



NIPPON PAINT PHILIPPINES, INC.,
Petitioner,

-versus-

DERRICK A. TAN,
Respondent – Registrant.

}
} IPC No. 14-2013-00224
} Petition for Cancellation of:
} Registration No. 4-2010-0012676
} Date Issued: 24 November 2011
} TM: "METAL GUARD AND LOGO"
}
}
}
}
}
}

X-----X

NOTICE OF DECISION

ATTY. ESTRELLITA BELTRAN-ABELARDO
Counsel for Petitioner
Block 22, Lot 13, Singkil Street
Lagro Subdivision, Novaliches
Quezon City

DERRICK A. TAN
Respondent-Registrant
30-32 Kapaligiran St., Brgy. Dona Imelda
Quezon City

GREETINGS:

Please be informed that Decision No. 2014 - 263 dated October 17, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, October 17, 2014.

For the Director:

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



NIPPON PAINT PHILIPPINES, INC.,	}	IPC NO. 14-2013-00224
Petitioner,	}	
	}	Petition for Cancellation of:
- versus -	}	Registration No. 4-2010-0012676
	}	Date Issued: 24 November 2011
DERRICK A. TAN,	}	Trademark: METAL GUARD AND LOGO
Respondent-Registrant.	}	
X-----X		Decision No. 2014 - <u>243</u>

DECISION BASED ON COMPROMISE AGREEMENT

NIPPON PAINT PHILIPPINES, INC., ("Petitioner") filed a petition to cancel Trademark Registration No. 4-2010-0012676. The registration issued to DERRICK A. TAN ("Respondent-Registrant") covers the mark METAL GUARD AND LOGO for use on goods under Classes 01, 02 and 04.

This Bureau issued a Notice to Answer dated 31 May 2013 and served upon a copy thereof to Respondent-Registrant on 06 June 2012. The Respondent-Registrant filed its Answer on 05 August 2013.

In compliance to Office Order No. 154, s. 2012 (*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 16 August 2013 Order No. 2013-199 referring the case to mediation.

On 24 February 2014, the ADR Services of this Bureau submitted a Mediation Report indicating a settlement by the parties. Attached to the report is the parties' COMPROMISE AGREEMENT, the pertinent portion of which reads:

"NOW THEREFORE, for and in consideration of the foregoing premises and mutual covenants contained in this Agreement, the parties hereby agree as follows:

"1. The Parties acknowledge the following:

1.1. Respondent DERRICK A. TAN recognizes that Petitioner NIPPON PAINT PHILIPPINES, INC. is the prior adopter and actual user of the trademark PREMIUM METALGUARD EPOXY PRIMER since 1997 for epoxy primer covered by international class 2;

1.2. The Petitioner, NIPPON PAINT PHILIPPINES, INC. recognizes that Respondent DERRICK A. TAN is the holder of trademark Certificate of Registration No. 4-2010-012676 for the trademark METAL GUARD AND LOGO issued by the Bureau of Trademarks of the Intellectual Property Office on November 24, 2011 for classes 1, 2 and 4;

1.3. Petitioner, NIPPON PAINT PHILIPPINES, INC. recognizes Respondent DERRICK A. TAN's exclusive right to the above described trademark provided the goods "epoxy primer" in class 2 is deleted by amending the same in accordance with paragraphs 2.1, 2.2 and 2.3 of this Settlement Agreement:

"2. Respondent DERRICK A. TAN hereby agrees and undertakes to do the following with the concurrence of the Petitioner:

2.1 With respect to the trademark registration of the Respondent DERRICK A. TAN covered by Certificate of Registration No. 4-2010-012676 for the trademark METAL GUARD AND LOGO issued by the Bureau of Trademarks of the Intellectual Property Office on November 24, 2011 with respect to international class 2 by deleting the goods epoxy primer, to cover only the following:

Class 2: Paints, rust inhibiting paint, metal primer rust converter, oil paints, red oxide, varnishes, lacquers, preservatives against rust and against deterioration of wood colorants; mordants, raw material resins, metal in foil and powder form for painters, decorator, printer and artists.

"3. The Parties agree to submit the Settlement Agreement for the approval of the Director, Bureau of Legal Affairs of the Intellectual Property Office;

"4. Upon approval of the Settlement Agreement by the Director of the Bureau of Legal Affairs, Respondent Derrick A. Tan shall file with the Bureau of Trademarks the corresponding Request for Amendment to delete the goods 'epoxy primer' in Class 2 as appearing in the Amended goods paragraph 2.1.1. of this Settlement Agreement to the Bureau of Trademarks for approval and recording of said Bureau upon execution of this Settlement Agreement;

"5. Once the Request for Amendment is approved and effected by the Bureau of Trademarks, Respondent agrees not to use the trademark METAL GUARD AND LOGO on the goods 'epoxy primer' in class 2;

"6. If the Settlement Agreement is approved by the Bureau of Legal Affairs and the corresponding Request for Amendment is effected by the Bureau of Trademarks, the goods covered by Certificate of Registration No. 4-2010-012676 of Respondent DERRICK A. TAN for the trademark METAL GUARD AND LOGO will be as follows:

