PFIZER PRODUCTS, INC., Opposer, **-versus-** **PHARMAKON BIOTEC, INC.,** Respondent- Applicant.	}	**IPC No. 14-2014-00029** Opposition to: Application No. 4-2013-011727 Date Filed: 27 September 2013 TM: **"DIFLUZOL"**

NOTICE OF DECISION

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PHARMAKON BIOTEC INC.
Respondent-Applicant
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Makati City

GREETINGS:

Please be informed that Decision No. 2016 - 384 dated October 17, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 17, 2016.

MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

PFIZER PRODUCTS, INC.,
Opposer,

-versus-

PHARMAKON BIOTEC, INC.,
Respondent-Applicant.

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IPC No. 14-2014-00029
Opposition to Trademark
Application No. 4-2013-011727
Date Filed: 27 September 2013
Trademark: **"DIFLUZOL"**

Decision No. 2016-384

DECISION

Pfizer Products, Inc.[1] ("Opposer") filed an opposition to Trademark Application Serial No. 4-2013-011727. The contested application, filed by Pharmakon Biotec, Inc.[2] ("Respondent-Applicant"), covers the mark "DIFLUZOL" for use on *"pharmaceuticals preparations (antifungal)"* under Class 05 of the International Classification of Goods[3].

The Opposer anchors its opposition on the provision of Section 123.1 (d) of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"). It alleges that it is the first user and prior registrant of the mark "DIFLUCAN", registered under Certificate of Registration No 047429 issued on 09 February 1990. The said registration was renewed on 05 February 2010. According to the Opposer, the "DIFLUCAN" mark is used for anti-fungal preparation with generic name *fluconazole*, which is used to treat infections caused by fungus that invade any part of the body. Its products are also used to prevent fungal infection in people with weak immune system caused by cancer treatment, bone marrow transplant or diseases such as AIDS.

The Opposer asserts that it has exclusive right to prevent all parties not having its consent from using in the course of trade identical or similar signs for goods identical or similar to its registered mark. It contends that "DIFLUZOL" is identical or confusingly similar to "DIFLUCAN" and are used on the same goods. In support of its Opposition, the Opposer submitted the affidavit of Monina V. Vierneza, with annexes.[4]

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 24 March 2014. However, Respondent-Applicant failed to

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[1] With principal address at Eastern Point Road Groton, Connecticut 064340, United States of America.
[2] With known address at UG-01 Cityland 8, #98 Sen. Gil Puyat Avenue, Makati 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.
[4] Exhibits "D" to "I".

comply. Accordingly, the Hearing Officer issued on 03 June 2014 Order No. 2014-720 declaring the Respondent-Registrant in default and the case submitted for decision.

The primordial issue in this case is whether the Respondent-Applicant's trademark application for the mark "DIFLUZOL" should be allowed registration.

Records reveal that at the time the Respondent-Applicant filed the contested application on 27 September 2013, the Opposer has a valid and existing registration of the mark "DIFLUCAN" under Certificate of Registration No. 047429 issued as early as 09 February 1990.

Section 123.1(d) of the IP Code provides that:

> ***"Section 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; x x x"***

To determine whether the marks of Opposer and Respondent-Applicant are confusingly similar, the two are shown hereafter for comparison:

DIFLUCAN	DIFLUZOL
Opposer's mark	*Respondent-Applicant's mark*

The marks are apparently similar with respect to the first two syllables "DIFLU". The syllable "FLU" comes from the generic name stem for *fluconazole*, which is the kind of products the marks cover. A mark or brand name itself gives away or tells the consumers the goods or service and/or the kind, nature, use or purpose thereof. As correctly pointed out by the Opposer, however, the syllable "DI" is a completely original component in its mark. Therefore, it is curious how the Respondent-Applicant came up with a mark also covering anti-fungal medicines, which begin with "DIFLU". Aptly, the Supreme Court held in the case of **American Wire & Cable Company vs. Director of Patents**[5] that:

> ***"Of course, as in all other cases of colorable imitations, the unanswered riddle is why, of the millions of terms and combinations of letters and designs available, the appellee had to choose those so closely***

[5] G.R No. L-26557, 18 February 1970.

similar to another's trademark if there was no intent to take advantage of the goodwill generated by the other mark."

It thus appears that the Respondent-Applicant merely substituted the last syllable "CAN" in the Opposer's mark with "ZOL". Be that as it may, they marks are confusingly similar visually, aurally and conceptually. The Respondent-Applicant failed to introduce any element that would make the mark it seeks to register clearly distinctive or distinguishable from the Opposer's. 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, 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]

In this case, it is noteworthy that the Respondent-Applicant's mark covers *"pharmaceuticals preparations (antifungal)"* while the Opposer's registration is *pharmaceutical preparation having antifungal properties*", both under Class 05. As the goods are identical, it is highly likely that the purchasing public may be misled, confused or deceived that "DIFLUZOL" is affiliated to, sponsored by or in any way connected to the Opposer.

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

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[6] Societe des Produits Nestle,S.A. vs. Court of Appeals, GR No. 112012, 04 April 2001.
[7] Societe des Produits Nestle, S.A. vs. Dy, G.R. No. 172276, 08 August 2010.

product.[8] This Bureau finds that Respondent-Applicant's trademark consistent with this function.

WHEREFORE, premises considered, the instant opposition is hereby **SUSTAINED**. Let the filewrapper of Trademark Application Serial No. 4-2013-011727 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 17 OCT 2016

ATTY. Z'SA MAY B. SUBEJANO-PE LIM
Adjudication Officer
Bureau of Legal Affairs

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