

MARY LOU L. WONG
Petitioner

IPC NO. 12-2005-00041

-versus-

Petition for Cancellation:
U.M. Reg. No. 2-2002-000111
Date Issued: March 27, 2003
Title: A DOUGH MIXER FOR
MAKING BIHON NOODLES

CARLOS NGOSIOK
Respondent

x-----x

Decision 2006 – 46

DECISION

This is a petition to cancel Utility Model Registration No. 2-2002-00111 title "A DOUGH MIXER FOR MAKING BIHON NOODLES" issued on March 27, 2003 in the name of Carlos Ngosiok as maker and Ngosiok Marketing as applicant/assignee.

Petitioner, Mary Lou L. Wong, is a businesswoman presently engaged in the business of buying and selling various noodle products. She buys her noodles from several producers and sells these to her outlets located in various commercial centers in Cagayan, Isabela, Quirino and Nueva Vizcaya. In order to lower the cost of production, it came to her mind the idea of producing noodle products in Isabela. In the course of her study of the said project, she came to know that most of the machines that she will use are covered by patents issued in the name of Respondent, Carlos Ngosiok. She then consulted her lawyer about these patents and after research, she was told that the patents are void. (Exhibit "A" of Petitioner)

Respondent, Carlos Ngosiok, is the maker while Ngo Siok Marketing is the applicant/registrant of the disputed Utility Model Registration. He is the Vice-President of Ngosiok Marketing. Respondent filed the application leading to the issuance of the Utility Model Registration on March 27, 2003. Below are the claim and drawing of Respondent's Utility Model Registration No. 2-2002-000111:

"1 CLAIM

The construction of a dough mixer for bihon noodles comprising a mixing vessel having a rotatable shaft supported within thereof, said rotatable shaft having a helical stirring blades keyed thereon, said mixing vessel further having a steam supply line and water supply line disposed within thereof."

FIG 1

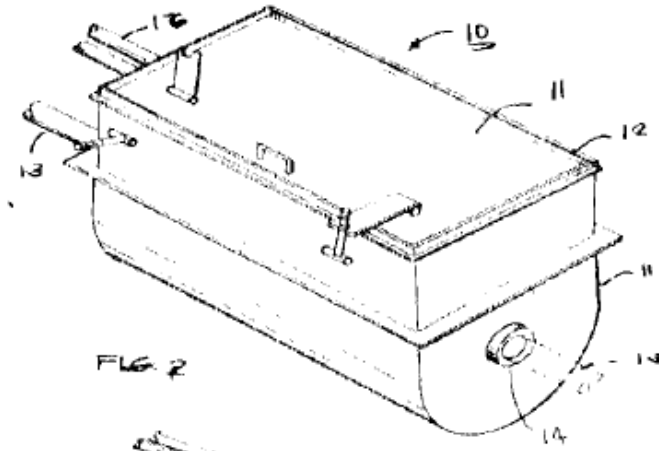
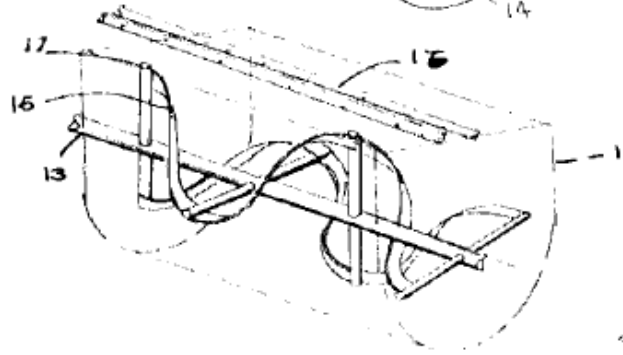


FIG 2



S. J. ...
Maker

On March 9, 2005, Petitioner, through her lawyer, filed a petition for cancellation of Utility Model Registration No. 2-2002-00111 titled "A DOUGH MIXER FOR MAKING BIHON NOODLES". She averred the following general grounds for cancellation:

- "a) that the claimed invention does not qualify for registration as a utility model and does not meet the requirements of registrability, in particular having regard to Subsection 109.1 and Sections 22, 23, 23 and 27.
- "b) that the description and the claims do not comply with the prescribed requirements;
- "c) that any drawing which is necessary for the understanding of the invention has not been furnished;
- "d) that the owner of the utility model registration is not the inventor or his successor in title. "Section 55, 56 and 57 , R.A. No. 165a".