Respondent's present goods	Amended goods
<p>Class 1: Degreasing and cleaning solvent, rust converter, metal cleaning solvent, metal polish, chemicals used in industry, science and photography, as well as in agriculture, horticulture & forestry, unprocessed artificial resins, chemical substances for preserving foodstuffs.</p>	<p>Class 1: Degreasing and cleaning solvent, rust converter, metal cleaning solvent, metal polish, chemicals used in industry, science and photography, as well as in agriculture, horticulture & forestry, unprocessed artificial resins, chemical substances for preserving foodstuffs.</p>
<p>Class 2: Paints, rust inhibiting paint, metal primer, rust converter, oil paints, red oxide, <u>epoxy primer</u>, varnishes, lacquers, preservatives against rusts and against deterioration of wood colorants; mordants, raw material resins, metal in foil and powder form for painters, decorator, printer and artists.</p>	<p>Class 2: Paints, rust inhibiting paint, metal primer rust converter, oil paints, red oxide, varnishes, lacquers, preservatives against rusts and against deterioration of wood colorants; mordants, raw material resins, metal in foil and powder form for painters, decorator, printer and artists.</p>
<p>Class 4 - Penetrating oil, all purpose oil, chain lubricant, automotive oil and greases, industrial oil & greases, dust absorbing, wetting & binding composition, fuels (including motor spirit) and illuminants, candles; wicks.</p>	<p>Class 4 - Penetrating oil, all purpose oil, chain lubricant, automotive oil and greases, industrial oil & greases, dust absorbing, wetting & binding composition, fuels (including motor spirit) and illuminants, candles; wicks.</p>

"7. Respondent DERRICK A. TAN agrees to dispose of all its former labels or packaging materials containing the trademark METAL GUARD for 'epoxy primer' in class 2 immediately upon receipt by Respondent of the approval of its Request for Amendment from the Bureau of Trademarks;

"8. Respondent DERRICK A. TAN undertakes to desist from using,

registering or seeking to register, and/or claiming, asserting, or maintaining any right to own, to use, or register the trademarks METAL GUARD for 'epoxy primer' covered by international class 2 or any mark which is identical or confusingly similar to the same nor to file an opposition against the application for registration of Nippon Paint Philippines Inc. for METALGUARD EPOXY PRIMER bearing Application No. 42012011922;

"9. On the other hand, Petitioner hereby acknowledges Respondent's ownership of the trademark METAL GUARD in international classes 1, 2 and 4 except for epoxy primer in Class 2. As such, Petitioner agrees and undertakes not to claim, assert, use or register, at any time, the trademark METAL GUARD for goods covered by international classes 1, 2 and 4 or any mark which is identical to Respondent's METAL GUARD mark on goods falling under Classes 1, 2 and 4, except for epoxy primer, subject of this Settlement Agreement.

"10. Petitioner also undertakes to file with the Bureau of Legal Affairs of the IPO a Motion to Dismiss the Petition for Cancellation within five (5) days after the concurrence of the following events:

10.1. Approval of the Settlement Agreement by the Director of the Bureau of Legal Affairs;

10.2. Filing by Derrick A. Tan of the Request for Amendment with the Bureau of Trademarks deleting epoxy primer in international class 2 of his registration for METAL GUARD AND LOGO bearing Registration No. 4-2010-012676;

10.3. Issuance of the Notice of Allowance by the Trademark Examiner for the mark METALGUARD EPOXY PRIMER applied for by Nippon Paint Philippines, Inc. bearing Application No. 4-2012-011922;

"11. The Parties hereby releases each other, from any and all claims, demands, obligations, liabilities, indebtedness, causes fully and comprehensively release, forgive, quitclaim, and discharge each of action and expenses, that each may have had against the other up to the date of execution of this Settlement Agreement, relating to all matters alleged in the Petition for Cancellation concerning Respondent's Mark;

"12. The Parties acknowledge that their respective signatories have full authority and/or have secured the necessary approvals to execute, and do execute, this Settlement Agreement on behalf of their principals and those acting under their principals' authority and that the Parties have the authority to comply with the promises, obligations, undertakings and acknowledgments made in this Settlement Agreement. The Parties further

acknowledge that they have executed this Settlement Agreement voluntarily with full knowledge of its consequences under the law.

"13. This Agreement shall be binding upon and inure to the Parties' related or associated companies, including the Parties' subsidiaries or affiliates, licensees, distributors, and the Parties successors-in-interest and assignees. The terms and conditions of this Agreement may be amended, waived or modified only by agreement in writing signed by the Parties or their respective assignees or successors-in-interest.

"14. The Parties undertake to observe the terms and conditions of this Agreement in utmost good faith;

"15. Each Party shall bear its own costs and expenses incurred in the Petition for Cancellation and in carrying out each of their respective undertakings and obligations under this Agreement.

"16. This Agreement shall be interpreted and construed exclusively under Philippine laws."

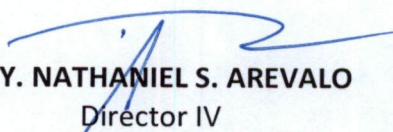
This Bureau evaluated the Compromise Agreement and finds that the same has been duly entered into by the parties with the terms and conditions thereof not contrary to law, morals, good customs, public order or public policy.

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

WHEREFORE, premises considered, the parties' COMPROMISE AGREEMENT is hereby **APPROVED**. Accordingly, the Compromise 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. 4-2010-0012676 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 17 October 2014.


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