



MCDONALD'S CORPORATION,
Opposer,

-versus-

EAT EAST FOOD VENTURE CORP.,
Respondent- Applicant.

X-----X

}
}
}
}
}
}
}
}
}
}

IPC No. 14-2012-00156
Opposition to:
Appln. Serial No. 4-2010-710022
Date Filed: 17 March 2010
TM: "BIG MAO & DEVICE"

NOTICE OF DECISION

PLATON MARTINEZ FLORES
SAN PEDRO & LEAÑO
Counsel for the Opposer
6th Floor, Tuscan Building
114 V.A. Rufino Avenue (formerly Herrera St.)
Legaspi Village, Makati City

OFFICE OF BAGAY-VILLAMOR & FABIOSA
Counsel for Respondent-Applicant
Unit 107, Oakridge Business Center A
No. 880 A.S. Fortuna St. Banilad
Mandaue City, Cebu

GREETINGS:

Please be informed that Decision No. 2013 - 99 dated June 05, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, June 05, 2013.

For the Director:

edwin G. Dating
ATTY. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



MCDONALD'S CORPORATION,
Opposer,

-versus-

EAT EAST FOOD VENTURE CORP.
Respondent-Applicant.

X-----}

IPC NO. 14-2012-00156

Opposition to:

Appln. Ser. No. 4-2010-710022

Date Filed: 17 March 2010

Trademark: **BIG MAO & DEVICE**

Decision No. 2013- 99

**DECISION
BASED ON COMPROMISE AGREEMENT**

MCDONALD'S CORPORATION, ("Opposer") filed on 25 May 2012 an opposition to Trademark Application Serial No. 4-2010-710022. The application filed by **EAT EAST FOOD VENTURE CORP.** ("Respondent-Applicant") covers the mark **BIG MAO & DEVICE** for use on goods under Class 43. The opposition is anchored on Sections 123.1 (d) and (f) of R.A. 8293 otherwise known as The Intellectual Property Code of the Philippines.

On 31 July 2012, the Respondent-Applicant filed its Answer refuting the material allegations of the Opposer.


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 28 August 2012 Order No. 2012-171 referring the case to mediation.

On 16 November 2012 the ADR Services of this Bureau submitted a Mediation Report indicating the Notice of Non-Settlement of Dispute. Accordingly, the records of the case were returned to the Hearing Officer of this Bureau for the resumption of the proceedings.

On 21 May 2013, however, a Joint Motion for Approval of Compromise Agreement duly signed by the parties was submitted for the approval of this Bureau. The pertinent portion of the COMPROMISE AGREEMENT reads, as follows:

"1. Respondent-Applicant voluntarily and knowingly agrees to fully comply with any and all of its obligations as follows:

- i. Respondent-Applicant shall remain as a Chinese-themed restaurant where food is cooked only after it is ordered, shall end of offer only Chinese-style food, and shall not venture into fast-food or other quick service food or beverage business;

- ii. Respondent-Applicant shall not sell, promote, market, manufacture, produce or offer any product or service bearing, containing or using any trademark or service mark which is identical to, confusingly similar with or a mere translation of any and all the registered trademarks or service marks of McDonald's in the Philippines and around the world, whether or not such product or service is included in or related to the designated goods and services of such registered marks, including but not limited to those marks of McDonald's enumerated in Exhibits "A" and "A-1" to "A-16" as well as Exhibits "B" to "R" attached to the Verified Notice of Opposition of McDonald's in the case of "McDonald's Corporation vs. Eat East Food Venture Corporation" (IPC No. 14-2012-00156). Respondent-Applicant hereby acknowledges that it has received copies of the said Exhibits and has read and understood the same with the advice of its counsel. To illustrate but without in any way limiting the applicability of this provision, a list of the marks of McDonald's registered in the Philippines is attached hereto as Annex "A", which is a summary of the aforementioned Exhibits "A" to "A-1" to "A-16"; while a list of the "BIG MAC" marks registered around the world is attached hereto as Annex "B", which is a summary of the aforementioned Exhibits "B" to "R".
- iii. Respondent-Applicant shall not sell, promote, market, manufacture, produce or offer any and all of the following products/services:
- a. Hamburger sandwiches;
 - b. Ready-to-eat hamburger, cheeseburger;
 - c. Hashbrown potatoes;
 - d. French fried potatoes, frozen French fried potatoes;
 - e. Breakfast food combination sandwiches;
 - f. Edible sandwiches, meat sandwiches, pork sandwiches, fish sandwiches, chicken sandwiches;
 - g. Services rendered or associated with franchising restaurants;
 - h. Breakfast platters;
 - i. Spaghetti;
 - j. Fried Chicken;
 - k. Chicken Nuggets;
 - l. Milkshakes;
 - m. Sundaes; and
 - n. Smoothies.
- iv. Respondent-Applicant shall always use the "bowl and chopsticks" device when using the "BIG MAO" mark and shall not use the "BIG MAO" word mark alone without any other device, design, slogan, feature, character or statement showing that it is a Chinese-themed business;
- 

