

SANOFI,
Opposer,

-versus-

GLOBAL PHARMATRADE,
Respondent-Applicant.

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}	IPC No. 14-2016-00032
}	Opposition to:
}	Appln. Serial No. 4-2015-503830
}	Date Filed: 10 July 2015
}	
}	
}	TM: SALMETIN

NOTICE OF DECISION

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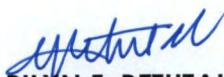
GLOBAL PHARMATRADE
Respondent- Applicant
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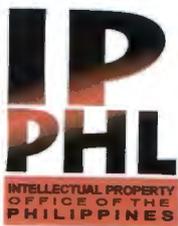
GREETINGS:

Please be informed that Decision No. 2017 - 176 dated 01 June 2017 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHEL 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, 01 June 2017.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs



SANOFI,

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Opposer, }

IPC No. 14-2016-00032

-versus-

}
Opposition to:

}
Application No. 4-2015-503830

}
Date Filed: 10 July 2015

}
Trademark: "SALMETIN"

GLOBAL PHARMATRADE,

}
Respondent-Applicant. }

}
Decision No. 2017- 176

x-----x

DECISION

SANOFI¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2015-503830. The application, filed by Global Pharmatrade² ("Respondent-Applicant"), covers the mark "SALMETIN" for use on "*pharmaceutical preparations (maintenance treatment of chronic obstructive airways disease)*" under Class 05 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x

"IV.

"GROUNDS IN SUPPORT OF THIS OPPOSITION

"7. The Respondent-Applicant's application for the registration of the mark SALMETIN should not be accepted by this Honorable Office since to do so would be contrary to Section 123.1 (d) and Section 123.1 (f) of the Intellectual Property Code, which prohibits the registration of a mark that:

x x x

"8. The act of the Respondent-Applicant in adopting the mark SALMETIN for his pharmaceutical products in International Class 5 is clearly an attempt to trade unfairly on the goodwill, reputation and consumer awareness of the Opposer's distinctive SANTELMi mark that was previously registered before this Honorable Office. Such act of the Respondent-Applicant results in the diminution of the value of the Opposer's distinctive SANTELMi mark.

"9. The Opposer's distinctive SANTELMi mark is registered in International Class 5, identical to the class to which the Respondent-Applicant seeks registration for its SALMETIN mark which is being sought for registration under International Class 5 for, 'Pharmaceutical Preparations (Maintenance treatment of chronic obstructive airways disease)'. Further, because the Opposer is internationally well-known as one of the

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³The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on a 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 Purposes of the Registration of Marks concluded in 1957.



leading pharmaceutical companies in the world which specializes in drugs used for the treatment and prevention of most all of the cardiovascular diseases, the same is likely to be associated with the Respondent-Applicant's SALMETIN mark leading to consumer confusion.

"10. Goods are closely related when they belong to the same class, or have the same descriptive properties, or when they possess the same physical attributes or characteristics, with reference to their form, composition, texture or quality.

"11. Opposer first filed its registration for the SANTELMi mark in the Philippines on February 12, 2012. Today, there is only one SANTELMi trademark registered with the Philippine Intellectual Property Office that is owned by the Opposer.

"12. The Opposer's SANTELMi trademark, being the more senior mark, clearly enjoys protection. Jurisprudence is well-settled that protection is accorded to trademarks that have prior, or a more senior registration. As held by the Supreme Court in the case of Berris Agricultural Co., Inc., vs. Norby Abyadang,

x x x

"Clearly, ownership and protection of a trademark is granted from its registration and actual use. The Opposer is undoubtedly the more senior registrant, being first issued a Certificate of Registration in the Philippines in 2014. The Supreme Court has also held that registration of the mark also grants the registrant exclusive right to use the trademark, thereby precluding the Respondent-Applicant, the more junior applicant, from appropriating and using the same.

"13. Certificates of Registration that the Opposer has obtained all over the world, included in the Affidavit of Ms. Guillas attached hereto as Annex 'B', is evidence that the Opposer's mark SANTELMi is internationally well-known and warrants protection.

