

PFIZER INC.,

Opposer,

-versus-

ABSTRAGAN HOLDING LIMITED,

Respondent-Applicant.

IPC No. 14-2014-00306

Opposition to:

Application No. 1148909

Date Filed: 13 June 2013

Trademark: "TERAMIZIN"

X-----X

NOTICE OF DECISION

QUISUMBING TORRES

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ABSTRAGAN HOLDING LIMITED

Respondent-Applicant

Intershore Suites Vernon House

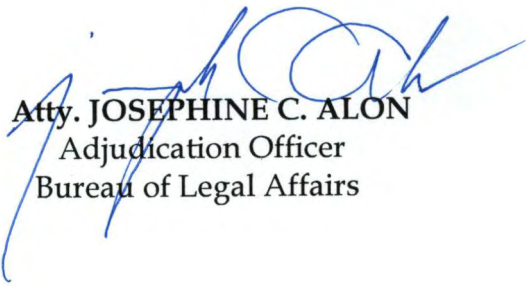
Sicilian Avenue, London

WC1A 2QS, Great Britain

GREETINGS:

Please be informed that Decision No. 2016- 329 dated 28 September 2016 (copy enclosed) was promulgated in the above entitled case.

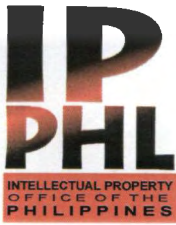
Taguig City, 28 September 2016.


Atty. JOSEPHINE C. ALON
Adjudication Officer
Bureau of Legal Affairs

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

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Opposition to:

Application No. 1148909

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Trademark: "TERAMIZIN"

Decision No. 2016- 329

DECISION

PFIZER INC.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 1148909. The application, filed by Abstragan Holding Limited² ("Respondent-Applicant"), covers the mark "TERAMIZIN" for use on "*pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides; foods and beverages which are adapted for medical purposes; air deodorizing preparations*" under Class 05 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x
"DISCUSSION"
x x x

"17. The registration of the TERAMIZIN mark, which is identical and confusingly similar to Pfizer's TERRAMYCIN mark, runs contrary to Section 123 of the IP Code. Section 123 (d), (e), (f) and (g) of the IP Code provide:

x x x

"18. Opposer is the prior user and first registrant of the TERRAMYCIN mark in the Philippines, well before 13 June 2013, the filing date of Respondent's TERAMIZIN trademark application. The details of Opposer's first trademark registration and replacement application are as follows:

x x x

"19. A side-by-side comparison of the marks easily demonstrates the competing marks' similarities, thus:

x x x

¹A foreign corporation with principal address at 235 East 42nd Street, New York, New York 10017.

²A foreign corporation with business address at Intershore Suites Vernon House, Sicilian Avenue, London, WC1A 2QS, Great Britain.

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

"20. Except for the substitution of the letters 'Y' and 'C' with the letters 'I' and 'Z', Respondent's TERAMIZIN mark appropriates much of the elements of Pfizer's TERRAMYCIN trademark that would support a finding of sufficient similarity, if not identity, between the competing marks in terms of spelling, pronunciation and appearance.

"21. TERAMIZIN and TERRAMYCIN, when read aloud, are aurally similar. Similarity of sound is a sufficient ground for the Honorable Office to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties, as held by the Supreme Court in *Marvex Commercial Co. v. Petra Hawpia and Co.* This constitutes *idem sonans* to a striking degree.

"22. Where a comparison between two competing marks shows such resemblance in general appearance or general features as would likely to deceive the ordinary purchaser exercising ordinary care, and to induce him to believe that the goods bearing the marks are products of one and the same enterprise, the junior mark is confusingly similar to the other. As held in *Societe des Produits Nestles v. Court of Appeals, et al.*, confusing similarity must be determined on the basis of visual, aural, connotative comparisons and overall impressions engendered by the marks in controversy, as they are encountered in the realities of the marketplace.

"23. Respondent's mark TERAMIZIN is clearly intended for use in connection with exactly the same type of goods under which Pfizer's TERRAMYCIN mark is registered. If allowed to register, the mark of Respondent will undoubtedly confuse consumers by suggesting a connection, association or affiliation with Pfizer, thereby causing substantial damage to the goodwill and reputation of Pfizer as associated with the TERRAMYCIN trademark.

"24. There shall be a presumption of likelihood of confusion if what is used is an identical sign for identical goods. In this case, the goods for which Respondent intends to use its TERAMIZIN mark are exactly the same, or are at the very least closely related, to the goods currently being sold by Pfizer in the Philippine market.

