PEDIATRICA, INC., Opposer, **-versus-** **ZYDUS PHILIPPINES, INC. ,** Respondent - Applicant.	}	**IPC No. 14-2013-00199** Opposition to: Appln. Serial No. 4-2012-014262 Date filed: 22 November 2012 **TM: "SERLIN"**

NOTICE OF DECISION

OCHAVE & ESCALONA
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ZYDUS PHILIPPINES, INC.
Respondent-Applicant
Unit Penthouse 1, 19th Floor, Gold Loop Tower A
Escriva Drive, Barangay San Antonio
Ortigas Center, Pasig City

GREETINGS:

Please be informed that Decision No. 2014 - 18 dated January 22, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, January 22, 2014.

For the Director:

Atty. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs

PEDIATRICA, INC.,	}	**IPC No. 14-2013-00199**
Opposer,	}	Opposition to:
	}	
- versus -	}	Application No. 4-2012-014262
	}	Date Filed: 22 November 2012
ZYDUS PHILIPPINES, INC.,	}	
Respondent-Applicant.	}	Trademark: **SERLIN**
x----------	x	Decision No. 2014 - 18

DECISION

PEDIATRICA, INC.[1] ("Opposer") filed on 08 May 2013 a Verified Notice of Opposition to Trademark Application No. 4-2012-014262. The application, filed by ZYDUS PHILIPPINES, INC.[2] ("Respondent-Applicant"), covers the mark SERLIN for use on *Sertraline (pharmaceutical product: antidepressants)* under Class 5 of the International Classification of goods[3].

The Opposer alleges the following:

"7. The mark SERLIN owned by Respondent-Applicant so resembles the trademark FERLIN owned by Opposer and duly registered with the IPO prior to the publication for opposition of the mark SERLIN.

"8. The mark SERLIN will likely cause confusion, mistake and deception on the part of the purchasing public, most especially considering that the opposed mark SERLIN is applied for the same class and goods as that of Opposer's trademark FERLIN, i.e. Class 05 of the International Classification of Goods as pharmaceutical product.

"9. The registration of the mark SERLIN in the name of the Respondent-Applicant will violate Sec. 123 of the IP Code, which provides, in part, that a mark cannot be registered if it:

> (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**; (Emphasis supplied)

1 A domestic corporation duly organized and existing under the laws of the Philippines, with office address at 3rd Floor, Bonaventure Plaza, Ortigas Avenue, Greenhills, San Juan City, Philippines.

2 Appears to be a domestic corporation with office address at Unit Penthouse 1, 19th Floor Gold Loop Tower A, Escriva Drive, Barangay San Antonio, Ortigas Center, Pasig City, Philippines.

3 Nice Classification is a classification of goods and services for the purpose of registering trademarks and service marks, based on a multilateral administered by the World Intellectual Property Organization. This 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.

x x x

"10. Under the afore-quoted provision, any mark, which is similar to a registered mark, shall be denied registration in respect of similar or related goods or if the mark applied for nearly resembles a registered mark that confusion or deception in the mind of the purchasers will likely result.

"11. Also, the registration of the mark SERLIN in the name of the Respondent-Applicant will violate Sec. 123.1 (h) and (j) of the IP Code, which provides, in part, that **a mark cannot be registered if it:**

x x x

(h) **Consists exclusively of signs that are generic for the goods or services that they seek to identify;**

x x x

(j) **Consists exclusively of signs or of indications that may serve in trade to designate the kind, quality, quantity, intended purpose,** value, geographical origin, time or production of the goods or rendering of the services, **or other characteristics of the goods of services;** (Emphasis supplied)

"12. As provided under the above-quoted provision, any mark, which is similar to a generic and/or descriptive term, shall be denied registration. Thus, considering the mark SERLIN owned by Respondent-Applicant so resembles the generic name SERTRALINE, a pharmaceutical drug used as anti-depressant, Respondent-Applicant's application for the registration of the mark SERLIN should also be denied on this basis."

To support its opposition, the Opposer submitted the following pieces of evidence:

1. Copy of the pertinent page of the IPO e-Gazette bearing publication date of 08 April 2013;
2. Certified true copy of Certificate of Registration No. 20285 for the trademark FERLIN;
3. Declarations of Actual Use and Affidavits of Use for the mark FERLIN;
4. Sample product label bearing the trademark FERLIN;
5. Certification and sales performance issued by IMS;
6. Certified true copy of Certificate of Product Registration issued by the FDA for the trademark FERLIN; and
7. Copy of International Nonproprietary Names for Pharmaceutical Substances.[4]

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 30 May 2013. The Respondent-Applicant, however, did not file its Verified Answer. Thus, this Bureau issued Order No. 2013-1452 dated 23

4 Exhibits "A" to "G", inclusive.

October 2013 declaring the Respondent-Applicant in default and submitting the case for decision on the basis of the opposition, affidavit of witness and documentary or object evidence submitted by the Opposer.

