

EMERSON ELECTRIC CO.,)	IPC No. 14-2011-00069
<i>Opposer,</i>)	Case filed: 23 Feb 2011
)	Opposition to:
)	
versus -)	Appln. No. 4-2010-500735
)	Date Filed: 21 May 2010
RIGID MACHINERIES & MILL SUPPLY)	Title: "RIGID"
CORPORATION,)	
<i>Respondent-Applicant.</i>)	Order No. 2012-09 (D)
x-----x		

DECISION BASED ON
COMPROMISE AGREEMENT

EMERSON ELECTRIC CO., ("Opposer") filed on 29 February 2011 an Opposition to Application No. 4-2010-500735. This Bureau issued a Notice to Answer dated 23 May 2011 and served upon a copy thereof to RIGID MARCHINERIES & MILL SUPPLY CORPORATION, ("Respondent-Applicant") on 07 April 2011. The Respondent-Applicant filed its Answer on 05 August 2011.

In compliance to Office Order No. 154, s.2010 ("*Rules of Procedure for IPO Mediation Proceedings*") and Office Order No. 197, s. 2010 ("*Mechanics for IPO Mediation Settlement Period*"), this Bureau issued on 15 August 2011 Order No. 2011-243 referring the case to mediation.

On December 2011 the Mediation Office submitted a Mediation report indicating a settlement by the parties of the case. Attached to the report is the parties' "SETTLEMENT AGREEMENT," the pertinent portions of which read as follows:

- "1. RIGID shall, within five (5) days of the effectivity date of this Settlement Agreement, amend the goods of the RIGID Application to the following goods: 'hexagonal shafting, hexagonal housing, lower cap, upper cap, center cap, upper shafting, center shafting, sprockets, chains, v-pulleys, disc plow pin, roller drum, roller pin, oil seals, lower shaft round end, lower shaft square end, stud shaft, stud pulley adapter, agricultural implements spare parts, ball bearing, all of the aforesaid goods being spare parts for the assembly of farm implements, and agricultural centrifugal water pump, agricultural self-priming pumps' (the 'RIGID Goods')
- "2. EMERSON acknowledges that it has not and does not commercially deal in the RIGID Goods.
- "3. RIGID hereby agrees to limit its use of the mark RIGID, and marks that are colourable imitation thereof to, on or in connection with the RIGID Goods. EMERSON, for its part, agrees not to use the mark RIGID for the RIGID Goods in the Philippines.
- "4. Within five (5) business days of the acceptance of the amendment to the goods of the RIGID application as set forth in Paragraph 1 hereof, EMERSON agrees to withdraw and cause the dismissal with prejudice of the Opposition case against Application No. 4-2010-500735, docketed as IPC No. 14-2011-00069.
- "5. RIGID shall be free to continue the prosecution of its Application No. 4-2010-500735 for the registration of the mark RIGID provided it complies with the obligations of this Settlement Agreement.

- “6. In the event that either party becomes aware of any actual confusion or mistake occurring as a result of their use of their respective marks, the parties agree to communicate all details of each instance to each other, and to cooperate reasonably to take steps to abate the cause of confusion or mistake and to prevent any such confusion or mistake from arising.
- “7. This Settlement Agreement shall be binding, valid and enforceable against, and the benefits shall inure to, the parties’ their respective employees, agents, successors, assign, subsidiaries, parents, allied, related, affiliated and associated companies, as well as other parties validly exploiting the trademarks and designated as such.
- “8. Each party warrants and represents that it has full authority to enter into this Agreement and o permit or refrain from all uses that are the subject matter of the provisions herein.
- “9. Each party shall bear its own legal expenses and costs on account of the execution of this Settlement Agreement and its implementation.
- “10. This Agreement constitutes the entire agreement between the parties and may not be modified or amended except in writing, signed by the authorized representative of each party.
- “11. The scope of this Agreement shall be limited to the Philippines. The Agreement shall be construed in accordance with, and governed by the Philippine laws.
- “12. The parties acknowledge that they have freely and voluntarily executed the foregoing Settlement Agreement.

This Bureau evaluated the SETTLEMENT 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 or public policy.

WHEREFORE, premises considered, the parties’ SETTLEMENT AGREEMENT is hereby APPROVED. Accordingly, the SETTLEMENT AGREEMENT having the force and effect of a decision or judgment, the parties are hereby enjoined to comply with the terms and conditions set forth therein. Let the filewrapper of trademark Application Serial No. 4-2009-003571 be returned, together with a copy of this Order to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Taguig City, 10 January 2012.

ATTY. NATHANIEL S. AREVALO
Director, Bureau of Legal Affairs
Intellectual Property Office