

SANTEN PHARMACEUTICAL CO. LTD.,
Opposer,

-versus-

SRS PHARMACEUTICALS PHLS. INC.,
Respondent-Applicant.

IPC No. 14-2013-00182

Opposition to:

Appln. Serial No. 4-2012-014294

Date Filed: 23 November 2012

TM: SANTON

X-----X

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2017 - 318 dated 23 August 2017 (copy enclosed) was promulgated in the above entitled case.

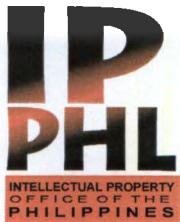
Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, 24 August 2017.

MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

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Trademark: "SANTON"

Decision No. 2017 - 318

DECISION

SANTEN PHARMACEUTICALS PHILS. INC. ("Opposer"),¹ filed a verified opposition to Trademark Application Serial No. 4-2012-014294. The application, filed by SRS PHARMACEUTICALS, PHILS. INC. ("Respondent-Applicant")², covers the mark "SANTON" for use on goods under class 05³ namely: *"pharmaceutical and medical preparations for the treatment of infections and diseases, illness and ailments, health, food and dietary supplements, home remedy and herbal preparations, food products, medical devices, sanitary preparations; dietetic substances adapted for medical use, food for babies."*

The Opposer alleges that Kenkichi Taguchi founded the Opposer company in 1890 when he opened Taguchi Santendo in Osaka, Japan. The main product at the time was a cold medicine called Hebrin-gan. Nine (9) years after its foundation, Opposer launched Daigaku Eye Drops. In 1958, Opposer changed its name from Santendo Co. Ltd. in 1925, to Santen Pharmaceutical Co. Ltd. Soon after, the Opposer began to establish its presence in overseas markets. Accordingly, Opposer's products bearing the trademark SANTEN were introduced in the Philippines in November 1999 through its present distributor, Croma Medic Inc. Opposer's business is not only limited to pharmaceuticals. It has actively participated in the ophthalmic devices market as an expert in the field of ophthalmology.

According to the Opposer, the registration of the mark SANTON in the name of the Respondent-Applicant will violate and contravene the provisions of Sections 123.1 (d), (e), (f) and (g) of the Intellectual Property Code ("IP Code"), as amended, because said mark is confusingly similar to Opposer's own internationally well-known SANTEN trademark and its

¹ A corporation duly organized and existing under the laws of Japan, with principal office at 3-19-19, Shimoshinjo, Higashiyodogawa-ku, Osaka 533-8651 Japan..

² A corporation with address at Unit 1903, Jollibee Plaza Condominium, F. Ortigas Road, Ortigas Center, Pasig City, Metro Manila, Philippines..

³ 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.

variants as to be likely to cause confusion or mistake, or deceive the purchasers thereof as to the origin of the goods. The Opposer further sets the following grounds, as follows:

1. Opposer is the prior adopter, user and true owner of the trademark SANTEN and its variants, in the Philippines and elsewhere around the world.
2. Opposer is the owner of the international well-known trademark SANTEN and its variants which is registered with the IPOPHL of the mark: SANTEN AND S DEVICE, Certificate of Registration No. 65063 on 30 July 1997.
3. Respondent-Applicant's mark SANTON is confusingly similar to Opposer's internationally well-known and registered trademark in the Philippines, SANTEN AND S DEVICE trademark and its variations, both covering drugs and related goods.

The Opposer submitted the following evidence:

1. Duly authenticated Special Power of Attorney;
2. Certified true copy (Ctc) of Certificate of Registration No. 65063 for the trademark SANTEN AND S DEVICE;
3. Duly notarized Affidavit Direct Testimony executed by Atty. John Ryan E. Seguit;
4. Duly notarized Affidavit Direct Testimony executed by Masaaki Hayashi, Ph.D., General Manager, Intellectual Property Group, Corporate Development Division;
5. List of countries where the mark SANTEN and its variants are registered;
6. Samples of registration certificates for the trademark SANTEN and its variants; and,
7. Samples of SANTEN's product packaging and product manual/inserts, advertising materials, and photos of events in the Philippines.

On 22 August 2013, Respondent-Applicant submitted its Verified Answer. In its Affirmative Claims and Defenses, it alleges that SANTON is not confusingly similar to SANTEN. Anyone would easily identify the difference between the words SANTON and SANTEN both visually and on the basis of their sound effects.

Respondent-Applicant further alleges that Opposer's trademark covers its specialization, i.e., ophthalmic and rheumatic pharmaceutical; while its trademark is more general in the coverage of illness/es it intend/s to treat. Thus, the goods of Opposer are not always available and sold together with the goods of Respondent-Applicant due to difference in drug specialization. In fact, Respondent-Applicant is committed towards manufacture and supply of finest quality medication used for the treatment of life threatening diseases and conditions, particularly Cardiovascular Drugs, Anticancer Drugs, Anti-Retroviral, Antibiotics, Anti Tubercular Medication, Analgesics and Antipyretics and others.