"25. Quite clearly, Respondent's TERAMIZIN mark covers exactly the same goods for which Pfizer's TERRAMYCIN mark was applied. These goods are identical to those covered by Pfizer's trademark application that bears an earlier filing date.

"26. The fact that Respondent's trademark application includes a transliteration of the mark in another language is of no moment. In resolving the issue of confusing similarity, courts have resorted to the Dominancy Test which focuses on the similarity of the prevalent, essential or dominant features of the competing marks. In this case, the dominant feature of Respondent's mark is the word 'TERAMIZIN', as in fact it is highly unlikely that the average Filipino consumer would know what the transliteration states or means, inasmuch as it appears to be in cyrillic, thus:

x x x

"27. Even the Honorable Office's Bureau of Trademarks refers to the mark simply as 'TERAMIZIN', without any mention of the foregoing symbols. Thus, it cannot be denied that Respondent's 'TERAMIZIN' mark is but a slavish copy of Opposer's 'TERRAMYCIN' mark.



"28. Pfizer's use and registration of the TERRAMYCIN trademark predates the filing date of Respondent's trademark application. Pfizer used its mark in the Philippines as early as 25 April 1950, and registered the same on 15 September 1953. Ownership of a mark is acquired by adoption and use thereof in Philippine commerce. Hence, it belongs to the person who first used and gave it value. Even if Pfizer's original registration was cancelled, the replacement application still bears an earlier filing date than the trademark application for TERAMIZIN. Thus, being confusingly similar to Pfizer's TERRAMYCIN, the registration of the mark TERAMIZIN must not be allowed.


"29. Pfizer, as the registered owner of the TERRAMYCIN mark, enjoys the exclusive right to prevent all third parties not having its consent from using in the course of trade identical or similar signs for goods which are identical or similar to those in respect of which the trademark was once registered (i.e., antibiotic preparations) or applied for (i.e., 'pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax, disinfectants; preparations for destroying vermin; fungicides, herbicides') where such use would result in a likelihood of confusion.

"30. Opposer and/or its respective subsidiaries, joint ventures, sister concerns, predecessors-in-title, licensees and assignees in several other countries has extensively promoted the TERRAMYCIN mark worldwide, and has obtained significant exposure for the goods upon which the TERRAMYCIN mark are used in various media, including advertisements, internationally well-known print publications, and other promotional events. To date, Opposer continuously and exclusively uses the TERRAMYCIN mark in the Philippines and in numerous countries.

"31. Pfizer has not consented to Respondent's use and registration of the TERAMIZIN mark, or any other mark identical or similar to the TERRAMYCIN mark. If Respondent uses the TERAMIZIN mark in class 5 for the very same goods for which Pfizer's TERRAMYCIN mark has been applied, the purchasing public will be misled into believing that Respondent's goods are produced by, originate from, or are under the sponsorship of Pfizer, upon which potential damage to Pfizer may result in light of its inability to control the quality of the products offered or put on the market by Respondent under the TERAMIZIN mark.

"32. At the very least, the use by Respondent of the TERAMIZIN mark in relation to its goods, whether or not identical, similar or closely related to Pfizer's goods will take unfair advantage of, dilute and diminish the distinctive character or reputation of the TERRAMYCIN mark.

"33. To be sure, if Respondent were to be allowed to register and use its mark in connection with the advertisement, sale and distribution of its goods that are similar, identical, or closely related to Pfizer's own goods, the consuming public would no doubt be misled into assuming or believing that Respondent's goods are delivered by, originate from, or are under the sponsorship of Pfizer. Respondent's use of its mark would indicate a connection between Respondent's products and Pfizer, when in truth and in fact there is none. This no doubt results in the clear irreparable damage of Pfizer's goodwill and reputation. It is apparent that Respondent's mark is calculated to ride on or cash in on the popularity of the TERRAMYCIN mark, which undoubtedly has earned goodwill and reputation worldwide through Pfizer's extensive use and promotion since 1950.



"34. Under the circumstances, Respondent's trademark application for TERAMIZIN under Application No. 1148909 filed on 13 June 2013, should be denied.

"35. Pfizer's TERRAMYCIN'S mark is a well-known mark, both internationally and in the Philippines. As such, Opposer is entitled to a wider scope of protection under Philippine law and thus allowed to protect its TERRAMYCIN mark against marks that are liable to create confusion in the minds of the public or used in bad faith under Article 6bis of the Paris Convention, thus:

x x x

"36. In this case, it is incumbent upon this Honorable Office to refuse the registration, and to prohibit the use, of Respondent's TERAMIZIN mark, which constitutes a reproduction, an imitation, or a translation, of Opposer's TERRAMYCIN mark. Pfizer has overwhelming evidence to prove that its mark is well-known.

