

HONDA MOTOR COMPANY, LTD.,
Petitioner,

-versus-

YIN GANG MOTORCYCLE PHILIPPINES,
LTD. INC.,
Respondent- Registrant.

IPC No. 13-2015-00607
Petition for Cancellation:
ID Reg. No. 3-2014-001213
Date Issued: 17 December 2014
Title: "MOTORCYCLE"

X-----X

**NOTICE OF DECISION
[DECISION BASED ON COMPROMISE AGREEMENT]**

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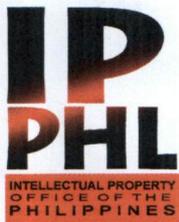
Counsel for the Respondent-Registrant
7th Floor, 1000 A. Mabini corner T.M. Kalaw Streets
Ermita, Manila

GREETINGS:

Please be informed that Decision No. 2017 - 323 dated August 31, 2017 (copy enclosed) was promulgated in the above entitled case.

Taguig City, August 31, 2017.

MARILYN F. RETUAL
IPRS IV
Bureau of Legal Affairs



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Respondent-Registrant.

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IPC No. 13-2015-00607
Petition for Cancellation

ID Reg. No. 3-2014-001213
Date Issued: 17 December 2014
Trademark: MOTORCYCLE

Decision No. 2017 - 323



DECISION BASED ON COMPROMISE AGREEMENT

HONDA MOTOR COMPANY, LTD. ("Petitioner"), filed on 21 December 2015 a petition to cancel Industrial Design Registration No. 3-2014-001213 issued in favor of YIN GANG MOTORCYCLE PHILIPPINES, LTD. INC. ("Respondent-Registrant"). The petition is anchored on Section 119 of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code").

Pursuant to the Regulations on Inter Partes Proceedings, this Bureau issued a Notice to Answer and served a copy thereof to the Respondent-Registrant on 20 February 2016. The Respondent-Applicant filed its Answer on 23 May 2016.

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 28 June 2016 Order No. 2016-113 referring the case to mediation.

On 23 August 2017, 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 portions of which read:

"NOW THEREFORE, for and in consideration of the premises and of the following considerations, stipulations and covenants, the Parties, hereby agree as follows:

1. The SECOND PARTY undertakes to withdraw its Industrial Design Registration No. 3-2014-001213 with the Bureau of Patents of the Intellectual Property Office within five (5) days from the execution of this Compromise Agreement, and will provide FIRST PARTY an original document of said withdrawal as stamped by the Bureau of Patents;
2. The SECOND PARTY undertakes not to allow any third party to use the Industrial Design Registration No. 3-2014-001213. In case there are any existing

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE

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licenses covering said design granted to a third party, the SECOND PARTY shall revoke all such licenses within five (5) days from the execution of this Compromise Agreement, and shall furnish a copy of said notice(s) of revocation to the FIRST PARTY within the same period of five (5) days;

3. The SECOND PARTY shall give a notarized statement confirming that they no longer sell, manufacture, import, distribute or otherwise deal in motorcycles bearing the Industrial Design No. 3-2014-001213, with an undertaking to forever cease and desist from selling, manufacturing, distributing or otherwise dealing with any motorcycle bearing Industrial Design No. 3-2014-001213, upon the execution of this Compromise Agreement;

4. As requested by the SECOND PARTY, to which the FIRST PARTY agrees, the FIRST PARTY shall allow the SECOND PARTY a period of twelve (12) months from the signing of this Agreement, within which to pull-out from its distributors, dealers, agents and other third parties, motorcycles bearing Industrial Design No. 3-2014-001213, in accordance with SECOND PARTY's pull-out schedule attached herewith as ANNEX "C". The SECOND PARTY certifies that only the brand "Gremlin", and no other brand, as appearing in ANNEX "C" is used exclusively for motorcycles bearing Industrial Design No. 3-2014-001213;

5. The SECOND PARTY shall provide the FIRST PARTY a notarized confirmation of the completion of its pull-out activities of all motorcycles bearing Industrial Design No. 3-2014-001213 from all its distributors, dealers, agents, including those of its licensees' distributors, dealers, and agents within five (5) days from the expiration of said twelve (12) months period, or earlier in case the pull-out is completed before the expiration of the said twelve (12) months period;

6. The SECOND PARTY, including their employees, agents, representatives, assignees, successors-in-interest, and all other persons and/or entities acting under their authority, undertake to respect and not violate, any and all intellectual property rights of the FIRST PARTY whether arising from patents (invention, industrial design, and utility model), trademarks, and/or copyrights, and not to engage in unfair competition with the FIRST PARTY;

7. Based on this Compromise Agreement, both Parties shall jointly move for the dismissal of the Petition for Cancellation docketed as IPC No. 13-2015-00607;

8. The Parties, in good faith, undertake to honor their respective commitments under this Compromise Agreement;

9. In case of breach of any of the terms of this Compromise Agreement, the party in breach of this Agreement, shall be each liable to the other party for all expenses that may be incurred for the judicial enforcement/execution of this Compromise Agreement.

10. This Compromise Agreement shall bind not only the parties but also the shareholders, directors, officers, employees, agents, successors and assigns as of the time of execution of this Compromise Agreement.”

This Bureau evaluated the COMPROMISE AGREEMENT and finds that the same have been duly entered by the parties with the terms and conditions thereof not contrary to law, morals, good customs, public order or public policy. Any part thereof hereinafter requiring action from the IPO shall be governed by the applicable Trademark Rules such as but not limited to Memorandum Circular No. 16-012 s.2016 (IPOPPL Revised Fee Structure 2017).

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 instant cancellation case is hereby **DISMISSED**. Let the filewrapper of Industrial Design Registration No. 3-2014-001213 be returned, together with a copy of this Decision, to the Bureau of Patents for information and appropriate action.

SO ORDERED.

Taguig City, 31 AUG 2017.


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

Copy furnished:

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