ASIAN RELIABILITY CO., INC., Petitioner,

INTER PARTES CASE NO. 2022

PETITION FOR COMPULSORY LICENSING

Letters Patent No. 16917 Issued : April 12, 1984 Patentee : Dusan Slepcevic For : ENCAPSULATION MOLD WITH RE-MOVABLE CAVITY PLATES

- versus -

DUSAN SLEPCEVIC Respondent-Patentee.

> DECISION NO. 89-40 (TM) June 14, 1989

## DECISION

This is a petition for compulsory licensing filed on October 2, 1986 by Asian Reliability Co., Inc. praying that it be granted compulsory license under Letters Patent No. 16917 issued on April 14, 1984 to Dusan Slepcevic of Cupertino, California, U.S.A. for "Encapsulation Mold with Removable Cavity Plates.

Petitioner is a corporation duly organized and existing under the laws of the Republic of the Philippines with principal office address at Asia Test Building, South Superhighway, Bangkal, Makati, Metro Manila, Philippines, while Respondent is an American citizen residing at Sunnyvale, California, U.S.A and represented in the Philippines by Messrs. Agcaoili & Associates with offices at 12<sup>th</sup> floor, Citibank Bldg., Paseo de Roxas, Makati, Metro Manila, Philippines.

The ground for the petition for compulsory licensing is that the patented invention is not being worked within Philippines on a commercial scale, although capable of being so worked, without satisfactory reason. To support its petition, Petitioner relied on the following facts:

"1. That the patented product refers to a plated mold used by semi-conductor electronic companies in the encapsulation portion of the semi-conductor assembly;

2. That the date of the grant of Philippine Letters, No. 16917 subject of this petition is April 12, 1984 and therefore the filing date of this petition is well after the expiration of the two-year period provided for under Section 34 of Rep. Act No. 165 as amended by P.D No. 1263;

3. That the petitioner is and has been lawfully engaged in the business of refurbishing, manufacturing and distributing conventional molds in the Philippines specializing in molds used by semi conductor electronic companies;

4. That the petitioner has the necessary technical manpower, machines, tools and equipment and therefore has the capability of working the patented product on a commercial scale."

Respondent-Patentee was duly served with notice to file Answer on October 14, 1986. Petitioner filed its Manifestation submitting the Affidavit of the Publisher certifying that the Notice of Filing of the Petition for grant compulsory license as required by the provisions of Section 34-E(2) of Presidential Decree No. 1263 has been effected.

Respondent-Patentee in his Answer specially denied the allegation of the Petitioner and raised certain issues as affirmative allegations.

In a pre-trial conference held on October 13, 1987 the parties agreed to a stipulation of facts and limit the issues to the following:

"1. Whether or not the patented invention is being worked in the Philippines on a commercial scale sufficient to meet the demands of the market or the industry.

2. Whether or not the petitioner has the capability, resources, special equipment, and special technology required and necessary in order to work or manufacture the patented invention In the Philippines.

3. Whether or not petitioner's corporate existence is reasonably stable and certain as to qualify it to enter into a licensing agreement with the respondent-patentee."

Trial on the merits commenced and Petitioner presented two witnesses. However, on the next scheduled hearing, after Petitioner filed an earlier motion to postpone to gather additional evidence which was granted by the hearing Officer, Petitioner filed a motion to dismiss without prejudice on the ground that Petitioner "has lost interest in further prosecution of the petition". Respondent-Patentee interposed no objection to the motion to dismiss except that the petition is dismissed with prejudice. There are, however, no strong grounds to support the objection of Respondent-Patentee that would persuade this Bureau to deviate from the general rule that dismissals on motion of Petitioner are without prejudice.

WHEREFORE, premises considered, herein Petition for Compulsory Licensing of Letters Patent No. 16917 is DISMISSED without prejudice.

Let the records of the case be forwarded to the Patent/Trademark Registry and EDP Division for appropriate action and filing.

SO ORDERED.

IGNACIO S. SAPALO Director