

HANABISHI PHILIPPINES, INC.	)	INTER PARTES CASE NO. 3420
Petitioner,)	
	)	PETITION FOR CANCELLATION:
)	
- versus -	)	Letters Patent No. D-4247
	)	Issued : Dec. 12, 1988
	)	Patentee : Segundo Ng and
	)	3D Industries,
	)	Inc.
	)	For : DOUBLE BURNER
	)	GAS STOVE
)	
SEGUNDO NG AND 3D INDUSTRIES,	)	<u>DECISION NO. 91-18 (TM)</u>
INC.)	
Respondents	)	November 12, 1991
x-----x)	

DECISION

This is a petition for cancellation of Design Letters Patent No. D-4247 entitled "DOUBLE BURNER GAS STOVE".

On July 9, 1987, SEGUNDO NG, as assignor to 3D Industries Inc., filed a design patent application for a "DOUBLE BURNER GAS STOVE" under Serial No. D-6387. Said application, after due examination, was found allowable and thus on December 12, 1988 it matured into Letters Patent No. D-4247. The subject design has the following characteristic features:

"The characteristic feature of this design for a double burner gas stove resides in a pair of rectangular plates spacedly disposed on the front panel, each circumscribing a circular flame control knob and both having small flame figures, but with one on the left having a personified flame figure; a pair of spaced circular openings provided on the top panel, circumscribing a burner with radially protruding lugs with apertures, said burner having an annular depression with apertures arranged in circular pattern, said top panel further having a rectangular raised portion formed centrally in between the burners; a trapezoidal depression disposed on the similarly shaped side panel whose parallel sides are longer than the non-parallel sides; and a rectangular rear panel spacedly disposed from the top panel, and having an elongated oblong slot centrally situated relative to the vertical sides thereof."

Claiming that it has been damaged by the issuance and continued existence of said letters patent, petitioner, Hanabishi Philippines, Inc., filed on July 4, 1989 this petition for cancellation against respondents, SEGUNDO NG and 3-D INDUSTRIES, INC.

Petitioner is a domestic corporation with principal office address at 57 Gov. Pascual Avenue, Malabon, Metro Manila while respondents are Filipino and Domestic Corporation, respectively, both with business address at Evangelista Street, Bo. Santolan, Pasig, Metro Manila.

The grounds for cancellation are, that:

- "1. The design subject matter of Letters Patent No. D-4247 is not new nor original as required by Section 55 in relation to Section 9 of Republic Act No. 165, as amended, and therefore, not patentable;
2. The assignor Segundo Ng is not the true and actual designer of the subject matter of Letters Patent No. D-4247;

3. The Petitioner has been damaged and will continue to be damaged by the issuance and continued existence of Letters Patent No. D-4247.

In support of the foregoing grounds, petitioner relied on the following ultimate facts:

- “1. That the design subject matter of Letters Patent No. D-4247 is not new nor original. More than six (6) months prior to the filing of the application thereof by respondent Segundo Ng on July 9, 1987, the design subject of Letters Patent No. D-4247 had been in public use and/or on sale in the Philippines;
2. That the design subject matter of Letters Patent No. D-4247 was known or used by others in the Philippines more than six (6) months before it was designed by respondent Segundo Ng;
3. That the design subject matter of Letters Patent No. D-4247 had been disclosed, published and/or advertised in printed publications circulated in the Philippines, as well as abroad, more than six (6) months prior to the filing of the application therefore on July 9, 1987. A copy of one such printed publication is hereto attached as Annex “A” and made an integral part hereof;
4. That respondent Segundo Ng is not the true and actual designer of the design subject matter of Letters Patent No. D-4247;
5. That petitioner has been damaged and continues to be damaged by the issuance and existence of Letters Patent No. D-4247.”

In their answer, respondents denied all the material allegations of facts; and after issues have been joined, pre-trial conference was set on August 21, 1989. No amicable settlement having been reached, the parties decided to go into trial where they adduced their respective testimonial and documentary evidences.

The core issue to be resolved in this case is whether or not the design of the “Double Burner Gas Stove” embodied in Letters Patent No. D-4247 is new, original, and ornamental as required by Section 55 of Republic Act No. 864.

Petitioner presented two witnesses, namely: Ex-Director Cesar C. Sandiego and Mr. Rodolfo Cailao.

