



HONDA MOTOR COMPANY LTD.,
Petitioner,

-versus-

EASTWORLD MOTOR IND. CORP.,
Respondent

} IPC No. 12-2011-00249
}
} Cancellation of:
} Reg. No. 3-2009-000061
} Date Issued: 27 April 2009
} Title: "MOTORCYCLE"
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NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2013 - 27 dated February 08, 2013 (copy enclosed) was promulgated in the above entitled case.

Taguig City, February 08, 2013.

For the Director:


Atty. EDWIN DANILO A. DATING
Director III
Bureau of Legal Affairs



HONDA MOTOR COMPANY LTD.,
Petitioner,

IPC NO. 12-2011-00249
Case Filed: 29 June 2011

-versus-

Cancellation of:
Reg. No. : 3-2009-000061
Date Issued : 27 April 2009

EASTWORLD MOTOR IND. CORP.,
Respondent.

TITLE: "MOTORCYCLE"

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Decision No. 2013 - 27

DECISION

HONDA MOTOR COMPANY, LTD. ("Petitioner")¹ filed on 29 June 2011, a Verified Petition for Cancellation of Certificate of Industrial Design Registration No. 3-2009-000061. The Registrant EASTWORLD MOTOR IND. CORP ("Respondent-Registrant")².

The Petitioner alleges among other things, the following:

1. The registration of the Industrial Design entitled "MOTORCYCLE" in the name of the Respondent-Registrant contravenes and violates Section 113 of the IP Code, and Rules 300 and 301 of the Utility Model and Design Regulations, because it is not new or original.
2. The continued registration of the "MOTORCYCLE" Industrial Design No. 3-2009-000061 in the name of the Respondent-Registrant will cause grave and irreparable injury and damage to the Petitioner.

To support its Petition, the Petitioner submitted as evidence, the following:

1. Exhibit "A" – A true copy of Special Power of Attorney executed by the Petitioner in favor of the Law Offices of Hechanova Bugay & Vilchez;
2. Exhibit "B" – A certified copy of Design Reg. No. 3-2009-000061 entitled "MOTORCYCLE" in the name of Eastworld Motor Ind. Corp;
3. Exhibit "C" – Certified true copy of Motorcycle Reg. No. 3-2008-000692;
4. Exhibit "D" – Affidavit of GINO MARCO P. BAUTISTA;
5. Exhibit "E" – Affidavit Direct Testimony of MIKIYA ADACHI;
6. Exhibit "F" – Curriculum Vitae of Rolando Belocura Saquilabon;
7. Exhibit "G" – Judicial Affidavit of Rolando Belocura Saquilabon; and
8. Exhibit "H" – Certified copy of Registrability Report of Industrial Design No. 3-2008-000692 entitled MOTORCYCLE in the name of Honda Motor Co., Ltd;

¹ A company duly organized in accordance with the laws of Japan, with office address at No. 1-1, 2-Chome, Minami-Aoyama, Minato-ku, Tokyo 107-8556, Japan.

² With business address at 304 3rd Street, 10th Avenue, Grace Park, Caloocan City.

On 19 October 2011, the Respondent-Registrant filed its Verified Answer admitting some of the allegations and denying all the material allegations of the Petition. It further argues that its "Eastworld Fox 125 Motorcycles" which embodies Industrial Design Reg. No. 3-2009-000061 is very different from the Petitioner's.

The Respondent-Registrant's evidence consists of the following:

1. Annex "1" – Secretary's Certificate;
2. Annex "2" – copy of Reg. No. 3-2009-000061 "MOTORCYCLE" issues in the name of Eastworld Motor Ind., Corp;
3. Annex "3" – Affidavit of Joseph Sison;
4. Annex "4" to "4-A" – Labels or photos of the two Motorcycle;
5. Annex "5" to "5-A" – Picture of the two engines of the Motorcycles;
6. Annex "7" to "7A" – Engine protectors;
7. Annex "8" to "8A" – Battery cover of the two Motorcycles;
8. Annex "9" to "9A" – Brake disc size and specification of the two Motorcycles;
9. Annex "10" to "10A" – Mag wheels design of the two Motorcycles; and
10. Annex "11" to "11A" – Side mirrors, muffler, seat, fender, handle grip, speedometer of the two Motorcycles.

Should Industrial Design Registration No. 3-2009-000061 be cancelled on the ground that it is not new or original?

