

OFFICE OF THE DIRECTOR GENERAL

JP & M SOLUTIONS, INC.,
Appellant,

APPEAL NO. 01-2012-0001
Application No. 2-2009-000185
Date Filed: 14 May 2009

-versus-

DIRECTOR OF THE BUREAU OF
PATENTS,
Appellee.

Title: PASSENGER HAND
ASSIST DEVICE FOR
TRANSIT VEHICLE WITH

X-----X

NOTICE

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GREETINGS:

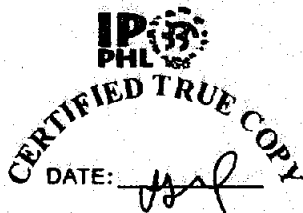
Please be informed that on 15 December 2014, the Office of the Director General issued a Decision in this case (copy attached).

Taguig City, 15 December 2014.

Very truly yours,

[Signature]

ROBERT NEREO B. SAMSON
Attorney V



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OFFICE OF THE DIRECTOR GENERAL

JP & M SOLUTIONS, INC.

Appellant,

- versus -

DIRECTOR OF THE BUREAU OF PATENTS,

Appellee.

X-----X

Appeal No. 01-2012-0001

Application No. 2-2009-000185

Date Filed: 14 May 2009

Title: PASSENGER HAND ASSIST DEVICE FOR TRANSIT VEHICLE WITH ADVERTISING MEANS

DECISION

JP & M Solutions, Inc. ("Appellant") appeals the Decision, dated 13 February 2012, of the Director of the Bureau of Patents ("Director"), denying Utility Model (UM) Application No. 2-2009-000185 entitled "Passenger Hand Assist Device for Transit Vehicle with Advertising Means", filed by the Appellant.

Records show that on 14 May 2009, the Appellant filed the subject UM application, which was published on 20 July 2009 in Volume 12, No. 28 of the IPO e-Gazette. On 06 August 2009, an Adverse Information against the registrability of the Appellant's UM was lodged with the Bureau of Patents by one Romain Victorino, citing two (2) prior art documents, namely: (1) UM Registration No. 2-2008-000334 entitled "Advertising Grip Handle for Locomotive" filed on 29 July 2008 and registered on 08 December 2008; and (2) UM Registration No. 2-2008-000335 entitled "Advertising Grip Handle for Locomotive" also filed on 29 July 2008 and registered on 08 December 2008. Both cited registered prior art UM patents were filed and registered prior to the filing of the Appellant's UM application.

In light of such Adverse Information, the Bureau of Patents informed the Appellant and required the latter to submit its counter evidence under oath, showing why its application should proceed to registration. On 25 November 2010, the Appellant filed its counter evidence in the form of an Affidavit executed by the Appellant's President and Managing Director, Mr. Jose G. Vega. In such Affidavit, the Appellant alleged the following differences between its UM and those cited as prior art documents:

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Appellant's UM Application No. 2-2009-000185	UM Reg. Nos. 2-2008-000334 & 2-2008-000335
a. The two-piece rail connecting member as claimed is removably connected to each other by means of bolt and nuts.	a. Both Registration Nos. 2-2008-000334 and 2-2008-000335 have no teaching of joining or connecting the two-piece attaching member by means of BOLTS AND NUTS.
b. Each of the two-piece connecting member as claimed has arcuated inner notch to define a circular slot when the two-piece connecting member are connected to each other to receive the rail of the vehicle.	b. Both Registration Nos. 2-2008-000334 and 2-2008-000335 have no teaching that the two-piece attaching member have arcuated inner notch similar to that of Application No. 2-2009-000185.
c. The two-piece connecting member as claimed has an opening at the bottom side thereof adapted to receive a strap which in turn connects the two-piece advertising holding member. Each of the two-piece connecting member has a groove at the inner lower portion thereof adapted to rest a pin which in turn holds the upper portion of the strap. The two-piece advertising holding member has an elongated slot which in turn holds the lower portion of the strap.	c. Both Registration Nos. 2-2008-000334 and 2-2008-000335 have no teaching of the specific structural features as claimed in Application No. 2-2009-000185. The advertising member in both Registration Nos. 2-2008-000334 and 2-2008-000335 as disclosed is simply held on the attaching member by means of connecting member or strap which finds no similar features as defined and claimed in Application No. 2-2009-000185.
d. The two-piece advertising member is removably connected to each other by means of bolts and nuts.	d. Both Registration Nos. 2-2008-000334 and 2-2008-000335 find no teaching that the advertising member is connected by means of BOLTS AND NUTS.

