

INTELLECTUAL PROPERTY

P H I L I P P I N E S

OFFICE ORDER NO. 99

Series of 2011

SUBJECT: AMENDMENTS TO THE RULES AND REGULATIONS ON INTER PARTES PROCEEDINGS

Whereas, one of the strategic goals of the Intellectual Property Office of the Philippines (“IPPHIL”) is to provide speedy, quality and effective legal remedies and be the forum of choice to resolve IP dispute;

Whereas, in support of the aforementioned goal, the Bureau of Legal Affairs (“BLA”) continuously reviews and streamlines its operations, systems, processes, including administrative procedures, in resolving disputes and controversies involving IP rights;

Whereas, under Sec. 10.3 of Rep. Act No. 8293, also known as the Intellectual Property Code of the Philippines (“IP Code”), the Director General may by regulations establish the procedure to govern *Inter Partes* cases;

Whereas, the Rules and Regulations on *Inter Partes* Proceedings were amended per Office Order No. 79, s. 2005 which took effect on 01 September 2005 and modified by Office Order No. 12, s. 2009 entitled “*Amendments to the IPO Uniform Rules on Appeal*”;

Whereas, there is a need to further amend the existing rules in order to achieve a more efficient and expeditious resolution of *Inter Partes* cases in the Bureau of Legal Affairs;

Now, Wherefore, the Regulations on *Inter Partes* Proceedings, as amended, is hereby further amended, as follows:

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SECTION 1. Rule 1, Section 1 is hereby amended, to read, as follows:

Section 1. *Definition of Terms* – Unless otherwise indicated, the following terms shall be understood as follows:

- (a) “Bureau” means the Bureau of Legal Affairs of the Intellectual Property Office;
- (b) “Court” means a court of general jurisdiction such as Regional Trial Court;
- (c) “Director” means the Director of the Bureau of Legal Affairs;
- (d) “Director General” means the head of the Intellectual Property Office;
- (e) “Hearing Officer” or “Adjudication Officer” refers to a lawyer in the Bureau who is assigned to hear the case;
- (f) “IP Code” means Republic Act No. 8293 otherwise known as the Intellectual Property Code of the Philippines;
- (g) “Office” means the Intellectual Property Office;
- (h) “Regulations” means this set of rules and regulations and such Regulations as may be formulated by the Director of the Bureau of Legal Affairs and approved by the Director General;

SECTION 2. Rule 2 is hereby amended to read, as follows:

RULE 2
GENERAL PROVISIONS; PROCEEDINGS

Section 1. *What are the Inter Partes Cases.* – The following are the *Inter Partes* cases:

- (a) Oppositions to applications for the registration of trademark or service mark;
- (b) Petitions to cancel the registrations of trademarks or service marks;
- (c) Petitions to cancel invention patents, utility model registrations, industrial design registrations, or any claim or parts of a claim, and registrations of topography or layout design of integrated circuits based on Rule 402, paragraphs (a) and (b) of the Layout Design (Topography) of Integrated Circuits Regulations (Office Order No. 19, s. 2002), and
- (d) Petitions for Compulsory Licensing.

Section 2. *Parties in Inter Partes proceedings.* – The opposer or the petitioner shall be deemed to be in the position of plaintiff while the patentee, registrant or applicant shall be in the position of defendant.

Section 3. *Original Jurisdiction over Inter Partes proceedings.* –The Bureau shall have original jurisdiction over *Inter Partes* proceedings. The Director, the Assistant Director, and/or the Hearing/Adjudication Officers shall issue and sign orders and other processes. However, all decisions and final orders shall be issued and signed by the Director, or by the Committee of Three in petitions to cancel patents as the case may be.

Section 4. *Right of foreign corporation to sue in Inter Partes Cases.* – Any foreign national or juridical person whether or not engaged in business in the Philippines may bring a petition for opposition, cancellation or compulsory licensing: *Provided*, that the country of which he or it is a national, or domiciled, or has a real and effective industrial establishment is a party to any convention, treaty or agreement relating to intellectual property rights or the repression of unfair competition, to which the Philippines is also a party, or extends reciprocal rights to nationals of the Philippines by law.

Section 5. *Applicability of the Rules of Court.* – In the absence of any applicable rules, the Rules of Court may be applied in suppletory manner.

Section 6. *Authority of the Hearing/Adjudication Officers.* – The Hearing/Adjudication Officers are authorized to administer oaths and affirmations, issue summons, subpoena *duces tecum* and *ad testificandum*, interlocutory orders and preliminary rulings on questions raised, to conduct preliminary and clarificatory hearings, and perform other functions as provided in these Rules.

Section 7. *Filing Requirements for Opposition and Petition.* – (a) The opposition or petition must be in writing, verified and accompanied by a certification of non-forum shopping, and in due form as prescribed in these Rules. The petition or opposition must be filed in duplicate with proof of service to the respondent. The periods to file the opposition or petitions are provided in the succeeding rules.