Finally, Respondent-Applicant avers that the competing products are both sold in pharmacies which require the assistance of pharmacists in the identification of medicines, which lessens the probability of confusion and deception.

The preliminary conference was conducted and terminated on 10 February 2014. Thereafter, the parties submitted their respective position papers⁴, thus, this instant case is deemed submitted for decision.

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

The records and evidence show that at the time the Respondent-Applicant filed its trademark application on 23 November 2012⁵, the Opposer has already an existing trademark registration for the mark SANTEN bearing Registration No. 65063 issued on 30 July 1997⁶. The validity of this registration is maintained through the filing of the 5th year Declaration of Actual Use⁷. The Opposer also has various registration of its SANTEN mark and its variations in foreign countries⁸. Unquestionably, the Opposer's applications and registrations preceded that of Respondent-Applicant's.

A comparison of the Opposer's mark with the Respondent-Applicant's is depicted below:



Opposer's Trademark



Respondent-Applicant's Trademark

The only difference between the marks is the fifth letter "E" in Opposer's SANTEN, which is changed to letter "O" in Respondent-Applicant's SANTON. Obviously, the two-syllabicated word marks appear visually and aurally similar.

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 trade name 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

⁴ Opposer and Respondent-Applicant submitted position papers on 21 February 2014.

⁵ Filewrapper records.

⁶ IPPhil Trademark Database, available at <http://www.wipo.int/branddb/ph/en/> (last accessed 22 August 2017).

⁷ Exhibits "B" of Opposer.

⁸ Exhibits "D-9" to "D-14", "D-15" to "D-332" of Opposer.

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

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

This Bureau further underscores the fact that the competing marks cover goods which are related in its kind, use, purpose and nature. This determines the likelihood of confusion by reason of Opposer's SANTEN registration which covers "*pharmaceuticals; drugs relating to the central nervous system, drugs relating to the peripheral nervous system, drugs relating to the sensory organs, drugs relating to allergies, drugs relating to the circulatory organs, agents relating to the digestive organs, hormone preparations, agents relating to the urinary, genital and anal organs, vitamin preparations, amino acids and their preparations, agents relating to metabolism, agents for treating physically caused lesions, agents for treating chemically used lesions, antibiotics and their preparations, diagnostic aids, veterinary drugs, ophthalmic use agents, cataplasms, immunizing agents*" in class 05¹¹, which appears related to the goods covered by herein Respondent-Applicant, which as indicated in the application document as "*pharmaceutical and medical preparations for the treatment of infections and diseases, illness and ailments, health, food and dietary supplements, home remedy and herbal preparations, food products, medical devices, sanitary preparations; dietetic substances adapted for medical use, food for babies*", also fall under class 05.

It appears, in addition to the same class of goods, that the goods covered by the parties are related to each other. Specifically, Respondent-Applicant's SANTON covers pharmaceutical and medical preparations for the treatment of infections and diseases, illness and ailments. This is related in nature and purpose to Opposer's SANTEN used as antibiotics and their preparations. It also appears that Respondent-Applicant's coverage is general in scope, thus, allowing the use of its mark SANTON on goods or pharmaceutical products that are already dealt in by the Opposer using the mark SANTEN.

Succinctly, considering the registration, use and presence of SANTEN products in pharmaceutical market¹², the minute changes in spelling did not diminish the likelihood of the occurrence of mistake, confusion, or even deception. SANTEN and SANTON have striking similarity in sounds, both consisting of three syllables, which make it not easy for one to distinguish one mark from the other. Trademarks are designed not only for the consumption of the eyes, but also to appeal to the other senses, particularly, the faculty of hearing. Thus, when one talks about the Opposer's trademark or conveys information thereon, what reverberates is the sound made in pronouncing it. The same sound, however, is practically replicated when one pronounces Respondent-Applicant's mark.

Accordingly, this Bureau finds and concludes that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1(d) of the IP Code, which provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor with an earlier filing or priority date, with respect to the same or closely related goods or services, or has a near resemblance to such mark as to likely deceive or cause confusion.¹³

¹¹ Id. at 6.

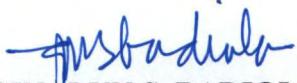
¹² Annex "C" of Exhibit "D" of Opposer.

¹³ Great White Shark Enterprise vs. Danilo M. Caralde, Jr., G.R. No. 192294, 21 November 2012.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2012-014294 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City. 23 AUG 2017


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