



NOVARTIS AG,
Opposer,

-versus-

VIDA NUTRISCIENCE, INC.,
Respondent-Applicant.

x-----x

} IPC No. 14-2012-00168
}
} Opposition to:
} Appln. Serial No. 4-2011-005082
} Date Filed: 04 May 2011
} TM: "UREX"

NOTICE OF DECISION

E.B. ASTUDILLO & ASSOCIATES

Counsel for the Opposer
10th Floor, Citibank Center
8741 Paseo de Roxas
Makati City

VIDA NUTRISCIENCE, INCORPORATED


Respondent-Applicant
5 Ilang- Ilang Street
Barangay Bahay Toro, Quezon City

GREETINGS:

Please be informed that Decision No. 2015 - 130 dated June 29, 2015 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 29, 2015.

For the Director:


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



NOVARTIS AG,

Opposer,

-versus-

VIDA NUTRISCIENCE, INC.,

Respondent-Applicant.

x ----- x

IPC No. 14-2012-00168

Opposition to Trademark

Application No. 4-2011-005082

Date Filed: 04 May 2011

Trademark: "UREX"

Decision No. 2015- 130

DECISION

Novartis AG¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-2011-005082. The contested application, filed by Vida Nutriscience, Inc.² ("Respondent-Applicant"), covers the mark "UREX" for use on "*pharmaceutical preparations, food supplement powder and capsule*" under Class 05 of the International Classification of Goods³.

The Opposer anchors its opposition on Section 123.1 (d) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines (IP Code). It alleges that its mark "EURAX" and Respondent-Applicant's mark "UREX" are confusingly similar for the following reasons:⁴

"(a) All the letters in respondent-applicant's mark are also present in Novartis' mark.

"(b) Due to the identity of the four (4) letters, both marks 'look' alike when viewed from a distance.

"(c) The first syllable of Novartis' mark is phonetically identical with the first syllable U of the respondent-applicant's mark. The second syllable RAX in Novartis' mark is also phonetically similar with the second syllable of respondent-applicant's mark.

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

¹ A corporation organized and existing under the laws of the Switzerland with principal office located at 4002 Basel, Switzerland.

² With address at #5 Ilang-Ilang Street, Brgy. Bahay Toro, Quezon City.

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.

⁴ See Notice of Opposition, p. 5.

The Opposer asserts that since "UREX" and "EURAX" are used on the same and competing goods as both belong under Class 05 and are sold, marketed and/or found in the same channels of trade, confusion is more likely to arise in the minds of the purchasing public. It thus maintains that as owner and prior applicant of the mark "EURAX", it has superior and exclusive rights thereto to the exclusion of any third party.

In support of its Opposition, the Opposer submitted the following as evidence:⁵

1. copy of the Certificate of Registration No. R-3324;
2. copy of Saegis Pharma-In-Use report;
3. table listing of trademark registrations and applications for "EURAX";
4. copies of sales invoices showing sales of products bearing the mark "NUBEX" in the Philippines;
5. sample marketing material for the promotion of products bearing "NUBEX";
6. joint affidavit-testimony of Mary F. Leheny and Nazuki Hughes; and,
7. its Annual Report for 2011.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 21 June 2012. The latter, however, did not file an Answer. Thus, the Hearing Officer issued Order No. 2013-1499 on 29 October 2013 declaring the Respondent-Applicant in default and the case submitted for decision.

The issue to be resolved is whether the Respondent-Applicant's mark "UREX" should be allowed registration.

The instant opposition is anchored on Section 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 or a mark with an earlier priority date, in respect of the same goods or services or closely related goods or services or if it nearly resembles such mark as to be likely to deceive or cause confusion.

Records reveal that at the time Respondent-Applicant filed its application for its mark "UREX", the Opposer has an existing registration of the mark "EURAX" issued as early as 12 March 1984 under Certificate of Registration No. 003324. But are the competing marks, as reproduced, confusingly similar?

⁵ Marked as Exhibits "A" to "E".

Eurax

Opposer's mark

UREX

Respondent-Applicant's mark

Upon observation of the subject trademarks, it can be readily gleaned that the two marks are confusingly similar. The first syllables of the competing marks, although spelled differently, are pronounced the same as "U". Also, as the second syllables only vary with respect with their vowel letters, they are also similar sounding. In effect, it appears that the Respondent-Applicant merely replaced the second to the last letter "a" in the Opposer's mark with "e" in arriving at its own mark. 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

Noteworthy, the trademarks "UREX" and "EURAX" both refer to goods under Class 05. Hence, they flow in the same channels of trade making confusion even more likely. In fact, the Respondent-Applicant's trademark application indicates that the mark will be used on "*pharmaceutical preparations*", among others. This is broad enough to include products that are similar and/or closely related to those covered by the Opposer's trademark registration. Moreover, it is settled 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 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."⁷

⁶ Societe des Produits Nestle, S.A. vs. Court of Appeals, GR No. 112012, April 4, 2001.

⁷ Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.

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.⁸ Respondent-Applicant's trademark fell short in meeting 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. 4-2011-005082 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 29 June 2015.


ATTY. NATHANIEL S. AREVALO
Director IV
Bureau of Legal Affairs

⁸ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 November 1999.