



CHANEL SARL,
Opposer,

-versus-

ORGANIX SOLUTIONS INC.,
Respondent-Applicant.

X-----X

} IPC No. 14-2010-00215
} Opposition to:
} Appln. Serial No. 4-2009-011333
} Date filed: 06 Nov. 2009
} TM: "COCOBODY"

NOTICE OF DECISION

SYCIP SALAZAR HERNANDEZ & GATMAITAN

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**ROMULO MABANTA BUENAVENTURA SAYOC
AND DE LOS ANGELES**

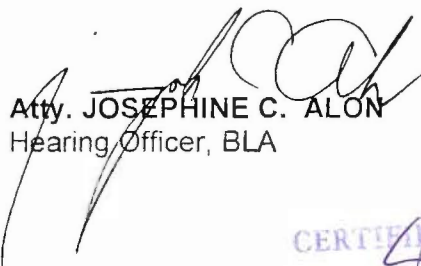
Counsel for Respondent-Applicant
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8741 Paseo de Roxas, Makati City

GREETINGS:

Please be informed that Decision No. 2012 – 86 dated May 07, 2012 (copy enclosed) was promulgated in the above entitled case.

Taguig City, May 07, 2012.

For the Director:


Atty. JOSEPHINE C. ALON
Hearing Officer, BLA

CERTIFIED TRUE COPY
J. Alcantara
SHARON S. ALCANTARA
Records Officer II
Bureau of Legal Affairs, IPO



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Decision No. 2012- 86

**DECISION BASED ON
COMPROMISE AGREEMENT**

CHANEL SARL ("Opposer"), filed on 28 September 2010 an Opposition to Application No. 4-2009-011333. This Bureau issued a Notice to Answer dated 21 October 2010 and served upon a copy thereof to **ORGANIX SOLUTIONS INC.** ("Respondent-Applicant"), on 04 November 2010. The Respondent-Applicant filed its Answer on 16 February 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 18 February 2011 Order No. 2011-130 referring the case to mediation.

On 12 April 2012, this Bureau's Alternative Dispute Resolution Services (ADRS) submitted a Mediator's 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. Organix recognizes Chanel's prior rights in the COCO trademark in the Philippines in respect of class 3 goods and agrees never to use the COCOBODY mark or the COCOBODY Logo or any other mark to challenge the use, registration or renewal of Chanel's COCO trademark.

"2. Organix undertakes to effect the announcement of the specification of Class 3 goods and Class 35 services in its Applications Nos. 4-2009-011333, 4-2009-011334 and 4-2010-013400 by (a) deleting perfumery, make-up and similar goods from the list, and (b) inserting the phrase "all the aforesaid goods being coconut-based products or products derived from coconut fruits, trees or parts thereof", to read as follows, to wit:

- (a) Class 3 – "cosmetics (excluding make-up), lotion, shampoo, body wash, liquid soap, hair lotion, oil, face powder, body care, body cream, facial cream, facial wash, toner, facial cleansing, facial wipes, health care, organics body care; all the aforesaid goods being coconut-based products or products derived from coconut fruits or parts thereof"; and
- (b) Class 35 – "selling lotion, cosmetics (excluding make-up), health care product, shampoo, body wash, soap, facial wash; all the aforesaid goods being coconut-based products or products derived from coconut fruits, trees or parts thereof".

For this purpose, Organix shall within ten (10) calendar days from its receipt of the Bureau of Legal Affairs' Order approving this Agreement or granting the Joint Motion for Judgment Based on Compromise Agreement referred to in Section 17, file with the Bureau

of Trademarks a formal request for amendment for each of Applications Nos. 4-2009-011333, 4-2009-011334 and 4-2010-013400 in substantially the same form as the draft attached hereto as Annex "A".

"3. Organix agrees never to use, register or apply to register the word COCO alone or as a separate element in relation to any Class 3 goods or services relating to such goods;

"4. Organix agrees that it shall not use, register, or apply for registration of the COCOBODY mark, the COCOBODY Logo or any similar mark, name or derivatives thereof in relation to perfumes, eau de toilette, cologne, after-shave or make-up (including lipsticks);

"5. Organix agrees only and always to use, register or apply for registration of COCOBODY either (i) as a single word with no particular emphasis or prominence given to the COCO element (whether in terms of size, colour, font or by any other means) relative to the BODY element, ensuring always that the presentation of the mark would not suggest in any way or give the impression to the buying public that it is used on products other than coconut-based products or products derived from coconut fruits, trees or parts thereof; or (ii) in the logo form represented above that is subject of Application No. 4-2010-013400 (i.e. referred to herein as the COCOBODY logo), similarly ensuring that the presentation of the mark would not suggest in any way or give the impression to the buying public that it is used on products other than coconut-based products or products derived from coconut fruits, trees, or parts thereof. Organix further undertakes that use and registration of COCOBODY shall always and only be in connection with coconut-based products or products derived from coconut fruits, trees, or parts thereof as well as to retailing services of such goods.

"6. Organix further undertakes that any future application for registration of the COCOBODY Mark of the COCOBODY Logo shall strictly be in accordance with the preceding Sections.

"7. Organix undertakes that all products bearing the COCOBODY Mark or the COCOBODY Logo are and shall always be coconut-based products derived from coconut fruits, trees or parts thereof and that all services performed under the COCOBODY Mark or COCOBODY Logo shall relate solely to such coconut-based products or products derived from coconut fruits, trees, or parts thereof.