Petitioner relied on the following facts to support her petition:

- "a) The utility model registered is very much similar if not identical to the existing models in the market and/or in public use at the time the application therefore was filed.

- “b) If ever there are variations between the prior art and the subject utility model, said variations do not involve a technical solution defined in Section 22 R.A. 8293.
- “c) The description is vague as to the “invention” defined and covered by registration.
- “d) The registrant is not the inventor of the alleged “invention” covered by registration.”

On May 26, 2005, Respondent, through counsel, filed a motion for a bill of particulars alleging that the Petition for Cancellation are not averred with sufficient definiteness or particularity to enable the registrant to intelligently prepare his responsive pleading.

On June 7, 2005, in answer to the bill of particulars Petitioner manifested that one of the models existing in the market and in public use earlier than year 2002 and identical to the machine covered by the present utility model registration is the one being used by Komeya Food Product Corporation who was the subject of seized and seizure operating by the respondent last year, with the qualification that the foregoing should not be considered as a limitation on the part of the Petitioner to present other models showing public use thereof prior to March 15, 2002.

On June 27, 2005, Respondent filed his answer denying the grounds for cancellation and alleges:

“1) The UM offers a technical solution to problems existing in the current state of the art at the time of its filing. There are no identical prior art at the time of filing at the UM is industrially applicable.

“2) The description is enabling, precise, detailed and complete, specifically as to the elements comprising the machine and the relationship between or among the elements as well as the function, operation and result obtained therefrom.

“3) The drawing of the subject utility model is labeled with particularity, complete and the same could be understood based on the said drawing.

“4) He is the inventor/maker of the subject utility model. Mr. Ngosiok’s family has been in the business of bihon manufacturing for generations, and utilizing his vast knowledge and experience in the noodle-making, he introduced substantial innovations and modifications to the equipment and process to achieve a unique bihon product, which no one has ever thought of nor has successfully done.

- 1) There is no identical equipment in prior use at the time of filing, and the innovations and/or improvements made on the existing machines at the time of filing achieved a different result using a different process.
- 2) The description and claims of the subject utility model are quite clear.
- 3) He is the inventor/maker of the subject utility model.
- 4) The machine used by Komeya Food Product Corporation which was the subject of a Writ of Search and Seizure issued by the Regional Trial Court of Bulacan Province, was existing in the market and in public use earlier than 2002, the truth being that Komeya Food Product Corporation did not know of, much less have used the subject machine with the innovations and improvements introduced by the registrant prior to 2002. It had a different version or model of the machine – one without modification and innovation described in the UM.

- 5) The recent commercial success of registrant's product, which led other bihon manufacturers to want to use, albeit illegally, the registrant's innovated process and equipment, is a testimony that long felt but unresolved problems in the field of bihon manufacturing were successfully addressed by the registrant. The registrant's UM substantially changed the bihon product."

On September 1, 2005, Office Order No. 79, series of 2005 or the Amendments to the Regulations on Inter Partes Proceedings prescribing summary rules took effect which mandatorily covers the instant petition. Hence, parties were ordered to submit all its evidence duly marked in compliance with the new rules.

After submission of all the parties' evidence, the case was set for preliminary conference on December 12, 2005 to compare documents and clarify certain issues. The conference was terminated on January 20, 2006 after the parties withdraw their request for ocular inspection. Consequently, the parties were ordered to submit their respective position paper and the case is now submitted for decision.

