

TJN PASALUBONG FOODS, INC.,	}	IPC No. 14-2012-00494
Petitioner,	í	Cancellation of:
	í	Regn. No. 4-2009-007823
	j	Date Issued: 04 November 2010
-versus-	}	TM: "CARAMEL -BAR"
ROBERT TROTA,	}	
Respondent- Registrant.	}	
X	Х	

NOTICE OF DECISION

DY & HEFFRON LAW OFFICES

Counsel for the Petitioner Second Floor, Building B Ortigas Home Depot Complex No. 1 Julia Vargas Avenue Pasig City

MIGALLOS & LUNA

Counsel for Respondent-Registrant 7th Floor, The Phinma Plaza 39 Plaza Drive Rockwell Center Makati City

GREETINGS:

Please be informed that Decision No. 2014 - 123 dated May 05, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, May 05, 2014.

For the Director:

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

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE



TJN PASALUBONG FOODS, INC., }	IPC No. 14-2012-00494
Petitioner,	Cancellation of:
- versus -	Regn. No. 4-2009-007823
}	Date Issued: 04 November 2010
ROBERT TROTA,	Trademark: CARAMEL-BAR
Respondent-Registrant.	
X	Decision No. 2014- 123

DECISION BASED ON COMPROMISE AGREEMENT

TJN PASALUBONG FOODS, INC. ("Petitioner"), filed on 30 October 2012 a petition for cancellation of Trademark Registration No. 4-2009-007823. The registration issued on 04 November 2010 in favor of ROBERT TROTA ("Respondent-Registrant") covers the mark CARAMEL-BAR for use on goods under Classes 30 and 35.

This Bureau issued a Notice to Answer and served a copy thereof to Respondent-Registrant on 23 November 2012. The Respondent-Registrant filed its Answer on 21 February 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 06 March 2013 Order No. 2013-058 referring the case to mediation.

On 29 April 2014, the ADR Services of this Bureau submitted a Mediation Report submitting a copy of the parties' Compromise & Coexistence Agreement. The pertinent portions of the COMPROMISE & COEXISTENCE AGREEMENT reads, as follows:

NOW, THEREFORE, for and in consideration of the foregoing premises and of the terms and conditions hereinafter set forth, the Parties hereby agree as follows:

"1. FIRST PARTY hereby agrees and undertakes as follows:

"1.1. FIRST PARTY shall not use the mark and words "CARAMEL BAR" or "CARAMEL" and "BAR" together, unless it is part of the mark "CARAMEL CAKE BAR", in the design, and only in the design and word arrangement depicted in Annex "A" hereof (the "Permitted Mark"), whether or not on products (the "Products") and/or on materials such as but not limited to labels, packaging, materials, advertising and promotional materials (collectively "Materials"). FIRST PARTY may therefore use "CARAMEL" and "BAR" separately and individually or use each of the said words together with any other word except "MAX'S" or "MAX". As an example, and for the avoidance of doubt, FIRST PARTY may use the mark "CARAMEL BITES" or "CARAMEL CUP CAKE" in the future.

"1.2. FIRST PARTY may use its current mark which contains the words "CARAMEL" and "BAR" (the "Old Mark") and Materials bearing the same, only until 15 April 2014 (the "Use Deadline"). FIRST PARTY warrants and represents that after the Use Deadline, no product or material distributed by or sourced from

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the FIRST PARTY which contain the Old Mark or the words "CARAMEL" and "BAR" together which is not in the form of the Permitted Mark, or which otherwise violate Subsection 1.1 above, shall exist in the market. For this purpose, FIRST PARY shall ensure that it shall cease the distribution and supply of Products and Materials to third party sellers in time to ensure full compliance with the said warranty and representation by the Use Deadline.

- "1.3. FIRST PARTY shall not, by itself or through other persons or entities, use, register or seek registration of the Registered Mark, or any other mark containing the words "CARAMEL" and "BAR" other than in the form of the Permitted Mark, or seek cancellation of registration of the Registered Mark.
- "1.4. FIRST PARTY may register the Permitted Mark under its name.
- "2. SECOND PARTY hereby agrees and undertakes as follows:
 - "2.1. SECOND PARTY agrees that FIRST PARTY may use the Permitted Mark in accordance with this Agreement.
 - "2.2. SECOND PARTY shall not, by himself or through other persons or entities, use, register or seek registration of the Permitted Mark, or any other mark containing the entire phrase "CARAMEL CAKE BAR".
 - "2.3. SECOND PARTY shall not oppose any application of the FIRST PARTY for registration of the Permitted Mark.
- "3. The Parties hereby agree that this Agreement shall constitute full and sufficient ground and basis for the IPOPHL to deny any application filed by FIRST PARTY and/or anyone acting for and on its behalf or any person or entity over which FIRST PARTY has control, whether through ownership of shares or by contract or nature of relationship, for the registration of any mark containing the words "CARAMEL" and "BAR" which is not in the form of the Permitted Mark.
- "4. The Parties hereby agree that this Agreement shall constitute full and sufficient ground and basis for the IPOPHL to deny any application filed by SECOND PARTY for registration of any mark containing the entire phrase "CARAMEL CAKE BAR".
- "5. The Parties shall upon execution hereof file a Joint Motion for Judgment Based on Compromise Agreement praying for the issuance by IPOPHL in the Cancellation Action of judgment based on this Agreement, including the dismissal of the cancellation Action under the terms and conditions hereof.
- "6. The Parties hereby acknowledge that they have entered into a similar Compromise and Coexistence Agreement (the "Second Agreement") in connection with the mark "CARAMEL BAR-MAX'S" covered by Certificate of Registration No. 4-2009-001372 against which FIRST PARTY also filed a Petition for Cancellation in Inter Partes Case No. 14-2012-00510 (the "Second Cancellation Action"). This Agreement shall be effective only upon issuance by IPOPHL in the present Cancellation Action and in the Second Cancellation Action of its judgments based on and approving this Agreement and the First Agreement, as the case may be, whichever is later.
- "7. This Agreement may be signed in any number of counterparts. Any single counterpart executed by FIRST PARTY and SECOND PARTY shall together constitute a full and original Agreement for purposes hereof."

This Bureau evaluated the COMPROMISE & COEXISTENCE 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.

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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 and Coexistence Agreement is hereby APPROVED. Accordingly, the instant cancellation case is hereby DISMISSED. Let the filewrapper of Trademark Application No. 4-2009-007823 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 05 May 2014.

Atty. NATHANIEL S. AREVALO

Director IV

Bureau of Legal Affairs

/vanj._GSB

Office Order No. 154 Series of 2010.