



NOVARTIS AG,
Opposer,

-versus-

GALDERMA S.A.,
Respondent- Applicant.

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}
} IPC No. 14-2010-00230
} Opposition to:
} Appln. Serial No. 4-2010-000386
} Date Filed: 12 January 2010
} TM: "CLINDAC A"
}

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2014 - 162 dated June 23, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 23, 2014.

For the Director:


Atty. JOSEPHINE C. ALON
Bureau of Legal Affairs



NOVARTIS AG,
Opposer,

IPC NO. 14-2010-00230

Opposition to:

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Date Filed: 12 January 2010

GALDERMA S.A.,
Respondent-Applicant.

Trademark: "CLINDAC A"

X-----X

Decision No. 2014- 162

DECISION

NOVARTIS AG, ("Opposer")¹ filed an opposition to Trademark Application Serial No. 4-2010-000386. The application, filed by **GALDERMA S.A.** ("Respondent-Applicant")², covers the mark "CLINDAC A", for use on "*Pharmaceutical and medicinal preparations*" under Class 5 of the International Classification of Goods³.

The opposition is anchored on Sec. 123.1(d) of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"). The Opposer alleges, among other things, the following:

"10. The mark CLINDAC A of Respondent-Applicant Galderma S.A. is confusingly similar with the trademark ACLINDA of Opposer Novartis AG since:

"a. The word CLINDA in the mark of respondent-applicant is also present in Opposer's mark. Only the last two letters C and A in respondent-applicant's mark are different from Opposer's ACLINDA.

"b. The letters C-L-I-N-D-A in Respondent-Applicant's mark are in the same order in Novartis' mark.

"c. Due to the identity of the six (6) letters, both marks 'look' alike when viewed from a distance.

"d. The first letter A in Opposer's mark and the last letters C and A in the Respondent-Applicant's mark does not negate confusing similarity between the marks of Opposer and respondent-applicant.

"e. While the letter A appears first in the Opposer's mark ACLINDA, the letter A was merely transferred on the latter part of the Respondent-Applicant's mark CLINDAC A.

¹ A corporation duly organized and existing under the laws of Switzerland with address at 4002 Basel, Switzerland

² A corporation organized and existing under the laws of Switzerland with address at Zugerstrasse 8, CH-6330 Cham, Switzerland

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.

"f. Because of the near unanimity in the letters and syllables of the two (2) marks, the syntax, the sound and the pronunciation of the words are the same. Phonetically therefore, the two (2) marks are confusingly similar.

"g. Both marks are word marks in plain, block letterings and not stylized. Neither are in color nor are compounded with unique device or design. Hence, the similarity between the two marks is even more pronounced or enhanced.

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"18. Opposer's mark and Respondent-Applicant's mark both cover similar competing goods under International Class 5.

Opposer's mark ACLINDA covers:

'pharmaceutical preparations namely antibiotics, antiinfectives, dermatological preparations and gynecological, dietetic substance adapted for medical use, food for babies, plasters, materials for dressings, materials for stopping teeth, dental wax'

While Respondent-Applicant's mark CLINDAC A covers:

'Pharmaceutical and medicinal preparations and substances'

Evidently, both marks are used on similar or competing goods. Both cover pharmaceutical goods for human use under the classification (International Class 5). Both are also sold, marketed and/or found in the same channels of business and trade, namely pharmacies, clinics, hospitals, and/or doctor's offices. Hence, confusion will be more likely to arise in the minds of the purchasing public.

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"22. Opposer's application for the mark ACLINDA was filed on January 16, 2009, and subsequently registered on June 25, 2009, much earlier than respondent-applicant's application date for the confusingly similar mark CLINDAC A on January 12, 2010. Hence, Opposer's registration for the mark ACLINDA will bar the successful registration of respondent-applicant's confusingly similar mark CLINDAC A.

"23. The trademark ACLINDA was first registered in Germany in July 15, 1994 for 'Medicines for human's and animals' under Class 5.