Petitioner's Position

Petitioner in its position paper alleged that Utility Model Registration No. 2-2002-000111 lacks novelty on two grounds:

- a) *There exists a patent issued in Germany in 1986 which covers all the foregoing elements.*
- b) *There exists since 2001 a machine that is being operated by Komeya Food Corporation reciting all the foregoing elements.*

Petitioner construe the claim of the Utility Model Registration No. 2-2002-00111 refers to the construction of a dough mixer for bihon noodles comprising of the following (taken from the claims):

- a) Mixing vessel;
- b) Rotatable shaft;
- c) Helical stirring blades;
- d) Steam supply line; and
- e) Water line.

Petitioner contends that the foregoing elements can be read on the prior art document DE patent No. 3502446 issued on July 31, 1986 and that the machine covered by the Respondent's registration is exactly the same with the mixer used by Komeya Food Corporation, hence, invalid for lacking novelty as required by Section 109.4 in reference to Section 23 and 24 of R.A. 8293 or the Intellectual Property Code of the Philippines.

Petitioner argues that the law simply provides that a utility model registration may be cancelled if the subject matter thereof is part of the prior art. In this regard, the records will show that this Office issued a registrability report and on page 2 thereof provides:

Important Notice:

Under Section 109 of RA 8293, the Office does not undertake search and substantive examination on utility model applications. However, a registrability report may be requested upon payment of the required fees, to guide those concerned in evaluating validity and enforceability of this registration.

REGISTRABILITY REPORT: A report containing citations of relevant prior art documents with appropriate indications as to their degree of relevance which will serve as an aid in

the determination of the validity of the utility model claim/s with respect to newness (Rule 207.6)

A reading of the said notice clearly reveals that a registrability report is in fact a prior art search and provides for documents in determining the newness (novelty) of a utility model and consequently its validity with the appropriate degrees of relevance.

The prior art cited in the registrability report and more particularly discussed by Petitioner's expert witness, Joven Gertes is DE Patent No. 3502446 issued on 32 July 1986 to Lipp Eberhard Ing. Grad. The said prior art was marked as category X document of document of particular relevance in determining novelty. The Registrability Report ended with a conclusion by Patent Examiner Abel Ambata (page 2 of the said report and highlighted therein) with:

"Further, it appears that all the important particulars of the subject utility model application are readable in the cited reference Pat. No. DE 3502446."

In as much as the patent examiners are considered the experts in the field of patent examination whose conclusions should be given respect, it is submitted that said conclusion should be highly considered. Furthermore, Petitioner's expert witness Joven Gertes, a patent examiner for almost forty years whose expertise in the field of patent examination procedure should also be respected. He mentioned in his Affidavit that he supports the said conclusion. Petitioner's expert witness and the Registrability Report signed by the Patent Examiner both pointed out that there is one to one correspondence of the elements of Respondent's UM and DE 3502446.

On the other hand, Respondent alleges that; the Petitioner invoking the X document, DE Patent No. 3502446, (the "German patent") cited in the Registrability Report as its basis for alleging that the registrant's utility model ("UM") is invalid. It is crystal clear, however, that the purpose, elements and functions of the German patent. It has to be emphasized that this paragraph is qualified by the last paragraph of the Registrability Report which states:

"all of the above listed information is based on documents available in our Office at the time this report was made but not precluding other submission of information that may result to a different finding."

