

GLAXOSMITHKLINE TRADING SERVICES LIMITED,

Opposer,

-versus-

VERHEILEN PHARMACEUTICALS, INC.,

Respondent-Applicant.

IPC No. 14-2014-00120

Opposition to:

Appln. Ser. No. 4-2013-013610 Date Filed: 13 November 2013

TM: ISOKIN

NOTICE OF DECISION

ORTEGA BACORRO ODULIO CALMA & CARBONELL

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Counsel for Respondent-Applicant West Tower 2005-A, PSE Center Exchange Road, Ortigas Center, Pasig City

GREETINGS:

Please be informed that Decision No. 2017 - 405 dated 05 December 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, 11 December 2017.

MARILYN F. RETUTAL

IPRS IV

Bureau of Legal Affairs



GLAXOSMITHKLINE TRADING SERVICES LIMITED,

Opposer, }

-versus-

VERHEILEN PHARMACEUTICALS, INC., Respondent-Applicant. IPC No. 14-2014-00120

Opposition to:

Appl. No. 4-2013-013610

Date Filed: 13 November 2013

Trademark: "ISOKIN"

Decision No. 2017-405

DECISION

GLAXOSMITHKLINE TRADING SERVICES LIMITED¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2013-013610. The application, filed by Verheilen Pharmaceuticals, Inc.2 ("Respondent-Applicant"), covers the mark "ISOKIN" for use as "pharmaceutical preparations" under Class 05 of the International Classification of Goods and Services.3

The Opposer alleges:

 $x \quad x \quad x$

"The facts and grounds for the opposition are as follows:

- The Opposer is the owner of the mark ISOKET, which was first used in November 1988 and then registered on December 5, 2004 in the Philippines in class 5, prior to Respondent-Applicant's application for the confusingly similar mark ISOKIN in class 5.
 - The mark ISOKET was first used in the Philippines, through Opposer's predecessor-in-interest Schwarz Pharma AG, in November 1988 for 'medicaments, pharmaceutical drugs, pharmaceutical preparations and substances for the treatment of coronary heart diseases and prevention of angina pectoris attacks' in class 05.
 - On November 26, 2001, a trademark application for ISOKET was filed under Philippine Trademark Application No. 4-2001-008826 for goods in class 5 described as "medicaments, pharmaceutical drugs, pharmaceutical preparations and substances for the treatment of coronary heart diseases and prevention of angina pectoris attacks'.

With address at 6900 Cork Airport Business Park, Kinsale Road, Cork, Ireland.

²With address at 2204-C West Tektite Tower, PSE Center, Exchange Road, Ortigas Center, Pasig City, Metro Manila, Philippines..

Intellectual Property Center #28 Upper McKinley Road

³The Nice Classification is a classification of goods and services for the purpose of registering trademark and service marks, based on multilateral treaty administered by the World Intellectual Property Organization. The treaty is called the Nice Agreement Concerning International Classification of Goods and Services for the Purposes of the Registration of Marks concluded in 1957.

- "1.3. On December 5, 2004, the mark ISOKET was accorded registration in class 5 and remains validly registered under Philippine Trademark Registration No. 4-2001-008826.
- "1.4. ISOKET was originally registered under the name of Schwarz Pharma AG of Alfred Nobel Strasse, 10 DE 40789, Monhein am Rhein, Germany. On August 5, 2009, Opposer and Schwarz Pharma AG executed an Assignment of Registered Trademark, whereby the former acquired all the rights, title, and interests over ISOKET, together with the goodwill of the business that has accrued through its use.
- "2. On the other hand, Respondent-Applicant filed its application to register its mark ISOKIN only on November 13, 2013-almost nine (9) years after Opposer's trademark ISOKET was registered in the Philippines, and after twenty (25) years after it was used locally.
 - "2.1. Respondent-Applicant seeks to register its trademark for ISOKIN under Class 5, which is the same class covered in the Opposer's trademark registration for ISOKET.
 - "2.2. In addition, Respondent-Applicant has designated the same goods, i.e., 'pharmaceutical preparations', for ISOKIN, covered by Opposer's trademark registration for ISOKET.
 - "2.3. Apparently, both trademarks are destined for use as brand names for pharmaceutical products which flow in the same channels of trade.
- "3. The Opposer's mark ISOKET and Respondent-Applicant's mark ISOKIN are unmistakably aurally and visually similar, likely to deceive or to cause confusion:
 - "3.1. Opposer's ISOKET and Respondent-Applicant's ISOKIN contains exactly the same first four (4) letters, 'I', 'S', 'O', and 'K', written in the same order, which is likely to create confusion to the public. Hence, both trademarks have the same overall impression as shown below:

