

MEDICHEM PHARMACEUTICALS, INC.,

Opposer,

-versus-

THE CATHAY YSS DISTRIBUTORS COMPANY, INC.,

Respondent-Applicant.

X-----X

IPC No. 14-2016-00072

Opposition to:

Appln. Serial No. 4-2015-010463

Date Filed: 10 September 2015

TM: NERVANA

NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2017 - 251 dated 28 June 2017 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, 28 June 2017.


MARILYN F. RETUTAL

IPRS IV

Bureau of Legal Affairs

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INTELLECTUAL PROPERTY OFFICE**

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Opposer, }

-versus-

THE CATHAY YSS DISTRIBUTORS }
COMPANY, INC., }
Respondent-Applicant. }

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IPC No. 14-2016-00072

Opposition to:
Application No. 4-2015-010463
Date Filed: 10 September 2015
Trademark: "NERVANA"

Decision No. 2017- 251

DECISION

MEDICHEM PHARMACEUTICALS, INC.¹ ("Opposer") filed an opposition to Trademark Application Serial No. 4-20105010463. The application, filed by The Cathay YSS Distributors Company, Inc.² ("Respondent-Applicant"), covers the mark "NERVANA" for use on "*Pharmaceutical-CITICHOLENE, NOOTROPIC AGENT*" under Class 05 of the International Classification of Goods and Services.³

The Opposer alleges:

x x x
"GROUNDS FOR OPPOSITION"

"The grounds for this Verified Notice of Opposition are as follows:

"7. The mark 'NERVANA' applied for by Respondent-Applicant so resembles the trademark 'NIRVA' owned by Opposer and duly registered with this Honorable Bureau prior to the publication of the application for the mark 'NERVANA'.

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

"9. The registration of the mark 'NERVANA' in the name of the Respondent-Applicant will violate Sec. 123.1 (d) of the IP Code, which provides, in part, that a mark cannot be registered if it:

xxx

"10. Under the above-quoted provision, any mark, which is similar to a registered mark, shall be denied registration in respect of similar or related goods or if

¹With address at No. 132 Pioneer Street, Mandaluyong City, Metro Manila, Philippines.

²With address at 2nd Floor Vernida I, Amorsolo St., Legaspi Village, Makati City, Metro Manila.

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.

the mark applied for nearly resembles a registered mark that confusion or deception in the mind of the purchasers will likely result.

"11. Respondent-Applicant's use and registration of the mark 'NERVANA' will diminish the distinctiveness of Opposer's trademark 'NIRVA'.

"ALLEGATIONS IN SUPPORT OF THE OPPOSITION

"In support of this Verified Notice of Opposition, Opposer will rely upon and prove the following facts:

"12. Opposer is engaged in the marketing and sale of a wide range of pharmaceutical products and is the registered owner of the trademark 'NIRVA'.

"12.1. The trademark application for the trademark 'NIRVA' was filed with the IPO on 8 July 2009 by Opposer and was approved for registration on 12 November 2009 to be valid for a period of ten (10) years, or until 12 November 2019. A copy of the Certificate of Registration No. 4-2009-006728 for the trademark 'NIRVA' is attached hereto x xx

"12.2. Thus, the registration of the trademark 'NIRVA' subsists and remains valid to date.

"13. The trademark 'NIRVA' has been extensively used in commerce in the Philippines.


"13.1. Opposer has dutifully filed Declarations of Actual Use pursuant to the requirement of the law to maintain the registration of the trademark 'NIRVA' in force and effect. Copies of the Declarations of Actual Use are attached hereto x x x

"13.2. A sample product label bearing the trademark 'NIRVA' actually used in commerce and is hereto attached x x x

"13.3. No less than the Intercontinental Marketing Services ('IMS') itself, the world's leading provider of business intelligence and strategic consulting services for the pharmaceutical and healthcare industries with operations in more than 100 countries, acknowledged and listed the brand 'NIRVA' as one of the leading brands in the Philippines in the category of 'N05A-Antipsychotics' in terms of market share and sales performance. The original copy of the Certification and sales performance issued by the IMS is attached hereto x x x

"13.4. In order to legally market, distribute and sell this pharmaceutical preparation in the Philippines, the product has been registered with the Food and Drug Administration. As evidence of such registration copies of Certificates of Product Registration Nos. DR-XY35863 and DR-XY35864 are attached hereto as Exhibits 'G' and 'H' and made integral parts hereof.

