

PHILIPPINES		
SANOFI,	}	IPC No. 14-2015-00364
Opposer,	}	Opposition to:
	}	Appln. Serial No. 4-2015-002009
-versus-	}	Date Filed: 24 February 2014
	}	
	}	
PT DEXA MEDICA,	}	TM: VALDIX
Respondent-Applicant.	}	
X	X	

NOTICE OF DECISION

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GREETINGS:

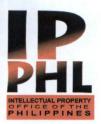
Please be informed that Decision No. 2017 - 262 dated 28 June 2017 (copy enclosed) was promulgated in the above entitled case.

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, 29 June 2017.

MARILYN F. RETUTAL

Bureau of Legal Affairs



SANOFI.

· versus ·

Opposer,

IPC NO. 14 - 2015 - 00364

Opposition to:

Appln Serial No. 42015002009

TM: "VALDIX"

PT DEXA MEDICA,

Respondent-Applicant.

DECISION NO. 2017 - 262

DECISION

SANOFI (Opposer)¹, filed an Opposition to Trademark Application Serial No. 4-2015-002009. The application filed, by PT DEXA MEDICA (Respondent-Applicant)2, covers the mark "VALDIX" for "pharmaceutical products used for treatment of hypertension, heart failure(NYHA class II-IV), post myocardial infarction" under Class 5 of the International Classification of Goods.3

In its Opposition, the Opposer alleges:

Respondent-Applicant's application for registration of the mark VALDIX should not be given due course by this Honourable Office because its registration is contrary to Section 123.1 (d) and Section 123.1 (f) of the Intellectual Property Code, which prohibit the registration of a mark that:

$x \times x$

- (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 is nearly resembles such a mark as to be likely to deceive or cause confusion

¹ A corporation organized under the laws of France with business address at 54, rue de la Boetie, Paris,

² A domestic corporation with address at Ji Jend, Bambang Utoyo, No. 138, Palembang. India

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. Republic of the Philippines

(f) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known in accordance with the preceding paragraph, which is registered in the Philippines, with respect to goods or services which are not similar to those with respect to which registration is applied for: Provided, that the use of the mark in relation to 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;

 $x \times x$

- 8. While the Opposer's mark is used for medical and pharmaceutical preparations and/or products under International Class 5, the goods of the Respondent-Applicant for which registration is sought, is designed similarly for; "treatment of hypertension", which is exactly under the same International Class 5 as that of the Opposer's product on which its internationally well-known VALGRIX mark is intended to be used.
 - 8.1 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 essential characteristics with reference to their form, composition, texture or quality.
- 9. Moreover, the Respondent-Applicant's mark closely resembles and is very similar to the Opposer's internationally well-known VALGRIX 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 most evident upon a juxtaposition of the said marks, to wit:

Opposer's VALGRIX mark

VALGRIX

Respondent-Applicant's VALDIX mark

VALDIX

- 9.1 Both marks are purely word marks.
- 9.2 Both marks begin with the sae three (3) letters, the letters "V", "A" and "L"
- 9.3 Both marks end with the same two (2) letters, the letter "I" and "X"

- 9.4 The first syllable of both marks are exactly the same, that is, "VAL".
- 9.5 Both marks consist of two syllables which makes the marks phonetically and aurally similar.
- 9.6 Both marks are used in Class 5.
- 9.7 The Respondent-Applicant's VALDIX mark may be believed to be derived from the Opposer's VALGRIX mark.
- 10. Out of all the possible combinations of the letters of the alphabet, the Respondent-Applicant chose to use VALDIX to identify its goods in the 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 that will be manufactured by both parties refer to the same type of pharmaceutical product, for the same indication, in the same class of goods and which flow through the same channels of trade.
- 11. Goods bearing the Opposer's mark VALGRIX and the Respondent-Applicant's mark VALDIX will be commercially available the public through the same channels of trade such that an undiscriminating buyer might confuse and interchange the products bearing the Respondent-Applicant's mark VALDIX for goods bearing the Opposer's mark VALGRIX. Naturally, consumers would merely rely on recollecting the dominant and distinct wording between the Opposer's mark VALGRIX and the Respondent-Applicant's mark VALDIX. Thus, confusion will likely arise and could necessarily cause the interchanging of one product with the other.
- 12. The Respondent-Applicant's mark, VALDIX resembles the Opposer's VALGRIX mark. The Respondent-Applicant conveniently forgot that the first three (3) letters of both marks, i.e. 'V', 'A', and 'L' are the same and the last two (2) letters are the same, i.e. 'I' and 'X'- the only difference being that the Respondent-Applicant merely replaced the letters 'G' and 'R' of the Opposer's VALGRIX mark with the letter 'D' while all other letters used in the Respondent-Applicant's mark are the same including the position of the letters used therein. The stubborn fact remains that both marks are: (1) word marks; (2) belong to the same International Class 5; and (3) will be available in the same channels of trade, i.e. pharmacies or drugstores.

 $\mathbf{x} \mathbf{x} \mathbf{x}$

- 14. It is clear that the registration and use of the Respondent-Applicant's mark VALDIX may cause confusion in the minds of the Filipino consuming public by usurping the mark VALGRIX, a mark legally owned by the Opposer, and the passing off its own products, as those manufactured by the Opposer.
- 15. The Respondent-Applicant seeks to register the mark VALDIX which is confusingly similar to the Opposer's VALGRIX mark, as to be likely when applied to the goods of the Respondent-Applicant, to cause confusion, mistake or deception to the public as to the source of goods, and will inevitably falsely suggest a trade connection between the Opposer and the Respondent-Applicant.

