

their judgment on how a case was decided under foreign law." They are limited to the question of whether to extend the effect of the foreign judgment in the Philippines. Thus, in a foreign judgment relating to the status of adoption involving a citizen of a foreign country, Philippine courts will only decide whether to extend its effect to the Filipino party.

WHEREFORE, the petition is GRANTED.

SO ORDERED.

**ZUNECA PHARMACEUTICAL, et. al., Petitioners, vs. NATRAPHARM, INC.,
Respondent**

[G.R. No. 211850. Sept. 8, 2020.]

CAGUIOA, J.:

FACTS

Respondent Natrapharm filed a complaint against Petitioner Zuneca alleging that Zuneca's "ZYNAPS" is confusingly similar to its registered trademark, "ZYNAPSE," and that the confusion is dangerous because these medical drugs are intended for different types of illnesses. Zuneca countered that it has been selling the medical drug under the mark "ZYNAPS" since 2004, and that it was impossible that Natrapharm was unaware of its existence before the latter had registered the name "ZYNAPSE" because Natrapharm and Zuneca had advertised its products in the same publications and conventions. Finally, Zuneca argued that as the prior user, it is the owner of the mark "ZYNAPS."

The Supreme Court held that Natrapharm is the lawful registrant of the "ZYNAPSE" but petitioners are considered prior users in good faith and may continue to use "ZYNAPS." The Court discussed that the intent of the lawmakers was to adopt a system of acquiring rights over marks wherein the mode of acquiring ownership is registration. In the sponsorship speech of Senator Raul Roco for the IP Code, he discussed that owing to the country's adherence to the Paris Convention for the Protection of Industrial Property, specifically in adopting the Lisbon Act, the Philippines was required to adopt a system of registration of marks based not on use in the Philippines but on foreign registration.

RULING

The Supreme Court affirmed the RTC's decision that respondent Natrapharm is the lawful registrant of the "ZYNAPSE" mark but ruled that petitioners, as prior users in good faith of the "ZYNAPS" mark, may continue to use its mark.

The legislative intent is to abandon the rule that ownership of a mark is acquired through use.

The lawmakers' intention to change the system of acquiring rights over a mark is even more evident in the sponsorship speech of the late Senator Raul Roco for the IP Code. The shift to a new system was brought about by the country's adherence to treaties, and Senator Roco specifically stated that the bill abandons the rule that ownership of a mark is acquired through use, thus:

"Part III of the Code is the new law on trademarks.

On September 27, 1965, Mr. President, the Philippines adhered to the Lisbon Act of the Paris Convention for the Protection of Industrial Property (Paris Convention). This obliged the country to introduce a system of registration of marks of nationals of member-countries of the Paris Convention which is based not on use in the Philippines but on foreign registration. This procedure is defective in several aspects: first, it provides to a foreign applicant a procedure which is less cumbersome compared to what is required of local applicants who need to establish prior use as a condition for filing a trademark; and second, it is incompatible with the "based on use" principle which is followed in the present Trademark Law.

Furthermore, Mr. President, our adherence to the Paris Convention binds us to protect well-known marks. Unfortunately, the provisions of the Paris Convention on this matter are couched in broad terms which are not defined in the Convention. This has given rise to litigation between local businessmen using the mark and foreigners who own the well-known marks. The conflicting court decisions on this issue aggravate the situation and they are a compendium of contradictory cases.

The proposed [IP] Code seeks to correct these defects and provides solutions to these problems and make a consistency in ruling for future purposes.

To comply with [the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement)] and other international commitments, **this bill no longer requires prior use of the mark as a requirement for filing a trademark application. It also abandons the rule that ownership of a mark is acquired through use by now requiring registration of the mark in the Intellectual Property Office.** Unlike the present law, it establishes one procedure for the registration of marks. This feature will facilitate the registration of marks.”

WHEREFORE the petition is **PARTLY GRANTED** and the Court hereby declares petitioners **ZUNECA PHARMACEUTICAL AND/OR AKRAM ARAIN AND/OR VENUS ARAIN, M.D., AND STYLE OF ZUNECA PHARMACEUTICAL** as the prior users in good faith of the "ZYNAPS" mark and accordingly protected under Section 159.1 of the Intellectual Property Code of the Philippines.

The assailed Decision and Resolution of the Court of Appeals are **AFFIRMED** insofar as they declared respondent **NATRAPHARM, INC.** as the lawful registrant of the "ZYNAPSE" mark and are **SET ASIDE** insofar as they hold petitioners liable for trademark infringement and damages, directed the destruction of petitioners' goods, and enjoined petitioners from using "ZYNAPS."

SO ORDERED.

**ANACLETO BALLAHO ALANIS HI, Petitioner, vs. COURT OF APPEALS,
CAGAYAN DE ORO CITY, et. al., Respondents**
[G.R. No. 216425. Nov. 11, 2020.]

LEONEN, J.:

FACTS

Petitioner filed a Petition before the RTC of Zamboanga to change his name on his birth certificate, using his mother's maiden name, "Ballaho," in place of his father's surname, "Alanis III." He also wished to change his first name from "Anacleto" to "Abdulhamid" arguing that he had been using this name since childhood. The RTC denied this holding that the petitioner failed to prove any of