Section 113 of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") provides:

Sec. 113. Substantive Conditions for Protection – 113.1 – Only industrial design that are new or original shall benefit from protection under this Act.

Corollarily, Sections 23 and 24 of the IP Code relating to patents are applicable *mutatis mutandis* to industrial design registrations under Section 119 of the same Code, to wit:

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

Section 24. Prior Art. – Prior art shall consist of:

- 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. (Emphasis Supplied)

Also, Section 120 of the IP Code states:

Section 120. Cancellation of Design Registration – 120.1 At any time during the term of the industrial design registration, any person upon payment

of the required fee, may petition the Director of Legal Affairs to cancel the industrial design on any of the following grounds:

- (a) If the subject matter of the industrial design is not registrable within the terms of Sections 112 and 113;
- (b) If the subject matter is not new; or
- (c) If the subject matter of the industrial design extends beyond the content of the application as originally filed.

One of the requirements for the registration of an industrial design is that it must be new³. To be new, the design should not form part of prior art before the filing date of the application for registration. Section 24 of the IP Code defines prior art to a design may consist of everything made available to the public anywhere in the world before the filing date of the application for the design; or the whole contents of an application for an industrial design registration, published and filed in the Philippines, with a filing date that is earlier than the filing of priority date of the subject industrial design application.

In invalidating a design patent, the Petitioner should establish patent invalidity through the "Points of Novelty Test" and the "Ordinary Observer Test". These are two distinct tests employed in order to find patent invalidity as well as infringement⁴. Accordingly, in comparing the competing Design Patents, their respective claims must be construed with the meaning and scope determined. Claims refer to the drawings, where the illustrated elements or features limit the scope of the patent.

The Petitioner puts into issue the novelty of Industrial Design Reg. No. 3-2009-000061 contending that the industrial design covered by said registration is not new since it already forms part of a prior art. The Petitioner cites and alleges as prior art Petitioner's Industrial Design Reg. No. 3-2008-000692 (claiming priority date of 19 February 2008) on 10 November 2008 was introduced publicly to the Indonesian Market as Honda's "CS-1" on 06 April 2008 and likewise published in the internet.

A scrutiny of Design Patent No. 3-2008-000692⁵, with reference to the drawings, reveals that it is an ornamental design for a Motorcycle with the following specification, drawings and claims, to wit:

- Fig. 1 is a perspective view from the left side of a MOTORCYCLE ornamentation embodying the new design;
- Fig. 2 is a perspective view from the right side thereof;
- Fig. 3 is a perspective view from the left side thereof;
- Fig. 4 is a perspective view from the right side thereof;
- Fig. 5 is a front elevation view thereof;
- Fig. 6 is a rear elevation view thereof;
- Fig. 7 is a left side elevation view thereof;
- Fig. 8 is a right side elevation view thereof;

³ 113.1 IP Code; Rule 301 of the Rules and Regulations on Industrial Design.

⁴ Bernhardt L.L.C. vs. Collezione Europa USA Inc., No. 04-1024, Fed. Cir. 20 October 2004.

⁵ Exhibit "C" for the Petitioner.

Fig. 9 is a top plan view thereof;
Fig. 10 is a bottom plan view thereof.

Claim:

The ornamental design for a Motorcycle substantially as shown and described:

Figure 1

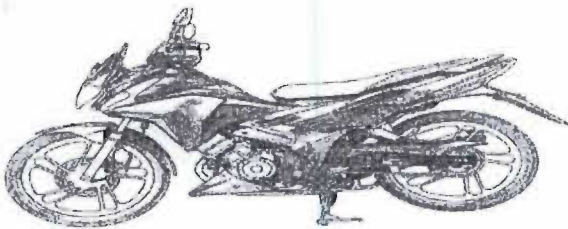


Figure 2

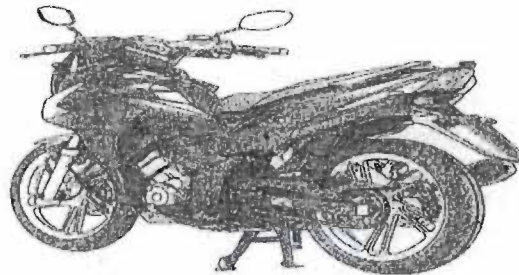


Figure 3



Figure 4

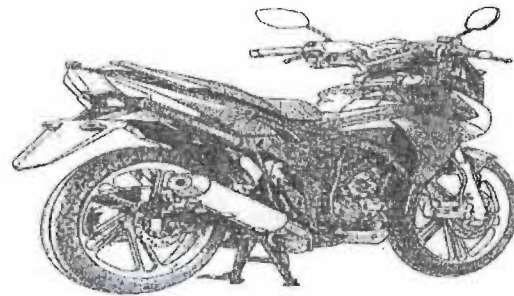


Figure 5

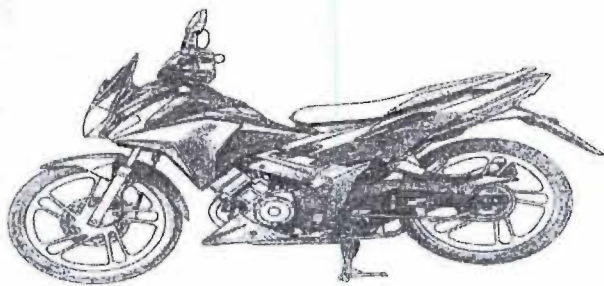


Figure 6

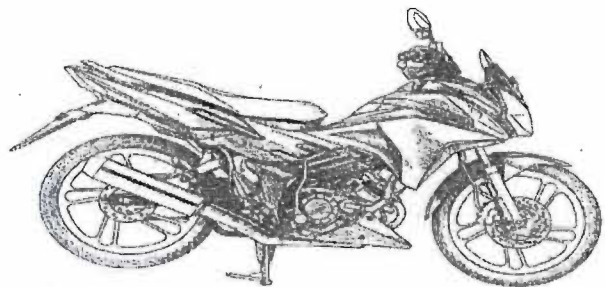


Figure 7

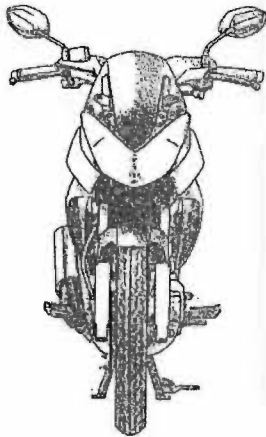


Figure 8

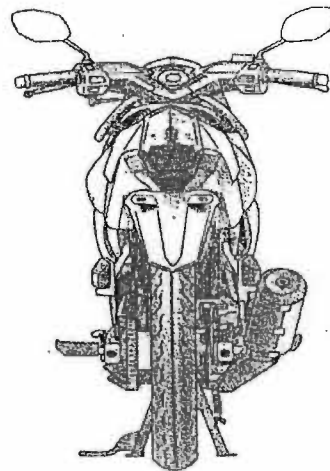


Figure 9

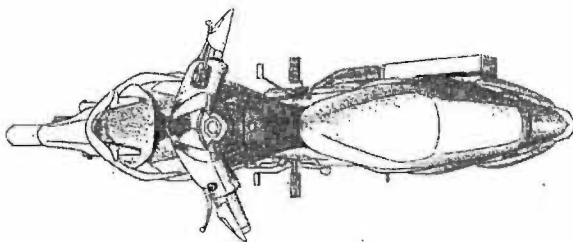
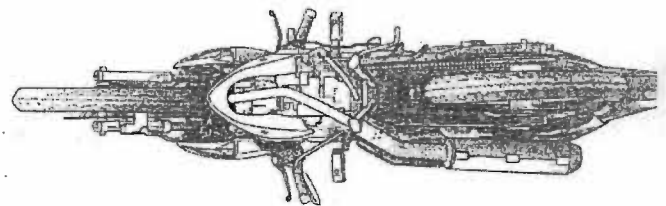


Figure 10



On the other hand, Respondent-Patentee's Design Patent No. 3-2009-000061⁶ reveals an ornamental design for a Motorcycle with the following specification, drawings and claims to wit:

- Fig. 1 is a right side view of the present design for a motorcycle.
- Fig. 2 is a left side view of the same.
- Fig. 3 is a front view of the same; and
- Fig. 4 is a rear view thereof.

Claim :

The ornamental design for a motorcycle as substantially shown:

⁶ Exhibit "B" for the Petition.