Respondent likewise alleges that –

The above quoted paragraph is placed in registrability reports to stress that the information available to the IPO maybe incomplete. This is emphasized by the fact that the petitioner's Exhibit "C(c-1)" is merely a "Document Bibliography and Abstract", and is not the complete German patent document. An abstract is merely a summary or a synopsis. It is not the entire document;

That the party desirous of canceling the registrant's UM, it is the burden of the petitioner to present the entire German patent. However, it only submitted its abstract-on the theory that the said abstract is adequate to prove the similarity between the German patent and the registrant's UM;

That the photographs (presented by the petitioner as Exhibit "C(D)" of equipment allegedly similar to the registrant's were taken only recently – not in 2001. Therefore, it proves nothing more than the fact that Komeya is infringing upon the intellectual property rights of the respondent. The key consideration in the issued of anticipation is time. It should be proven that a particular utility model is made public prior to the date of application. In here, the photographs were taken on November 26, 2005, which is more than three years after the date application of the respondent.

RULING:

Petitioner in her petition raised all the grounds for cancellation to invalidate the disputed utility model registration. However, in her position paper, she limited her ground to lack of novelty.

Thus, the main issue in this case is “WHETHER OR NOT UTILITY MODEL REGISTRATION NO. 2-2002-000111 LACKS NOVELTY”.

Novelty or newness is the sine qua non of every utility model registration. The invention must be new and industrially applicable to qualify for registration as utility model as codified in Section 109 of R.A. 8293. The determination of novelty is made in light of the prior art as stated in Section 23 of R.A. 8293:

Section 23. Novelty. – an invention shall not be considered new if it forms part of a prior art.

Prior art is that fund of information which is available or accessible to the public. Prior art is knowledge that is available, including what would be obvious from it, at a given time, to a person of ordinary skill in the art. An inventor is presumed to have a full and comprehensive knowledge of the prior art, in legal contemplation. To determine precisely what the law regards as being prior art, one must turn to Section 24 of R.A. 8293 which reads as follows:

“24.1 Everything which has been made available to the public anywhere in the world, before the filing date or the priority date of the application claiming the invention; and

24.2 The whole contents of an application for a patent, utility model, or industrial design registration, published in accordance with this Act, filed or effective in the Philippines, with a filing or priority date that is earlier than the filing or priority date of the application: Provided, that the application which has validly claimed the filing date of an earlier application under Section 31 of this Act, shall be prior art with effect as of the filing date of such earlier application: Provided further, that the applicant or the inventor identified in both applications are not one and the same.”

The policy behind this is that an inventor is rewarded for his or her disclosure of the invention to the public with a right, for a limited time, to exclude others from making, offering for sale, selling, using, and importing the claimed invention. This implies that an invention should be new, because otherwise the inventor would get a reward for telling us something we already know. An important aspect of the patent system therefore is the determination of novelty of an intervention. If examination reveals that an invention is not novel, the patent application is rejected. And even if the patent is granted, it can still be annulled if it is found that the invention wasn't novel after all.

Under Sec. 109 of R.A. 8293 and the corresponding Rules and Regulations, applications for utility model and industrial design are not subjected to substantive examination as to its registrability requirement, hence, there are instances where there are prior art reference and yet subject applications are not rejected as to its non-novelty and will still be registered despite the presence of cited prior art.

Petitioner in this Petition for Cancellation alleges that the Utility Model Registration No. 2-2002-00111 lacks novelty on two grounds:

- c) *There exists a patent issued in Germany in 1986 which covers all the foregoing elements.*
- d) *There exists since 2001 a machine that is being operated by Komeya Food Corporation reciting all the foregoing elements.*

Patent invalidity based on lack of novelty is often called “anticipation”. “Anticipation” is a patent law term of art that means disclosure in the prior art of something substantially identical to the claimed invention. To avoid anticipation and satisfy the novelty requirement, the degree of physical difference which must exist between that which is sought to patented and the prior art need be only slightly. Any degree of physical difference, however slight, invalidates claims of anticipation.

A prior art document is said to anticipate a claim of a patent if the prior art document describes all the feature of that claim, either implicitly or explicitly. The features of the claim must be present in the same composition in the prior art. If a prior art document does not describe all the feature of a claim, that claim is said to be novel compared to the document.