"14. By virtue of the foregoing, there is no doubt that Opposer has acquired an exclusive ownership over the trademark 'NIRVA' to the exclusion of all others.



"15. As provided in Section 138 of the IP Code, 'A certificate of registration of a mark shall be prima facie of the validity of the registration, the registrant's ownership of the mark, and of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.'

"16. The registration of Respondent-Applicant's mark 'NERVANA' will be contrary to Section 123.1 (d) of the IP Code. 'NERVANA' is confusingly similar to Opposer's trademark 'NIRVA'.

"16.1. There are no set rules that can be deduced in particularly ascertaining whether one trademark is confusingly similar to, or is a colorable imitation of, another. Nonetheless, jurisprudence provides enough guidelines and tests to determine the same.

"16.1.1. In Societe' Des Produits Nestle', S.A. vs. Court of Appeals [356 SCRA 207, 216 [2001]], the Supreme Court, citing Ethepa v. Director of Patents (16 SCRA 495, 497-498 [1966]), held "[i]n determining if colorable imitation exists, jurisprudence has developed two kinds of tests - the Dominancy Test and the Holistic Test. The test of dominancy focuses on the similarity of the prevalent features of the competing trademarks which might cause confusion or deception and thus constitute infringement. On the side of the spectrum, the holistic test mandates that the entirety of the marks in question must be considered in determining confusing similarity."

"16.1.2. It is worthy to note at this point that in Societe' Des Produits Nestle', S.A. vs. Court of Appeals (supra, p. 221) the Supreme Court held "[T]he totality or holistic test only relies on visual comparison between two trademarks whereas the dominancy test relies not only on the visual but also on the aural and connotative comparisons and overall impressions between the two trademarks."

"16.1.3. Relative thereto, the Supreme Court in McDonalds' Corporation vs. L.C. Big Mak Burger, Inc. [437 SCRA 10] held:

x x x

"16.1.4 This was affirmed in McDonald's Corporation vs. MacjoyFastfood Corporation (514 SCRA 95, 109 [2007]), which held that, '[t]he Court has consistently used and applied the dominancy test in determining confusing similarity or likelihood of confusion between competing trademarks."

"16.1.5. In fact, the dominancy test is 'now explicitly incorporated into law in Section 155.1 of the Intellectual Property Code, which defines infringement as the colorable imitation of a registered mark xxx or a dominant feature thereof.' x x x

"16.1.6. Thus, applying the dominancy test in the instant case, it can be readily concluded that the mark 'NERVANA', owned by Respondent-Applicant, so resembles Opposer's trademark 'NIRVA', that it will likely cause confusion, mistake and deception on the part of the purchasing public.

"16.1.6.1. Respondent-Applicant's mark 'NERVANA' appears and sounds almost the same as Opposer's trademark 'NIRVA'.

"16.1.6.2. The first, third to fifth letters of Respondent-Applicant's mark 'N-E-R-V-A-N-A' are exactly the same with Opposer's trademark 'N-I-R-V-A'.

"16.1.7. Clearly, Respondent-Applicant's mark 'NERVANA' adopted the dominant features of the Opposer's trademark 'NIRVA'.

"16.1.8. As further ruled by the High Court in McDonald's Corporation case [supra, p.33-34 [2004]]:

x x x

"16.1.9. In American Wire & Cable Co., vs. Director of Patents (31 SCRA 544, 547-548 [1970]), the Supreme Court explained:

xxx

"16.2. Opposer's trademark 'NIRVA' and Respondent-Applicant's mark 'NERVANA' are practically identical marks in sound and appearance that they leave the same commercial impression upon the public.

"16.3. Thus, the two marks can easily be confused for one over the other, most especially considering that the opposed mark 'NERVANA' is applied for the same class and goods as that of Opposer's trademark 'NIRVA' under Class 05 of the International Classification of Goods as Pharmaceutical Preparation.

"16.4. Nevertheless, Respondent-Applicant still filed a trademark application for 'NERVANA' despite its knowledge of the existing trademark registration of 'NIRVA', which is confusingly similar thereto in both its sound and appearance, to the extreme damage and prejudice of Opposer.

