

**ASIAN PATENT ATTORNEYS ASSOCIATION
Philippine Group Designs Committee Report
Bali, Indonesia**

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I. Updates on Legislation, Administrative Issuances, Jurisprudence, and IPO Decisions

The Philippine Congress has not passed any new law, nor has the Intellectual Property Office of the Philippines (“IPO”) issued any new set of rules and regulations, pertinent to designs during the period covered.

Likewise, there are no new cases decided by the Philippine Supreme Court or the Director General of the IPO which particularly pertain to designs during the period covered. Only one decision relating to designs was adjudicated by the Bureau of Legal Affairs (“BLA”) of the IPO during the relevant period. Particularly, in BLA Decision No. 15-205, the BLA dismissed on 28 September 2015 a petition for cancellation of a utility model which was alleged to lack novelty for being substantially similar to an existing industrial design. The decision was appealed to the Director General of the IPO and is currently pending before it.¹ The case is discussed below.

II. BLA Decision: Yan Yan International Philippines v. Wilson Dy Go, BLA Decision No. 15-205, 28 September 2015²

Yan Yan International Philippines (“Petitioner”) filed a petition to cancel a utility model registration issued to Wilson Dy Go (“Respondent-Registrant”) titled “LIQUID PACKAGING” for being substantially similar in function, shape, and design to the industrial design titled “JUICE CONTAINER.”

In dismissing the petition, the BLA ruled that “[w]hile both registrations cover liquid/juice container[s], they are registered for different purposes. [The registration

¹ Telephone Interview with Ms. Sharon Alcantara of the Records Management Unit of the BLA of the IPO (20 September 2016) and with Mr. Gerson Ryan L. Gabriel of the Office of the Director General - Legal of the IPO (21 September 2016).

² Yan Yan International Philippines v. Wilson Dy Go, BLA Decision No. 15-205, 28 September 2015, available at <http://onlineservices.ipophil.gov.ph/ipcaselibrary/main.html> (last accessed 20 September 2016).

over the industrial design, 'JUICE CONTAINER'] covers the ornamental features of its product while the Petitioner's utility model refers to its functionality."

Further, merit was found in the Respondent-Registrant's argument that "its utility model for 'LIQUID PACKAGING' is distinct in view of the tearable upper portion for its juice drink container. Scrutinizing ID Registration No. [3-]2003-00315, there is no way for validating or confirming the same as the latter pertains solely [to] the ornamental design and not as to function. As such, the extent of the protection of the industrial design registration for 'JUICE CONTAINER' cannot encompass [] more than what is granted. To allow the same will create a dangerous precedent wherein industrial designs, which do not require the element of industrial applicability, can be used as a ground to cancel a utility model registration."

In summary, the BLA distinguished a utility model from an industrial design as to definition, requisites, and scope of protection, as follows:

"[W]hile a utility model pertains to a useful object, an industrial design is any composition of lines or colors or any three-dimensional form, whether or not associated with lines or colors: Provided, That such composition or form gives a special appearance to and can serve as pattern for an industrial product or handicraft. From the above definitions alone, it is clear that utility models and industrial designs differ in many aspects. An industrial design pertains to the ornaments or aesthetic feature while the utility model as to the use or function. In addition, as to registrability, the law only requires novelty for an industrial design while that of a utility model requires, in addition to novelty, that it must be industrially applicable."

III. Recent Developments in the IPO

A. WIPO Pilot Study on Industrial Design in the Philippines

A write-up provided by the IPO on the study reads as follows:

"The World Intellectual Property Organization (WIPO) will conduct a pilot study on the use of industrial design (ID) in three Southeast Asian countries namely: Indonesia, Philippines, and Thailand. These countries have posted the highest number of ID filings in the region. The Study aims to better understand the motivation behind securing industrial design rights and how this intellectual property (IP) instrument is being used in a dynamic business setting such as the Philippines. On 13 June 2016, 25 ID

designers and stakeholders met with WIPO and the officials from Intellectual Property Office of the Philippines (IPOP HL) to solicit cooperation from the stakeholders to participate in the survey and gather suggestions and insights on how the Study should be developed and formatted.

“Mr. Carsten Fink, Chief Economist of the WIPO Economics and Statistics Division together with his colleague, Ms. Maryam Zehtabchi presented their project ‘Understanding the Use of Industrial Designs in Southeast Asian Countries.’ The Study will provide local designers with the opportunity to contribute and share their experience on leveraging ID protection to move their business forward.

“The Study will be cascaded and implemented in the Philippines through IPOP HL and Dr. Ramon Clarete of the University of the Philippines (UP) School of Economics who is WIPO’s academic partner in conducting the study work in the country. It is expected to commence by September of this year.

“Aside from the Study mechanics, Mr. Fink introduced the Hague System to the participants. Through the Hague System, applicants may obtain international registration for their ID through a single application. As of date, the Philippines has not acceded to the System but is expected to do so in 2018.”³

B. Online Filing for Designs

Similar to the online filing service for trademarks made available on the IPO website,⁴ the IPO also plans to implement an online filing service for designs within the last quarter of 2016.⁵

C. Industrial Design Statistics

1. Filings

As of the end of August 2016, nine hundred forty-six (946) applications for registration of industrial designs have been filed for the year. Out of the said number, three hundred nineteen (319) were filed by non-residents while six hundred twenty-

³ Intellectual Property of the Philippines, *WIPO launches study on Industrial Design in PHL*, available at <http://www.ipophil.gov.ph/releases/2014-09-22-06-26-21/446-wipo-launches-study-on-industrial-design-in-phl> (last accessed 19 September 2016).

⁴ Intellectual Property Office of the Philippines, *IPOP HL eTMfile*, available at <http://onlineservices.ipophil.gov.ph/etmfile/> (last accessed 17 September 2016).

