



LONELY PLANET PUBLICATION LIMITED,
Petitioner,

-versus-

SACDALAN MARKETING CORP.,
Respondent.

X-----X

}
} IPC No. 14-2012-00396
} Cancellation of:
} Reg. No. 4-2003-003496
} Date Issued: 20 March 2005
} TM: "LONELY PLANET & DEVICE"
}

NOTICE OF DECISION

ANGARA ABELLO CONCEPCION REGALA & CRUZ

Counsel for the Petitioner
22nd Floor, ACCRALAW Tower
Second Avenue corner 30th Street
Crescent Park West
Bonifacio Global City
Taguig City

PADLAN SALVADOR COLOMA & ASSOCIATES


Counsel for the Respondent-Registrant
Suite 307m, 3rd Floor, ITC Building
337 Sen. Gil J. Puyat Avenue
Makati City

GREETINGS:

Please be informed that Decision No. 2013 - 217 dated November 12, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, November 12, 2013.

For the Director:


Atty. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



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Cancellation of:

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Decision No. 2013- 217

**DECISION BASED ON
COMPROMISE AGREEMENT**

LONELY PLANET PUBLICATION LIMITED ("Opposer") filed on 22 August 2012 an opposition to Trademark Application Serial No. 4-2003-003496. The application filed by **SACDALAN MARKETING CORP.** ("Respondent-Registrant") covers the mark "**LONELY PLANET & DEVICE**" for use on goods under Class 35.

This Bureau issued a Notice to Answer dated 12 September 2012 and served a copy thereof upon the Respondent-Registrant on 08 October 2012. The Respondent-Registrant filed its 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 and Settlement Period"*), this Bureau issued on 30 January 2013 Order No. 2013-026 referring the case to mediation.

On 14 October 2013, this Bureau received a "MEDIATOR'S REPORT" indicating the successful mediation of the instant case. Attached to the report is the parties' "COMPROMISE AGREEMENT" submitted to this Bureau for approval. The Agreement states, among other things:

"NOW THEREFORE, for and in consideration of the mutual covenants between the Parties, the Parties agree and obligate themselves, as follows:

"1. After seriously considering that protracted litigation is not beneficial to their respective interests, the Parties have mutually decided to amicably settle, with finality, their trademark dispute subject of the Cancellation Case, under the terms and conditions hereinafter set forth;

"2. SACDALAN undertakes to voluntarily cancel and/or withdraw its:
(i) Trademark Registration No. 4-2003-003496 for the mark "LONELY PLANET

AND DEVICE"; and (ii) Application No. 4-2012-014206 for the registration of its other "LONELY PLANET" mark, from the Trademark Registry of the IPO and to shoulder all costs necessary to effect such cancellation and withdrawal within ten (10) days from the execution of this Agreement. SACDALAN, including its affiliates, successors and assigns, shall refrain from filing, in the future, any application for the registration of marks containing the words "LONELY PLANET" or any mark that is deceptively or confusingly similar or substantially identical thereto;

"3. SACDALAN undertakes to change and remove, on or before the last days as stated below, all references to the "LONELY PLANET" marks from all signages (internal and external to the outlets) at its five (5) mall outlets outside Boracay Island as follows:

Mall Outlet	Lease Contract Expiry	Last Day to Change Signages
1. Legazpi	14 March 2014	31 March 2014
2. General Santos	29 September 2013	31 December 2013
3. Dumaguete	22 November 2013	31 December 2013
4. Tacloban	08 December 2013	31 January 2013
5. Palawan	14 May 2014	30 June 2014

"4. SACDALAN undertakes to change and remove all references to the "LONELY PLANET" marks from all signages (internal and external to the outlets) in all of its Boracay Island outlets by 30 June 2014;

"5. SACDALAN undertakes to cease selling all "LONELY PLANET" goods, products and inventory by 31 December 2014; provided, and upon the request of SACDALAN, LONELY PLANET may reasonably allow an extension period to exhaust any remaining inventory from 31 December 2014, extendible in incremental periods of six (6) months, which in no case shall exceed 31 December 2016, which shall exclusively cover the remaining shirts with the "LONELY PLANET" marks printed thereon; provided that, SACDALAN undertakes to actively exert best efforts to exhaust the remaining inventory, open its outlets for regular inspections and submit sufficient reports, including but not limited to, sales and inventory reports (which shall, at a minimum include the volume of stock sold during the preceding six (6) month period, the volume of stock remaining and the wholesale and retail value of that stock), which justify its reasons for the requested extension at the time of the signing of this Agreement and every (6) months thereafter, as may be necessary. It is understood that the holding of at least two (2) sale events six (6) months shall be considered as in compliance with the condition of exerting best efforts shall be granted for shirts that bear the "LONELY PLANET" mark alongside alcohol brands;

"6. SACDALAN undertakes to destroy or surrender to LONELY PLANET and/or its designated representative, at LONELY PLANET's selection, all

remaining "LONELY PLANET" goods, products and inventory which are not covered by the immediately preceding paragraph, after 31 December 2014;