"14. The Opposer's mark SANTELMi and the Respondent-Applicant's mark SALMETIN are identical and/or similar, in the following respects to wit:

- "14.1 Both are purely word marks, SANTELMi and SALMETIN;
- "14.2 Both marks are composed of eight (8) letters, i.e., S-A-N-T-E-L-M-I and S-A-L-M-E-T-I-N;
- "14.3 Both marks are composed of only three (3) syllables, SAN-TEL-MI and SAL-ME-TIN, which when applied to identical/similar goods heighten the visual, aural, phonetic and conceptual similarity between the marks;
- "14.4 All the letters used in both marks are identical albeit jumbled by the Respondent-Applicant to camouflage its intent to copy, imitate and/or simulate the Opposer's registered SANTELMi mark;
- "14.5 The Respondent-Applicant's mark and the Opposer's mark are undoubtedly phonetically similar;
- "14.6 Both marks are applied for, used or intended to be used in the similar class of goods namely in International Class 5.

"15. The Respondent-Applicant's mark SALMETIN very closely resembles and is very similar to the Opposer's distinctive SANTELMi mark that was previously

registered in the Philippines and elsewhere in the world. The resemblance of the Opposer's and the Respondent-Applicant's respective marks is more evident upon a juxtaposition of the said marks.

x x x

"16. Goods bearing the Opposer's mark SANTELM I and the Respondent-Applicant's mark SALMETIN are commercially available to the public through the same channels of trade such that an indiscriminating buyer might confuse and interchange the products bearing the Respondent-Applicant's mark SALMETIN for goods bearing the Opposer's distinctive mark SANTELM I. It is worthy to mention that the relevant consumers affected herein will be the buyers of pharmaceutical products. Naturally, consumers would merely rely on recollecting the dominant and distinct wording of the marks. There is a great similarity and not much difference between the Opposer's mark SANTELM I and the Respondent-Applicant's mark SALMETIN. Thus, confusion will likely arise and would necessarily cause the interchanging of one product with the other.

"17. Considering the fact that the goods involved are related and flow through the same channels of trade, the possibility of confusion is more likely to occur in the light of the fact that ordinary consumers, who are prone to self-diagnose illnesses and purchase prescription drugs even without a doctor's prescription, may mistakenly believe that the goods of the Respondent-Applicant is equivalent to, or affiliated with, the Opposer's goods.

"18. The Respondent-Applicant's SALMETIN mark so closely resembles the Opposer's distinctive SANTELM I mark that the Filipino public will undoubtedly confuse one with the other or worse, believe that goods bearing the Respondent-Applicant's mark SALMETIN originate from the Opposer, or, at least, originate from economically linked undertakings.

"19. In *American Wire & Cable Co. v. Director of Patents*, 31 SCRA 544, 547-548 (1970), the Supreme Court through Justice J.B.L. Reyes ruled:

x x x

"20. In addition, under the rule of *idem sonans*, it is clear that there is a confusing aural similarity between the marks. The Supreme Court has held that the mark 'Gold Top' is 'aurally' similar to 'Gold Toe'. Furthermore, in *McDonald's vs. L.C. Big Mak*, 437 SCRA 10, 34 (2004) citing *Marvex Commercial Co., Inc. vs. Petra Hawpia & Co., et al.*, Phil 295, 18 SCRA 1178 (1966) the Supreme Court held:

x x x

"Considering that the Respondent-Applicant merely jumbled the positions of some of the letters composing the Opposer's SANTELM I mark to form its SALMETIN mark, it cannot be denied that the two marks are aurally similar and would indubitably cause confusion amongst the Filipino consumers.

"21. In view of the fact that both marks consist of eight (8) letters which are similar or identical to each other. The only difference is positioning of some of the letters composing the subject marks. Thus, Respondent-Applicant's SALMETIN mark is merely an anagram of the Opposer's SANTELM I mark which makes both marks visually and phonetically similar.