With his direct testimony reduced to an affidavit (Exhibit N), Mr. Sandiego testified that he was the Director of Philippine Patent Office from November 20, 1981 until September 30, 1987 when he retired; that prior to that, he had served the Philippine Patent Office in various capacities from 1956 continually up to 1974 as “Patent Researcher, Patent Examiner, Chief Patent Examiner, and Chief Patent and Trademark Operations; that from 1974 up to 1981, he was the Manager of the Patents, Trademarks and Drug Regulations Department of United Laboratories, Inc., and that at present, he is the Senior Partner of Sandiego and Sandiego Law Offices, a firm specializing on patent, trademark and copyright cases.

Mr. Sandiego also gave the various international conferences and seminars related to patents, trademarks and compulsory licensing that he attended while he was the Director of Patents, and while he was holding various positions in the Patent Office prior to his directorship. He gave likewise the various associations of patent lawyers where he was a member.

On the design patent in question, after examining five (5) actual models of 3-D Golden Flame double burner gas stoves, three brand new units and two used units marked in evidence as Exhibit “J” (Model GS-3030, new), Exhibit “K” (Model GDX-5550, new), Exhibit “L” (Model GDX-7770, new), Exhibit “M” (Model GS-3030, used) and Exhibit “P” (Model GDX-7770, used),

Mr. Sandiego confirmed that the characteristic features found in the specification (Exhibits A-3 to A-4) of Letters Patent No. D-4247, are readable on the aforementioned five (5) actual models.

In respect of the double burner gas stoves designated as Models Nos. GS-3030, GDX-550 and GDX-7770 as they appear in the printed advertisements made by #D Industries, Inc., in various newspapers and magazines, to wit:

Exhibit	"B-1"	Manila Bulletin, dated November 29, 1984;
Exhibit	"B-2"	Manila Bulletin, dated December 4, 1984;
Exhibit	"B-3"	Manila Bulletin, dated May 25, 1985;
Exhibit	"C"	Woman Home Companion, dated December 31, 1986;
Exhibit	"D"	Woman's Journal, dated January 17, 1987;
Exhibit	"E"	Woman Home Companion, dated April 13, 1988;
Exhibit	"F"	Mr. and Mrs. Magazine, dated August 30, 1988; and
Exhibit	"G"	Woman Today, dated September 7, 1988,

Mr. Sandiego confirmed that the top and front views of the double burner gas stoves shown in Exhibits "B-1", "B-2", "B-3", "C", "D", "E", "F", and "G" are identical to the characteristic features of the top and front views of the patented design in question.

He concluded that inasmuch as 3D Industries, Inc., appears to have been producing, selling and offering for sale its double burner gas stoves designated as Models Nos. GS-3030, GDX-5550, and GDX-7770 more than six (6) months before July 9, 1987, then clearly the design patented under Letters Patent No. D-4247 was no longer new at the time of its filing on July 9, 1987.

Further, according to Mr. Sandiego, based on his observation and analysis, the design patented under Letters Patent No. D-4247 is not only not novel, but it does not indicate an exercise of the inventive faculties.

Another witness, Rodolfo Cailao was presented by the petitioner. Mr. Cailao identified "Exhibit P" as the 3D Golden Flame gas stove Model GDX-7770 that was given to him as a Christmas gift on December 1985 by Atty. Florencio Sison.

Petitioner, in addition to the testimonies of its witnesses, also presented and formally offered documentary evidences consisting of Exhibits A to S, inclusive of their submarkings. These were all admitted in evidence with the comments and objections thereto by the Respondents duly noted.

On the part of the respondents, two witnesses were presented, to wit: Mr. George Misa, the respondent's counsel of record, and Mr. Segundo Ng, the designer-patentee of the letters patent in question.

First to testify was witness George E. Misa. In his affidavit (Exhibit 2), which constitutes his direct testimony, Mr. Misa stated that in December 1987 while he was still connected with Sycip Salazar Hernandez and Gatmaitan Law Firm as Senior Associate, he ordered from 3D

Industries a two-burner gas stove denominated as GS-3030. The unit was delivered to him at his Office at Sycip on December 28, 1987 and was duly received by his Secretary. A copy of the delivery receipt no. 14310 was presented and marked as Exhibit "3". He presented the actual model of the 3D two-burner gas stove (Exhibit "4") which he purchased from 3D on December 28, 1987. According to him, his family used the said gas stove regularly from January 1988 up to February 15, 1990 when it was pulled out for use in evidence in this case. He also testified that as counsel of 3D Industries Inc., in this case, he personally saw and examined the 3D two-burner gas stove denominated as Model GDX-7770, which was testified to by Petitioner's witness, Rodolfo Cailao, through an affidavit marked as Exhibit "O" and which was identified by Cailao in his affidavit as Exhibit "P". Mr. Misa's observation was that Exhibit "P" which was allegedly in existence since 1985 looks undamaged while the one he bought in December 1987 has greatly deteriorated.