The petition or opposition must indicate the following:

- (1) names and addresses of the petitioner or opposer and the other parties, including the respondent;
- (2) the assigned application number and the filing date of the trademark application opposed, or of the registration number, the name of the registrant, and the date of the registration of the trademark, patent, utility model, industrial design or layout design sought to be cancelled; and
- (3) the ultimate facts constituting the opposer's or petitioner's cause or causes of action and the relief sought.

(b) The opposer or petitioner shall attach to the opposition or petition the affidavits of witnesses, documentary or object evidence, which must be duly-marked starting from Exhibit "A", and other supporting documents mentioned in the notice of opposition or petition together with the translation in English, if not in the English language. The verification and certification of non-forum shopping as well as the documents showing the authority of the signatory or signatories thereto, affidavits and other supporting documents, if executed and notarized abroad, must have

been authenticated by the appropriate Philippine diplomatic or consular office. The execution and authentication of these documents must have been done before the filing of the opposition or petition.

(c) For the purpose of the filing of the opposition, the opposer may attach, in lieu of the originals or certified copies, photocopies of the affidavits of its witnesses and other documentary evidence, and photographs of object evidence subject to the presentation or submission of the originals and/or certified true copies thereof under Section 13 of this Rule.

Section 8. *Action on the Notice of Opposition or Motion for Extension to File Notice of Opposition, and Petition.* – (a) A case is deemed to have commenced upon the filing of a notice of opposition, or a motion for extension of time to file a notice of opposition, or a petition for cancellation or compulsory licensing.

(b) The notice of opposition or petition may be dismissed outright and/or *motu proprio* for having been filed out of time, due to lack of jurisdiction, and/or failure to state a cause of action. Likewise, a motion for extension of time to file notice of opposition shall be denied outright if the opposer fails to state meritorious grounds.

(c) The opposer, including those who file a motion for extension of time to file notice of opposition, or the petitioner shall be given a period of five (5) days from receipt of the order to complete or to cure any of the following defects:

- (1) Non-payment in full or in part of the filing fees and other applicable fees;
- (2) Failure to attach the originals of the following documents:
 - (i) Verification;
 - (ii) Certification of non-forum shopping;
 - (iii) Special Power of Attorney of representative(s) who signed the pleadings, the verification, and the certification of non-forum shopping; the proof of authority to issue or execute the Special Power of Attorney; and
 - (iv) Proof of authentication by the appropriate Philippine diplomatic or consular office, of the foregoing documents, if executed abroad.

The 5-day period to complete or cure the defects in the filing may be extended for another 5 days upon motion by the opposer or petitioner based on meritorious grounds which must be explicitly stated in the motion, and upon payment of the applicable fees.

Failure to complete or cure the defect shall cause the dismissal of the case.

(d) If the opposition or petition is determined to be compliant with the requirements, or, upon compliance with the order provided in par. (c), the Bureau shall immediately issue a Notice to Answer, for the respondent to file an answer.

Section 9. *Answer.* – (a) The respondent must file a verified answer within 30 days from receipt of a copy of the Notice to Answer, with proof of service thereof to the opposer or

petitioner. The respondent shall attach to the answer the affidavits of witnesses and other documentary or object evidence, which must be duly-marked starting from Exhibit "1". The verification and the document showing the authority of the signatory thereto, the affidavits and other pertinent documents, if executed and notarized abroad, must be authenticated by the appropriate Philippine diplomatic or consular office. The execution and authentication of these documents must have been done before the filing of the answer.

(b) Upon proper motion founded on meritorious grounds, and the payment of the applicable fees, the Bureau may grant an additional period of 30 days within which to file the answer. A second motion for extension of 30 days may be granted on compelling grounds and upon payment of the applicable fees; *Provided*, that in no instance shall the filing of the answer exceed ninety (90) days from the date of the receipt of the copy of the Notice to answer; *Provided, further*, that if the last day for filing of the answer or motion for extension falls on a Saturday, Sunday, holiday, non-working day or on a day when the Office or the Bureau is closed for business as may be declared by the Director General, the filing must be done the next succeeding working day.

(c) For the purpose of the filing of the opposition, the respondent may attach, in lieu of the originals or certified copies, photocopies of the affidavits of its witnesses and other documentary evidence, and photographs of object evidence subject to the presentation or submission of the originals and/or certified true copies thereof under Section 13 of this Rule.

(d) The respondent shall be given a period of five (5) days from receipt of the order to complete or to cure the following defects:

- (1) Non-payment in full or in part of the applicable fees, for motions for extensions to file answer;
- (2) Failure to attach the originals of the following documents:
 - (i) Verification;
 - (ii) Special Power of Attorney of representative(s) who signed the pleadings, the verification, and the certification of non-forum shopping; the proof of authority to issue or execute the Special Power of Attorney; and
 - (iii) Proof of authentication by the appropriate Philippine diplomatic or consular office, for the foregoing documents executed abroad

The 5-day period to complete or cure the defects in the filing may be extended for another 5 days upon motion by the opposer or petitioner based on meritorious grounds which must be explicitly stated in the motion, and upon payment of the applicable fees.