A document or disclosure qualifies as prior art if it was made available to the public before the filing date or priority date of the application claiming the invention and that the document or disclosure is enabling.

To aid applicant in the determination of the validity of the utility model claims in respect to newness, the Intellectual Property Office through the Bureau of Patents issued Office Order 09 series of 2000 amending among others, Sec. 9, Rule 207.6 of the Rules and Regulation on Utility Model and Industrial Design which provides as follows:

“Section 9. Rule 207.6 is hereby amended to read as follows:

“Rule 207.6. Registrability Report. – The report shall contain citations of relevant prior art documents with appropriate indications as to their degree of relevance which will serve as an aid to the applicant in the determination of the validity of the utility model (s) in respect to newness. The registrability report shall be given to the applicant within two (2) months from receipt of request from the applicant.”

The Registrability Report on subject Utility Model Reg. 2-2002-000111 issued by the Bureau of Patents shows that the document of particular relevance to subject utility model is De-Patent No. 3502446 which was issued July 31, 1986.

DE Patent No. 3502446 (hereinafter referred to as “DE reference”) was cited as prior art in the Registrability Report prepared by the Bureau of Patents and cited as “X” category or a document of particular relevance in determining novelty of the claimed utility model. Petitioner’s expert witness, Joven Gertes, testified that the DE Patent reference, which existed since July 31, 1986 recited the same basic elements of the Respondent’s utility model, anticipates the Respondent’s utility model. (*PETITIONER’S EXHIBIT C*)

A comparison of the active elements in the above captioned application in the relation to the cited reference is shown below:

Registration No. 2-2002-000111	Pat. No.: DE 3502446
Mixing vessel 11	Vessel 1
Rotatable shaft 13	Shaft 5
Helical stirring blades 15	Blade 10
Steam supply line 16	Steam nozzle 18
Water supply line 17	Water nozzle 14

All the important particulars of subject utility model Regn. 2-2002-000111 are readable in cited reference Patent De 3502446 as mentioned by the Registrability Report signed by Patent Examiner Abel Ambata.

This conclusion of the Patent Examiner is supported by Engr. Joven Gertes likewise a Mechanical Engineer and a Patent Examiner and Supervising Patent Examiner for more than thirty five (35) years in the former Philippine Patent Office late changed to the Bureau of Patent, Trademark, Technology Transfer now Intellectual Property Office having examined trained abroad in the substantive examination of inventions/utility models such as the machineries in question as well industrial design.

This Bureau takes notice of the fact that Engr. Gertes is a registered Mechanical Engineer who is very conversant and knowledgeable with respect to formal and substantive examination of utility models pertaining to machineries & industrial design which he did for more than thirty five years in the Patent Office. Likewise he has attended various trainings and seminars in foreign countries on the subject of invention, utility model and industrial design during his employment with the Intellectual Property.

The Respondent patentee cannot hide on the argument that there is a difference of construction of the stirring blades in that, his utility model uses a blade having a helical structure. In his description, there is no explanation as to why said helical structure should be considered as the advancement in the art. There is no debate to the fact that said blades perform the function of stirring/mixing the dough. Without such explanation, there is now a conclusive presumption in law that his helical structure works substantially similar to other blades. Thus, the doctrine of equivalents apply.

In the case of *Godines vs. Court of Appeals* (G.R. No. 97343, 13 September 1993, 226 SCRA 338), it was ruled that;

“x x x

Recognizing that the logical fallback position of on in the place of defendant is to aver that his product is different from the patented one, courts have adopted the doctrine of equivalents which recognize that minor modifications in a patented invention are sufficient to put the item beyond the scope of literal infringement. Thus, according to this doctrine, “(a)n infringement also occurs when a device appropriates a prior invention by incorporating its innovative concept and, albeit with some modification and change, performs substantially the same function of substantially the same result”. The reason for the doctrine of equivalents is that to permit the imitation of a patented invention which does not copy any literal detail would be to convert the protection of the patent grant into a hollow and useless thing. Such imitation would leave room for – indeed encourage – the unscrupulous copyist to make an important and insubstantial changes and substitutions in the patent which, though adding nothing, would be enough to take the copied matter outside the claim, and hence, outside the reach of the law.

