



**BLUE CROSS AND BLUE
SHIELD ASSOCIATION,**

Opposer,

-versus-

**BLUE CROSS INSURANCE, INC. &
BLUE CROSS HEALTHCARE INC.,**
Respondent- Applicant.

}
}
}
}
}
}
}
}
}
}
}

IPC No. 14-2012-00334

Opposition to:

Appln. Serial No. 4-2011-501637

Date Filed: 28 October 2011

**TM: "COMPANY LOGO
& INSURANCE"**

X-----X

NOTICE OF DECISION

BETITA CABILAO CASUELA SARMIENTO

Counsel for Opposer

Suite 1104, Page One Building

1215 Acacia Avenue, MardigalBusiness Park

Ayala Alabang, Muntinlupa City

A.Q. ANCHETA & PARTNERS

Counsel for Respondent-Applicants

Suite 1008-1010 Paragon Plaza

162 EDSA corner Reliance Street

Mandaluyong City

GREETINGS:

Please be informed that Decision No. 2014 - 143 dated May 22, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, May 22, 2014.

For the Director:

Edwin A. Dating
Atty. EDWIN DANILO A. DATING

Director III

Bureau of Legal Affairs



BLUE CROSS AND BLUE SHIELD ASSOCIATION,
Opposer,

- versus -

BLUE CROSS INSURANCE, INC. & BLUE CROSS HEALTHCARE INC.,
Respondent – Applicants.

IPC NO. 14-2012-00334

Opposition to:
Appln. Ser. No. 4-2011-501637
Date Filed: 28 October 2011

TM: COMPANY LOGO & INSURANCE

x-----x Decision No. 2014- 143

DECISION BASED ON COMPROMISE AGREEMENT

BLUE CROSS AND BLUE SHIELD ASSOCIATION, (“Opposer”) filed on 24 September 2012 an opposition to Trademark Application Serial No. 4-2011-501637 The application, filed by BLUE CROSS INSURANCE, INC. & BLUE CROSS HEALTHCARE INC. (“Respondent-Applicants”), covers the mark “**COMPANY LOGO & INSURANCE**” for use on goods under International Class 36.

This Bureau issued a Notice to Answer dated 28 September 2012 and served a copy thereof to Respondent-Applicants on 08 October 2012. The Respondent-Applicants filed their Answer on 07 January 2013.

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 30 January 2013 Order No. 2013-025 referring the case to mediation.

On 21 May 2014, the ADR Services of this Bureau submitted a Mediation Report submitting a copy of the parties’ Compromise Agreements. The pertinent portions of the COMPROMISE AGREEMENTS read, as follows:

Between BLUE CROSS AND BLUE SHIELD ASSOCIATION (“BCBSA”) and BLUE CROSS INSURANCE, INC. (“BCII”)

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual covenants contained in this Agreement, the Parties hereby agree as follows:

- “1. Subject to the transition period provided in this Agreement, BCII shall cease and desist from using the BLUE CROSS and blue cross design marks (as shown in Attachment 1), including similar variants thereof, such as, but not limited to: a) the use of a cross design

in any color with the word BLUE, and b) any design of a cross that incorporates the color blue alone or the color blue in combination with another color, in the Philippines or elsewhere, in connection with its business. BCII shall make the obligations under this Agreement binding upon its assigns and successors-in-interest.

"2. Within six (6) months of signing of this Agreement by the parties, BCII shall file with the appropriate authorities or offices a request to change its corporate name. The new name shall not include any word that is a translation or transliteration of the words "BLUE" and "CROSS" together or any logo or design that includes a design of a cross that incorporates the color blue alone or the color blue in combination with another color.

"3. Simultaneous with the execution of this Agreement, BCII shall withdraw and abandon the following Philippine trademark applications:

- Application no. 4-1992-080868
- Application no. 4-1992-080869
- Application no. 4-2005-011110
- Application no. 4-2005-011111
- Application no. 4-2009-006000
- Application no. 4-2009-006001
- Application no. 4-2009-007279
- Application no. 4-2009-007280
- Application no. 4-2011-501642
- Application no. 4-2011-501637
- Application no. 4-2011-501645
- Application no. 4-2012-501578
- Application no. 4-2012-501579
- Application no. 4-2012-501580

"4. Within thirty (30) days from the execution of this Agreement, BCII shall withdraw and abandon all of its trademark applications and registrations filed and issued outside the Philippines for marks that include the words "BLUE" and "CROSS" together or a design of a blue cross, including those depicted at Attachment 1 and similar variants thereof or any logo or design includes a design of a cross that incorporates the color blue alone or the color blue in combination with another color.

"5. BCII shall henceforth not file in the Philippines or elsewhere any new applications to register any trademark, service mark, trade name or corporate name that includes the words "BLUE" and "CROSS" together or a design of a cross that is blue, including those depicted at Attachment 1 and similar variants thereof or any logo or design that includes a design of a cross that incorporates the color blue alone or the color blue in combination with another color.