- v. Notwithstanding any of the foregoing, Respondent-Applicant shall not use in any way, whether or not for profit, apply for registration or register any mark which is identical to, confusingly similar with or a mere translation of any and all marks of McDonald's, including, but not limited to, any mark that includes the Mc or Mac prefix/suffix such as but not limited to the marks enumerated in Annex "A" and Annex "B" of this Compromise Agreement; and
- vi. Respondent-Applicant shall keep the terms, conditions and obligations of the Compromise Agreement strictly confidential and shall not disclose the same to the public or any third party.

"2. Respondent-Applicant agrees that it will not object to or challenge any use by McDonald's, whether in the past, present or future, of any trademarks and service marks, including, but not limited to "McDonald's" or any use of marks including, in whole or in part, the "Mc" or "Mac" prefix or suffix. McDonald's agrees that it will allow the Respondent-Applicant to obtain a registration for the "BIG MAO & DEVICE" mark in accordance with the terms and conditions and any provisions of this Compromise Agreement and accordingly allow Respondent-Applicant's Application Serial No. 4-2010-710022 to mature to a registration, provided that the said "BIG MAO & DEVICE" trademark application is amended immediately after the execution of this Compromise Agreement as follows:

"Goods/ Services 43 – SERVICES FOR PROVIDING FOOD AND DRINKS EXCEPT HAMBURGER SANDWICHES; READY-TO-EAT HAMBURGER, CHEESEBURGER; HASHBROWN POTATOES; FRENCH FRIED POTATOES, FROZEN FRENCH FRIED POTATOES; BREAKFAST FOOD COMBINATION SANDWICHES; EDIBLE SANDWICHES, MEAT SANDWICHES, PORK SANDWICHES, FISH SANDWICHES, CHICKEN SANDWICHES; BREAKFAST PLATTERS; SPAGHETTI; FRIED CHICKEN; CHICKEN NUGGETS; MILKSHAKES; SUNDAES; AND SMOOTHIES AS WELL AS SERVICES RENDERED OR ASSOCIATED WITH FRANCHISING RESTAURANTS;"

Likewise, McDonald's will not object to or challenge any use by Respondent-Applicant of its trademark "BIG MAO & DEVICE", provided that such use is lawful and in good faith as well as complies with any and all of the terms and conditions and any provisions in this Compromise Agreement, including but not limited to Section 1 (iii) (a-n) of this Compromise Agreement.

"3. In the event that Respondent-Applicant violates or circumvents any provision of the this Compromise Agreement or commits any breach or default of its obligations as provided herein, Respondent-Applicant shall be liable to pay any and all damages McDonald's incurs arising from or in connection with such violation, circumvention, breach or default.



- "4. Each Party represents and warrants that:
- vii. It has duly secured and obtained all corporate authorizations necessary in connection with the execution and delivery of this Compromise Agreement.
 - viii. The execution of this Compromise Agreement is a valid and legal act and that the transaction does not violate any existing law or regulation applicable to each Party.
- "5. This Compromise Agreement shall not preclude each party from further availing of any other available legal remedies to protect and/or enforce its rights.
- "6. This Compromise Agreement and any and all of its terms, conditions and obligations shall be binding against each party, its officers, directors as well as its successors, assigns, subsidiaries and other affiliated companies. Breach of any of the foregoing terms shall be cause for the breaching party to be cited in contempt by the Intellectual Property Office, after proper charge and hearing, without prejudice to the non-breaching party's right to avail of any other available legal remedies for such breach, including but not limited to filing any proper action for damages, injunction or any other relief.
- "7. This Compromise Agreement shall be the basis of a Judgmental/Decision based on a Compromise Agreement to be issued by the Intellectual Property Office.

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 merits and is immediately executory.

WHEREFORE, premises considered, the submitted Joint Motion for Approval of Compromise Agreement is hereby **APPROVED**. Let the filewrapper of Trademark Application Serial No. 4-2010-710022 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 05 June 2013


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