"16.5. 'When, as in the present case, one applies for the registration of a trademark or label which is almost the same or very closely resembles one already used and registered by another, the application should be rejected and dismissed outright, even without any opposition on the part of the owner and user of a previously registered label or trademark, this not only to avoid confusion on the part of the public, but also to protect an already used and registered trademark and an established goodwill.' x x x

"16.6. Opposer's intellectual property right over its trademark is protected under Section 147 of the IP Code, which states:

x x x

"16.7. Clearly, applying the foregoing, the denial of Respondent-Applicant's trademark application is in due course, more so, as the goods covered by the said trademark application are in the same class as those of Opposer's trademark 'NIRVA'.

"17. To allow Respondent-Applicant to market its products bearing the mark 'NERVANA' undermines Opposer's right to its trademark 'NIRVA'.

"17.1. As the lawful owner of the trademark 'NIRVA', Opposer is entitled to prevent the Respondent-Applicant from using a confusingly similar mark in the course of trade where such would likely mislead the public.

"17.2. Being the lawful owner of 'NIRVA', Opposer has the exclusive right to use and/or appropriate the said trademark and prevent all third parties not having its consent from using in the course of trade identical or similar marks, where such would result in a likelihood of confusion.

"17.3. By reason of Opposer's ownership of the trademark 'NIRVA', it also has the right to prevent third parties, such as Respondent-Applicant, from claiming ownership over Opposer's trademark or any depiction similar thereto, without its authority or consent.

"17.4. Moreover, following the illustrative list of confusingly similar sounds in trademarks cited in McDonald's Corporation case (supra, p. 34), it is evident that Respondent-Applicant's mark 'NERVANA' is aurally confusingly similar to Opposer's trademark 'NIRVA':

x x x

"17.5. Further, the fact that Respondent-Applicant seeks to have its mark 'NERVANA' registered in the same class (Nice Classification 05) as Opposer's trademark 'NIRVA' will undoubtedly add to the likelihood of confusion among the purchasers of these two goods.

"18. The registration and use of Respondent-Applicant's confusingly similar mark 'NERVANA' on its goods will enable the latter to obtain benefit from Opposer's reputation and goodwill, and will tend to deceive and/or confuse the public into believing that Respondent-Applicant is in any way connected with Opposer.

"18.1. As held in *Sterling Products International, Inc. vs. Farbenfabriken Bayer Aktiengesellschaft, et. al.* (27 SCRA 1214, 1227 [1968]) there are two types of confusion in trademark infringement. '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 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.'

"18.2. The doctrine of confusion of business or origin is based on cogent reasons of equity and fair dealing. It has to be realized that there can be unfair dealing by having one's business reputation confused with another. 'The owner of a trademark or trade name has a property right in which he is entitled to protection, since there is damage to him from confusion of reputation or goodwill in the mind of the public as well as from confusion of goods.' x x x

"18.3. Applying the foregoing to the instant case, to allow Respondent-Applicant to use its mark 'NERVANA' on its product would likely cause confusion or mistake in the mind of the public or deceive purchasers into believing that the product of Respondent-Applicant with a mark 'NERVANA' originated from or is being manufactured by Opposer, or at the very least, is connected or associated with the 'NIRVA' product of Opposer, when such connection does not exist.

"18.4. In Canon Kabushiki Kaisha vs. Court of Appeals (336 SCRA 266, 275 [2000]), the Supreme Court explained that:

x x x

"18.5. Clearly, the scope of protection accorded to trademark owners includes not only confusion of goods but also confusion of origin. As in this case, besides from the confusion of goods already discussed, there is undoubtedly also a confusion of the origin of the goods covered by the marks of Respondent-Applicant and Opposer, which should not be allowed.

x x x

"19. Respondent-Applicant's use of the mark 'NERVANA' in relation to any of the goods covered by the opposed application, if these goods are considered not similar or closely related to the goods covered by Opposer's trademark 'NIRVA', will undermine the distinctive character or reputation of the latter trademark. Potential damage to Opposer will be caused as a result of its inability to control the quality of the products put on the market by Respondent-Applicant under the mark 'NERVANA'.