"6. BCII shall henceforth not challenge BCBSA's exclusive right to use and register any BLUE CROSS and blue cross design marks, including similar variants thereof, in the Philippines or elsewhere, in connection with goods and services in any class.

"7. The Parties agree to settle the following Trademark Opposition Cases by jointly submitting the duly executed copy of this Agreement to the Bureau of Legal Affairs of the Intellectual Property Office of the Philippines:

- IPC No. 14-2011-00016 opposition against application no. 4-2009-007280



- IPC No. 14-2012-00289 opposition against application no. 4-2011-501642
- IPC No. 14-2012-00334 opposition against application no. 4-2011-501637
- IPC No. 14-2012-00418 opposition against application no. 4-2011-501645
- IPC No. 14-2012-00508 opposition against application no. 4-2012-501580
- IPC No. 14-2012-00559 opposition against application no. 4-2012-501579
- IPC No. 14-2013-00119 opposition against application no. 4-2006-005270

- "8. The Parties agree to settle the case entitled "Blue Cross Blue Shield Association versus Blue Cross Health Care, Inc. and Blue Cross Insurance, Inc.", docketed as SEC Case No. 4206, by jointly submitting the duly executed copy of this Agreement to the Securities and Exchange Commission of the Philippines.
- "9. BCBSA hereby agrees to grant BCII a transition period of twenty four (24) months from the execution of this agreement within which to terminate BCI's use of the BLUE CROSS word and blue cross design mark on all materials, whether internal or consumer facing. For a period of twelve (12) months from the termination of the said twenty-four month period, BCII shall be allowed to indicate through a legend the fact of their past use of the BLUE CROSS and blue cross design marks in materials intended for public dissemination, provided that the manner of use shall not convey the impression that BCII are or have been associated with BCBSA as an affiliate, subsidiary, licensee or co-venturer. The parties shall collectively work on and approve the legend authorized by this paragraph 9.
- "10. The periods provided in preceding paragraph may be extended by BCBSA upon prior written request made by BCII on reasonable ground at least three (3) months prior to the expiration of the period sought to be extended. For the avoidance of doubt, BCBSA shall have absolute discretion to grant the extension.
- "11. The terms and conditions of this Compromise Agreement may be amended, waived or modified only by agreement in writing signed by the Parties or their respective assigns or successors-in-interest.
- "12. The Parties agree to file the necessary motions for judgments based on compromise to give effect to the terms of this Agreement and the dismissal of the cases identified in paragraphs 7 and 8 above.
- "13. The Parties shall abide by the terms and conditions of this Agreement in utmost good faith and, to this end, shall not issue, state or make any derogatory, malicious or negative statements, announcements or press releases with respect to the other Party.
- "14. The Parties shall not divulge or disclose any facts relating to this Agreement, including its existence and its specific terms and conditions, to any third parties without the written consent of the other Party. Notwithstanding the foregoing, the Parties are allowed to inform their employees and officers who have a need to know, and their respective legal counsel, regarding the existence and terms of this Agreement or the Intellectual Property Office and the Securities and Exchange Commission in connection with the dismissal of the cases identified in paragraphs 7 and 8 above, or the appropriate court in the event a Party seeks to apply for injunctive relief or any other action to enforce the terms of this Agreement. In addition, BCBSA shall be allowed to inform the Blue Cross and Blue Shield licensees of the fact that a settlement has been reached regarding the trademark disputes that were pending between the Parties.


"15. The Parties have read and all terms and conditions carefully and acknowledge that the same is entered into free of duress, force, misrepresentation, intimidation and any and all other forms of vice of consent.

"16. This Agreement shall be deemed effective once signed by all parties below."

Between BLUE CROSS AND BLUE SHIELD ASSOCIATION ("BCBSA") and BLUE CROSS HEALTH CARE, INC. ("BCHCI")

NOW, THEREFORE, for and in consideration of the foregoing premises and the mutual covenants contained in this Agreement, the Parties hereby agree as follows:

- "1. Subject to the transition period provided in this Agreement, BCHCI shall cease and desist from using the BLUE CROSS and blue cross design marks (as shown in Attachment 1), including similar variants thereof, such as, but not limited to: a) the use of a cross design in any color with the word BLUE, and b) any design of a cross that incorporates the color blue alone or the color blue in combination with another color, in the Philippines or elsewhere, in connection with its business. BCHCI shall make the obligations under this Agreement binding upon its assigns and successors-in interest.
- "2. Within six (6) months of signing of this Agreement by the parties, BCHCI shall file with the appropriate authorities or offices a request to change its corporate name. The new name shall not include any word that is a translation or transliteration of the words "BLUE" and "CROSS" together or any logo or design that includes a design of a cross that incorporates the color blue or the color blue in combination with another color.
- "3. Simultaneous with the execution of this Agreement, BCHCI shall withdraw and abandon the following Philippine trademark applications:
 - Application no. 4-2009-006001
 - Application no. 4-2011-501642
 - Application no. 4-2011-501637
 - Application no. 4-2011-501645
 - Application no. 4-2012-501578
 - Application no. 4-2012-501579
 - Application no. 4-2012-501580
- "4. Within thirty (30) days from the execution of this Agreement, BCHCI shall withdraw and abandon all of its trademark applications and registrations filed and issued outside the Philippines for marks that include the words "BLUE" and "CROSS" together or a design of a blue cross, including those depicted at Attachment 1 and similar variants thereof or any logo or design that includes a design of a cross that incorporates the color blue alone or the color blue in combination with another color.
- "5. BCHCI shall henceforth not file in the Philippines or elsewhere any new applications to register any trademark, service mark, trade name or corporate name that includes the words "BLUE" and "CROSS" together or a design of a cross that is blue, including those depicted at Attachment 1 and similar variants thereof or any logo or design that includes a design of a cross that incorporates the color blue alone or the color blue in combination with another color.