XXX

- "3.2. Due to their identical first four (4) letters 'ISOK', the trademarks are not very different as a whole. The aural and visual similarities between the marks are strong and likely to make a lasting impression.
- "3.3. In addition, both marks ISOKET and ISOKIN contain six (6) letters and three (3) syllables. The only difference, which is in fact almost negligible, between the two marks is their respective suffixes.
- "3.4. Finally, when handwritten, as in written prescriptions, the marks are confusingly similar as illustrated below:

xxx

"3.5. Therefore, the resemblance and similarities between the Opposer's ISOKET and the subject trademark ISOKIN are such that they will likely to deceive or cause confusion to the public.

"4. From the foregoing, it is reasonably clear that the registration of the trademark 'ISOKIN' should be proscribed under Section 123.1 (d) of the Intellectual Property Code:

x x x

"5. In addition, trademark infringement is evident in Respondent-Applicant's attempt to adopt the dominant features of ISOKET and apply the same to ISOKIN. It is settled that 'if the competing trademark contains the main or essential or dominant features of another, and confusion and deception is likely to result, infringement takes place', as in the case at bar.

XXX

"6. Opposer's trademark ISOKET, is also well-known internationally and in the Philippines. Thus, Respondent-Applicant's mark ISOKIN should be denied registration under Section 123.1 (e) of the Intellectual Property Code, to wit:

XXX

- "6.4. The earliest date of international trademark registration of ISOKET is June 11, 1960 in various countries including Belarus, Egypt, Iran, Kazakhstan, Uzbekistan and Vietnam.
- "6.5. The pharmaceutical products bearing the trademark ISOKET are sold worldwide, and the mark ISOKET is also widely used in the following countries to name a few, Philippines, Indonesia, Malaysia, Singapore, Taiwan, Venezuela, Algeria, and Hong Kong.
- "6.6. As a consequence of such use of the mark ISOKET, Opposer has successfully achieved substantial and extensive sales worldwide and in the Philippines. Since ISOKET sales figures are confidential in nature, Opposer is separately attaching the same as confidential Exhibit 'A-8' to the Affidavit of Ms. 'medicaments, pharmaceutical drugs, pharmaceutical preparations and substances for the treatment of coronary heart diseases and prevention of angina pectoris attacks' Joanne Green.
- "7. Finally, it is apparent that Respondent-Applicant's use and attempted registration of the trademark ISOKIN is done in bad faith, with manifest intent to ride on the popularity and goodwill of the trademark ISOKET.
 - "7.1. ISOKET has been in use in the Philippines, and therefore has been known to the Philippine public, as early as November 1988 for pharmaceutical products for the treatment of coronary heart diseases and prevention of angina pectoris attacks.
 - "7.2. The pharmaceutical products for which the trademark ISOKET is used, are sold in various drugstores all over the Philippines. It is well-known in the local market, which makes it a valuable product and trademark for Opposer.

"7.3. ISOKET is the subject of Certificates of Product Registration (CPR) issued by the Food and Drug Administration (FDA) of the Philippines with the generic name 'Isosorbide Dinitrate':

XXX

"7.4. Advertising and promotion of ISOKET trademark have been aggressive and have successfully placed the brand among the top brands in the market. Advertising and promotion expenditures in the Philippines in the last five (5) years, are as follows:

x x x

- "7.5. Thus, the adoption by Respondent-Applicant of the mark ISOKIN having the same overall impression as Opposer's mark ISOKET will diminish and dilute the distinctiveness of Opposer's mark ISOKET which has been used by Opposer in the Philippines as early as November 1988.
- "8. From the foregoing, Respondent-Applicant's application for registration of the mark ISOKIN must be rejected considering its striking similarities with Opposer's mark ISOKET. More importantly, the protection of trademark as intellectual property is intended not only to preserve the goodwill and reputation of the business established on the goods bearing the mark through actual use over a period of time, but also to safeguard the public as consumers against confusion on these goods.