In essence, the Appellant argued in its Affidavit that although the cited UM registrations can all accommodate advertisements, only its UM application provides for the use of bolts and nuts as safety features, to connect the two-piece rail connecting member and the two-piece advertising member, which at the same time facilitates the changing or replacement of the advertisements from time to time.

In the subject Decision, the Director denied the Appellant's UM Application, holding that in light of the prior art, the subject UM was not novel. The Director cited UM Patent Registration No. 2-2008-000334 as the closest prior art reference, and held that the Appellant's UM was substantially similar to such prior registration. As such, it was not novel pursuant to Sections 23 and 24, in relation to Section 108, of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines (the "IP Code"). In particular, the Director set out the following comparative analysis:

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- a. As gleaned from the description and drawings, the subject UM Application No. 2-2009-000185 claims protection on the constructional features of a Passenger Hand Assist Device for Transit Vehicle with Advertising Means. More particularly, the subject utility model claims for a Passenger Hand Assist Device for Transit Vehicle with Advertising Means comprising a two-piece rail connecting member (2) with a slot (9) adapted to receive a rail of a vehicle, a strap (4) connected to said rail connecting member (2), a two-piece advertising holding member (3) to receive therein the advertising item, and being connected to said two-piece rail connecting member (2) by means of said strap (4), and a passenger handle member (5) connected at the lower portion of said advertising holding member (3) and having a slot and undulations (6) for gripping purposes.
- b. Similarly, as disclosed in the description and drawings, the registered prior art UM No. 2-2008-000334 claims an Advertising Grip Handle for Locomotive comprising a two-piece bar attaching member (11) with a hole (12) at the middle portion thereof to accommodate the transverse bar of a locomotive, a connecting member (15) connected to said bar attaching member (11), a two-piece advertising member (14) to receive therein the advertising item, and being connected to said two-piece bar attaching member (11) by means of said connecting member (15), and a passenger handle portion (19) connected at the lower portion of said advertising member (14) and having a slot (18) and undulations (20) for gripping purposes.
- c. Comparing both the claims and drawings of the devices in the subject UM Application No. 2-2009-000185 and the prior art registered UM No. 2-2008-000334, both devices are comprised of all the same elements as clearly shown in the drawings and the comparative table below:

PRIOR ART REG. UM PATENT NO. 2-2008- 000334	UM APPLICATION NO. 2-2009- 000185
a. Two-piece bar attaching member (11) with hole (12)	a. Two-piece connecting member (2) with slot (9)
b. Connecting member (15) connected to said bar attaching member (11)	b. Strap (4) connected to said connecting member (2)
c. Two-piece advertising member (14)	c. Two-piece advertising holding member (3)
d. Handle portion (19) with slot and undulations (20)	d. Passenger handle (5) with slot and undulations (6)

Dissatisfied, the Appellant filed the present Appeal. The issue in this appeal is whether the Director was correct in denying the Appellant's Utility Model Application No. 2-2009-000185, for not being novel.

In its Memorandum of Appeal, the Appellant argues that the Director failed to consider the novel safety structural features contained in its UM Application, as follows:

1. The use of bolts and nuts to connect the two-piece removable rail connecting member;
2. The arcuated inner notch of each of the two-piece connecting member to define a circular slot when the two-piece connecting member are connected to each other to receive the rail of the vehicle;



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3. The opening at the bottom side of the two-piece connecting member adapted to receive a strap which in turn connects the two-piece advertising holding member. The groove at the inner lower portion of each of the two-piece connecting member adapted to rest a pin which in turn holds the upper portion of the strap. The elongated slot of the two-piece advertising holding member which in turn holds the lower portion of the strap;
4. The use of bolts and nuts to connect the two-piece advertising member.

In addition, the Appellant claimed that the publication of its UM Application No. 2-2009-000185 in the IPO e-Gazette, the filing/acceptance of a Third Party Observation, and the conduct of a substantive examination of the application, resulting in the denial of the application for not being novel, was in violation of Section 109.2 of the IP Code.

Below are the claims and relevant drawings of the subject utility models:

Prior Art Reference UM Registration No. 2-2008-000334	Appellant's UM Application No. 2-2009-000185
<p>Claims:</p> <ol style="list-style-type: none"> 1. An advertising grip handle comprising a bar attaching member capable of being attached on the transverse bar of a locomotive, an advertising member being held on said attaching member by a connecting member, said advertising member having an upper portion to accommodate thereon ads placed thereon and a lower portion having a slot which defines the handle portion of the grip handle. 2. An advertising grip handle as in claim 1 wherein the advertising member is capable of rotation on the connecting member. 3. An advertising grip handle as in claim 1 wherein 	<p>Claims:</p> <ol style="list-style-type: none"> 1. A passenger hand assist device for transit vehicle with advertising means comprising a two-piece rail connecting member being removably connected to each other by means of bolt and nut, each of said rail connecting member having arcuated inner notch defining a circular slot in said two-piece rail connecting member adapted to receive a rail of the vehicle, said two-piece rail connecting member having an opening at the bottom side thereof adapted to receive a strap, each of said rail connecting member having a groove provided at the inner lower portion thereof adapted to rest a pin thereon, a two-