x x x”

In the case of *Pessumal Tolaram vs. Chi Chua Ko* (Philippine Patent Office Decision No. 262, dated June 7, 1963), the then Director of Patents ruled that:

x x x

On the issue of determining whether the petitioner’s and respondent utility models are equivalent, i.e., they are substantially similar to each other, the following principles and tests should be taken into consideration.

“(a) That equivalent in the Patent Law is not the prisoner of a formula and is not an absolute to be considered in a vacuum. It does not require complete identity for every purpose, and in every respect. In determining equivalents, things equal to the same thing may not be equal to each other, and by the same token, things for most purposes

different may sometimes be equivalent.” (Graver Tank Mfg. Co. v. Linde Air Products Co., 339 U.S. 605, 607 85 USPQ 330);

“(b) If the doctrine is applicable, then the range of equivalents depends upon and varies with the degree of invention. (Paper Bag Patent Case, 210 U.S. 405, 52 L. Ed. 1122; Miller v. Eagle Manufacturing Co., 151 U.S. 186 38 L. Ed. 121). Thus, where the patent is a pioneer the patentee is allowed a wide range, (Shakespeare Co. v. Perrine Mfg. Co. 91 F. 2d. 199), but where the patent is narrow, or the art is crowded, it is given only a correspondingly narrow range, (Electrol, Inc. v. Merell & Co., 39 F. 2d. 873), and the range of equivalents available to a patentee may be so narrow as to be virtually nonexistent. (Steffan v. Len A. Maune Co., 234 F. 2d. 750); and

“(c) The doctrine cannot be sued to expand the confines of a claim. (James P. Marsh Corp. v. United States Gauge Co., 129 F. ed. 161).

“The following are the tests of equivalence for Utility Model patents and applications:

- (a) Substantial identity of a spatially defined technological idea; and
- (b) Substantial identity of a definite form or embodiment defining said technological idea.: (Samson vs. Tarroza, supra).

Applying the foregoing principles and test, we are of the opinion that both utility models involved herein embody the same technological idea, which is primarily the heating of water by utilizing water itself to be heated as the resistance of the heating elements and the construction of the electrodes or steel plates. Both utility models contain similar number of electrodes which can be increased or decreased in number according to the preferred styles. Furthermore, the method of regulating water temperature involves substantially the same or similar electrical principle. The presence of ceramic envelopes used as insulator for the terminals inside the casing, and the screen filter in respondent’s water heater are substantial changes which do not make the device patentably different from that of the petitioner.

Thus, it was held that:

“But court have also recognized that to permit imitation of a patented invention which does not copy every literal detail would be to convert the protection of the patent grant into a hollow and useless thing. Such a limitation would leave room for – indeed encourage – the unscrupulous copyist to make unimportant and insubstantial changes and substitutions in the patent which, though adding nothing, would be enough to take the copied matter outside the claim, and hence outside the reach of the law.” (Graver Tank & Mfg. Co. v. Line Air Products Co., supra)

Respondent’s utility models is therefore considered not new under the law because it is substantially similar to that of the petitioner.

WHEREFORE, the petition to cancel is hereby GRANTED. Utility Model Letters Patent No. 150 issued by this Office in favor of Chi Chua Ko is hereby CANCELLED.”

Another prior art claimed by the Petitioner is a machine used by Komeya since 2001 which Petitioner’s expert witness testified to be similar with Respondent’s UM 2-2002-000111. To prove that the Komeya machine anticipates the Respondent’s UM it presented several documentary evidence and photographs of the Komeya machine.