"22. The Honorable Office had occasion to deny the registration of a trademark under the rule of idem sonans. In Inter Partes Case No. 14-2009-00086 concerning the registration of the trademark 'RENNIE', this Honorable Bureau ruled:

x x x

"The Honorable Office relied on the idem sonans rule in denying the registration of the trademark RENNIE. If the Honorable Bureau denied registration of a mark to be used on a pharmaceutical product that treated a different illness from that for which the products of the Opposer are used on, all the more reason for this Honorable Office to likewise deny registration of a junior mark that will be used on a pharmaceutical product that will treat identical illnesses as that for which products bearing the senior mark will be used on, as in the case of the Opposer's SANTELMi mark and the Respondent-Applicant's SALMETIN mark.

"23. This Honorable Office has also applied the idem sonans rule in the more recent case of Merck KGAA vs. Serville Pharmaceuticals, Inc., where it ruled that:

x x x

"24. Pharmaceutical products bearing the Opposer's distinctive mark SANTELMi are used in the treatment of pharmaceutical preparations under International Class 5. On the other hand, the goods bearing the Respondent-Applicant's mark SALMETIN is applied for, 'pharmaceutical preparations', designated also under International Class 5 which is identical to that of the Opposer's SANTELMi mark. The presence of two identical and/or similar pharmaceutical products bearing highly similar trademarks which are used to treat the same illnesses will indubitably lead to consumer confusion.

"25. In consonance with public policy, it is the duty of this Honorable Office to protect the Filipino purchasing public by ensuring that there is no confusing similarity involving medicinal products. Unlike ordinary goods, confusion of product between medicinal goods may also arise from as a result of a physician's illegible handwriting, thus the need for further protection. This has been recognized in jurisprudence, notably in *Morgenstern Chemical Co. v. G.D. Searle & Co.*, 253 F. 2d 390 (1958).

"26. In *Morgenstern*, the United States Court of Appeals ruled that the, 'obvious similarity in derivation, suggestiveness, spelling, and sound in careless pronunciation, between 'Micturin' and 'Mictine' as applied to pills to be taken by mouth for therapeutic purposes requires the conclusion, in the circumstances of this case, that the defendant has infringed the rights of the plaintiff in its common-law trade name Micturin and should be restrained from further doing so.

"27. Further, in *Morgenstern*, the Court also noted that it is common knowledge that mistakes or confusion occurring in filing handwritten prescriptions which are not legible. In arriving at this conclusion, the Court of Appeals in *Morgenstern* appropriately ruled that:

x x x

"28. The ruling in *Morgenstern* should squarely be applied in the case at bar. The fact that the medicinal products of the parties are for identical indications highlights the stubborn fact that there exist a possibility of one medicinal product being dispensed for the other medicinal product, which could easily be remedied by requiring clearly

dissimilar trademarks in the field of medicinal products. The reputation and goodwill of the Opposer should not be trifled with the talismanic invocation that there is only a remote possibility of confusion. The fact clearly remains that the goods of the parties belong to the same class, are identical, and are available through the same channels of trade. As the Supreme Court in *Ang v. Teodoro* has aptly stated:

x x x

"29. The case of *Glenwood Laboratories, Inc. v. American Home Prod. Corp.*, 455 F. 2d 1384 (C.C.P.A. 1972), aptly illustrates the danger of confusion as regards medicinal products bearing similar marks, ruling that,

x x x

"It is clear that the ruling in *Glenwood Laboratories* that medicinal products require greater protection because confusion or mistake in filling up a prescription would produce harmful effects. Regardless of the high degree of educational attainment and discernment attained by the physicians prescribing these drugs, it cannot be denied that the purchasing public should be protected from the possible harm that may arise from a confusion of the marks.

"30. Further, this Honorable Office has also aptly stated in *Inter Partes Case No. 14-2009-000172* concerning the opposition of the trademark 'Solvit' that:

x x x

"The registration of the Respondent-Applicant's mark SALMETIN will lead the purchasing public to believe that the goods of the Respondent-Applicant emanate from the Opposer. If the products of the Respondent-Applicant are inferior in quality, there will be grave and irreparable injury to the Opposer's valuable goodwill in its distinctive SANTELMi mark. Furthermore, the use and registration of the mark SALMETIN by the Respondent-Applicant will dilute and diminish the distinctive character of the Opposer's distinctive SANTELMi mark.