"20. In case of grave doubt, the rule is that, '[a]s between a newcomer [Respondent-Applicant] who by confusion has nothing to lose and everything to gain and one [Opposer] who by honest dealing has already achieved favor with the public, any doubt should be resolved against the newcomer [Respondent-Applicant] inasmuch as the field from which he can select a desirable trademark to indicate the origin of his product is obviously a large one.' (Del Monte Corporation, et. al. vs. Court of Appeals, 181 SCRA 410, 420 [1990])

"20.1. In American Wire & Cable Co., vs. Director of Patents (supra, p. 551), it was observed that: x x x

"20.2. When, a newcomer used, without a reasonable explanation, a confusingly similar, if not at all identical, trademark as that of another 'though the field of its selection was so broad, the inevitable conclusion is that it was done deliberately to deceive.' (Del Monte Corporation, et. al. vs. Court of Appeals, supra, p. 419-420)

"21. Thus, Opposer's interests are likely to be damaged by the registration and use of the Respondent-Applicant of the mark 'NERVANA'. The denial of the application subject of this opposition is authorized under the IP Code.

"21. In support of the foregoing, the instant Notice of Opposition is herein verified by Ms. Maria Merza C. Alejandrino, which will likewise serves as her affidavit. (Nasser vs. Court of Appeals, 191 SCRA 783, 792-793 [1990])

The Opposer's evidence consists of copies of pertinent pages of the IPO E-Gazette released on 18 January 2016; a copy of the Certificate of Registration No. 4-2009-006728 for the trademark NIRVA issued on 12 November 2009; copies of the Declarations of Actual Use for the trademark NIRVA; a sample product label bearing the trademark "NIRVA"; a copy of the Certification and sales performance issued by IMS Health Philippines, Inc. for NO5A-Antipsychotics; copies of Certificates of Product Registration Nos. DR-XY35863 and DR-XY35864.⁴

This Bureau issued a Notice to Answer and served a copy thereof upon Respondent-Applicant on 14 March 2016. The Respondent-Applicant filed its Answer on 16 May 2016 alleging among other things:

x x x

"SPECIAL AND AFFIRMATIVE DEFENSES

"22. The Opposer alleges that Respondent-Applicant's mark 'NERVANA' resembles the mark 'NIRVA' and consequently the mark 'NERVANA' is confusingly similar to the mark 'NIRVA'. Applying the Dominancy Test, the Opposer alleges that the mark 'NERVANA' appears and sounds almost the same as the mark 'NIRVA'. Evidence, however, will show that the marks are not confusingly similar under both Holistic and Dominancy Tests and the possibility of confusion of goods and business is highly unlikely, if not impossible;

"23. The Respondent-Applicant asserts that confusing similarity should be measured by how the marks are actually used and appear in the market place given the fundamental principle in trademark law that trademarks are for the protection of the consumers who should be able to distinguish between trademarks in the market place. The trademarks in their entirety as they appear in their respective labels or hang tags must also be considered in relation to the goods to which they are attached. The discerning eye of the observer must focus not only on the predominant words but also on the other features appearing in both labels in order that he may draw his conclusion whether one is confusingly similar to the other;

"24. Applying the Holistic Test to the present case, it becomes apparent that Opposer's allegation that 'NERVANA' is confusingly similar to the mark 'NERVA' is utterly baseless considering that the substantial and obvious dissimilarities between the marks are they would appear in the product packaging;

"25. Although 'NERVANA' does not have an actual packaging, as the product is not in the market yet, the Generics Law or Republic Act NO. 6676 ('Generics Law' for brevity) and Department of Health Administrative Order No. 55 series of 1988 prescribes that the name of the manufacturer, among others, must appear on the label of the medicine. Thus, the label of 'NERVANA' will clearly indicate that The Cathay YSS Distributors Co., INC. ('CDCI') manufactured it. On the other hand, the label of 'NIRVA' clearly indicates that Medichem

⁴Marked as Exhibits "A" to "H", inclusive.