"37. Opposer has already earned significant goodwill through constant and notorious use of its TERRAMYCIN mark, which is a separate property right entitled to protection.

"38. Opposer's goodwill is a property right separately protected under Philippine law, and a violation thereof amounts to downright unfair competition proscribed under Article 10bis of the Paris Convention, Article 28 of the Civil Code and Section 168 of the IP Code:

x x x

"39. On the other hand, Article 28 of the Civil Code and Section 168 of the IP Code provide:

x x x

"40. Considering the substantial investment incurred by Pfizer in promoting their goods and identifying itself throughout the world through the TERRAMYCIN mark, it is clear that Respondent's deceitful conduct in securing the registration of a mark similar to Pfizer's and in exploiting the same is aimed towards unduly enriching itself at the expense of Pfizer.

"41. Pfizer will suffer grave and irreparable injury to their goodwill, reputation and business as a whole should the registration and consequent use of the subject mark be allowed by this Honorable Office. The consequent use by Respondent of its mark will amount to unfair competition with and dilution of Opposer's well-known mark, TERRAMYCIN, which has attained valuable goodwill and reputation through more than 64 years of extensive and exclusive use.

The Opposer's evidence consists of the Notice of Opposition; a copy of the Certificate dated 21 September 2009 executed by Richard A. Friedman, Attorney-in-Fact and Senior Corporate Counsel-Trademarks of Pfizer, Inc.; copy of Finley, A.C., G.L. Hobby, S.Y. P'an, P.P. Regna, J.B. Routien, D.B. Seeley, G.M. Schull, B.A. Sobin, I.A. Solomons, J.W. Vinson, and J.H. Kane, Terramycin, A New Antibiotic, Science 111:85 (27 January 1950); copy of Fermentation, IND, ENG. CHEM. 1948, 1958-1959 (September 1951); copy of relevant chapters of Jeffrey L. Rodengen, The Legend of Pfizer 80 n(1999);

a representative sample of the Certificates of Registration issued in favor of Opposer and its affiliates in various jurisdictions; copy of Opposer's Philippine trademark registration for TERRAMYCIN under Certificate of Renewal of Registration No. 1432 issued on 15 September 1973, which includes Certificate of Registration No. 4320 issued on 15 September 1953; the Affidavit dated 13 July 2009 of Gloria G. Nobles; the Affidavit of Maria Rita Daniela Maramba Nisperos; copy of the TERRAMYCIN Plus and TERRAMYCIN Wound Wash product flyer; copy of TERRAMYCIN Plus and TERRAMYCIN Wound Wash print advertisement, published in page A12 of the 8 June 2009 issue of The Philippine Daily Inquirer; copies of pages 282 and 417 of MIMS Philippines (116th Ed., 2008), where TERRAMYCIN products were listed and published; copies of pages 307, 447 and 465 of MIMS Philippines (121st Ed., 2009), where TERRAMYCIN products were listed and published; copy of TERRAMYCIN Plus and TERRAMYCIN Wound Wash print advertisement, published in March 2009 issue of Good Housekeeping Magazine; copy of TERRAMYCIN Plus and TERRAMYCIN Wound Wash print advertisement, published in April 2009 issue of YES! Magazine; copy of TERRAMYCIN Plus and TERRAMYCIN Wound Wash print advertisement, published in May 2009 issue of Health Today Magazine; sample of a TERRAMYCIN pharmaceutical product as sold in the Philippines; copy of Certificate of Product Registration Nos. DR 4714 (for the Terramycin Ophthalmic Ointment), DRHR 999 (for the Terramycin Wound Wash), and DRXY 29044 (for the Terramycin Plus) issued in the name of Pfizer, Inc.; and copies of relevant journal articles.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 18 November 2014. Said Respondent-Applicant, however, did not file an Answer.

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

The Opposer anchors its opposition on Sections 123.1, paragraphs (d), (e), (f) and (g) and 168 of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), to wit:

Sec. 123.Registrability. – 123.1. A mark cannot be registered if it:

x x x

(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;"

⁴Marked as Exhibits "A" to "V".