In this regard, Ms. Carolyn Medina, General Manager of Komeya Food Products Corporation who likewise testified for the Petitioner, as shown by her Affidavit marked Exhibit "B" that the machineries being used by their company compared by Engr. Joven Gertes with the utility model under question, were imported by Komeya Food Products Corporation from Fan Seng Engineering Works of Singapore in the middle part of 2001 or before the filing of the disputed UM on March 15, 2002, as shown by the following documents:

Sales Invoice No 1455 date June 4, 2001 (marked as Annex "4*" and attached to the Affidavit of Carolyn Medina marked as Exhibit "B");

Bill of Lading No. MNL 89253-01 dated June 4, 2001 by Express Links Pte Ltd. marked Annex 4.2,

Import Entry and Internal Revenue Declaration No. 38954 issued by the Department of Finance, Bureau of Customs with Fan Seng Engineering Works of Singapore consignee (Annex 4.3) as the Exporter/Supplier and Komeya Food Product Corporation as Importer/Consignee;

Statement of Account 1747 dated April 27, 2001 issued by BCBC Baraso Customs Brokerage Corporation to Komeya Food Corporation covering handling and brokerage fee and other machineries on board the vessel AVEIRO 020 marked Annex 4.4;

Sales Invoice 13595 issued by Asian Consolidation International Services to Komeya Food Corporation covering the same shipment marked Annex 4.5;

and the Official Receipt no. BA 792525 dated APRIL 20, 2001 issued by the Philippine Ports Authority to Komeya Food Corporation/ BCBC Baraso Customs Brokerage Corporation Annex 4.6;

all of which are attached to her Affidavit marked as Exhibit B.

As stated by Engr. Gertes in his Affidavit marked Exhibit "C", the mixer used by Komeya is exactly the same as the machine covered by the Ngosiok utility model registration. On a one to one correspondence, all the elements of the Komeya machine are also present in the utility model registration in question.

It should be noted that Ms. Carolyn Medina never claimed that this particular machine was purchased from Fang Seng. In par 5.7 of her affidavit, she mentioned that:

"The choice and purchase of some of our machinery was based on the brochure distributed by Fang Seng xxx

What is clear is that the present set up of the machinery of Komeya Food Product Corporation stated in the year 2001 or almost one year prior to the date of application of the registration in question in which some machinery purchased from Fang Seng.

In support of her allegations, Petitioner submitted the Affidavits of witnesses Joven Gertes (EXHIBIT C) and Carolyn Medina (EXHIBIT B) and all the attached documents in the said affidavits.

In view thereof, subject utility model should be cancelled for being contrary to the provision of Sec. 109 and 109.4 (a) in relation to Sec. 23 and 24 of Republic Act 8293 which provide as follows:

"SEC. 109. Special Provisions Relating to Utility Models. – 109.1 (a) An invention qualified for registration as a utility model if it is new and industrially applicable.

109.4. In proceedings under Section 61 to 64, the utility model registration shall be canceled on the following grounds:

- (a) That the claimed invention does not qualify for registration as a utility model and does not meet the requirements of registrability, in particular having regard to Subsection 109.1 and Sections 22, 23, 24 and 27;

WHEREFORE, in view of all the foregoing, the Petition for Cancellation filed by Petitioner, Mary Lou Wong, is hereby GRANTED. Consequently, Utility Model Registration No. 2-2002-000111 titled "A DOUGH MIXER FOR MAKING BIHON NOODLES" issued on March 27, 2003 in the name of Carlos Ngosiok is, as it is hereby, CANCELLED.

Let the filewrapper of "A DOUGH MIXER FOR MAKING BIHON NOODLES" subject matter in this case be forwarded to the Bureau of Patents (BOP) for appropriate action in accordance with this DECISION.

SO ORDERED.

City of Makati, 28 June 2006.

ESTRELLITA BELTRAN-ABELARDO
Director, Bureau of Legal Affairs
Intellectual Property Office