The Opposer's evidence consists of the Affidavit of Ms. Joanne Green, the Authorized Attorney of GlaxoSmithKline Trading Services Limited; the list of worldwide trademark registrations and applications for the trademark ISOKET; copies of Trademark registrations for the mark ISOKET issued in Hong Kong Singapore and Taiwan; print-out from IPOPHL database of Trademark Registration No. 4-2001-008826 for the mark ISOKET; copy of Assignment of Registered Trademark recorded before the IPOPHL on 16 September 2009; photos of the product bearing the trademark ISOKET; copy of ISOKET sales figures worldwide and in the Philippines; copies of Certificates of Product Registration (CPR) issued by the Food and Drug Administration (FDA) of the Philippines with the generic name 'Isosorbide Dinitrate'; samples of product packaging, package inserts and tablets sold in the Philippines for the trademark ISOKET; and print-out from the IPOPHL database of Philippine Trademark Registration No. 4-2013-013610 for the mark ISOKIN.4

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 4 June 2014. Thus, Respondent-Applicant had until 4 July 2014 within which to file a Verified Answer. Respondent-Applicant filed its Entry of Appearance and Motion for Extension of Time to File Verified Answer on 7 July 2014 via registered mail. Subsequently on 4 August 2014, it also filed a Motion for Extension of Time to File Verified Answer via registered mail. However, all these motions were filed out of time, hence, Respondent-Applicant was declared in default.

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

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

The Opposer anchors its opposition on Sections 123.1, paragraphs (d) and (e) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

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;"
- (e) 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 internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: *Provided*, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;

Records show that at the time the Respondent-Applicant filed its trademark application on 13 November 2013, the Opposer has an existing trademark registration for the mark ISOKET (Reg. No. 4-2001-8826) issued on 5 December 2004. The registration covers "medicaments, pharmaceutical drugs, pharmaceutical preparations and substances for the treatment of coronary heart diseases and prevention of angina pectoris attacks" under Class 05. This Bureau noticed that the goods indicated in Respondent-Applicant's trademark application, i.e., pharmaceutical preparations under Class 05, are similar and/or closely-related to the Opposer's.

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

ISOKET

ISOKIN

Opposer's trademark

Respondent-Applicant's mark

Confusion is likely in this instance because of the close resemblance between the marks and that the goods covered by the competing marks are similar and/or closely-related as they are both pharmaceutical products. Respondent-Applicant's mark ISOKIN adopted the dominant features of Opposer's mark ISOKET. ISOKIN appears and sounds almost the same as Opposer's trademark ISOKET. Both ISOKIN and ISOKET marks have six (6) letters. The first our (4) letters of both marks are the same. Both have three (3) syllables, "I-SO-KET" and "I-SO-KIN". Respondent-Applicant merely changed the last two letters "ET" in Opposer's ISOKET with the letters "IN" to come up with the mark ISOKIN. 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

It is emphasized that the function of a trademark is to point out distinctly the origin or ownership of the goods to which it is affixed; to secure to him, who has been instrumental in bringing into the market a superior article of merchandise, the fruit of his industry and skill; to assure the public that they are procuring the genuine article; to prevent fraud and imposition; and to protect the manufacturer against substitution and sale of an inferior and different article as his product.⁹ This Bureau finds that the mark applied for registration by the Respondent-Applicant does not meet this function.

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. 4-2013-013610 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.

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

⁸MarvexCommerical Co., Inc. v.PetraHawpia& Co., et. al., G.R. No. L-19297,22 Dec. 1966.

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

⁷Co 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.)

⁹ Pribhdas J. Mirpuri v. Court of Appeals, G.R. No. 114508, 19 November 1999, citing Ethepa v. Director of Patents, supra, Gabriel v. Perez, 55 SCRA 406 (1974). See also Article 15, par. (1), Art. 16, par. (1), of the Trade Related Aspects of Intellectual Property (TRIPS Agreement).

SO ORDERED.

Taguig City, 05 DEC 2017

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