"31. Of all the possible combinations of the letters of the alphabet and words, the Respondent-Applicant chose to use the mark SALMETIN to identify its goods in International Class 5, which are in direct competition with the Opposer's goods, also in International Class 5. It cannot be gainsaid that confusion will arise inasmuch as the goods are identical, and they cater to the same kind of purchasers. As pharmaceutical products for the treatment of identical illnesses, both will be found and displayed in hospitals, clinics, and pharmacies, probably side by side, making both products flow through the same channels of trade, thus making the Opposer and the Respondent-Applicant competitors in the same product industry. No conclusion can be drawn surrounding the case other than the fact that the Respondent-Applicant is knowingly and deliberately attempting to trade on the valuable goodwill and to ride on the notoriety of the Opposer's distinctive SANTELMi mark that has been previously registered throughout the world for several years including the Philippines.

"32. Clearly, the registration and use of the Respondent-Applicant mark's SALMETIN is a usurpation of the distinctive SANTELMi trademark, a mark legally owned by the Opposer, as well as the goodwill associated therewith and/or passing off its own products, as those manufactured by the Opposer.



"33. By the Respondent-Applicant's attempt to register and use the mark SALMETIN for its goods in International Class 5, it is plain that the Respondent-Applicant seeks to take advantage of the worldwide and nationwide reputation of the Opposer and its products, particularly its SANTELMi mark, that the Opposer has gained by ingenious and persistent marketing and the expenditure of considerable sums of money to promote the same, by confusing and misleading the trade and the Filipino public in passing off its products as those of the Opposer and/or suggesting that they are being sold or are approved by the Opposer.

"34. The Respondent-Applicant seeks to register the mark SALMETIN which is confusingly similar to the Opposer's distinctive SANTELMi mark, as to be likely, when applied to the goods of Respondent-Applicant, to cause confusion, mistake or deception to the Filipino public as to the source of goods, and will inevitably falsely suggest a trade connection between the Opposer and the Respondent-Applicant, is simply violative of the Intellectual Property Code of the Philippines.

"35. This Honorable Office has recently ruled in Inter-Partes Case No. 14-2011-00059, regarding the presence of confusion or deception between the marks FERLIN and FERIDIN that:

x x x

"In light of this Honorable Office's ruling in the above-stated case against the same Respondent-Applicant, the Opposer humbly asks this Honorable Bureau to likewise rule that the minimal and inconsequential changes in the spelling of the Respondent-Applicant's SALMETIN will most likely occur in confusion, mistake, or deception.

"36. The Supreme Court discussed these two types of trademark confusion in *Mighty Corporation, et. al. vs. E. & J. Gallo Winery, et. al.*, G.R. No. 154342, July 14, 2004, 434 SCRA 473, 504, thus:

x x x

"Allowing Respondent-Applicant to use the mark SALMETIN on its goods in International Class 5, would not only allow it to take a free ride and reap the advantages of the goodwill and reputation of the Opposer's mark, but it would also confuse the consuming public who would be led to believe that the products sold by the Respondent-Applicant are produced and manufactured by the Opposer, or at the very least, a variant of the Opposer's products. Clearly, the risk of damage is not limited to a possible confusion of goods but also includes confusion of reputation if the general purchasing public could reasonably be misled into believing that the goods of the parties originated from one and the same source.

"37. In the case of *Societe Des Produits Nestle, S.A. vs. Dy, Jr.*, the Supreme Court held that:

x x x

"38. Moreover, in the case of *McDonald's Corporation vs. L.C. Big Mak Burger, Inc., et. al.*, the Supreme Court had occasion to rule that, 'while proof of actual confusion is the best evidence of infringement, its absence is inconsequential'.

"39. Thus, the denial of the registration of Trademark Application No. 4-2015-010599 for the mark SALMETIN by this Honorable Office is authorized and warranted under the provisions of the Intellectual Property Code of the Philippines.

