MICROCADD TECHNOLOGIES CO., INC. Complainant,

IPV No. 10-2003-00010

For: Infringement and/or Unfair Competition

-versus-

ENGR. WILFREDO S. PORCALLA,
MS. JOCELYN PORCALLA and
MRS. PETCH PORCALLA
Respondents.

Decision No. 2003-03

DECISION

During the hearing on 2 May 2006, the parties filed their Compromise Agreement. Complainant pointed out paragraphs 2 & 3 of the Compromise Agreement which Respondents still have to comply with before the Agreement is approved by this Bureau, said paragraph reads, viz:

- "2. This Agreement shall be deemed the Petition for Cancellation of the Subject Copyright Registration, and any of the parties hereto are hereby authorized to file a copy of this Agreement with the National Library and cause the cancellation of the subject Copyright Registration. Nevertheless, the Porcallas shall primarily cause the cancellation of the Subject Copyright Registration and promptly furnish the company with proof of the same."
- "3. Within thirty (30) days from execution of this Agreement, the Porcallas shall furnish the Company with a sworn certification that they have withdrawn all unsold copies of the Subject Book from bookstores and other establishments within and outside Metro Manila including copies from libraries or other educational institutions. In this regard, the Porcallas shall attach to their sworn certification copies of the pull-out receipts or other supporting documents."

Thus, Complainant manifested that it will file a Manifestation relating to Respondent's compliance with the aforesaid paragraphs.

On 2 June 2006, Complainant filed a Manifestation stating that Respondents has already fulfilled their undertaking under par. 2 & 3 of the Agreement. Attached to the Manifestation is a copy of the Cancellation of Copyright Registration No. 2002-782 and Certification of Compliance of Respondent's withdrawal of all unsold copies of the subject book from bookstores and other establishments within and outside Metro Manila including libraries or other educational institutions. It further stated that the Agreement shall be deemed the parties' joint motion to dismiss this case with prejudice.

The Complainant's Manifestation is noted.

The Compromise Agreement is executed by and between Complainant MICROCADD TECHNOLOGIES CO., INC. and Respondent ENGR. WILFREDO S. PORCALLA, MS. JOCELYN PORCALLA and MRS. PETCH PORCALLA provides, to wit:

"1. In full and complete settlement of all claims of the Company in connection with or arising from the subject case, the Porcallas shall: (a) pay the Company the sum of Twenty Thousand Pesos (Php 20,000.00), receipt of which is acknowledged by the Company; (b) cause the cancellation of the Subject Copyright Registration; and (c)

undertake not to sell, distribute or otherwise dispose of, directly or indirectly, the unsold or remaining copies of the Subject Book for profit or otherwise."

- "2. This Agreement shall be deemed the Petition for Cancellation of the Subject Copyright Registration, and any of the parties hereto are hereby authorized to file a copy of this Agreement with the National Library and cause the cancellation of the Subject Copyright Registration. Nevertheless, the Porcallas shall primarily cause the cancellation of the Subject Copyright Registration and promptly furnish the Company with proof of the same."
- "3. Within thirty (30) days from execution of this Agreement, the Porcallas shall furnish the Company with a sworn certification that they have withdrawn all unsold copies of the Subject Book form bookstores and other establishments within and outside Metro Manila including copies from the libraries or other educational institutions. In this regard, the Porcallas shall attach to their sworn certification copies of the pull-out receipts or other supporting documents."
- "4. Upon the fulfillment of the undertakings provided in Paragraphs 2 and 3 above, the Company shall promptly file a Manifestation of such compliance with the Bureau of Legal Affairs. Upon the filing of such Manifestation, this Agreement shall be deemed the joint motion of the parties to dismiss the Subject Case with prejudice."
- "5. The Porcallas admit no liability of any sort arising out of or in connection with the Subject case, and that compliance with the undertakings provided by this Agreement is made to terminate further controversy respecting all claims that were asserted against them, or may be asserted against them arising out of or in connection with the Subject Case."
- "6. This Agreement shall be binding on and shall inure to the benefit of the parties and their respective legal representatives, successors and assigns and shall forever bar the Company from pursuing any other claim or action against the Porcallas arising from or connected with the Subject Book and the Subject Copyright Registration.
- "7. The terms, conditions and stipulations of this Agreement shall be kept secret and confidential between the parties, and their respective employees, agents or representatives, and neither party shall disclose or reveal the contents thereof to strangers or third persons unless otherwise compelled by competent authority."
- "8. This Agreement embodies the entire agreement of the parties respecting the subject matter hereof. There are no promises, terms, conditions, or obligations other than those contained herein. This instrument supersedes all previous communications, representations or agreements, either verbal or written, among the parties."
- "9. The parties shall promptly and duly executed and deliver any and all such further instruments and take such further actions as they may deem necessary or desirable to implement this Agreement."

WHEREFORE, finding the parties' Compromise Agreement to have been duly executed and signed by the parties and the terms and conditions thereof to be in consonance with the law, morals, good customs, public policy or public order, the same is hereby APPROVED. Consequently, the parties are hereby enjoined to faithfully comply with the terms and conditions of the Compromise Agreement, failure of which shall be cause for erring party to be cited for indirect contempt after proper charge and hearing.

SO ORDERED.

Makati City, June 23, 2006.

ESTRELLITA BELTRAN-ABELARDO Director, Bureau of Legal Affairs