"7. SACDALAN undertakes to immediately cease manufacturing and/or causing to be manufactured or using goods and products bearing the "LONELY PLANET" marks upon the execution of this Agreement;

"8. SACDALAN undertakes to destroy or surrender: (i) existing unused "LONELY PLANET" labels/tags; (ii) patterns used for the creation of such label/tags; and (iii) all other paraphernalia used in connection with the creation of such labels and tags within thirty (30) days from the execution of this Agreement;

"9. On the basis of this Agreement, the Parties shall jointly seek the dismissal of the Cancellation Case and the issuance of the corresponding Order approving the terms of this Agreement and/or a Judgment Based on the Approved Compromise ("Judgment"). The parties shall exert all efforts to ensure that the Order and/or Judgment is issued by the IPO as soon as possible;

"10. As proof of its compliance with the terms and conditions of this Agreement, SACDALAN undertakes to submit to LONELY PLANET, through the latter's counsel, ACCRALAW, copies of its notices of voluntary cancellation and withdrawal of Registration No. 4-2003-003496 and Application No. 4-2012-014206 respectively, duly received by the IPO immediately after the period provided for in paragraph 2 hereof, as well as the IPO's notice or annotation granting the cancellation and withdrawal once it is received from the said office;

"11. SACDALAN undertakes to provide proof of its compliance, through a sworn affidavit (using the template attached as Annex "D"), with respect to its undertakings under paragraphs 3,4,5,6,7 and 8 of this Agreement, to LONELY PLANET, through the latter's counsel, ACCRALAW, within fifteen (15) days from the pertinent deadline herein set forth. The affidavit must be supported by evidence, such as, but not limited to, photographs, catalogues, brochures and print-outs of internet websites. SACDALAN shall be presumed to have breached the terms of this Agreement if it fails to give the required documents or evidence within this fifteen (15) days period;

"12. The Parties hereby agree that each shall shoulder their respective expenses and costs incurred in relation to the Cancellation Case, including, without limitation, all attorney's fees and costs;

"13. This Agreement shall enter into force when the same has been executed by both Parties and shall continue in full force and effect until this Agreement is terminated by a subsequent agreement of the Parties;

"14. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the Parties and their respective affiliates, divisions, agents,

parents and those persons and/or entities over whom they exercise control or by whom they are controlled and their respective successors and assigns;

"15. The Parties mutually acknowledge that this Agreement, together with its attached Annexes "A", "B", "C" and "D" contains the entire understanding of the Parties with respect to the subject matter hereof, and that there are no other agreements or understanding, written or oral, between the Parties with respect to the subject matter; nor have there been any representations, express or implied, as to the subject matter herein. This Agreement may be amended, varied or modified only by written document executed by the Parties;

"16. Any delay or failure in the performance by SACDALAN shall be excused if and to the extent caused by the occurrence of force majeure. For purposes of this Agreement, force majeure shall mean a cause or event that is not reasonably foreseeable or otherwise caused by or under the control of SACDALAN, including acts of God, fires, floods, explosions, riots, wars, hurricane, sabotage, terrorism, restraint of government, governmental acts, injunctions, labor strikes and other like events, despite SACDALAN' reasonable efforts to prevent, avoid, delay or mitigate the effect of such acts, events or occurrences, and which events or the effects thereof are not attributable, in whole or in part, to SACDALAN's failure to perform its obligations under this Agreement;

"17. In the event of a breach by SACDALAN or by any other person or entity acting for or on its behalf of any term of this Agreement, SACDALAN will pay the amount of ONE MILLION PESOS (Php1,000,000.00) to LONELY PLANET by way of pre-estimated and liquidated damages and not as a penalty. This payment is without prejudice to the right of LONELY PLANET to take any other legal action or remedies under the premises. Furthermore, LONELY PLANET shall be entitled to an immediate injunction from the courts or administrative agencies to ensure compliance with the provisions of this Agreement without prejudice to other remedies available under the circumstances and to such damages as may be proven;

"18. This Agreement shall apply prospectively;

"19. If any clause or part of a clause of this Agreement shall be, or is found by any authority or court of competent jurisdiction to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not affect other clauses or part of such clauses of this Agreement, which shall remain in full force and effect;

"20. The terms of this Agreement are confidential as between the parties;

"21. This Agreement may be signed (including by fax) in any number of counterparts, each of which is an original, and all of which constitute the same agreement. This Agreement is taken to be executed if and when signed counterparts are exchanged by the parties;

"23. This Agreement shall constitute a full and final settlement of all the herein Parties' respective claims."

This Bureau finds that the Compromise Agreement has been duly entered into by the parties with the terms and conditions thereof not contrary to law, morals, good custom, public order or public policy.

In this regard, 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. (Sec. 5, Office Order No. 154, s. 2010).

WHEREFORE, premises considered, the parties' Compromise Agreement is hereby **APPROVED**. Accordingly, the instant opposition case is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2003-003496 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 12 November 2013.



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