promulgated in the above entitled case.

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, 23 June 2017.

MARILYN F. RETUTAL IPRS IV Bureau of Legal Affairs

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F. HOFFMAN –LA ROCHE A.G.,	}IPC NO. 14-2013-00091
Opposer,	}Opposition to:
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	}Appln. Ser. No. 4-2012-010427
-versus	}Date Filed: 28 August 2012
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JF DRAF PHARMACEUTICALS	}Trademark: "BACTRICIN"
CORPORATION,	}
Respondent-Applicant.	}
X	x }Decision No. 2017- 244

DECISION

F. HOFFMAN –LA ROCHE A.G., (Opposer)¹ filed an opposition to Trademark Application Serial No. 4-2012-010427. The application, filed by JF DRAF PHARMACEUTICALS CORPORATION. (Respondent-Applicant)², covers the mark "BACTRICIN", for use on "pharmaceutical drug anti-bacterial" under Class 5 of the International Classification of Goods³.

The Opposer anchors its opposition on the following grounds:

"1. Opposer is the prior user and registered owner in the Philippines of the mark BACTRIM for 'sulfa-type anti-infective preparation' in Class 5 under Registration No. 18649 issued by the IPO on April 11, 1973;

"2. Respondent-Applicant's BACTRICIN mark, on the other hand, is identical to or closely resembles Opposer's BACTRIM mark as to be likely, when applied to or used in connection with the goods of the Respondent-Applicant, to cause confusion, mistake and deception on the part of the purchasing public by misleading them into thinking that the Respondent's goods either come from Opposer or are sponsored or licensed by it.

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¹ A corporation organized and existing under the laws of Switzerland with office at Grenzacherstrasse 124, CH-4070 Basel, Switzerland

² A Philippine corporation with address at Suite 407 Greenhills Mansion, 37 Annapolis Street, Northeast Greenhills, San Juan City

³ The Nice Classification of Goods and Services is for registering trademarks and service marks based on 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.

"3. Respondent's adoption of the confusingly identical or similar trademark BACTRICIN for its goods in Class 5 is likely to indicate a connection between such goods and those of Opposer. Without a doubt, Respondent's use, adoption and registration of the BACTRICIN mark will mislead the public into believing that the goods bearing the said trademark originate from, or are licensed or sponsored by Opposer, which is the owner and originator of the BACTRIM mark and not to mention the source and manufacturer of quality goods/products bearing the mark BACTRIM. Also, because of the similar visual and aural impressions, created by the marks, consumers are likely to make the mistake of buying Respondent's products even if they meant to buy Opposer's products.

"4. The registration and use by Respondent-Applicant of the BACTRICIN mark in relation to the goods in Class 5 will diminish the distinctiveness and dilute the goodwill of Opposer's BACTRIM mark.

"5. To reiterate, Opposer is the first user of the BACTRIM mark in Philippine commerce and elsewhere, having first utilized the same since 1969. Through long and uninterrupted use and widespread advertising, the BACTRIM mark has come to be associated with Opposer throughout the world and in the Philippines, particularly in relation to anti-bacterial combinations, which are classified under Class 05.

"6. A side-by-side comparison of the marks clearly show that Respondent-Applicant's mark BACTRICIN and Opposer's BACTRIM mark have the same dominant feature – that is, both marks dominantly make use of the letters/syllables 'BACTRI'. xxx

"7. Moreover, the goods in connection with which the BACTRICIN mark are sought to be registered are identical, similar to or closely related with the goods to which Opposer's BACTRIM mark is used and registered. Indeed Respondent-Applicant intends to use BACTRICIN mark for 'Pharmaceutical Drug-Antibacterial' whereas the BACTRIM mark is an anti-bacterial drug used in the systemic treatment of infections. As such, the registration and use of a confusingly similar mark by Respondent-Applicant will likely deceive and/or confuse purchasers into believing that the Respondent-Applicant's products emanate from or are manufactured or distributed under the sponsorship of Opposer.

"8. Given the prior use and registration of Opposer's BACTRIM mark in the Philippines, there is no clear reason for Respondent-

Applicant to have adopted the BACTRICIN mark for its goods, other than to trade on the goodwill and strong recognition of the BACTRIM mark, thereby misleading the public into believing that its identical or similar goods bearing the BACTRICIN mark originate from, or are licensed or sponsored by the Opposer, which has been identified in the trade and by consumers as the exclusive source of Class 5 goods bearing the BACTRIM mark. xxx

"9. Opposer and its predecessors- in- interest, are the first users of BACTRIM in the Philippine commerce and elsewhere, having utilized the same in the Philippines and around the world for over four decades now. Respondent-Applicant's use of a confusingly similar mark as the brand name for its goods is likely to cause consumer confusion as to the origin of said goods.

"10. Respondent-Applicant's use of the confusingly similar or identical BACTRICIN mark is contrary to the provision of Section 123 (d) of the IP Code 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: (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'."

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

- 1. Notarized and legalized Notice of Opposition;
- 2. Notarized and legalized Affidavit of Tapio Blanc;
- 3. Notarized and legalized Power of Attorney;
- 4. Legalized Commercial Register of Canton Basel City⁴

The Respondent-Applicant filed its answer on 23 May 2013, raising among other things, the following defenses:

"1. The Opposition does not state facts sufficient to confer legal capacity to institute the instant action considering that under Section 3 of the IP Code, which hereunder is quoted, it is required that the country of the Opposer, in this case, Switzerland, extends reciprocal rights to national of the Philippines. It is well-settled that allegations proving capacity to sue must be alleged in the complaint, otherwise, the same will constitute a valid ground for dismissal of the case.xxx

"3. The trademark sought to be registered by Respondent-applicant is NOT IDENTICAL WITH and/or CLOSELY RESEMBLES THAT of

⁴ Exhibits "A" to "D"; Annexes "A" to "D" inclusive of submarkings

Opposer's registered trademark, BACTRIM, therefore, there is NO VIOLATION of Section 123.1 of the IP Code.

