



SUNPOWER PHILIPPINES
MANUFACTURING LIMITED,
Petitioner,

IPC No. 12-2011-00557
Case Filed: 09 December 2011

-versus-

Cancellation of:
U.M. Reg. No.: 2-2008-000027
Date Issued: 20 October 2008

**Title: "A NEW CONSTRUCTION OF
STYROPHOR CONTAINERS"**

EDMUND L. CHIONGSON,
Respondent-Registrant.

Decision No. 2013- 48

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DECISION

SUNPOWER PHILIPPINES MANUFACTURING LIMITED ("Petitioner")¹ filed on 09 December 2011 a Verified Petition for Cancellation of Certificate of Utility Model No. 2-2008-00027 issued on 20 October 2008. The Registrant EDMUND L. CHIONGSON ("Respondent-Registrant").²

The Petitioner anchors its Petition on the ground that subject Utility Model is not new and therefore not registrable. To support its Petition, the Petitioner submitted the following:

1. Exhibits "A" and "B" – Certified true copy of Petitioner's 2011 General Information Sheet and License to Transact Business in the Philippines;
2. Exhibit "C" – Affidavit of Engr. Leo Angelo Briones attesting that respondent represented himself to be the General Manager of Master Corrugated;
3. Exhibit "D" – A certified true copy of the 2011 General Information Sheet of Master Corrugated;
4. Exhibit "E" – Affidavit of Mr. Joey H. Caldozo, Petitioner's Information Technology Systems Administrator that authenticated the email sent by the respondent to the Petitioner;
5. Exhibit "F" – Certified true copy of Utility Model No. 2-2008-000027 subject of the instant Petition;
6. Exhibit "G" – Certified true copy of U.S. Patent No. 4,122, 946;
7. Exhibit "H" – Certified true copy of U.S. Patent No. 6,131,739. The table below shows that each and every claim of the subject Utility Model was disclosed;

¹ Is a foreign corporation duly registered with the Securities and Exchange Commission with Philippine office address at 100 East Main Avenue, LTI, Biñan, Laguna.

² Of Unit B3 Grace Mansion Apartment, School Street, Grace Village, Quezon City, Philippines.

8. Exhibit "I" – Certified true copy of U.S. Patent No. 3,531,040; and
9. Exhibit "J" – Certified true copy of U.S. Patent No. 6,003,706.

This Bureau issued a Notice to Answer and served a copy thereof upon the Respondent-Registrant on 17 January 2012. The Respondent-Registrant, however, did not file an answer. Accordingly, the Hearing Officer issued on 04 June 2012 Order No. 2012-779 declaring the Respondent-Registrant in default.

Should Utility Model Reg. No. 2-2008-000027 be cancelled?

The Petitioner alleges that Utility Model No. 2-2008-000027 is not new because it has already been made available to the public or already forms part of a prior art at the time the Respondent-Registrant filed his application for Utility Model registration on 31 January 2008. It alleges that the Respondent-Registrant, represented by the General Manager of Master Corrugated³ admitted in his email sent on 09 March 2009⁴ that they have been supplying the Petitioner the foam packaging materials covered by U.M. Registration No. 2-2008-000027 since 2004.

In this regard, Sec. 120 of Rep. Act. No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code") provides:

Sec. 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.

Corolarilly, Rule 213 of the Rules and Regulations on Utility Models and Industrial Design ("Rules") provides:

Rule 213. *Cancellation of the Utility Model Registration – The Utility Model registration shall be cancelled on the following grounds:*

- (a) That the Utility Model does not qualify for registration as a Utility Model and does not meet the requirements of novelty and industrial applicability or it is among non-registrable utility models;
- (b) That the description and the claims do not comply with the prescribed requirements;

³ Exhibit "C".

⁴ Annex "B" of Exhibit "C".

- (c) That any drawing which is necessary for the understanding of the Utility Model has not been furnished; and
- (d) That the owner of the Utility Model registration is not the maker or his successor in title.

While novelty is an indispensable requirement for registrability of a Utility Model, Section 109.2 of the IP Code expressly states that the provision on substantive examination for invention patents found in Section 48 of the IP Code is not applicable to Utility Model applications. Thus, Rule 205 of the Rules provides:

Rule 205. Registration of Utility Model – A utility model application shall be registered without substantive examination provided all fees such as filing, excess claims and publication fees are paid on time and all formal requirements set forth in these Regulations are filed without prejudice to a determination as regards its novelty, industrial applicability and whether or not it is one of the non-registrable utility models.