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<p>the bar attaching member and the advertising member are two-piece.</p> <p>4. An advertising grip handle as in claim 3 wherein an ads (sic) is placed between the pieces of the advertising member.</p> <p>5. An advertising grip handle as in claim 1 wherein the advertising member minus the handle portion is secured along the length of the connecting member and a handle member is held on lower portion of the connecting member, and ads are placed on the advertising member.</p>	<p>piece advertising holding member being connected on said two-piece rail connecting member by said strap wherein the upper portion of said strap being held by said pin while the lower portion of said strap being held on an elongated slot being provided on said two-piece advertising holding member, said two-piece advertising holding member being removable connected to each other by means of bolt and nut and having a passenger handle member integrally connected at the bottom portion thereof.</p> <p>2. A passenger hand assist device according to claim 1, wherein said two-piece advertising holding member is rectangular in configuration.</p> <p>3. A passenger hand assist device according to claim 1, wherein said two-piece advertising holding member is box-type in configuration.</p> <p>4. A passenger hand assist device according to claim 1, wherein said two-piece advertising holding member is circular in cross-section.</p>
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In this regard, Section 109.1 (a) of the IP Code provides that an invention qualifies for registration as a utility model, if it is new and industrially applicable. Under Section 109.1 (b), the definition of "Patentable Inventions" under Section 21 of the Code is adopted, except the reference to inventive step, as a condition of protection of utility models. Thus, the Rules and Regulations on Utility Models and Industrial Designs¹, which was applicable to this case at the time of the filing of the subject application, defines a registrable utility model as follows:

RULE 200. Registrable Utility Models. — Any technical solution of a problem in any field of human activity which is new and industrially applicable shall be registrable. (Emphasis supplied)

As to the requirement of novelty, in the case of *Angelito Manzano vs. Court of Appeals*², involving a utility model patent for a gas burner, the Supreme Court had occasion to rule as follows:

The element of novelty is an essential requisite of the patentability of an invention or discovery. If a device or process has been known or used by others prior to its invention or discovery by the applicant, an application for a patent therefor should be denied; and if the application has been granted, the court, in a judicial proceeding in which the validity of the patent is drawn in question, will hold it void and ineffective. x x x

In the present case, the Bureau of Patents received adverse information showing the lack of novelty of the Appellant's utility model. Such information was filed pursuant to Rules 211 and 211.1 of the Rules and Regulations on Utility Models and Industrial Designs, to wit:



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¹ As amended by Office Order No. 61, series of 2001, and Office Order No. 09, series of 2000.
² G.R. 101, 113388, 5 September 1997 (internal citations omitted).

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RULE 211. Publication of the Utility Model Application. An application which meets the formal requirements shall be published in the form of bibliographic data and representative drawing, if any, in the IPO Gazette. If an applicant has previously requested for a registrability report, the publication shall include the registrability report. [As amended by Office Order No. 61 (2001).]

RULE 211.1 Adverse Information. Effects. Within two (2) months from publication of the utility model application, any interested party may request the Director for a registrability report and/or furnish the Director information, evidence or data in writing and under oath, showing that the utility model is not new. The Director may require such third party to submit relevant and collateral facts or data to substantiate the information. [As amended by Office Order No. 61 (2001).]

Examining the records of this case, this Office finds no cogent reason to disturb the findings of the Director. Utility Model Registration No. 2-2008-000334 suffices as prior art reference that effectively disclosed all the essential features being claimed by the Appellant in its Application No. 2-2009-000185. The Appellant's contention that some of the safety features contained in its utility model would entitle it to registration, deserves scant consideration. Even the use of "nuts and bolts" to bind the "two-piece rail connecting member" is already clearly depicted in the drawings of the prior art reference, as shown above. The same lies true for the "opening at the bottom side of the two-piece connecting member", where the strap that connects to the advertising holding member is to be received. The bare allegation that these are "novel safety features", including the reference to an "arcuated inner notch" in the hole where the bar of the transit vehicle will pass through, would not entitle the Appellant to the registration of its utility model being applied for. The cited "novel structural safety features", apart from already being disclosed in the prior art reference, are also too insignificant to warrant a UM registration. A reading of the Appellant's claims in its UM Application shows that it was not these "novel structural safety features" that was sought to be registered, but those features that were already claimed under UM Registration No. 2-2008-000334. As the applicant, it was incumbent upon the Appellant to provide sufficient counter-evidence to prove the novelty of its utility model, and in this case, it failed to do so.