Next to take the witness stand was SEGUNDO NG, the designer-patentee of the patent in question. In his affidavit (Exhibit "5"), Mr. Segundo Ng narrated first his educational background, previous employment and when he started working for 3D Industries. He stated that as Manager of 3D's Research and Development Department, his duties among other things are product research and development, and implementation of computer aided design. According to him, sometime in the latter part of 1986, upon instruction from 3D Management, he started to design a two-burner gas stove, and that after several weeks of work he finished the design and submitted the same to the Management of 3D sometime in the early part of 1987. He then applied for a design patent on July 9, 1987 for the "DOUBLE BURNER GAS STOVE".

On cross-examination, witness Segundo Ng manifested that he could not recall exactly the design of the gas stove that his employer, 3D Industries Inc., was making when he started working for it in 1983 as member of its technical staff. He also professed not to have seen any advertisement in newspaper and magazines of the different models of gas stoves being sold by his employer, 3D Industries, Inc.

Mr. Ng, however, admitted that both the used 3D Golden Flame two burner gas stoves presented and marked by Petitioner as Exhibit "P" and the used 3D Golden Flame two burner gas stove presented and identified by George Misa, Exhibit "4" bear the same distinguishing features as those of his patented design under Letters Patent No. D-4247. (tsn. February 28, 1990, pp. 21-23; 27-28)

On March 16, 1990, Respondents rested their case by formally offering in evidence documentary exhibits consisting of Exhibits "1" to "6", inclusive of submarkings. These exhibits were all admitted for whatever purpose they maybe worth with Petitioner's comments and objections thereto duly noted.

On July 30, 1991, after more than a year after the case was submitted for decision, Respondents moved to present additional documentary and testimonial evidences to which Petitioner filed their Opposition.

Over the objection of Petitioner, Respondents were allowed to present Ex-Assistant Director Manuel Marzan as their witness whose Affidavit was marked Exhibit "7" and his Bio-data as Exhibit "7-A".

Respondents also offered as their Exhibit "8" the decision of the Manila Regional Trial Court in Civil Case No. 89-49274 while Petitioner bracketed a portion thereof appearing on pages 14 and 15 and marked it as Exhibit "R". Both parties formally offered their respective exhibits.

Exhibits 7, 8, 9 and sub-markings offered by Respondents as well as Exhibits "R" of Petitioner were all admitted as exhibits for the Respondents and Petitioner respectively, with their corresponding comments thereto being duly NOTED and made an integral part of the records of

the case, they being offered in accordance with the Rules of Practice in Patent Cases and the Rules of Court.

After a circumspect analysis and evaluation of the testimonial and documentary evidences, this Bureau finds that the design of the "Double Burner Gas Stove" embodied in Letters Patent No. D-4247 is no longer new at the time the application for patent was filed on July 9, 1987.

More than six months prior to July 9, 1987, the filing date of the design patent in question, or as early as November 29, 1984, respondent 3D Industries, Inc., had already published and offered for sale by way of printed advertisement in the Manila Bulletin (Exhibit "B-1"), a newspaper of general circulation in the Philippines, the double burner gas stove embodied in Letters Patent No. D-4247. A note at the bottom of said advertisement reads "Available in all leading department stores".

Similar advertisements (Exhibit B-2 and B-3) by the Respondent appeared on the December 4, 1984 and May 25, 1985 issues of the same newspaper, Manila Bulletin.

After comparing the double burner gas stove (Model GDX-7770) shown in the foregoing advertisements with the one embodied in the design patent in question, we found that the characteristic features of the two gas stoves are substantially the same except for the sides and the rear panel which cannot be seen on the perspective representation of the gas stove shown on the advertisements.

Specifically, on their front portions both gas stoves have a pair of rectangular plates spacedly disposed on the front panel each circumscribing a circular flame control knob and both having small flame figures, but with one on the left having a personified flame figure; and on their top portions both have a pair of spacedly circular openings provided on the top panel, each opening circumscribing a burner with radially protruding lugs in the apertures, said burner having an annular depression with apertures arranged in circular pattern; and having a rectangular raised portion formed centrally in between the burners.

The same finding holds true in respect of the double burner gas stoves (Model GDX-7770) that appeared on the printed advertisements Exhibit "C", Woman Home Companion dated December 31, 1986; and Exhibit "D" Women's Journal, dated January 17, 1987. Both advertisements were published more than six months prior to July 9, 1987 the filing date of the design patent in question.