"8. Organix agrees to permanently cease use of any and all marks or name that is not permitted under the terms of this Agreement: (a) within two (2) months from its receipt of the Bureau of legal Affairs' Order approving this Agreement or granting the Joint Motion for Judgment Based on Compromise Agreement referred to in Section 17; or (b) by august 31, 2012, whichever comes earlier.

"9. Chanel, on the other hand, agrees that it shall:

- (a) not oppose, cancel or otherwise challenge Organix's Applications Nos. 4-2009-011333, 4-2009-011334 and 4-2010-013400 as amended in accordance with Section 2 above, on the basis of Chanel's registered or unregistered rights in the COCO Mark; nor rely on such rights to oppose, cancel or otherwise challenge Organix's registration of the COCOBODY Mark and COCOBODY Logo in the Philippines, provided that such application or registration strictly conforms with all the terms of this Agreement;
- (b) not oppose or otherwise challenge use of the COCOBODY Mark or the COCOBODY Logo in accordance with the terms of this Agreement in relation to the goods and related services claimed in Applications Nos. 4-2009-011333, 4-2009-011334 and 4-2010-013400 as amended in accordance with Section 2 above; nor oppose, cancel or otherwise challenge Organix's use of the COCOBODY Mark or COCOBODY Logo in the Philippines, provided that such use strictly conforms with the intent set out in this

Agreement that the COCOBODY Mark or COCOBODY Logo shall be used only on those goods and services enumerated in Section 2 above or otherwise in a manner that is not in any way inconsistent with this Agreement;

- (c) not to object to the use and registration of the domain name cocobody.com that is in compliance with the undertakings of Organix described in Sections 1 to 8 above or in other parts of this Agreement;
- (d) not object to the use and registration of the COCOLICIOUS for class 29 goods; and
- (e) accept the valid and legal registration of the mark COCONUT OF THE BODY for Class 3 goods.

B. Representation and Warranties

"10. Each party represents and warrants to the other party that:

- (a) it is a corporation duly organized, validly existing and in good standing under the laws of its incorporation;
- (b) the execution, delivery and performance of this Agreement by it has been duly authorized by all requisite corporate action;
- (c) it has full authority and legal capacity to enter into this Agreement and has the capacity to carry out all obligations and requirements herein;
- (d) each person executing and delivering this Agreement on its behalf has been duly authorized by it to execute and deliver this Agreement;
- (e) this Agreement constitutes its legal, valid and binding obligation, enforceable against it in accordance with its terms; and
- (f) entry into this Agreement does not conflict with, or result in any breach of, or constitute a default under, any material agreement, indenture, document or instrument or any judgment, decree, order, writ, injunction to which it is a party or by which it, or any of its assets, are bound.

"11. Organix represents and warrants that the trademark or service mark "COCOBODY", "COCOBODY Logo", and/or "COCONUT OF THE BODY" and/or "COCO LICIOUS" or any other mark derived therefrom that are used, registered or being applied for registration represent products with coconut fruit or coconut plants or parts thereof as their core active ingredients; while Chanel represents and warrants that the current range of products represented by the COCO mark are not substantially derived from coconut fruits and/or coconut trees or parts thereof, nor marketed as natural products containing or derived from coconut fruits or trees.

"12. Each party shall bear its own cost in connection with Inter Partes Cases Nos. 14-2010-000215 and 14-2010-000216, and the preparation, execution and implementation of the terms of this Agreement. This paragraph shall be without prejudice to the rights of a Party to recover cost and damages in enforcing the terms of, or its rights under, this Agreement against the other Party for any violation of this Agreement hereafter.

"13. The terms and conditions of this Agreement shall not be disclosed without the written consent of each party, provided that each of the parties shall be permitted to disclose this Agreement or the terms hereof to its affiliates, their respective advisors, counsels and consultants, or for the purpose of implementing Section 17 below, or in connection with the taking any such remedies as it deems appropriate in order to protect and enforce its rights under this Agreement.

"14. This Agreement may be amended, waived or modified only by an agreement in writing signed by the parties or their respective assigns or successors in interest.

"15. All other rights and obligations not enumerated in this Agreement are reserved by the parties.

"16. The Parties agree that this Agreement shall be binding, valid and enforceable against, and the benefits thereof shall inure to, their respective successors, licensees, assigns and parties in privity with them now and in the future, as well as other parties validly exploiting the trademarks and designated as such. Such designations shall be made as required by circumstances.

"17. Within (10) working days from the Effective Date of this Agreement, the Parties, through their respective counsels, shall execute and file with the Bureau of Legal Affairs, a Joint Motion for Judgment Based on Compromise Agreement for each of Inter Partes Cases Nos. 14-2010-000215 and 14-2010-000216, in substantially the same form as the draft attached hereto as Annex 'B'".

"18. The parties acknowledge that they have read and understood the contents of this Agreement and that they have signed the same willingly, voluntarily, and with full knowledge of their rights and obligations.

"19. This Agreement shall be effective in, and governed by the laws of, the Philippines.

"20. This Agreement is the full understanding of the parties. There are no provisions, representations or agreements other than those specifically set out herein and this Agreement takes precedence over all other documents. This Agreement may not be modified or otherwise amended except in writing signed by both parties."

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.

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' 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. 4-2009-011333 be returned, together with a copy of this Order to the Bureau of Trademarks (BOT) for information and appropriate action.

SO ORDERED.

Taguig City, 07 May 2012.


ATTY. NATHANIEL S. AREVALO
Director IV
Bureau of Legal Affairs

¹ Office Order No. 154 Series of 2010