After a judicious evaluation of the Petition and the evidence on records, this Bureau finds the Petition meritorious.

This Bureau agrees with the Petitioner's argument that since the Respondent-Registrant made reference to the subject Utility Model as the one he was supplying to the Petitioner since 2004, then it is no longer new. Sections 23 & 24 of the IP Code provides:

Sec. 23. *Novelty*. – An invention shall not be considered new if it forms part of a prior art.

Sec. 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; 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.

And even if there was no such "admission", the Petitioner submitted evidence to prove its allegations that the subject Utility Model forms part of prior art, namely:

- 1. U.S. Patent No. 4,122,946 issued on 31 October 1978 for a shipping pad which has three dimensional shock resistant characteristics;

2. U.S. Patent No. 6,131,739 discloses a fracture – proof container for water discs composed of material selected from the group consisting of foam polystyrene and foam propylene. It can contain rectangular articles;
3. U.S. Patent No. 3,531,040 discloses a foam plastic buffer packaging material with notches/protrusions for providing a shock-absorbing buffer when placed between an article to be packaged and the container; and
4. U.S. Patent No. 6,003,706 provides an improved variable-depth container with additional structure and operating advantages.

A side-by-side comparison of the respective claims in the Subject Utility Model registration and in the U.S. Patent No. 4,122,946 alone, as shown below, shows that the Respondent-Registrant's Utility Model indeed form part of prior art:

Claims of the subject Utility Model	Novelty-Destroying Disclosures in U.S. Patent No. 4,122,946
<p>Claim 1. The construction of packaging material made of styrophor having a central portion that has a generally rectangular shape where goods to be stored are inserted, characterized in that are provided with notches that are protruding outwardly defining a spaced cavities thereon.</p>	<p>U.S. Patent No. 4,122,946 discloses a shipping pad:</p> <p>A. Fabricated from a foam material (<i>cf.</i> lines 58-59, column 1).</p> <p>According to the specification of the Subject Utility Model⁵, Styrophor, is commonly known as Styrofoam, which is a trademark for polystyrene foam⁶. Thus, the Subject Utility Model uses a type of foam material;</p> <p>B. With an inner perimeter complementing the external shape of a product to be inserted, such as a rectangular article (<i>cf.</i> lines 59-61, column 1; lines 35-37, column 2); and</p> <p>C. With grooves (cavities) cut into its longitudinal sides, forming protruding members (notches) (<i>cf.</i> lines 25-30, column 2 and Figure 1).</p>
<p>Claim 2. The construction of packaging material as claim in claim 1, where the four corners of its perimeter are cropped diagonally.</p>	<p>Figure 1 shows the four corners of the perimeter of the shipping pad being diagonally cropped. Lines 33-34, column 2 also states that the corners of each of the ends are beveled.</p>

⁵ *cf.* lines 26-29, page 1 of the Specification.

⁶ *Cf.* the Dow Chemical Company's website <http://building.dow.com/about/history.htm>, last on 04 July 2011. See also <http://inventors.about.com/od/pstartinventions/a/styrofoam.htm>, last accesses on 02 November 2011.

Claim 3. The construction of packaging material as claim in claims 1 and 2 where said packaging material is in combination with a **regular box** inserted thereto for added protection.

Figure 2 illustrates the shipping pad used in combination with an external container such as a **box** (also, *cf.* lines 54-68, column 2; lines 1-3, column3).

In sum, the subject Utility Model and the prior art refer to:

1. The construction of packaging material made of styrophor having a central portion that has generally rectangular shape where goods to be stored are inserted, characterized in that two longitudinal sides are provided with notches that are protruding outwardly defining a spaced cavities thereon;
2. The construction of packaging material where the four corners of its perimeter are cropped diagonally; and
3. The construction of packaging material where said packaging material is in combination with a regular box inserted thereto for added protection.

Although the two differ in name form or shape, these do the same work in substantially the same way and accomplish the same result.⁷ That the subject Utility Model is an improvement of the prior art has not been shown. It must be emphasized that the Respondent-Registrant was given opportunity to defend his Utility Model registration. However, he chose or failed to do so.

WHEREFORE, premises considered, the Verified Petition for Cancellation is hereby **GRANTED**. Let the filewrapper of Utility Model No. 2-2008-000027 be returned, together with a copy of this Decision, to the Bureau of Patents for information and appropriate action.

SO ORDERED.

Taguig City, 06 March 2013.


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

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⁷ Wastro Inc. v. Illinois Care Co., 98 USPQ 354.