Mr. Marzan who was presented as Respondent's witness, claimed that the printed publications do not constitute anticipatory prior art because Exhibits "B-1", "B-2", "B-3" and "C" although published and circulated more than six (6) months before the filing of the patent applications on July 9, 1987, do not show the rear panel and the side panel of the gas stoves. On cross-examination however, Mr. Marzan admitted that the two-burner gas stoves shown in all the printed publications, namely, Exhibits "B-1", "B-2", "B-3", "C", "D", "E", "F" and "G" are identical and that the characteristic features of the top and front panels thereof are identical to the characteristic features of the top and front panels of the patented design covered by Letters Patent No. D-4247. When shown the actually used samples of 3D two-burner gas stoves marked in evidence as Exhibit "P" (Model GDX 7770) and Exhibit "4" (Model GS 3030), Mr. Marzan admitted that all the characteristic features of the patented design are present in these two actual samples.

Mr. Marzan also claimed that designs are patentable although they do not possess inventive quality identifying in the process the printed brochure of the office entitled "What You Know about Patents" marked as Exhibit "9". On cross-examination however, Mr. Marzan admitted that Rule 123 of the Revised Rules Practice in Patent Cases, which requires that patentable designs must be novel and must clearly indicate an exercise of the inventive faculties

is still part of the Rules of Practice in Patent Office and was already a part of the Rules of Practice on Patent Cases as early as 1960 up to this date. (TSN 9-25-91, PP. 18-19).

This Office has taken note of Respondents' arguments that the representations of the gas stoves in Exhibits "B-1", "B-2", "B-3", "C-1" do not constitute prior art because the gas stoves illustrated therein do not show their side and rear panels, thus, there is no way to compare the supposed side and rear panels of said gas stoves with that of respondents' "DOUBLE BURNER GAS STOVE" design whose rear panel has an elongated oblong slot centrally situated relative to the vertical sides thereof, and whose side panels have trapezoidal depressions disposed on the similarly shaped side panels, with the parallel sides longer than the non-parallel sides.

Applying, however, the test of substantial identity, which is conducted by "giving such attention as a purchaser usually gives" without going into an indepth comparison of the individual details of line, forms, shapes, configurations or features of the designs (Gorham Co. v. White, 81 US 511, 20 L ed 731), we find the features on the rear and side panels of respondents' design to be insignificant creating only a superficial, not substantial effect upon the eye of the ordinary observer.

The features on the sides and rear panels of the gas stove do not only involve slight variances in configuration but they are also concealed or partly concealed in the normal use of the gas stove.

It is thus immaterial whether or not the printed advertisement, showing in focus a double burner gas stove Model GDX-7770, shows the sides and rear panels because the similarity of the two designs is judged from the overall appearance and not from emphasis upon or preoccupation with any of its individual elements.

"Whether a design possesses the requisites of novelty and invention must be judged from the overall visual appearance of the design, not from emphasis upon or preoccupation with any of its individual elements". (Columbia Protektorite Co., Inc., vs. Great American Plastics Co., 97 USPQ 57).

"Plainly, it must be sameness in appearance, and mere difference of lines in the drawing or sketch, a greater or smaller lines or slight variances in configuration, if sufficient to change the effect in the eye, will not destroy the substantial identity. . . Surely in such a case the designs are alike." (Gorham Co. v. White, supra.)

Moreover, the fact that the features found on the rear and side panel of Respondents' gas stove are concealed or partly concealed in the normal use of the gas stove, makes them more insignificant and trivial to the overall visual appearance of the gas stove.

"It is well settled that patentability of a design cannot be based on elements which are concealed in the normal use of the device to which the design is applied." (Re Stevens, 81 USPQ 362, 1949; Re Cornwall, 109 USPQ 57 1956, Underscoring supplied).

Further, this Office finds the features on the sides and rear panels of the subject design as functional and not ornamental. The oblong slot on the rear panel is so provided to serve as passage for the flexible hose from the gas tank to the gas intake pipe of the gas stove while the trapezoidal depressions found on the side panels serve as stiffeners therefore, said panels being made of thin metallic sheet. "Designs dictated by functional considerations are not primarily ornamental and, therefore, are not patentable." (Barofsky vs. General Electric Corp., 158 USPQ 179).

Furthermore, there is no dispute that the five (5) actual models of 3D Golden Flame double burner gas stoves marked and offered in evidence by petitioner, namely, three brand new units (Exhibit J, Model GS-3030, Exhibit K, Model GDX-5550, and Exhibit L, Model GDX-7770) and two used units (Exhibit M, Model GS-3030 and Exhibit P, Model GDX-7770 which was later on withdrawn and substituted instead by photographs of Models GS-3030, GDX-5550 and GDX-7770 put side by side showing their front and top panels, side panels and rear panels, as well as the one used unit presented by respondents (Exhibit 4, Model GS-3030) are identical to each other in design and to the design of the models depicted in Exhibit B-1, B-2, B-3 and C-1, as they all contain and embody the characteristic features of the design patented under the letters patent in question.