On the other hand, the Appellant's argument that the publication of its application, the acceptance of a Third Party Observation, and the alleged conduct of a substantive examination of its application, is obviously a mere afterthought and an attempt to counter the adverse action of the Director, by grasping at procedural grounds.

First, when it was required by the Bureau of Patents, via letter dated 26 October 2010³, to submit its counter-evidence to the adverse information submitted by Mr. Romain Victorino, nowhere in its compliance thereto, via letter dated 24 November 2010⁴, did it ever question the propriety of accepting such adverse information before the application may proceed to be granted. In fact, the Appellant prayed that with its submission of such counter-evidence, the application be given due course and registered. It appears that it was only in the subject appeal that the Appellant raised such issue, after it had already been denied registration by the Director.

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³ Appellant's own Annex "I".

⁴ Appellant's own Annex "J".

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Second, the Appellant's reliance on Section 109.2 of the IP Code, providing that Sections 43 to 49 of the same Code shall not apply in the case of applications for registration of a utility model, is misplaced. The Appellant argues that Sections 44, 44.2, 47, and 48 of the IP Code was erroneously applied to its application. The afore-cited provisions state as follows:

Section 44. Publication of Patent Application. - 44.1. The patent application shall be published in the IPO Gazette together with a search document established by or on behalf of the Office citing any documents that reflect prior art, after the expiration of eighteen (18) months from the filing date or priority date.

44.2. After publication of a patent application, any interested party may inspect the application documents filed with the Office.

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Section 47. Observation by Third Parties. - Following the publication of the patent application, any person may present observations in writing concerning the patentability of the invention. Such observations shall be communicated to the applicant who may comment on them. The Office shall acknowledge and put such observations and comment in the file of the application to which it relates.

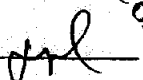
Section 48. Request for Substantive Examination. - 48.1. The application shall be deemed withdrawn unless within six (6) months from the date of publication under Section 41, a written request to determine whether a patent application meets the requirements of Sections 21 to 27 and Sections 32 to 39 and the fees have been paid on time.

As can be readily gleaned from the above provisions, the IP Code does not prohibit the publication of a utility model application, or the reception of adverse information on the registrability of such utility model, nor the determination by the Bureau of Patents as to whether the application meets the requirements of the IP Code. The exclusion of the above provisions from applicability to utility models, under Section 109.2 of the IP Code, only deals with the generation of a search document citing documents that reflect prior art, and does not preclude the IPOP HL from publishing the Appellant's utility model.

Third, the IPOP HL is the office mandated by law to administer and implement the intellectual property system of the Philippines. The functions of the Bureau of Patents, as accorded by law, include the registration of utility models. Under Section 108 of the IP Code, "[s]ubject to Section 109, the provisions governing patents shall apply, *mutatis mutandis*, to the registration of utility models". Corollary thereto, Section 109.1 (a) states that "[a]n invention qualifies for registration as a utility model if it is new and industrially applicable." In the same manner, Section 109.1 (b) provides that Section 21 defining "Patentable Inventions" applies to utility models, including the reference therein to novelty.

In fact, Section 50 of the IP Code, applicable to patents and not expressly excluded from application to utility models, states that "if the application meets the requirements of this Act, the Office shall grant the patent x x x". To argue that the IPOP HL is powerless to reject an application that is clearly not entitled to registration in accordance with law, is illogical.

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Even Section 42 of the IP Code, dealing with formality examination, refers to the "formal requirements specified by Section 32 and the Regulations within the prescribed period". In this regard, the Rules and Regulations on Utility Models and Industrial Designs⁵, which was applied to this case at the time of the filing of the subject application, expressly states that:


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. [As amended by Office Order No. 61 (2001)]


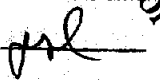
In light of the foregoing, it is without question that it was only proper for the Director of the Bureau of Patents to deny the application for registration, in view of the prior art disclosed in Utility Model Registration No. 2-2008-000334, which clearly disclosed the claimed features of the Appellant, showing the lack of novelty of the Appellant's utility model.

WHEREFORE, premises considered, the instant appeal is hereby DISMISSED. Let a copy of this Decision be furnished to the Director of the Bureau of Patents and the library of the Documentation, Information and Technology Transfer Bureau for information, guidance, and records purposes.

SO ORDERED.

DEC 15 2014 Taguig City.


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⁵ As amended by Office Order No. 61, series of 2001, and Office Order No. 09, series of 2000.