



STARBUCKS CORPORATION D/B/A	}	IPC No. 14-2014-00126
STARBUCKS COFFEE COMPANY,	}	Opposition to:
Opposer,	}	
	}	Application No. 4-2013-00501913
- versus -	}	Date Filed: 18 July 2013
	}	
BANAPPLE J3 CORPORATION,	}	Trademark: BANOFFEE
Respondent-Applicant.	}	
x-----x	x	Decision No. 2015 - <u>31</u>

DECISION BASED ON COMPROMISE AGREEMENT

STARBUCKS CORPORATION D/B/A STARBUCKS COFFEE COMPANY ("Opposer") filed a Verified Notice of Opposition to Trademark Application No. 4-2013-00501913. The application, filed by BANAPPLE J3 CORPORATION ("Respondent-Applicant"), covers the mark BANOFFEE for use on "bread, cake, pastry and confectionery" under Class 30 of the International Classification of goods.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Applicant on 05 June 2014. The Respondent-Applicant filed its Verified Answer on 02 September 2014.

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 18 September 2014 Order No. 2014-143 referring the case to mediation.

On 12 March 2015, the ADR Services of this Bureau submitted a Mediation Report indicating a settlement by the parties. Attached to the report is a copy of the parties' Compromise Agreement, the pertinent portions of which reads, as follows:

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

"1. STARBUCKS will no longer pursue its opposition to the BANOFFEE Trademark Application by BANAPPLE.

"2. STARBUCKS undertakes not to oppose any future application for registration of the mark BANOFFEE by BANAPPLE in the Philippines covering bread, cake, pastry and confectionery goods.

"3. STARBUCKS undertakes not to apply for registration in the Philippines of the mark BANOFFEE in respect of bread, cake, pastry and confectionery goods.

"4. If and when the BANOFFEE Trademark Application by BANAPPLE proceeds to registration, STARBUCKS undertakes not to cause cancellation in the registrar of the IPO of the registered BANOFFEE trademark.

"5. In consideration of the foregoing undertakings by STARBUCKS, BANAPPLE releases, discharges, acquits, and waives any and all claims, causes of action and demands against STARBUCKS, its affiliates, licensees, assignees and successors-in-interest in relation to STARBUCKS' opposition to the BANOFFEE Trademark Application by BANAPPLE, and agrees not to commence any legal action against past, present and indefinite future use of the term "banoffee" by STARBUCKS, its affiliates, licensees, assignees and successors-in-interest within the Philippine territory. As used herein, "licensees" pertain to entities or individuals who are licensed by STARBUCKS to operate STARBUCKS stores, wherein they would sell only Starbucks' products, including Starbucks' banoffee pies, and "assignees" refer to persons to whom that license to operate STARBUCKS stores is legally transferred.

"6. Within a period of sixty (60) days from the signing of this Agreement, STARBUCKS, or its affiliate, licensee, assignee, or successor-in-interest, and BANAPPLE shall schedule a product demonstration by BANAPPLE of BANOFFEE pies and other products to explore the possibility of sourcing products from BANAPPLE.

"7. No default by either Party in the performance of or compliance with any provision of this Agreement shall be waived or discharged, except with the express written consent of the other Party. No waiver by either Party of any default by the other in the performance of or compliance with any of the provisions of this Agreement shall operate or be construed as a waiver of any other or further default whether of a like or different character.

"8. The Parties shall abide by the terms and conditions of this Agreement in utmost good faith and, to this end, shall not issue or make any derogatory, malicious or negative statements or press releases with respect to the other Party.

"9. The Parties shall keep all the terms and conditions of this Agreement in utmost confidence.

"10. Each Party shall bear its own costs in performing each of their respective undertakings under this Agreement.

"11. The Parties acknowledge that their respective signatories have full authority or have secured the necessary approvals to execute this Agreement on behalf of their principals and that the Parties have the authority to comply with the promises, obligations, undertakings and acknowledgments made in this Agreement.

"12. An amendment or modification of this Agreement shall be effective or binding on a Party only if made in writing and signed by a duly authorized

representative of each of the Parties.

"13. This Agreement shall be governed by, interpreted and construed exclusively in accordance with Philippine laws.

"14. The Parties finally declare that they have read this entire document, understood its import, and have executed this Agreement voluntarily with full knowledge of its consequences under the law."


This Bureau evaluated the COMPROMISE AGREEMENT and finds that the same have 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, the instant opposition is hereby **DISMISSED**. Let the filewrapper of Trademark Application No. 4-2013-00501913 be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

SO ORDERED.

Taguig City, 13 March 2015.


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

¹ Office Order No. 154 Series of 2010.