Pharmaceuticals Inc. ('MPI') manufactured it. Moreover, Respondent-Applicant's 'CDCI' logo is most likely to be displayed conspicuously on the packaging of 'NERVANA' just like Opposer's 'MPI' logo on its 'NIRVA'. More importantly, the Generics Law likewise prescribes the indication of the generic name of the drug/medicine on its label. As such, the label of 'NERVANA' will clearly indicate that its generic name is 'Citicoline' whereas the label of 'NIRVA' will clearly indicate that its generic name is 'Clozapine';

"26. Clearly, the different product information conveyed and the manner they are displayed on the respective labels of the pharmaceutical products negate any possibility that physicians, pharmacists and ordinary purchasers will confuse 'NERVANA' as 'NIRVA';

"27. Even if the Dominancy Test is to be applied, it cannot be gainsaid that 'NERVANA' is confusingly similar to 'NIRVA'. As stated in Philip Morris, Inc. v. Fortune Tobacco Corporation:

x x x

"Clearly, under the Dominancy Test, mere similarity of prevalent features is not sufficient, the similarity should be of such nature that likelihood of confusion or deception to consumers may result;

"28. The Opposer alleges that the first, third, fourth, and fifth letters of Respondent-Applicant's mark 'NERVANA' are exactly the same as the first, third, fourth, and fifth letters of Opposer's mark 'NIRVA'. Regrettably, other than showing that there are some letters common to both marks, the Opposer failed to show that such similitude is substantial enough that the consumers will be likely confused or deceived into purchasing Respondent-Applicant's 'NERVANA' supposing it to the Opposer's 'NIRVA' or vice-versa. On the contrary, Respondent-Applicant's mark 'NERVANA' is visually, aurally and phonetically distinguishable from 'NIRVA' even to those who are unfamiliar with or have heard the marks or brand names for the first time. Visually, the additional two letters in Respondent-Applicant's mark 'NERVANA' creates an appearance of a lengthier word, in comparison to a shorter five-letter word of the Opposer's mark 'NIRVA.' Phonetically, the two letters at the end of Respondent-Applicant's mark 'NERVANA' further adds an additional syllable, which when uttered is aurally distinguishable from 'NIRVA';

"29. The Respondent-Applicant submits that the similarity of some of the letters appearing in both marks is insufficient to make the marks confusingly similar especially when the combination of all the letters in both marks produce distinct and distinguishable visual and aural impressions. This Honorable Office is not unmindful of the Supreme Court's pronouncement that there is no confusing similarity between the following marks 'Bufferin' and 'Bioferin' and 'Attusing' and 'Pertussin';

"30. Further, the Supreme Court's ruling in the Philip Morris case on the application of the test of dominancy is instructive: x x x

"31. Hence, following the Philip Morris ruling, if Respondent-Applicant's mark 'NERVANA' is to be considered confusingly similar to Opposer's 'NIRVA', the mark 'NERVANA' should point out that it is owned by the Opposer or that the

goods bearing the 'NERVANA' mark is manufactured by the Opposer. However, in the present case, the use by the Respondent-Applicant of the mark 'NERVANA' for its pharmaceutical product will not in any way be associated to the Opposer or to any of the latter's pharmaceutical products simply because 'NERVANA' is a unique term coined by Respondent-Applicant factoring in the generic name, 'Citicoline' and its function as a nootropic agent'

"32. The brand name of Respondent-Applicant's drugs/products are carefully thought out by considering the following: generic name, official drug classification, drugs mechanism of action, key enzymes that are involved with the Active Pharmaceutical Ingredient, primary indication of the drug, adjectives directly relating to the primary symptom and universally accepted terminologies that are synonymous to/or interchangeable. In the case at bar, the mechanism of action as well as the primary indication of Citicoline describes the 'NE' uprotective property of its active pharmaceutical ingredients.';

"33. Verily, inasmuch as all persona have an equal right to sell similar products, they also have the right to describe them properly and to use the appropriate language or words for that purpose. It is inevitable that the brand selection process of the Opposer and other pharmaceutical companies are very similar. It is a common practice in the drug and pharmaceutical industries to fabricate marks using the syllables or words indicative of the generic name of the active ingredient of the pharmaceutical product or the ailments for which the pharmaceutical product is used;

"34. The nature of the goods particularly the generic name, primary indication, molecular structure and mechanism of action all the more negate the likelihood of confusion alleged by the Opposer;

"35. The Opposer alleges that the mark 'NERVANA' will likely cause confusion, mistake and deception of the part of the purchasing public, most especially considering that the opposed mark 'NERVANA' is applied for the same class and goods as that of Opposer's trademark 'NIRVA', i.e. Class 05 of the International Classification of Goods for pharmaceutical preparations. However, the generic name of the two products are different. The generic name of 'NERVANA' is 'Citicoline,' whereas the generic name of 'NIRVA' is 'Clozapine,'

"36. Likewise, Citicoline and Clozapine differ in terms of drug profile. Citicoline is a derivative of choline and cytidine that is involved in the biosynthesis of lecithin. While Clozapine is a dibenzodiazepidine derivative and the prototype of the atypical antipsychotics. It has relatively weak dopamine receptor-blocking activity at D1 D2D3 and D5 receptors but has high affinity for that D4 receptor.