The Opposer's evidence consists of the Special Power of Attorney executed by the Opposer in favor of Cesar C. Cruz and Partners Law Offices and the Affidavit executed by Sylvia Guillas, the Legal Director Trade Mark of SANOFI.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 31 March 2016. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark SALMETIN?

The Opposer anchors its opposition on the following provisions of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"):

Sec. 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;"

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or service which are not similar to those with respect to which registration is applied for: Provided, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: Provided further, That the interests of the owner of the registered mark are likely to be damaged by such use;

Records show that at the time the Respondent-Applicant filed its trademark application on 10 July 2015, the Opposer has an existing trademark registration for the mark SANTELMI under Trademark Reg. No. 4-2014-1810 issued on 05 June 2014. The registration covers "pharmaceutical preparations" under Class 05. On the other hand, the Respondent-Applicant's trademark application for the mark SALMETIN covers "pharmaceutical preparations (maintenance treatment of chronic obstructive airways disease)" in Class 05.

⁴Marked as Annexes "A" and "B", inclusive.

Hence, the question, does SALMETIN resemble SANTELMI such that confusion or deception is likely to occur? A comparison of the competing marks reproduced below:

SANTELMI

SALMETIN

Opposer's trademark

Respondent-Applicant's mark

shows that confusion is likely to occur in this instance because of the close resemblance between the marks and that the goods are the same and are for human consumption. Designated as SALMETIN, Respondent-Applicant's pharmaceutical products are "pharmaceutical preparations (maintenance treatment of chronic obstructive airways disease)" under Class 05. Opposer's products covered under SANTELMI are "pharmaceutical preparations", likewise, in Class 05. Both marks have the same number of letters and syllables. Both marks used the same letters "S", "A", "N", "T", "E", "L", "M" and "I". Respondent-Applicant merely jumbled the positions of the same or identical letters to come up with the mark SALMETIN. SALMETIN appears and sounds almost the same as Opposer's trademark SANTELMI. Hence, a mistake in the dispensation of drugs is possible. Likewise, it could result to mistake with respect to perception because the marks sound so similar. Under the idem sonans rule, the following trademarks were held confusingly similar in sound: "BIG MAC" and "BIG MAK"⁵, "SAPOLIN" and LUSOLIN"⁶, "CELDURA" and "CORDURA"⁷, "GOLD DUST" and "GOLD DROP". The Supreme Court ruled that similarity of sound is sufficient ground to rule that two marks are confusingly similar, to wit:

Two letters of "SALONPAS" are missing in "LIONPAS": the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of especial significance...."SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties.⁸

In conclusion, the subject trademark application is covered by the proscription under Sec. 123.1 (d) (iii) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2015-503830 is hereby SUSTAINED. Let the filewrapper of the

⁵ *MacDonalds Corp, et. al v. L. C. Big Mak Burger*, G.R. No. L-143993, 18 August 2004.

⁶ *Sapolin Co. v. Balmaceda and Germann & Co,m* 67 Phil, 705.

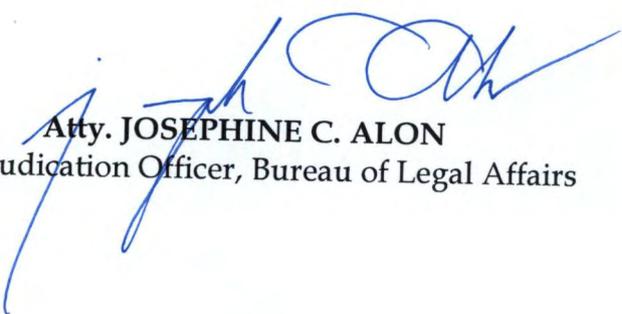
⁷ *Co Tiong SA v. Director of Patents*, G.R. No. L- 5378, 24 May 1954; *Celanes Corporation of America vs. E. I. Du Pont de Nemours & Co.* (1946), 154 F. 2d 146 148.)

⁸ *Marvex Commerical Co., Inc. v.Petra Hawpia & Co., et. al.*, G.R. No. L-19297, 22 Dec. 1966.

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, 01 JUN 2017.



Atty. JOSEPHINE C. ALON
Adjudication Officer, Bureau of Legal Affairs