⁵ Telephone Interview with Ms. Amelita Amon, Officer-in-Charge of the Industrial Design and Integrated Circuit Examining Division of the Bureau of Patents of the IPO (09 & 20 September 2016).

seven (627) have been filed by residents. The table⁶ below shows the data of filings from 2000 to 2016, indicating a consistency in the number of filings for industrial design registration:

YEAR	NON-RESIDENT	RESIDENT	TOTAL
2000	322	261	583
2001	356	358	714
2002	336	449	785
2003	338	670	1,008
2004	481	543	1,024
2005	632	642	1,274
2006	487	472	959
2007	427	440	867
2008	571	542	1,113
2009	318	492	810
2010	409	435	844
2011	532	581	1,113
2012	474	756	1,230
2013	485	877	1,362
2014	518	815	1,333
2015	555	529	1,084
2016	319	627	946

2. Registrations

As of the end of August 2016, six hundred forty-four (644) industrial design applications were successfully registered for the year. Out of the said number, three hundred thirty-eight (338) were registered under names of non-residents while three hundred six (306) were registered under names of residents. The table⁷ below shows the data of registration from 2005 to 2016, indicating a consistency in the number of registrations for industrial designs:

⁶ Intellectual Property Office of the Philippines, *IP Statistics*, available at <http://www.ipophil.gov.ph/images/IPOffice/IPStatistics2005-2016August2016.pdf> (last accessed 17 September 2016).

⁷ Intellectual Property Office of the Philippines, *IP Statistics*, available at <http://www.ipophil.gov.ph/images/IPOffice/IPStatistics2005-2016August2016.pdf> (last accessed 20 September 2016).

YEAR	NON-RESIDENT	RESIDENT	TOTAL
2005	339	425	764
2006	450	433	883
2007	860	475	1,335
2008	641	588	1,229
2009	404	405	809
2010	307	280	587
2011	379	366	745
2012	483	510	993
2013	500	822	1,322
2014	450	669	1,119
2015	458	556	1,014
2016	338	306	644

3. Turn-Around Time Between Filing and Registration

As of the end of August 2016, the average turn-around time (“TAT”) between filing and registration of industrial design applications for the year is 6.71 months. The table⁸ below shows the annual average TAT from 2005 to 2016:

YEAR	AVERAGE NUMBER OF MONTHS
2005	14.3
2006	19.28
2007	12.89
2008	7.9
2009	6.11
2010	6.64
2011	6.08
2012	6.13
2013	5.84
2014	7.56
2015	8.04
2016	6.71

⁸ E-mail correspondence dated 22 September 2016 to Mr. Richmond K. Lee from Mr. Allan L. Laforteza, Officer-in-Charge of the Records Management Unit of the IPO-Bureau of Patents.

4. Top Countries of Origin

For the year 2015, local applicants had the most number of applications for registration of industrial design numbering five hundred thirty-nine (539) and constituting 48.82% of the one thousand one hundred four (1,104) total filings. The Philippines was followed by Japan and the United States of America (“U.S.”), which filed one hundred seventy-four (174) and one hundred thirty-four (134) applications, respectively. Filings by Japan and the U.S. constitute 15.76% and 12.14% of the total filings, respectively. Other top countries of origin for industrial design in 2015 include Republic of Korea, United Kingdom (“U.K.”), People’s Republic of China, the Netherlands, Switzerland, Germany, Sweden, and Italy. The table⁹ below shows the data of the top countries of origin in 2015 with their corresponding number of filings and the percentage thereof vis-à-vis the total number of applications filed:

COUNTRY	FILINGS	% OF TOTAL FILINGS
PH - Philippines	539	48.82%
JP - Japan	174	15.76%
US - United States of America	134	12.14%
KR - Republic of Korea	50	4.53%
UK - United Kingdom	33	2.99%
CN - People’s Republic of China	21	1.90%
NL - Netherlands	21	1.90%
CH - Switzerland	19	1.72%
DE - Germany	18	1.63%
SE - Sweden	12	1.09%
IT - Italy	10	0.91%
TOTAL	1,104	

⁹ Intellectual Property Office of the Philippines, *Top Countries of Origin*, available at <http://www.ipophil.gov.ph/images/TransparencySeal/TopCountriesofOrigin021916.pdf> (last accessed 20 September 2016).

5. Top Applicants

For the year 2015, Samsung Electronics of Republic of Korea had the most number of filings of application for registration of industrial design with thirty-three (33) applications. Other top applicants for registration of industrial design in 2015 include Toyota Jidosha and Honda Motor Co., Ltd. of Japan, Dart Industries, Inc. and Colgate-Palmolive of the U.S., Kelcon International and Sportslab, Inc. of the Philippines, Reckitt Benckiser of U.K., Suzuki Motor of Japan, and Mariwasa Siam of the Philippines. The table¹⁰ below shows the top applicants in 2015 with their respective countries of origin and number of applications filed:

COUNTRY	APPLICANT/OWNER	COUNT OF APPLICATIONS
KR - Republic of Korea	Samsung Electronics	33
JP - Japan	Toyota Jidosha	29
JP - Japan	Honda Motor, Co., Ltd.	28
US - United States of America	Dart Industries, Inc.	25
US - United States of America	Colgate-Palmolive	23
PH - Philippines	Kelcon International	22
PH - Philippines	Sportslab, Inc.	22
UK - United Kingdom	Reckitt Benckiser	19
JP - Japan	Suzuki Motor	18
PH - Philippines	Mariwasa Siam	16

- End -

¹⁰ Intellectual Property Office of the Philippines, *Top Applicants*, available at <http://www.ipophil.gov.ph/images/TransparencySeal/TopFilers021916.pdf> (last accessed 20 September 2016).