

SYNTEX PHARMACEUTICALS INTERNATIONAL LIMITED, Opposer,

-versus-

IPC No. 14-2012-00390
Opposition to:
Appln. Serial No. 4-2012-002564
Date Filed: 01 March 2012
TM: "MACROSYN"

EUROHEALTHCARE EXPONENTS, INC.,

Respondent -Applicant.

NOTICE OF DECISION

SYCIP SALAZAR HERNANDEZ AND GATMAITAN

Counsel for the Opposer SyCipLaw Center 105 Paseo de Roxas, Makati City

EUROHEALTHCARE EXPONENTS, INC.,

Respondent-Applicant # 67 Scout Fuentebella, Brgy. Laging Handa Tomas Morato, Quezon City

GREETINGS:

Please be informed that Decision No. 2014 - <u>\$\langle\$0\$</u> dated March 27, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, March 27, 2014.

For the Director:

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

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE



SYNTEX PHARMACEUTICALS INTERNATIONAL LIMITED,

Opposer,

-versus-

IPC No. 14-2012-00390

Opposition to Trademark Application No. 4-2012-002564 Date Filed: 01 March 2012

EUROHEALTHCARE EXPONENTS, INC.,

Respondent-Applicant.

Trademark: MACROSYN Decision No. 2014- 80

DECISION

Syntex Pharmaceuticals International Limited¹ (Opposer) filed an opposition to Trademark Application Serial No. 4-2012-002564. The contested application, filed by Eurohealthcare Exponents, Inc.² (Respondent-Applicant), covers the mark "MACROSYN" for use on "pharmaceutical product categorized as an antibacterial for treatment of wide variety of infections by susceptible organisms" under Classes 05 of the International Classification of Goods³.

The facts as alleged by the Opposer are as follows:4

"1. Opposer is the original and prior user of the trademark NAPROSYN as used in 'anti-inflammatory analgesic preparations' in Class 5. In the Philippines, Opposer, through its predecessor-in-interest Syntex (U.S.A.) Inc., appropriated the mark by filing an application for its original registration on December 4, 1975 and obtained the registration of said mark under Reg. No. 25742 issued on March 21, 1978 for a term of twenty years. Upon expiry of the original term of registration, Opposer obtained renewal of said registration under the provisions of the Intellectual Property Code for a term of twenty years from March 21, 1998. While the Opposer has had continuous use of its mark in the Philippines, due to some communication issues, Opposer filed the application for re-registration on January 10, 2003 instead of filing a Declaration of Use. Opposer obtained the current registration of its mark in its name under Reg. No. 4-2003-000229 issued on November 27, 2006. Opposer has been using the trademark NAPROSYN specifically in respect of its anti-inflammatory analgesic preparations in the Philippines since February 14, 1989, long before the Applicant appropriated the mark MACROSYN for use on closely related antibacterial preparations by filing the opposed application this year. Opposer has been actively promoting and selling NAPROSYN in the Philippines since its launching and to date, it

⁴ See Notice of Opposition, pp. 2-3.

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

Intellectual Property Center, 28 Upper McKinley Road, McKinley Hill Town Center Fort Bonifacio, Taguig City 1634 Philippines
T: +632-2386300 ● F: +632-5539480 ● www.ipophil.gov.ph

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¹ A company organized and existing under the laws of Bermuda with address ar Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

With address at #67 Scout Fuentabella, Brgy. Laging Handa, Tomas Morato, Quezon City, Metro Manila, Philippines.

³ The Nice Classification is a classification of goods and services for the purpose of registering trademark and services marks, based on the 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 Purpose of the Registration of Marks concluded in 1957.

remains to be one of the most recognized and accepted anti-inflammatory analgesic preparations in the country.