On the other hand, respondent Segundo Ng, admitted on cross-examination that as of September, 1986 (p. 18, February 28, 1990 t.s.n.) when he was requested by management of respondent 3D Industries to design a two-burner gas stove, in fact, as early as 1983, respondent 3D Industries was already manufacturing and distributing double burner gas stoves designated Models GS-3030, GS-6060, GDX-5550 and GDX-7770. If these models manufactured and distributed since 1983 were different, particularly the side and rear panels, thereof, from those advertised in Exhibits B-1, B-2, B-3 and C-1 and from the actual model introduced in evidence, namely, Exhibits J, K, L, M, P, and 4, and had features different from the patented design in question, it would have been very easy for respondents to present a sample thereof, and or respondent Segundo Ng to recall and testify as to the features thereof. But, as borne out by the records, respondents failed to do so, thereby leading to but one conclusion, that all the existing double burner gas stove models of respondent 3D Industries carrying the trademark "Golden Flame" since 1983 or at least, since September, 1986 when respondent Segundo Ng allegedly received instruction to design a double burner gas stove, have the same or identical features as the double burner gas stove whose design is now patented under the letters patent in question (p. 2, February 28, 1990, t.s.n.).

On this, authorities have these to say:

"The unexplained failure or refusal of a party to produce evidence may, under certain circumstances, and sometime as a result of statute, give rise to an inference unfavorable to such party. In the absence of explanation, the failure or refusal of a party to produce evidence may create an adverse inference where such evidence is within his knowledge, and within his power to produce, is not equally accessible to his opponent, and is such as he would naturally produce if it were favorable to him." (31 C.J.S. 847-849).

"Where it is apparent that a party has the power to produce evidence of a more explicit, direct, and satisfactory character that which he introduces and relies on, it may be presumed that if the more satisfactory evidence had been given, it would have been detrimental to him and would have laid open deficiencies in, and objections to, his case which the more obscure and uncertain evidence did not disclose." (Jones on Evidence, 5th Ed., 850).

Thus, based on the foregoing, this Office cannot help but dismiss Respondents' argument that the trademark "3D Golden Flame" and Model Numbers GS-3030, GS-6060, GDX-5550 and GDX-7770 are not indicative of the existence of the "Double Burner Gas Stove" design prior to its invention in 1987.

Taken note also are Respondents' detailed observations that the two rectangular plates in Figure 1 of the drawings of the patent in question, are delineated with two lines all throughout in contrast with two rectangular plates in Exhibits "B-1", "B-2", "B-3", and "C-1" which also have two-line delineations but the delineations became three lines at the perpendicular angle in the inner portions of the two rectangular plates; and that the foregoing difference may be trivial when taken or viewed in its entirety applying the rule that "Designs must be tested by the over-all aesthetic effect." (Capex Co. v. Surety, Feb. 18, 1948, 166 Fed. 56).

This Office agrees with Respondents that the designs must be tested by the over-all aesthetic effect.

The foregoing test, however, all the more support Respondents' observation, that the two-line and three-line delineation are indeed very insignificant. Such line delineations were trivial matters caused by inaccuracy in the representations of the drawings which are not present when the actual models are viewed.

Even assuming that said lines delineations are there, still, no substantial effect on the overall appearance of the design would be noted.

Moreover, such line delineations are never mentioned in the characteristic features of the design which simply means that even the patentee himself does not regard them as important.

This Office is not oblivious of the general rule that the issuance of a patent gives rise to a prima facie presumption of the existence of the requisite elements of patentability, that the patentee was the original and first inventor, and of due compliance with all the requirements of the law. (40 Am. Jur., Sec. 174 p. 656). The evidence on record, however, is not only clear, satisfactory, and substantial but also establishes beyond reasonable doubt, that the design of a double burner gas stove embodied in Letters Patent No. D-4247 had been disclosed, published and/or advertised in printed publications, and had been in public use or on sale in the Philippines for more than six (6) months before it was applied for patent on July 9, 1987.

WHEREFORE, this petition for cancellation is hereby GRANTED and Design Letters Patent No. D-4247 entitled "Double Burner Gas Stove" issued on December 12, 1988, is, as it is hereby, ordered CANCELLED.

Let the records of this case be forwarded to the Patent and Trademark Registry and EDP Division for record and safekeeping purposes.

SO ORDERED.

IGNACIO S. SAPALO
Director