

SANOFI,
Opposer,

-versus-

ZENAUST PHARMA, INC.,
Respondent-Applicant.

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IPC No. 14-2016-00260
Opposition to:
Appln. Serial No. 4-2015-507192
Date Filed: 21 December 2015

TM: ZEN Amino

NOTICE OF DECISION

CESAR C. CRUZ & PARTNERS
Counsel for Opposer
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6811 Ayala Avenue, Makati City


ZENAUST PHARMA, INC.
Respondent- Applicant
1105 Chino Roces Avenue,
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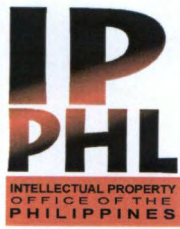
GREETINGS:

Please be informed that Decision No. 2017 - 190 dated 02 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, 02 June 2017.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs



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 -versus- }
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x-----x

IPC No. 14-2016-00260

Opposition to:
 Application No. 4-2015-507192
 Date Filed: 21 December 2015
 Trademark: "ZEN Amino"

Decision No. 2017- 190

DECISION

SANOFI¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2015-507192. The application, filed by Zenaust Pharma, Inc.² ("Respondent-Applicant"), covers the mark "ZEN Amino" for use on "*pharmaceutical preparations*" 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

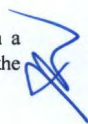
"11. The Respondent-Applicant's application for the registration of the mark ZEN Amino should not be accepted by this Honorable Office since to do so would be contrary to Section 123.1 (d) and Section 123.1 (f) of the Intellectual Property Code, which prohibits the registration of a mark that:

x x x

"12. The act of the Respondent-Applicant in adopting the mark ZEN Amino 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 ZENAMLO 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 ZENAMLO mark.

"13. The Opposer's ZENAMLO mark is registered in International Class 5, identical to the class to which the Respondent-Applicant seeks registration for its ZEN Amino mark. Further, because the Opposer's mark is internationally well-known and registered throughout the world, the same is likely to be associated with the Respondent-Applicant's ZEN Amino mark leading to consumer confusion.

¹With address at 54 Rue La Boetie 75008 Paris, France.
²With address at 1105 Chino Roces Ave. Brgy. Sta Cruz, Makati City, Metro Manila, 1205, Philippines.
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.



"14. 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.

"15. Opposer first filed its registration for the ZENAMLO mark in the Philippines IN 2013 under Trademark Registration No. 13804. Today, the ZENAMLO trademark registered with the Philippine Intellectual Property Office under Trademark Registration No. 11363.

"16. The Opposer's ZENAMLO 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 2013 under Registration No. 13804 and subsequently on 2015 under Trademark Registration No. 11363. The Supreme Court has also held that registration of the mark also grants the registrant exclusive right to use the trademark, thereby precluding the Respondent0-Applicant, the more junior applicant, from appropriating and using the same.

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

"18. The Opposer's mark ZENAMLO and the Respondent-Applicant's mark ZEN Amino are identical and/or similar, in the following respects to wit:

- "18.1. Both marks are purely word marks;
- "18.2. Both marks use identical prefixes, i.e., 'ZEN'-AMLO and 'ZEN'-AMINO;
- "18.3. The only differences between both marks are the substitution of the letters 'I' and 'N' by the Respondent-Applicant of the letter 'L' used by the Opposer while the rest of the letters are identical and as such, the marks are almost identical and are difficult to distinguish;
- "18.4. The Respondent-Applicant's mark and the Opposer's mark are undoubtedly phonetically similar;
- "18.5. Both marks are classified under International Class 5.

"19. The Respondent-Applicant's mark ZEN Amino very closely resembles and is very similar to the Opposer's ZENAMLO 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. Further, the two marks may be classified as 'synophones', a term in linguistics which refers to words that have similar sounds but different meanings. Such striking resemblance in sound creates a serious and confusing similarity that will undoubtedly deceive patrons of the Opposer's products.

"20. A mere perusal of the Respondent-Applicant's mark will illustrate a poor attempt at reproducing the Opposer's ZENAMLO trademark, clearly showing an intent to imitate the mark that is so closely associated with the Opposer's products. Neither si the Respondent-Applicant's act of dividing the Opposer's ZENAMLO mark into two words will conceal its true purpose of reproducing the Opposer's ZENAMLO mark;

"21. Goods bearing the Opposer's mark ZENAMLO and the Respondent-Applicant's mark ZEN Amino 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 ZEN Amino for goods bearing the Opposer's mark ZENAMLO. 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 ZENAMLO and the Respondent-Applicant's mark ZEN Amino. Thus, confusion will likely arise and would necessarily cause the interchanging of one product with the other.