- "6. BCHCI shall henceforth not challenge BCBSA's exclusive right to use and register any BLUE CROSS and blue cross design marks, including similar variants thereof, in the Philippines or elsewhere, in connection with goods and services in any class.
- "7. The Parties agree to settle the following Trademark Opposition Cases by jointly submitting the duly executed copy of this Agreement to the Bureau of Legal Affairs of the Intellectual Property Office of the Philippines:
- IPC No. 14-2012-00289 opposition against application no. 4-2011-501642
 - IPC No. 14-2012-00334 opposition against application no. 4-2011-501637
 - IPC No. 14-2012-00418 opposition against application no. 4-2011-501645
 - IPC No. 14-2012-00508 opposition against application no. 4-2012-501580
 - IPC No. 14-2012-00559 opposition against application no. 4-2012-501579
 - IPC No. 14-2013-00119 opposition against application no. 4-2006-005270
- "8. The Parties agree to settle the case entitled "Blue Cross Blue Shield Association versus Blue Cross Health Care, Inc. and Blue Cross Insurance, Inc.", docketed as SEC Case No. 4206, by jointly submitting the duly executed copy of this Agreement to the Securities and Exchange Commission of the Philippines.
- "9. BCBSA hereby agrees to grant BCHCI a transition period of twenty four (24) months from the execution of this agreement within which to terminate BCHCI's use of the BLUE CROSS word and blue cross design mark on all materials, whether internal or consumer facing. For a period of twelve (12) months from the termination of the said twenty-four month period, BCHCI shall be allowed to indicate through a legend the fact of their past use of the BLUE CROSS and blue cross design marks in materials intended for public dissemination, provided that the manner of use shall not convey the impression that BCHCI are or have been associated with BCBSA as an affiliate, subsidiary, licensee or co-venturer. The parties shall collectively work on and approve the legend authorized by this paragraph 9.
- "10. The periods provided in preceding paragraph may be extended by BCBSA upon prior written request made by BCHCI on reasonable ground at least three (3) months prior to the expiration of the period sought to be extended. For the avoidance of doubt, BCBSA shall have absolute discretion to grant the extension.
- "11. The terms and conditions of this Compromise Agreement may be amended, waived or modified only by agreement in writing signed by the Parties or their respective assigns or successors-in-interest.
- "12. The Parties agree to file the necessary motions for judgments based on compromise to give effect to the terms of this Agreement and the dismissal of the cases identified in paragraphs 7 and 8 above.
- "13. The Parties shall abide by the terms and conditions of this Agreement in utmost good faith and, to this end, shall not issue, state or make any derogatory, malicious or negative statements, announcements or press releases with respect to the other Party.
- "14. The Parties shall not divulge or disclose any facts relating to this Agreement, including its existence and its specific terms and conditions, to any third parties without the written consent of the other Party. Notwithstanding the foregoing, the Parties are allowed to inform their employees and officers who have a need to know, and their respective legal counsel,
- 

regarding the existence and terms of this Agreement or the Intellectual Property Office and the Securities and Exchange Commission in connection with the dismissal of the cases identified in paragraphs 7 and 8 above, or the appropriate court in the event a Party seeks to apply for injunctive relief or any other action to enforce the terms of this Agreement. In addition, BCBSA shall be allowed to inform the Blue Cross and Blue Shield licensees of the fact that a settlement has been reached regarding the trademark disputes that were pending between the Parties.

"15. The Parties have read and all terms and conditions carefully and acknowledge that the same is entered into free of duress, force, misrepresentation, intimidation and any and all other forms of vice of consent.

"16. This Agreement shall be deemed effective once signed by all parties below."


This Bureau evaluated the COMPROMISE AGREEMENTS and finds that the same have 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.

Accordingly, an approved Compromise Agreement shall have the effect of a decision or judgment on the case and shall be enforced accordingly in accordance with the pertinent rules of IPO and the Rules of Court.¹

WHEREFORE, premises considered, the parties' Compromise Agreements are hereby **APPROVED**. Accordingly, the instant opposition case is hereby **DISMISSED**. Let the filewrapper of Trademark Application No. 4-2011-501637 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 22 May 2014


Atty. **NATHANIEL S. AREVALO**
Director IV
Bureau of Legal Affairs

¹ Office Order No. 154 Series of 2010.