"4. Mistake and/or confusion is unlikely because of the stark differences in the subject trademarks' (a) PRONUNCIATION, since the mark BACTRICIN consists of three syllables, whereas the mark BACTRIM consists of only two syllables, and the marked difference in the two marks' pronunciation will not likely cause confusion as regards the two products, and (b) SPELLING, considering that the variance in the two marks' spelling are too significant and glaring that the public will easily distinguished one from the other. Therefore, Respondent-applicant respectfully submits that Opposer's apprehension of possible confusion as regards the two marks is merely a product of a fertile imagination which does not exist in reality.

"5. Moreover, Opposer's trademark is typed using a font which is different from that of the Respondent-applicant's trademark, hence, the two marks are plainly recognizable and distinguishable from one another at a moment's glance thru the use of the naked eye.

"6. It should be noted that that the Opposition miserably failed to state with particularity any other similarity aside from the perceived apprehension of likeness in subject trademark's lettering, with regards to the products labeling, packaging, prices, quality, sales outlets and market segments, which may likely create confusion, much less deception, in the public's mind.

"7. Therefore, herein Opposer do not have cause of action to oppose registration of the trademark BACTRICIN considering that no evidence was attached to the Opposition to prove the possibility or likelihood that the purchaser of the older brand mistaking it for the newer brand for it.

"8. Aside from the dissimilarities and discrepancies in the letterings of the subject marks, Opposer likewise failed to assert that the products involved, while belonging to the same class, that is, Class 05, have the same therapeutic purpose.

"9. More importantly, the provisions of the Generics Law strongly militate against the argument that confusion will arise in the case respondent-applicant's trademark application is granted by this Honorable Office xxx

"10. Therefore, under the said law, medical practitioners are required to write prescriptions using the generic name of the drug, and if he prefers a

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certain product, he may also add a brand name in the prescription. It is likewise required that the generic name shall appear prominently above the brand name in all labels and advertising or promotional materials. It is finally required that the drug outlets shall inform the buyer about any and all drug products having the same generic name. The question is: How then, with all the requirements in the Generics Law can confusion arise from prescription drugs subject matter of this case? xxx"

The Preliminary Conference was held on 12 March 2014 where both parties were directed to file their respective position papers. The Opposer filed its position paper on s on 24 March 2014. On 11 July 2016, Order No. 2016-1099 was issued giving the Respondent-Applicant an opportunity to file position paper.

Records show that at the time Respondent-Applicant applied for registration of the mark "BACTRICIN" for goods under class 5, namely: "pharmaceutical drug antibacterial", the Opposer already registered the mark BACTRIM under Registration No. 18649 on 11 April 1993⁵. The goods covered by the parties marks are both applied to products under class 5.

The question is: Are the competing marks identical or closely resembling each other such that confusion or mistake is likely to occur?

BACTRIM Bactricin

Opposer's Mark

Respondent-Applicant's Mark

Section 123.1 (d) of Rep.Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), provides that a mark cannot be registered if it:

(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.

⁵ Exhibit "A"

BACTRICIN resembles BACTRIM in looks and in sound. The Responent-Applicant's mark appropriates six of the seven letters of Opposer's mark, "B-A-C-T-R-I". The resemblance between the marks is sufficient to cause the likelihood of confusion, or even deception. The substitution of the last syllable CIN for the Opposer's IM, is negligible, considering that the marks are identical as to their prefix, "BACTRI". When pronounced, the words BACTRICIN and BACTRIM sound the same and are *idem sonans*. That the resemblance between the marks is likely to cause confusion is underscored by the fact that the Respondent-Applicant will use the mark BACTRICIN on pharmaceutical products which flow through drugstores and the same channels of trade. Consumers may even assume that BACTRICIN is just a variation of BACTRIM. Thus, in Marvex Commercial Co., Inc. v. Petra Hawpia⁶, the Supreme 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 "Jazz-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 "TradeMark Law and Practice", pp. 419-421, cites, as coming within the purview of the *idem* sonans rule, "Yusea" and "Lemon-Up". In Co Tiong vs. Director of Patents, this Court unequivocally said that "Celdura" and "Cordura" are confusingly similar in sound; this Court held in Sapolin Co. vs. Balmaceda, 67 Phil. 795 that the name "Lusolin" is an infringement of the trademark "Sapolin", as the sound of the two names is almost the same.

Thus, a comparison of the commercial impression generated by the competing marks, considering further the similarity in the classification of the goods upon which the marks are applied, suffice to conclude the likelihood of confusion. The Supreme Court in McDonald's Corporation v. L.C. Big Mak, Inc.⁷ held that: "Petitioners' failure to present proof of actual confusion does not negate their claim of trademark infringement. As noted in American Wire & Cable Co. v. Director of Patents, Section 22 requires the less stringent standard of "likelihood of confusion" only. While proof of actual confusion is the best evidence of infringement, its absence is inconsequential."

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2012-010427 is hereby SUSTAINED. Let the filewrapper of the

⁷ G.R. No. L 143993, 18 August 2004

⁶ G.R. No. L--19297, 22 December 1966

subject trademark be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

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Taguig City, <u>22' JUN 20</u>17

Adoraum Tare

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