

FORMULA ONE LICENSING B.V.,	}	IPC No. 14-2009-00061
Opposer,	}	Opposition to:
	}	
-versus-	}	Appln. Serial No. 4-2006-006782
	}	Date filed: 26 June 2006
BSB JUNROSE AUTO PARTS CORPORATION,	}	
Respondent-Applicant	}	Trademark: F1 SPEED AND DEVICE
x-----x	}	Decision No. 2011-41

DECISION BASED ON
COMPROMISE AGREEMENT

FORMULA ONE LICENSING B.V., (“Opposer”), filed on 02 March 2009 an opposition to trademark Application Serial No. 4-2006-006782. This Bureau issued a Notice to Answer and served upon a copy thereof to BSB JUNROSE AUTO PARTS CORPORATION, (“Respondent-Applicant”) on 18 March 2009. After filing several motions for extension of time to file answer, the Respondent-Applicant timely filed its Answer on 07 August 2009.

This Bureau noticed, however that the Opposer and Respondent-Applicant filed on 24 June 2010 a JOINT MANIFESTATION TO APPROVE COMPROMISE AGREEMENT AND TO SEAL RECORD ON COMPROMISE. The pertinent portion of the COMPROMISE AGREEMENT reads, as follows:

1. BSB (Respondent-Applicant) waives any and all right or claim, and acknowledges that it has no right or claim, to the “F1 ONE SPEED AND DEVICE” mark. BSB hereby withdraws Application Serial No. 4-2006-006782. For this purpose, BSB hereby undertakes to file a Notice of Withdrawal to the Bureau of Trademarks of IP Philippines within five (5) business days from the signing of this agreement. BSB further undertakes to submit to FOL (Opposer) a copy of the Notice of Withdrawal with proof of receipt thereof by IP Philippines within (5) days from filing of said notice.
2. BSB shall not seek to register or use any mark that is identical or confusingly similar to FOL’s Mark other than the mark agreed upon by the parties referred to in paragraph 5 below. For the sake of clarity, BSB may use and/or register only the mark referred to in paragraph 5 below.
3. BSB shall have a non-extendible sell-off until 31 March 2011 (“Sell-Off Period”) within which to sell, distribute, or otherwise dispose of, by itself and /or through its authorized and direct distributors, authorized and direct dealers and similar entities, its existing inventory of goods and materials bearing the composite mark “F1 ONE SPEED AND DEVICE”. BSB expressly warrants that as of execution of this Agreement, it has not manufactured, marketed, promoted, produced, or advertised goods and materials bearing the “F1 ONE SPEED AND DEVICE” mark and that its current inventory of those goods and materials in its possession as well as those in the hands of its

authorized distributors, authorized dealers and similar entities is that as already existing at the time of execution of this Agreement.

4. BSB confirms that upon the expiration of the Sell-off Period, all unsold items, goods, and materials bearing the "F1 ONE SPEED AND DEVICE" mark that are still in the hands of its authorized distributors, authorized dealers and similar entities will either be returned to BSB, destroyed or rendered unfit for commerce. BSV further undertakes not to manufacture, sell, market, promote, produce, advertise, or distribute any and all goods items bearing the "F1 ONE SPEED AND DEVICE" mark after the sell-off period. BSB expressly agrees to submit within 30 days from the expiration of the destruction or rendering unfit for commerce of unsold inventory. The certification shall be strictly in the form attached as annex "C".
5. In the course of negotiating this amicable settlement, BSB submitted to FOL a list of marks and designs which will register and use on its products¹ in lieu of the foregoing "F1 ONE SPEED AND DEVICE" mark. The parties agreed that BSB shall use and seek to register, if it so chooses, the following mark:



FOL waives any and all right or claim, and acknowledge that it has no right or claim to the foregoing mark and further acknowledge that said foregoing mark is not identical or confusingly similar to any of the FOL marks, provided that use of the foregoing mark adheres to the provisions of paragraph 6 of the Agreement.

6. BSB undertakes to not use FOL's registered and well-known " F1 ONE LOGO" mark, or any confusingly similar derivative thereof, in any of BSB's present or future operations or businesses. Furthermore, BSB undertakes never to use or association with the FIA Formula One World Championship.
7. each party to the Agreement hereby absolutely and irrevocably releases the other party and its successors-in-interest, stockholders, directors officers, employees, representative, contractors, affiliates, parent companies, subsidiaries, clients, and/or customer, agents, attorneys and assign from any and all manners of claims, action, causes of action (whether civil, criminal, or administrative), sum of money, accounts, damages, claims or demands, whatsoever which each party ever had, now has, or which it or its assigns successors-in-interest, attorneys, agents, or may have by reason of, or arising out of or on account of , or in connection with the action, including other

claims arising from the filing of the Action as well as the with the afore-stated submissions, this Bureau evaluated the COMPROMISE AGREEMENT and finds that the same has been duly entered into by the parties with the terms and conditions thereof not contrary to law, morals, good customs, public order policy.

In this regard, a compromise agreement intended to resolve a matter already under litigation is a judicial compromise. Having judicial mandate and entered as its determination of the controversy, it has the force and effect of a judgment that is subject to execution in accordance with the rule of court. Thus, a compromise agreement that has been made and duly approved by the court attains the effect and authority of res judicata, although no execution may be issued under the agreement receives the approval of the court where the litigation is pending and compliance with terms of the agreement is decreed.²

WHEREFORE, premises considered, the parties COMPROMISE AGREEMENT is hereby APPROVED. Accordingly, the COMPROMISE AGREEMENT having the force and effect of a decision or judgment, the parties are enjoined to comply with the terms and conditions set forth therein.

SO ORDERED.

Makati City, 19 April 2011.

NATHANIEL S. AREVALO
Director, Bureau of Legal Affairs