"37. Moreover, Citicoline and Clozapine differ in terms of indications, Citicoline increases blood flow and oxygen consumption in the brain and has been given in the treatment of cerebrovascular disorder, parkinsonism and head injury. Cerebrovascular disorder refers to a group of conditions that affect the circulation of blood to the brain, causing limited or no blood flow to affected areas of the brain. Meanwhile, Clozapine is used for the management of schizophrenia (including psychoses in Parkinson's disease) unresponsive to or intolerant of conventional antipsychotic drugs.

"38. Further, the pharmacologic category of Citicoline differs from that of Clozapine. NERVANA is a psychostimulant and a nootropic agent, while NIRVA is an antipsychotic drug. Being a psychostimulant, NERVANA produces a transient increase in psychomotor activity and it is likewise a drug with antidepressant or mood-elevating properties. On the other hand, being an antipsychotic, NIRVA is within the class of medicines used to treat psychosis and other mental and emotional conditions. Moreover, it is also important to note that due to the difference of the generic name of NERVANA and NIRVA, they likewise differ in terms of molecular structure and mechanism of action.

"39. Furthermore, the fact that both 'NERVANA' and 'NIRVA' are prescription drugs is significant. This means that the purchasers do not directly take both medicines off the rack. For both pharmaceutical products to pass on to the buyers, the latter must present a licensed physician's prescription to a pharmacist, who will dispense the pharmaceutical product;

"40. Clearly, the dispensation of prescription drugs calls for the intervention of highly literate, trained, and cautious individuals such as physicians and pharmacists. A physician will prescribe 'NERVANA' not because he mistook it for 'NIRVA' but because after careful examination of his patient's condition, the better medication for him is 'NERVANA'. This is especially relevant as either drugs have different generic names and address particular purposes as previously explained. Similarly, the pharmacist will dispense 'NERVANA' not because he mistook it for 'NIRVA' but because 'NERVANA' is clearly written on the physician's prescription;

"41. Thus, in the case of Bristol Myers Co. vs. Director of Patents, where the Supreme Court allowed the separate registration of the trademarks 'BUFFERIN' and 'BIOFERIN,' it was ruled that with regard to medicines, the requirement for prescription makes 'the chances of being confused into purchasing one for the other are therefore all the more rendered negligible;'

"42. Further, given that the products involved are prescription drugs, purchasing this type of goods will entail more vigilance from the buying public, who are more likely to be cautious and less likely to be confused in purchasing the pharmaceutical products. Any likelihood of confusion is belied by the fact that an 'ordinary purchaser' of pharmaceutical products would necessarily be one who is discerning and familiar with their nuances and individual markings, considering the type and nature of the products involved. As held by the Supreme Court in the Philip Morris case:

x x x

"43. In the case of Etepha vs. Director of Patents, the peculiarity attendant to the purchase of prescription drugs vis-avis over the counter drugs and other ordinary household items was judiciously considered, thus:

x x x

"44. Clearly, the Supreme Court has already ruled out the possibility of confusing pharmaceutical products when physicians and pharmacists are involved. Given that this matter of confusing similarity of two pharmaceutical products is the main issue in this case, this Honorable Office has no reason to divert from the thrust of the rulings in the Etepha and Bristol Myers cases:

confusion in the dispensation of drugs is rendered impossible by the intervention of a physician and a pharmacist in the acquisition of the drugs;

"45. Remarkably, no less than the IPOPhil through the Bureau of Trademark affirmed the registrability of the Respondent-Applicant's mark 'NERVANA' after it had undergone merit examination without citing the Opposer's mark as an obstacle to the registration of the subject mark. It can be deducted that the Bureau of Trademarks must have perceived that the registration of Respondent-Applicant's mark 'NERVANA' is in consonance with law, rules and jurisprudence.

"46. All told, the grounds relied upon by the Opposer to contest the registration and use of the Respondent-Applicant's mark 'NERVANA' is clearly whimsical, purely imagined and utterly unfounded.