FIG. 1



FIG. 2



FIG. 3



FIG. 4

Employing the "Ordinary Observer Test", the competing Design Patents are compared for overall visual similarity. This test measures the similarity of design through the eyes of men generally, of observers of ordinary acuteness, bringing the examination of the article upon which the design has been placed the degree of observation which men of ordinary intelligence give⁷. If the two designs are so alike that one may readily be taken the other by an ordinary observer, the earlier constitute an anticipation of the latter, notwithstanding differences in detail and in non-essential matters⁸. In comparing the design, it must be judged from the overall visual appearance of the design, not from emphasis upon or pre-occupation with any of its individual elements. It must be the sameness in appearance, and mere difference in line in the drawing or sketch, a greater or smaller lines or slight variances in configuration, if insufficient to change the effect in the eye, will not destroy the substantial identity⁹.

The competing Design Patents are reproduced for comparison and scrutiny:

⁷ Gorham Co. vs. White, 81 U.S. 914 Wall 511 (1871).

⁸ Sagandorth V. Huger, 95 FED 478.

⁹ Ching v. William L. Sallinas, Jr. IPC No. 2003-39, Dec. 23, 2003.

RIGHT SIDE VIEW:



Fig. 1-ID No. 3-2009-00061
Respondent-Registrant's Design

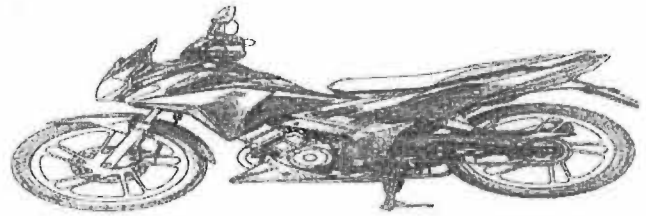


Fig. 5-ID No. 3-2008-000692
Petitioner's Design

LEFT SIDE VIEW:



Fig. 2-ID No. 3-2009-00061
Respondent-Registrant's Design

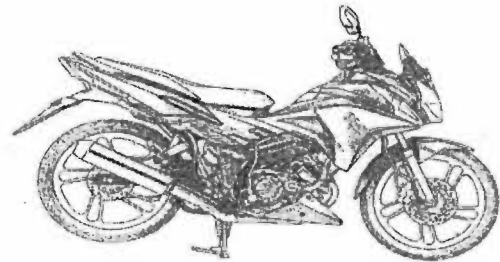


Fig. 6-ID No. 3-2008-000692
Petitioner's Design

FRONT VIEW:



Fig. 3-ID No. 3-2009-00061
Respondent-Registrant's Design

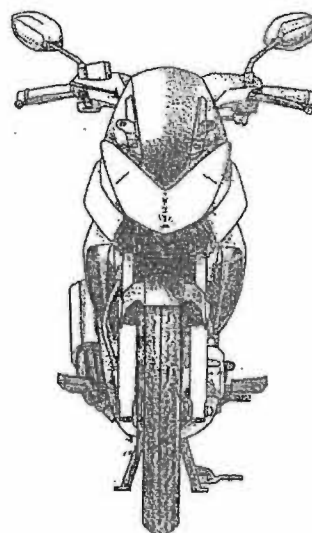


Fig. 7-ID No. 3-2008-000692
Petitioner's Design

REAR VIEW:



Fig. 4-ID No. 3-2009-000061
Respondent-Registrant's Design

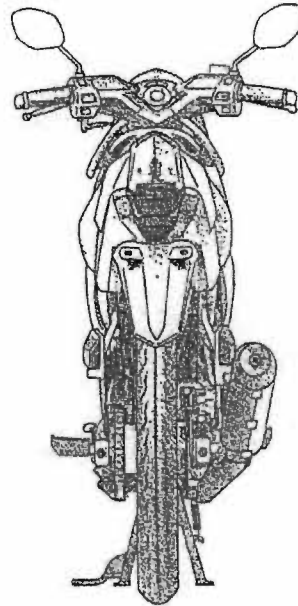


Fig. 8-ID No. 3-2008-000692
Petitioner's Design

Based on the visual appearance of the competing designs, particularly the different views, as shown above, there is no doubt that the "special appearance" claimed by the Petitioner under Patent Reg. No. 3-2008-000692 is also found in the Respondent-Registrant's Patent Reg. No. 3-2009-000061. Hence there is a substantial similarity between the competing design patents. Considering therefore that Petitioner's design patent was filed earlier, it constitutes an anticipation of the latter or the Respondent-Registrant's design patent.

