



PAYPAL, INC.,
Opposer,

-versus-

NEW STANDARD HOLDINGS, LTD.,
Respondent-Applicant.

X-----X

}
} IPC No. 14-2013-00140
} Opposition to:
} Appln No. 4-2012-008097
} Date filed: 05 July 2012
} TM: "PAYPIL CREDIT"

NOTICE OF DECISION

**SIGUION REYNA, MONTECILLO &
ONGSIAKO LAW OFFICES**

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8741 Paseo de Roxas, Makati City

PATRON LAW OFFICE

Counsel for Respondent-Applicant
2nd Floor Argo Building
574 EDSA cor. P. Tuazon
Cubao, Quezon City

GREETINGS:

Please be informed that Decision No. 2014 - 302 dated November 12, 2014 (copy enclosed) was promulgated in the above entitled case.

Taguig City, November 12, 2014.

For the Director:

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



PAYPAL, INC.,	}	IPC NO. 14-2013-00140
Opposer,	}	
	}	Opposition to:
- versus -	}	Application Serial No. 4-2012-008097
	}	Date Filed: 05 July 2012
NEW STANDARD HOLDINGS, LTD.,	}	Trademark: PAYPIL CREDIT
Respondent-Applicant.	}	
x-----x		Decision No. 2014 - <u>302</u>

**DECISION
BASED ON COMPROMISE AGREEMENT**

PAYPAL, INC. ("Opposer") filed an opposition to Trademark Application Serial No. 4-2012-008097. The application filed by NEW STANDARD HOLDINGS, LTD. ("Respondent-Applicant") covers the mark **PAYPIL CREDIT** for use on goods under Class 36. The opposition is anchored on Section 123.1 (d) and (e) of R.A. 8293 also known as the Intellectual Property Code of the Philippines ("IP Code").

This Bureau issued a Notice to Answer and served a copy thereof to Respondent-Applicant on 02 July 2013. The Respondent-Applicant filed its Answer on 30 September 2013.

Pursuant 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 09 January 2014 Order No. 2014-006 referring the case to mediation.

On 21 October 2014, the ADR Services of this Bureau submitted a Mediation Report indicating a settlement by the parties. Attached to the report are the parties' Compromise Agreement and "Joint Motion to Declare Above-Captioned Opposition Proceeding Closed and Terminated" dated 07 July 2014. The pertinent portions of the Compromise Agreement read:

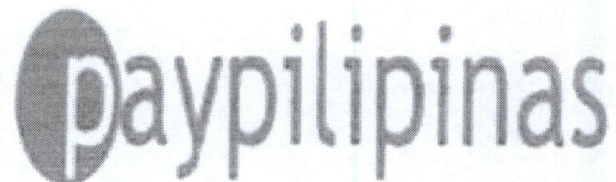
"NOW THEREFORE, the Parties have agreed, by way of compromise agreement, as follows:

"1. PayPal agrees to withdraw and execute a joint motion to dismiss IPC No. 14-2013-00140 subject to the following conditions:

a. New Standard Holdings shall never use PAYPIL, including never referring to their services in an abbreviated or shorthand form as

PAYPIL; instead, applicant will always use the mark and refer to it completely as PAYPILIPINAS;

b. New Standard Holdings shall always use the mark in stylized form as



and agree never to use the mark in any shade of blue;

c. New Standard Holdings shall always spell PAYPILIPINAS out in lower case letters, and never with two capitalized letters P (as 'PayPilipinas'), and never to present this mark in any manner such that the PAYPIL portion of the mark is made to stand out apart from the rest of the mark (e.g., through use of different font, size, color, shade, style, orientation, etc.);

d. New Standard Holdings shall withdraw its application for the mark 'PayPil Credit' (Application No. 4-2012-008097) before the Intellectual Property Office of the Philippines within ten (10) days from the execution of this Agreement.

"2. New Standard Holdings agrees to withdraw its application for the mark 'PayPil Credit' (Application No. 4-2012-008097) and execute a joint motion to dismiss the *PayPal Opposition* subject to the following condition:

a. PayPal shall not object to New Standard Holdings's registration of the mark PAYPILIPINAS, if the same is in compliance with above specified terms and conditions of PayPal.

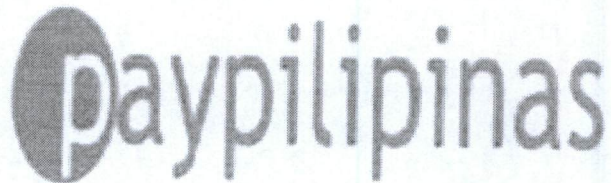
"3. The parties agree to consider IPC No. 14-2012-00601 closed and terminated, subject to the following conditions:

a. New Standard Holdings shall respect and not appeal the decision dated 19 February 2014 of the Intellectual Property Office in the IPC No. 14-2012-00601, for the mark 'PayPil', which granted PayPal's Opposition to the PayPil mark and denied the registration of said mark on the ground that such mark is confusingly similar to the PayPal mark.

b. PayPal shall not object to New Standard Holdings's registration of the mark 'paypilipinas', if the same shall comply with the following terms and conditions:

i. New Standard Holdings shall never use the PAYPIL, including never referring to their services in an abbreviated or shorthand form as PAYPIL; instead, applicant will always use the mark and refer to it completely as PAYPILIPINAS;

ii. New Standard Holdings shall always use the mark in stylized form as



and agree never to use the mark in any shade of blue;

iii. New Standard Holdings shall always spell PAYPILIPINAS out in lower case letters, and never with two capitalized letters P (as 'PayPilipinas'), and never to present this mark in any manner such that the PAYPIL portion of the mark is made to stand out apart from the rest of the mark (e.g. Through use of different font, size, color, shade, style, orientation, etc.);

"4. The Parties acknowledge that their respective signatories have full authority and/or have secured the necessary approvals to execute, and do execute, this Agreement on behalf of their principals and that the Parties have the authority to comply with the undertakings, obligations and acknowledgments made in this Agreement. Attached as Annex 'A' and 'B' to this Compromise Agreement are proofs of the respective authorities of the signatories of Paypal and New Standard Holdings, respectively. The Parties hereto further acknowledge that they have executed this Agreement voluntarily with full knowledge of its consequences under the law. The terms and conditions of this Agreement entered into by the Parties are not contrary to law, morals, good customs, public orders or public policy.

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

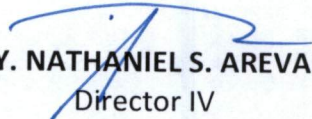
This Bureau evaluated the Compromise Agreement and finds that the same has been duly entered into by the parties with the terms and conditions thereof not contrary to law, morals, good customs, public order or public policy.

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.¹

WHEREFORE, premises considered, the parties' Compromise Agreement is hereby **APPROVED**. Accordingly and finding merit on the parties' Joint Motion to Declare the Case Closed and Terminated, the instant opposition case is hereby **DISMISSED**. Let the filewrapper of Trademark Application Serial No. 4-2012-008097 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 2014.


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

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¹ Office Order No. 154 Series of 2010.