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

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, Section 123.1 (d) of R. A. No. 8293, also known as the Intellectual Property Code of the Philippines ("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.

In this regard, the records and evidence show that at the time the Respondent-Applicant filed its trademark application on 22 November 2012, the Opposer has long been issued a certificate of registration (No. 20285) for the trademark FERLIN on 08 October 1973. The Respondent-Applicant's trademark application indicates that the mark is for use on goods *"sertraline (pharmaceutical product: antidepressants)"* under Class 05 while the Opposer's registration covers goods also under Class 5, namely, *"hematinic pediatric liquid"*. The goods, therefore, are related in the sense that they are both pharmaceutical products under Class 05.

But do the marks, as shown below, resemble each other that confusion, or even deception, is likely to occur?

Opposer's Mark

Respondent-Applicant's Mark

Visually and aurally, the marks are confusingly similar. They both consist of six (6) letters and two (2) syllables. The five (5) letters E, R, L, I, N comprising the Respondent-Applicant's mark are exactly the same as that of the Opposer's. The change in the spelling in the first letter of the Respondent-Applicant's mark and the difference in their font style is inconsequential to the effect on the eyes and ears. As ruled by the Supreme Court, confusion cannot be avoided by merely dropping, adding or changing some of the letters of a registered mark. Confusing similarity exists when there is such a

5 See *Pribhdas J. Mirpuri v. Court of Appeals*, G. R. No. 114508, 19 Nov. 1999.

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.[6]

Also, when the marks are pronounced, they gave the same sounding effect since "FER" and "SER" are phonetically the same and both end with the syllable "LIN". Time and again, the court has taken into account the aural effects of the words and letters contained in the marks in determining the issue of confusing similarity.[7] Thus, in *Marvex Commercial Co., Inc. v. Petra Hawpia & Co., et al*[8]., the Court held:

> The following random list of confusingly similar sounds in the matter of trademarks, culled from Nims, Unfair Competition and Trade Marks, 1947, Vol. 1, will reinforce our view that "SALONPAS" and "LIONPAS" are confusingly similar in sound: "Gold Dust" and "Gold Drop"; "Jantzen" and "Jass-Sea"; "Silver Flash" and "Supper Flash"; "Cascarete" and "Celborite"; "Celluloid" and "Cellonite"; "Chartreuse" and "Charseurs"; "Cutex" and "Cuticlean"; "Hebe" and "Meje"; "Kotex" and "Femetex"; "Zuso" and "Hoo Hoo". Leon Amdur, in his book "Trade-Mark Law and Practice", pp. 419–421, cities, as coming within the purview of the idem sonans rule, "Yusea" and "U-C-A", "Steinway Pianos" and "Steinberg Pianos", and "Seven-Up" and "Lemon-Up". In Co Tiong vs. Director of Patents, this Court unequivocally said that "Celdura" and "Cordura" are confusingly similar in sound; this Court held in Sapolin Co. vs. Balmaceda, 67 Phil. 795 that the name "Lusolin" is an infringement of the trademark "Sapolin", as the sound of the two names is almost the same.

Succinctly, because the Opposer's and Respondent-Applicant's marks both deal with pharmaceutical products, the changes in the spelling therefore did not diminish the likelihood of the occurrence of mistake, confusion or even deception.

It is stressed that the determinative factor in a contest involving trademark registration is not whether the challenged mark would actually cause confusion or deception of the purchasers but whether the use of such mark will likely cause confusion or mistake on the part of the buying public. To constitute an infringement of an existing trademark, patent and warrant a denial of an application for registration, 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.[9] 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:[10]

Callman notes two types of confusion. The first is the confusion of goods in

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

7 *Prosource International Inc. v. Horphag Research Management S. A.*, G. R. No. 180073, 25 November 2009.

8 G. R. No. L-19297, 22 December 1966.

9 *American Wire and Cable Co. v. Director of Patents et al.*, G.R. No. L-26557, 18 Feb. 1970.

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

which event the ordinarily prudent purchaser would be induced to purchase one product in the 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.

Accordingly, this Bureau finds that the Respondent-Applicant's trademark application is proscribed by Sec. 123.1 (d) of the IP Code.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2012-014262 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 22 January 2014.

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

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