The Respondent-Registrant's claims that the competing designs are not similar because of the supposed differences as follows:

1. The engines are different;
2. The engine protectors are not the same;
3. The respective chassis to support the engine are likewise different;
4. The battery covers and the sizes are not the same;
5. The brake disc sizes and specifications are very different;
6. The mag wheels design are not alike; and
7. The side mirrors, muffler, seat, fender, handle grip, speedometer are really different.

These supposed differences, however, may not be relevant in the determination of substantial similarity of the design of the Motorcycles. Industrial Design is only concerned with the special appearance of the design.

Section 112 of the IP Code provides:

Section 112. Definition of Industrial Design – 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. (Emphasis Supplied)

This Bureau finds merit in the Petitioner's arguments:

"22. Respondent's defense that the Fox 125 and CS-1 motorcycles are different is immaterial and cannot be given any weight, as discussed below:

a) First, the subject of the instant case is the cancellation of Respondent's 3-2009-000061 because of the existence of Petitioner's 3-2008-000692 as prior art. Hence, the comparison of the actual motorcycle models, e.g., Respondent's Fox 125 and Petitioner's CS-1 is not relevant to the instant action. What would be relevant is the comparison of Petitioner's CS-1 to Respondent's 3-2009-000061, since the former may be considered as prior art to 3-2009-000061.

b) Second, even assuming for the sake of argument that the comparison of the actual motorcycle models can be used as evidence to prove substantial similarity to a design registration in an action for the cancellation of the same, the views of the pictures submitted by Respondent only show that the overall appearance of Respondent's Fox 125 design is substantially similar to Petitioner's CS-1 design. The overall appearance of Respondent's Fox 125 and Petitioner's CS-1, as shown in Annexes 4 and 4A, respectively, of Respondent's Answer, show the obvious substantial similarity of the overall appearance of the Fox 125 and CS-1, although the CS-1 is shown in a different angle. As seen, the upper and lower side front covers, the side cover, the three ornamental designs, the rear cover and the muffler of the Fox 125 and CS-1 are clearly similar. The substantial similarity of the front portion of the two motorcycles can also be seen in the pictures (Annexes 9 and 9A) presented by the Respondent. The upper and lower side front covers and the signal lights look the same. The supposed differences enumerated by the Respondent, specifically, the engine (Annexes 5 and 5A), chassis to support the engine (Annexes 8 and 8A), and brake disc size (Annexes 9 and 9A) go into the technical specifications of the two motorcycles. The enumeration above may be relevant in determining the modification in the product development for technical aspect of motorcycles, but are not relevant in the determination of substantial similarity of the designs of the motorcycles.

c) Third, industrial design is only concerned with the special appearance of the design. This is according to Section 112 of the IP Code, to wit:

Section 112. *Definition of Industrial Design.* – 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. (Emphasis and underscoring supplied)

23. Respondent further argues that the similarities are only in the details which are generic to all motorcycles such as the position of the headlights, signal, lights, appearance and position of exhaust pipes, etc. Respondent says that Petitioner claims exclusive right over the positioning of the aforementioned features which are common to all motorcycles. Respondent's claims are baseless. Obviously, Petitioner is not claiming exclusive right over the positioning of the common motorcycle parts. As already stated above, industrial design registration is concerned only with the special appearance of the design. The Petitioner is claiming exclusive right over the special appearance of its motorcycle Industrial Design No. 3-2008-000692 which is substantially similar to Respondent's motorcycle Industrial Design No. 3-2009-000061. This right of the Petitioner to exclusively claim the special appearance of its motorcycle design is granted by law¹⁰."

As to the claim of the Respondent-Registrant that the Examiner of both competing designs is only one and found no substantial similarity is of no moment. Examiners of industrial design applications do not conduct any substantive examination. Only formal examination is conducted. Substantive examination which includes prior art search may be conducted at the request for the issuance of a registrability report. The industrial design registration certificate issued by the Intellectual Property Office of the Philippines, states that no substantive examination is conducted.

Accordingly, this Bureau finds that the Respondent-Registrant's Design Patent No. 3-2009-000061 should be cancelled for lack of novelty.

WHEREFORE, premises considered the instant Petition for Cancellation is hereby **GRANTED**. Let the filewrapper of Design Patent No. 3-2009-000061 be returned together with a copy of this Decision, to the Bureau of Patents for information and appropriate action.

SO ORDERED.

Taguig City, 08 February 2013.


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

/Joanne

¹⁰ Paragraph 22 & 23 of Position Paper of Petitioner (pages 12 & 13).