"24. By virtue of Opposer's registration of the trademark ACLINDA in the Philippines and Germany, said trademark has become distinctive of Opposer's goods and business."

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

1. copy of Certificate of Reg. No. 4-2009-000548 issued on 25 June 2009 for the mark ACLINDA;
2. certified true copy of the German certificate of registration No. 2071580 for the mark ACLINDA;
3. Authenticated corporate secretary's certificate, dated 15 February 2010;
4. legalized Joint Affidavit of Marcus Goldbach and Andrea Felbermeir dated 9 September 2010; and

5. pages from NOVARTIS AG's Annual Report for the year 2009.⁴

This Bureau served upon the Respondent-Applicant a "Notice to Answer" on 2 November 2010. The Respondent-Applicant, however, did not file an Answer. Thus, the Hearing Officer issued on 18 January 2012 Order No. 2012-157 declaring the Respondent-Applicant in default.

Should the Respondent-Applicant be allowed to register the trademark CLINDAC A?

The essence of trademark registration is to give protection to the owners of trademarks. 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.⁵ Thus, Sec. 123.1 (d) of the IP Code provides that a mark cannot be registered if it is identical with a registered mark belonging to a different proprietor or a mark with an earlier filing or priority date, in respect of the same goods or services or closely related goods or services or if it nearly resembles such a mark as to be likely to deceive or cause confusion.

Records show that at the time the Respondent-Applicant applied for registration of the mark CLINDAC A, the Opposer had already registered the mark ACLINDA (Reg. No. 4-2009-000548, issued on 25 June 2009). The Opposer's trademark registration covers "*pharmaceutical preparations namely antibiotics, antiinfectives, dermatological preparations and gynecological, dietetic substance adapted for medical use, food for babies, plasters, materials for dressings, materials for stopping teeth, dental wax.*"

Are the competing marks, depicted below, identical or closely resembling each other such that confusion or mistake is likely to occur?

ACLINDA

Opposer's mark

CLINDAC A

Respondent-Applicant's mark

The competing marks are presented in plain and block style letters. The only difference between these marks is the position of the letter "A" in relation to "CLINDA". In the Opposer's mark, the letter "A" precedes "CLINDA". With respect to the mark applied for registration by the Respondent-Applicant, the letter "A" is placed after "CLINDA". That in the Respondent-Applicant's mark the letter "C" is added to CLINDA - to read as CLINDAC - is of no moment as it did not change the visual and aural properties of CLINDA. CLINDAC practically looks and sound identical to CLINDA.

⁴ Exhibits "A" to "E", inclusive of sub-markings

⁵ *Prihadas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 November 1999.

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 ingenious 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 other⁶. Colorable imitation does not mean such similitude as amounts 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 trade name 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 article⁷.

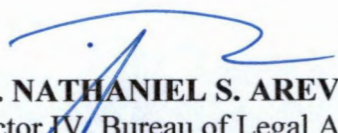
The likelihood of confusion or mistake in this instance is highlighted by the fact that the Respondent-Applicant's trademark application cover "*Pharmaceutical and medicinal preparations*". Such broad coverage would therefore include the pharmaceutical products covered by the Opposer's trademark registration. Thus, at the very least, CLINDAC A looks like just a variation of the mark ACLINDA. 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.⁸

It must be emphasized that the Respondent-Applicant was given the opportunity to defend its trademark application. However, it chose not to.

WHEREFORE, premises considered, the instant Opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2010-000385 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 23 June 2014.


Atty. NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs

⁶ *Societe Des Produits Nestle , S.A v. Court of Appeals*, G.R. No.112012, 4 April 2001, 356 SCRA 207, 217.

⁷ *Emerald Garment Manufacturing Corp. v. Court of Appeals*. G.R. No. 100098, 29 Dec. 1995.

⁸ *Converse Rubber Corporation v. Universal Rubber Products, Inc., et al.*, G.R. No. L-27906, 08 Jan. 1987.