The Respondent-Applicant's evidence consists of the Secretary's Certificate appointing Nona F. Crisol or the law firm of Bello, Valdez, Caluya & Fernandez (JGLaw) as the attorneys-in-fact of Respondent-Applicant in this opposition case; the Affidavit of Ms. Nona Crisol dated 16 May 2016; a copy of the proposed sample package of Nervana; a copy of the actual sample package of Nirva; and a copy of the book Martindale: The Complete Drug Reference (38th ed.) by Alison Brayfield, page 2238.⁵

The Preliminary Conference was terminated on 05 October 2016. Then after, the Opposer and Respondent-Applicant submitted their respective position papers.

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

The Opposer anchors its opposition on the following provisions of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"):

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;"

Sec. 138. *Certificates of Registration.* - A certificate of registration of a mark shall be prima facie evidence of the validity of the registration, the registrant's ownership of the mark, and

⁵Marked as Exhibits "1" to "5".

of the registrant's exclusive right to use the same in connection with the goods or services and those that are related thereto specified in the certificate.

Sec. 147. *Rights Conferred.* - 147.1. The owner of a registered mark shall have the exclusive right to prevent all third parties not having the owner's consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion. In case of the use, of an identical sign for identical goods or services, a likelihood of confusion shall be presumed.

Records show that at the time the Respondent-Applicant filed its trademark application on 10 September 2015, the Opposer has an existing trademark registration for the mark NIRVA under Trademark Reg. No. 4-2009-6728 issued on 12 November 2009. The registration covers "antipsychotic pharmaceutical preparation" under Class 05. On the other hand, Respondent-Applicant's mark NERVANA covers "Pharmaceutical-CITICHOLENE, NOOTROPIC AGENT" under Class 05.

The marks are shown below:

Nirva

NERVANA

Opposer's trademark

Respondent-Applicant's mark

This Bureau finds that confusion or deception is unlikely to occur in this instance. Although the contending marks have the same four (4) letters "N", "R", "V" and "A", the visual and aural properties in respect of the Respondent-Applicant's mark has rendered said mark a character that is distinct from the Opposer's. While the marks are common as to the letters "N", "R", "V" and "A", those in between these letters make it easier for the consumers to distinguish one from the other. Moreover, the pharmaceutical products, although belonging to the same classification, Class 05, they pertain to pharmaceutical or drug products of distinct nature. Designated as NERVANA (generic name CITICHOLINE), Respondent-Applicant's products are "Citicoline (INN), also known as cytidine diphosphate-choline (CDP-Choline) or cytidine 5'-diphosphocholine is an intermediate in the generation of phosphatidylcholine from choline, a common biochemical process in cell membranes. Studies suggest that CDP-choline supplements increase dopamine receptor densities, and suggest that CDP-choline supplementation helps prevent memory impairment.

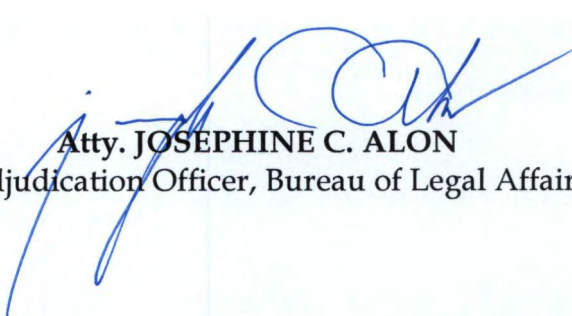
resulting from poor environmental conditions..."⁶ Opposer's pharmaceutical products covered under NIRVA (generic name CLOZAPINE) are atypical antipsychotic medication. The parties' respective pharmaceutical products are so distinct from each other in kind, nature and purpose, disposition and consumption.

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.⁷ This Bureau finds that the Respondent-Applicant's mark sufficiently serves this function.

WHEREFORE, premises considered, the instant Opposition is hereby DISMISSED. Let the filewrapper of Trademark Application Serial No. 4-2015-010463 together with a copy of this Decision be returned to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Taguig City, 28 JUN 2017.


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

⁶ <https://en.wikipedia.org/wiki/Citicoline>.

⁷ Pribhdas J. Mirpuri vs. Court of Appeals, G.R. No. 114508, 19 Nov. 1999.