



|                              |   |                                 |
|------------------------------|---|---------------------------------|
| PEDIATRICA, INC.,            | } | IPC No. 14-2013-00259           |
| Opposer,                     | } | Opposition to:                  |
|                              | } | Appln. Serial No. 4-2013-000851 |
| - versus -                   | } | Date Filed: 25 January 2013     |
|                              | } |                                 |
| SALIX PHARMACEUTICALS, INC., | } | Trademark: RELISTOR             |
| Respondent-Applicant.        | } |                                 |
| x-----x                      | } | Decision No. 2014 - <u>133</u>  |

### DECISION BASED ON COMPROMISE AGREEMENT

PEDIATRICA, INC. ("Opposer"), filed on 13 June 2013 an opposition to Trademark Application Serial No. 4-2013-000851. The application filed by SALIX PHARMACEUTICALS, INC. ("Respondent-Applicant") covers the mark RELISTOR for use on goods under Class 05. The opposition is anchored on Section 123.1 (d) of Republic Act 8293 also known as The Intellectual Property Code of the Philippines ("IP Code").

The Respondent-Applicant did not file an Answer, however, parties filed a Joint Manifestation stating that they are in the process of negotiating the terms of a mutually beneficial co-existence agreement.

On 26 March 2014, the parties filed a Joint Motion for Judgment Based on Compromise Agreement praying that this Honorable Office approve the said motion and render judgment in accordance with the attached Compromise Agreement, the pertinent portion of which reads:

"NOW THEREFORE, for and in consideration of the premises and mutual covenants herein set forth, the Parties agree to an amicable settlement of Inter Partes Case No. 14-2013-00259 under the following terms and conditions:

"1. SALIX hereby undertakes to limit its use of the trademark 'RELISTOR' in the Philippines to the following goods: *'Pharmaceutical preparations, namely, a drug to reverse and treat the side effects of opioids'*;

"2. In consideration of the foregoing undertaking, PEDIATRICA hereby undertakes to:

- a. withdraw its opposition to the Trademark Application; and
- b. not object to the use and registration by SALIX of the

trademark 'RELISTOR' in connection with, and only with, the following goods: *'Pharmaceutical preparations, namely a drug to reverse and treat the side effects of opioids'*,

subject to the faithful compliance by SALIX of its undertaking set forth above.

"3. Each Party shall bear its own costs and expenses incurred in carrying out each of their respective undertakings and obligations required in this Agreement.

"4. The Parties agree to file a Joint Motion for Approval of this Co-existence Agreement with the Bureau of Legal Affairs of the IPOPhl.

"5. This Co-existence Agreement is the entire agreement between the Parties and constitutes the complete, final and exclusive embodiment of their agreement with respect to the subject matter hereof. This Co-existence Agreement may not be amended except by written agreement executed by both Parties.

"6. Each Party represents and warrants that it has full authority and legal capacity to enter into this Co-existence Agreement and has the capacity to carry out all undertakings, obligations, requirements and acknowledgments herein.

"7. Each Party represents and warrants that it has duly authorized each person signing this Co-existence Agreement to do so on behalf of that Party and to bind said Party to the terms and conditions of this Co-existence Agreement.

"8. Each Party represents and warrants that entry into this Co-existence Agreement does not violate any other agreement executed or entered into by the Party or on its behalf.

"9. This Co-existence Agreement is executed without reliance upon any promise, warranty or representation by any Party or any representative of any Party other than those expressly contained herein.

"10. This Co-existence Agreement shall bind and inure to the benefit of each Party and its directors, officers, employees, parent corporations, subsidiaries, affiliates, predecessors, successors, licensees, agents and assigns. Further, the Parties also undertake to impose the undertakings, obligations and requirements under this Agreement upon any of their legal successors or assigns.

"11. The terms and conditions of this Co-existence Agreement entered into by the Parties are not contrary to law, morals, customs, public order or public policy.

"12. In the event of breach of any of the terms and conditions of this Co-existence Agreement, the non-breaching Party shall be entitled to recover its reasonable attorney's fees in addition to any other remedies it may have at law or in equity.

"13. Whenever possible, each provision of this Co-existence Agreement shall be interpreted in such a manner as to be effective and valid under applicable laws, but if any provision of this Co-existence Agreement should be held invalid or enforceable under applicable laws, such provision shall be ineffective to the extent of such prohibition or invalidity without invalidating the remainder of such provision or the remaining provisions of this Co-existence Agreement.

"14. The rights and remedies of the Parties to this Co-existence Agreement are cumulative and not alternative. Neither the failure nor any delay by any Party in exercising any right, power, or privilege under this Co-existence Agreement shall operate as a waiver of such right, power, or privilege, and no single or partial exercise of any such right, power, or privilege shall preclude any other or further exercise of such right, power, or privilege or the exercise of any right, power or privilege.

"15. This Co-existence Agreement shall be governed by, and construed in accordance with, the laws of the Republic of the Philippines. Any dispute arising from this Agreement shall be brought in the proper courts of Metro Manila to the exclusion of all other venues.

"16. This Co-existence Agreement may be signed in any number of counterparts. Any single counterpart executed by the Parties shall together constitute a full and original agreement for purposes hereof.

"17. The Parties acknowledge that they have read and understood the contents of this Co-existence Agreement and that they have signed the same willingly, voluntarily, and with full knowledge of their rights and obligations.

This Bureau evaluated the CO-EXISTENCE AGREEMENT and finds that the same has been duly entered into by the parties with terms and conditions thereof not contrary to law, morals, good customs, public order or public policy.

**WHEREFORE**, premises considered, the parties' Joint Motion for Judgment Based on Compromise Agreement is hereby **APPROVED**. The approval of the compromise agreement having the force and effect of a judgment on the merits and which is immediately executory, the parties are hereby enjoined to comply with the terms and



conditions therein. Accordingly, the instant opposition case is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2013-000851 be returned, together with a copy of this Order, to the Bureau of Trademarks for information and appropriate action.

**SO ORDERED.**

Taguig City, 12 May 2014.

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

/joanne