- (e) Is identical with, or confusingly similar to, or constitutes a translation of a mark which is considered by the competent authority of the Philippines to be well-known internationally and in the Philippines, whether or not it is registered here, as being already the mark of a person other than the applicant for registration, and used for identical or similar goods or services: *Provided*, That in determining whether a mark is well-known, account shall be taken of the knowledge of the relevant sector of the public, rather than of the public at large, including knowledge in the Philippines which has been obtained as a result of the promotion of the mark;
- (f) Is identical with, or confusingly similar to, or constitutes a translation of a mark considered well-known in accordance with the preceding paragraph, which is registered in the Philippines with respect to goods or service which are not similar to those with respect to which registration is applied for: *Provided*, That use of the mark in relation to those goods or services would indicate a connection between those goods or services, and the owner of the registered mark: *Provided further*, That the interests of the owner of the registered mark are likely to be damaged by such use;
- (g) Is likely to mislead the public, particularly as to the nature, quality, characteristics or geographical origin of the goods or services;

Sec. 168. *Unfair Competition, Rights, Regulation and Remedies.* – 168.1. A person who has identified in the mind of the public the goods he manufactures or deals in, his business or services from those of others, whether or not a registered mark is employed, has a property right in the goodwill of the said goods, business or services so identified, which will be protected in the same manner as other property rights.

Records show that at the time the Respondent-Applicant filed its trademark application on 13 June 2013, the Opposer has pending application for “TERRAMYCIN” under Application Serial No. 4-2008-12617 filed on 15 October 2008. The trademark TERRAMYCIN was originally registered in the Philippine Patent Office on 15 September 1953. This trademark registration was deemed cancelled due to the non-filing of the Affidavit of Use for the 10th anniversary of the trademark’s registration.⁵ In October 2008, Respondent-Applicant re-applied to register the mark TERRAMYCIN. The 2008 application covers “pharmaceutical preparations, namely, an antibiotic preparation containing oxytetracycline or a derivative thereof; veterinary preparations; sanitary preparations for medical purposes; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides, herbicides” under Class 05, which is similar or closely-related to the goods indicated in the Respondent-Applicant’s trademark application, specifically, “pharmaceutical and veterinary preparations; sanitary preparations for medical purposes; dietetic substances adapted for medical use, food for babies; plasters, materials for dressings; material for stopping teeth, dental wax; disinfectants; preparations for destroying vermin; fungicides,

⁵Paragraph 12 of the Opposition.

herbicides; foods and beverages which are adapted for medical purposes; air deodorizing preparations".

A comparison of the competing marks reproduced below:

TERRAMYCIN

Opposer's trademark

TERAMIZIN
ТЕРАМИЗИН

Respondent-Applicant's mark

shows that confusion is likely to occur. This Bureau noticed that the pharmaceutical products covered by the marks are similar and/or closely-related. Respondent-Applicant's mark TERAMIZIN adopted the dominant features of Opposer's mark TERRAMYCIN. TERAMIZIN appears and sounds almost the same as Opposer's trademark TERRAMYCIN despite its transliteration in another language appearing below the word TERAMIZIN. Both TERRAMYCIN and TERAMIZIN marks have four (4) syllables. Respondent-Applicant merely changed the letters Y and C in Opposer's TERRAMYCIN with the letters I and Z and deleted one "R" in "TERRA" to come up with the mark TERAMIZIN. It could result to mistake with respect to perception because the marks sound so similar. Under the idem sonans rule, the following trademarks were held confusingly similar in sound: "BIG MAC" and "BIG MAK"⁶, "SAPOLIN" and LUSOLIN"⁷, "CELDURA" and "CORDURA"⁸, "GOLD DUST" and "GOLD DROP". The Supreme Court ruled that similarity of sound is sufficient ground to rule that two marks are confusingly similar, to wit:

Two letters of "SALONPAS" are missing in "LIONPAS": the first letter a and the letter s. Be that as it may, when the two words are pronounced, the sound effects are confusingly similar. And where goods are advertised over the radio, similarity in sound is of especial significance...."SALONPAS" and "LIONPAS", when spoken, sound very much alike. Similarity of sound is sufficient ground for this Court to rule that the two marks are confusingly similar when applied to merchandise of the same descriptive properties.⁹

⁶ *MacDonalds Corp. et. al v. L. C. Big Mak Burger*, G.R. No. L-143993, 18 August 2004.

⁷ *Sapolin Co. v. Balmaceda and Germann & Co*, 67 Phil, 705.

⁸ *Co Tiong SA v. Director of Patents*. G.R. No. L- 5378, 24 May 1954; *Celanes Corporation of America vs. E. I. Du Pont de Nemours & Co* (1946), 154 F. 2d 146 148.)

⁹ *Marvex Commerical Co., Inc. v. Petra Hawpia & Co., et. al.*, G.R. No. L-19297, 22 Dec. 1966.

In conclusion, the subject trademark application is covered by the proscription under Sec. 123.1 (d) (iii) of the IP Code.

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 1148909 is hereby SUSTAINED. Let the filewrapper of the subject trademark application be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 28 SEP 2016.


Atty. JOSEPHINE C. ALON
Adjudication Officer, Bureau of Legal Affairs