"22. 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.

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

"24. 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

"25. 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 McDonalds'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 only difference between both marks is the substitution of the letter 'I' and 'N' by the Respondent-Applicant of the letter 'L' used by the Opposer while the rest of the letters are identical to the mark of the Opposer, it cannot be denied that the two marks are aurally similar and would indubitably cause confusion amongst the Filipino consumers.

"26. 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 should also be applied to this case.

"27. 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

"28. 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).

"29. 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.

"30 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

"31. 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.

x x x

"32. 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 from 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.

"33. 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 ZEN Amino 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 ZENAMLO mark. Furthermore, the use and registration of the mark ZEN Amino by the Respondent-Applicant will dilute and diminish the distinctive character of the Opposer's ZENAMLO mark.

"34. Of all the possible combinations of the letters of the alphabet and words, the Respondent-Applicant chose to use the mark ZEN Amino to identify his 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, 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. Furthermore, both will be in the consciousness of doctors, pharmacists and patients thus further increasing the likelihood of confusion and mistake. 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 ZENAMLO mark that has been used throughout the world for several decades including the Philippines.

"35. Clearly, the registration and use of the Respondent-Applicant mark's ZEN Amino is a usurpation of the internationally well-known mark ZENAMLO, 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.

"36. By the Respondent-Applicant's attempt to register and use the mark ZEN Amino for his goods in International Class 5, it is plain that the Respondent-Applicant seeks to take advantage of the worldwide and nationwide reputation of the mark ZENAMLO 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.

"37. The Respondent-Applicant seeks to register the mark ZEN Amino which is confusingly similar to the Opposer's ZENAMLO 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.

"38. 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-cited 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 ZEN Amino will most likely occur in confusion, mistake, or deception.

"39. 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 'ZEN Amino' on his goods in International Class 5, would not only allow him 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.

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

x x x

"41. 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'.

"42. Thus, the denial of the registration of Trademark Application No. 4-2015-507192 for the mark ZEN Amino 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 23 August 2016. Said Respondent-Applicant, however, did not file an Answer.

Should the Respondent-Applicant be allowed to register the trademark ZEN Amino?

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

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 21 December 2015, the Opposer has an existing trademark registration for the mark ZENAMLO under Trademark Reg. No. 4-2015-11363 issued on 17 December 2015. The registration covers "pharmaceutical preparations" under Class 05. This Bureau noticed that the goods indicated in Respondent-Applicant's trademark application for the mark ZEN Amino are similar to the Opposer's.

Hence, the question, does ZEN Amino resemble ZENAMLO such that confusion or deception is likely to occur? The marks are shown below:

ZENAMLO

ZEN Amino

Opposer's trademark

Respondent-Applicant's mark

This Bureau noticed that the pharmaceutical products covered by the marks are similar. Designated as ZEN Amino, Respondent-Applicant's pharmaceutical products are "pharmaceutical preparations" in Class 05. Opposer's products covered under ZENAMLO are likewise "pharmaceutical preparations" in Class 05. Respondent-Applicant's mark "ZEN Amino" adopted the dominant features of Opposer's mark "ZENAMLO". "ZEN Amino" appears and sounds almost the same as Opposer's

trademark "ZENAMLO". Respondent-Applicant merely substituted the letter "L" in Opposer's ZENAMLO with the letters "I" and "N" to come up with the mark ZEN Amino. 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:

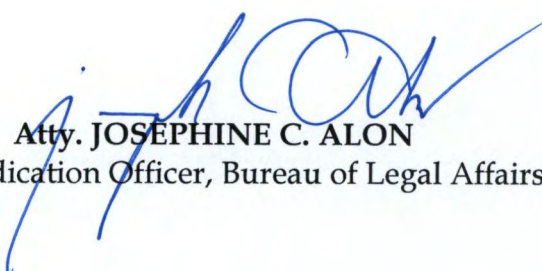
Two letters of "SALONPAS" are missing in "LIONPAS": the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of especial significance...."SALONPAS" and "LIONPAS", 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. 4-2015-507192 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, 02 JUN 2017.


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

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.* 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.