- "2. Applicant's trademark MACROSYN, as used on antibacterial preparations, so closely, aurally and visually, resembles Opposer's trademark NAPROSYN as also used on closely related anti-inflammatory analgesic preparations as to be likely, when applied to or used in connection with the related goods of Applicant, to cause confusion, mistake and deception on the part of the purchasing public. The registration and use of a confusingly similar trademark by the Applicant will tend to deceive and/or confuse purchasers into believing that Applicant's products emanate from or are produced under license from or sponsorship of the Opposer, for the following reasons:
 - i) the trademarks are closely similar, if not almost identical;
 - ii) the trademarks are applied on closely related goods;
 - iii) the parties are engaged in competitive business; and
- iv) the goods on which the trademarks are used are bought by the same class of purchasers and flow through the same channels of trade.
- "3. The Applicant's adoption of the confusingly and deceptively similar trademark MACROSYN for its identical pharmaceutical preparations is very likely to mislead the public into believing that its goods bearing the said trademark originate from, or are produced under license from or sponsorship of Opposer, which has been identified in the trade and by consumers as the source of superior quality and reliable pharmaceutical preparations bearing the trademark NAPROSYN.
- "4. The registration and use by Applicant of the trademark MACROSYN will diminish the distinctiveness and dilute the goodwill of Opposer's trademark NAPROSYN, which is an arbitrary trademark for goods in Class 5 and a registered make protected under the rights conferred in Section 147 of the Intellectual Property Code ("IP Code"). Applicant's use of the published mark will obviously result in its trading on the Opposer's goodwill.
- "5. The approval of Applicant's trademark MACROSYN is based on the misappreciation that it is the originator and true owner of the said trademark, when in truth, the registration and use thereof should be proscribed as the mark appears to be a mere copy or derivative of the Opposer's prior registered trademark NAPROSYN, which has been exclusively not only in the Philippines but around the world and in accordance with law since the Opposer's products identified by the mark were launched here decades ago. It is clear that Applicant's adoption of the trademark MACROSYN for its own preparations will obviously result in the capitalization on the popularity and brand recall of the Opposer's trademark NAPROSYN. In this sense, the registration and use of MACROSYN will give undue advantage to the Applicant at the expense of the Opposer.
- "6. Clearly, Applicant' MACROSYN is confusingly similar to Opposer's prior registered mark NAPROSYN. Accordingly, the registration of MACROSYN is proscribed under Section 123.1 (d) of the IP code which provides that a mark may not be registered if it nearly resembles a prior registered mark as to be likely to deceive or cause confusion."

In support of its allegations, the Opposer submitted the duly notarized and legalized affidavit of Franco Noel A. Manaig⁵ and its supporting documents.

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 19 December 2012. However, the Respondent-Applicant failed to file its Answer prompting the Hearing Officer to issue on 06 May 2013 Order No. 2013-696 declaring Respondent-Applicant in default and the case deemed submitted for resolution.

The issue to be resolved is whether Respondent-Applicant's mark "MACROSYN" may be allowed registration.

In this regard, Section 123.1 (d) of the IP Code provides that:

"123.1. 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; xxx"

Records reveal that at the time Respondent-Applicant filed an application for registration of its mark "MACROSYN" on 01 March 2012, the Opposer has a valid and existing registration of the mark "NAPROSYN" under Certificate of Registration No. 4-2003-000229 issued on 27 November 2006.

Now to determine if there is likelihood of confusion, the marks of the parties are reproduced herein for comparison:



Opposer's mark



Respondent-Applicant's mark

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⁵ Exhibit "B".

Upon perusal of the competing marks, it can be observed that both marks use the letters "R", "O", "S", "Y" and "N" in exactly the same order. They only differ in with respect to the first three letters wherein Opposer's mark begins with "NAP" while that of Respondent-Applicant's starts with "MAC". This minute difference pales in significance in view of the evident similarities of the marks. 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 purchased as to cause him to purchase the one supposing it to be the other.⁶

Moreover, since the marks are almost identical in spelling, they reverberate almost the same sound when pronounced. According to the Supreme Court in Marvex Commercial Co., Inc. vs. Petra Hawpia⁷, similarity of sound is sufficient ground for the Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties. In this case, Opposer's certificates of registration covers "anti-inflammatory analgesic preparation" under Classes 05, which is similar or closely related to goods which Respondent-Applicant uses or intends to use its mark, i.e. "pharmaceutical product categorized as an antibacterial for treatment of wide variety of infections by susceptible organisms" also under Classes 05. Time and again, the courts have taken into account the aural effects of the words and letters in determining the issue of confusing similarity. Thus, in the same Marvex case⁸, the Supreme 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 'Jazz-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 'TradeMark Law and Practice', pp. 419-421, cites, 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."

Furthermore, settled is that the likelihood of confusion would not extend not only as to the purchaser's perception of the goods but likewise on its origin. Callman notes two types of confusion. The first is the *confusion of goods* "in 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

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⁶ Societie des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.

⁷ G.R. No. L-19297, 22 December 1966.

⁸ Ibid.

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 the belief that there is some connection between the plaintiff and defendant which, in fact, does not exist." Thus, even assuming that consumers takes extra caution in buying pharmaceutical products as not to confuse one for the other, there is still possibility of deception such that they may be led to believe that both goods originate from the same source.

Finally, it is emphasized that 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. Respondent-Applicant's mark failed to meet this function.

Accordingly, this Bureau finds and concludes 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. 4-2012-002564 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 27 March 2014.

ATTY. NATHANIEL S. AREVALO

Director IV

Bureau of Legal Affairs

¹⁰ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.

⁹ Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.