Allowing Respondent-Applicant to use the mark VALDIX in its goods under 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 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.

- 19. Furthermore, in the case of the 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 consequential".
- 20. Thus, the denial of the registration of the Trademark Application No. 14/2015/002009 for the mark VALDIX by this Honourable Office is authorized and warranted under the provisions of the Intellectual Property Code of the Philippines.

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

Exhibit "A" - Special Power of Attorney; and

Exhibit "B" - Affidavit of Ms. Sylvie Guillas including Annexes;

This Bureau issued a Notice to Answer on 15 October 2015 and served a copy to the Respondent-Applicant on 21 October 2015. However, the Respondent-Applicant failed to file an Answer.

In view thereof, an Order dated 18 April 2016 declaring the Respondent-Applicant in default was issued and served to Respondent-applicant on 22 April 2016. Consequently, the instant case was submitted for Decision.

The issue in this case is whether the Respondent-Applicant should be allowed to register the trademark "VALDIX."

The Opposition is grounded on Section 123.1 pars. (d) and (f) of Republic Act No. 8293, also known as, the Intellectual Property Code of the Philippines ("IP Code") which provide, as follows:

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;

x x x

(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 services 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;

 $x \times x$

The contending marks are depicted below for examination and comparison:

VALGRIX

VALDIX

Opposer's Marks

Respondent-Applicant's Mark

A cautious examination of the above trademarks and the evidence submitted by the Opposer, this Office finds merit to the arguments of the Opposer that the two contending marks are confusingly similar.

At the outset, five (5) of the six (6) letters of the wordmark being applied by the Respondent, particularly "V", "A", "L", "I" and "X", are similar to the Opposer's trademark. In addition, both trademark are composed of two syllables with the same aural effect — VAL-GRIX vis a vis VAL-DIX. While it is true that the first portion of the second syllable of the Respondent's trademark is different from that of the Opposer, the used of the suffix "IX" in the said syllable negate the difference as the marks would be pronounce with the same phonetical sound. These close similarities, both visually and phonetically, of the two wordmarks would create the same impression or confusion on the consuming public.

Our Supreme Court has consistently held that trademarks with *idem* sonans or similarities of sounds are sufficient ground to constitute confusing similarity in trademarks.⁴ It has been held that the following

⁴ Marvex Commercial Co., Inc. vs. Petra Hawpia and Co, G.R. No. L-19297, 22 December 1966

words: Duraflex and Dynaflex; ⁵ Lusolin and Sapolin; ⁶ Salonpas and Lionpas; ⁷ and Celdura and Cordura ⁸ are confusingly similar. In addition, our Supreme Court has recognized the confusing similarities in sounds of the following trademarks: "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 Fermetex"; and "Zuso" and "HooHoo." ⁹ Evidently, the competing trademarks "VALGRIX" and "VALDIX" fall squarely within the *idem sonans* rule.

Moreover, this Bureau also finds that the goods subject of the two trademarks are identical or at the very least closely related.

Verily, the field from which a person may select a trademark is practically unlimited. As in all other cases of colorable imitation, the unanswered riddle is why, of the millions of terms and combination of design available, the Respondent-Applicant had to come up with a mark so closely similar to another's mark if there was no intent to take advantage of the goodwill generated by the other mark.¹⁰

Time and again, it has been held in our jurisdiction that 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 Corollarily, the law does not require actual confusion, it being sufficient that confusion is likely to occur. 12 Because the respondent applicant will use his mark on goods that are similar and/or closely related to the opposer's, the consumer is likely to assume that the respondent applicant's goods originate from or sponsored by the opposer or believe that there is a connection between them, as in a trademark licensing agreement. 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: 13

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 one product in the

⁵ American Wire & Cable Company vs. Director of Patents and Central Banahaw Industries, G.R. L-26557 18 Fenruary 1970

⁶ Sapolin Co. vs. Balmaceda, 67 Phil 795

⁷ Marvex Commercial Co., Inc. vs. Petra Hawpa and Co, G.R. No. L-19297, 22 December 1966

⁸ Co Tiong vs. Director of Patents, 95 Phil 1

⁹ Marvex Commercial Co., Inc. vs. Petra Hawpia and Co, G.R. No. L-19297, 22 December 1966 citing Unfair Competition and Trade Marks by Harry Nims

¹⁰ American Wire & Cable Company vs. Dir. Of Patent, G.R. No. L-26557, February 18, 1970.

¹¹ American Wire & Cable Co. vs. Director of Patents, et. al., G.R. No. L-26557, February 18, 1970

¹² Philips Export B.V. et. al. vs. Court of Appeals, et. al., G.R. No. 96161, February 21, 1992

¹³ Converse Rubber Corporation vs. Universal Rubber-Products, Inc. et. al. G.R. No. L27906, January 8, 1987

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 former reflects adversely on the plaintiff's reputation. The other is the confusion of business. Here, 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.

In view of the prior registration of the Opposer trademark "VALGRIX", the confusingly similar mark "VALDIX" of Respondent-Applicant cannot be allowed to be registered under Section 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant opposition to Trademark Application Serial No. 42015002009 is hereby SUSTAINED. Let the filewrapper of Trademark Application Serial No. 42015002009 be returned together with a copy of this Decision to the Bureau of Trademarks (BOT) for appropriate action.

SO ORDERED.

Taguig City, **28 JUN 2017**

Atty. Leonardo Oliver Limbo Adjudication Officer Bureau of Legal Affairs