

### Title: Prosource International, Inc. v. Horphag Research Management SA

### Facts:

This case originated when Horphag Research Management SA (respondent), a Swiss corporation and owner of the trademark PYCNOGENOL (a food supplement), discovered that Prosource International, Inc. (petitioner), a Philippine corporation, has been distributing a similar food supplement under the mark PCO-GENOLS since 1996. Upon discovery, the respondent demanded the petitioner to cease using the mark. The petitioner then discontinued and withdrew the product from the market, changing the mark to PCO-PLUS on June 19, 2000.

Respondent subsequently filed a Complaint for Infringement of Trademark with Prayer for Preliminary Injunction against the petitioner, seeking to stop the latter from using the brand PCO-GENOLS for its similarity to PYCNOGENOL and for actual, nominal damages, and attorney's fees. The petitioner countered that the respondent could not file the case for not being the registered owner of PYCNOGENOL and denied the similarity between the marks. They also claimed to have discontinued the use of the mark before the case filing.

In pre-trial, admissions included the respondent's trademark registration with the Intellectual Property Office (IPO), albeit not with the Bureau of Food and Drug, and the petitioner's product registration with the Bureau of Food and Drug but not with the IPO, among others. Ultimately, the Regional Trial Court (RTC) ruled in favor of the respondent, finding the marks confusingly similar, which was affirmed by the Court of Appeals (CA).

### Issues:

1. Whether PCO-GENOLS infringes on the trademark PYCNOGENOL.
2. Whether the award of attorney's fees to the respondent was proper.

### Court's Decision:

The Supreme Court upheld the decisions of the RTC and CA. It highlighted that trademark infringement is determined based on "likelihood of confusion," focusing on two tests: the Dominancy Test and the Holistic Test. The Court applied the Dominancy Test, finding the marks PYCNOGENOL and PCO-GENOLS confusingly similar due to their shared suffix "GENOL" and their use in marketing food supplements, among other factors. The Court also affirmed the award of attorney's fees to the respondent, considering it just and equitable as the respondent was compelled to litigate.

### Doctrine:

This case reinforces the application of the Dominancy Test in determining trademark infringement, focusing on the similarity of the prevalent features of competing trademarks that might cause confusion and deception.

### ### Class Notes:

- **Trademark infringement elements under R.A. No. 166 and R.A. No. 8293**: Registered trademark use by another leading to confusion; likely to cause confusion concerning the source, origin, or identity of goods or services; and usage without consent.
- **Important Tests for Confusion**: Dominancy Test focuses on the similarity of dominant features; Holistic Test considers the entirety of the marks and packaging.
- **Legal Provisions Cited**: R.A. No. 166 (as amended) and R.A. No. 8293, particularly sections on trademark infringement definitions and remedies.
- **Application**:
  - Infringement is determined by the “likelihood of confusion,” a concept that involves both the Dominancy and Holistic Tests.
  - The factual circumstances of each case are crucial in determining the existence of infringement.

### ### Historical Background:

Trademark infringement cases in the Philippines follow principles that are significantly influenced by both statutory law and case law, with the Supreme Court using established tests (Dominancy and Holistic) to navigate the complex issues surrounding potentially confusingly similar trademarks. The distinction between R.A. No. 166 (the old law) and R.A. No. 8293 (the Intellectual Property Code of the Philippines) highlights the evolution of trademark law in the country, recognizing the need for a more modern framework reflecting international standards and practices.