Section 10. *Effect of failure to file Answer or to Complete the Requirements* – The respondent shall be declared in default if it fails to file an answer or if the answer is filed out of time. For this purpose, the following shall be deemed as failure to file the answer:

- (a) the answer is not verified; and/or the verification lacks proof of authority of the signatory therein if signed by a representative or counsel;
- (b) the verification and/or proof of authority to sign the verification, if one or both executed abroad, lacks proof of authentication by the appropriate Philippine diplomatic or consular office; and
- (c) the respondent fails to comply with the Bureau's order mentioned in par. (d) of the preceding Section.

The Hearing/Adjudication Officer shall issue the order of default and shall require in the said order the opposer or petitioner to submit or present within ten (10) days from receipt thereof the originals and/or certified copies of the affidavits, documentary evidence and object evidence, if necessary. The case shall be decided on the basis of the petition or opposition, the affidavits of the witnesses and the documentary or object evidence submitted by the petitioner or opposer.

Section 11. *Prohibited pleadings.*—No motion to dismiss shall be entertained. Instead, all grounds for dismissal shall be pleaded as affirmative defenses, the resolution of which shall be made in the decision on the merits. Neither shall a motion for bill of particulars, motion for reconsideration of interlocutory orders, and all other pleadings subsequent to the filing of an Answer, shall be allowed.

Section 12. *Referral to Mediation; Option of the Parties to Submit to Arbitration* – The case shall be referred to mediation in accordance with the existing applicable IPOPHL rules.

The parties may also inform or manifest before the Bureau of their intention to submit their dispute to arbitration through proper motion withdrawing the case.

Section 13. *Preliminary Conference* – (a) The preliminary conference shall be conducted for the purpose of facilitating the resolution of the case through stipulations, clarification and simplification of issues, and the submission and/or presentation of the original or certified true copies of affidavits, documents and other evidence, if necessary.

(b) The Hearing/Adjudication Officer shall issue an order setting the conduct of a preliminary conference within ten (10) days after receipt of a timely filed Answer and/or completion of the defects as provided in par. (d) of Section 3 of this Rule. If the case, however, is referred to mediation, the preliminary conference shall be conducted only after the mediation has failed in which case the order shall be issued within three (3) days from the Bureau's receipt of the notice of failure of mediation.

(c) The preliminary conference shall be conducted within 10 days from the issuance of the order. The Hearing/Adjudication Officer may grant the resetting of the preliminary conference upon motion by either or both parties citing meritorious grounds and the payment of the applicable fees, *provided*, however, that the submission and/or presentation of original or certified true copies of affidavits, documents and other evidence shall be made on the original schedule of the preliminary conference.

(d) The parties themselves are required to appear during the preliminary conference. The presence, however, of a party during the preliminary conference may be dispensed with if said party is represented by counsel who must present and submit duly executed and appropriate power of attorney and other documents or proof of authority to represent a party and make admissions and/or to accept compromise proposals.

(e) Upon the termination of the preliminary conference, the Hearing/Adjudication Officer shall issue an order in open court, requiring the parties to submit their respective position papers within 10 days from the issuance of the order in open court. The order shall be included in the minutes of the preliminary conference and shall form part of the records of the case. The position papers shall take up only those matters and issues covered or alleged in the petition or opposition and the Answer, the supporting evidence, and those determined during the preliminary conference. No new matters or issues shall be raised or included in the position papers.

A party who fails to attend the preliminary conference or represented by a counsel or any other person without the necessary power of attorney or appropriate corporate authorization shall be deemed to have waived the right to submit position papers.

Section 14. *Introduction of evidence forming part of the records of other cases.*- A party, through an appropriate motion and payment of applicable fees, may submit as documentary evidence those which already form part of the records of other cases, including those filed in the BLA, the regular courts, and/or other tribunals. For this purpose, documentary evidence and affidavits of witnesses in lieu of the originals must be secured from and certified by the appropriate official or personnel of the BLA, the court or tribunal in possession of the records. In case of object evidence in possession of the BLA, the court or other tribunal which forms part of the records of a case, photographs, video or faithful representations thereof in other media may be submitted, if accompanied by an appropriate certification and attestation from the appropriate official or personnel of the BLA, court or tribunal.

Section 15. *Submission for Decision*-(a) After the lapse of the reglementary period within which to file the position paper, and with or without the parties having submitted the same, the case is deemed submitted for decision.

Section 16. *Quantum of evidence required. – Inter Partes Proceedings* is essentially an administrative proceedings. Hence, the quantum of evidence required is substantial evidence. The Bureau shall decide the case on the basis of the pleadings, the records and the evidence submitted, and if appropriate, on matters which may be taken up by judicial notice.

SECTION 3. Rule 6 is hereby amended to read, as follows:

RULE 6

Petition for Compulsory Licensing

Section 1. *Adoption of Rule 12 of Department of Health-IPO Administrative Order No. 2008-01* – All petitions for compulsory licensing shall be governed by the rules of proceeding set forth in

Rule 12 of DOH-IPO Joint Administrative Order No. 2008-01, which implements the provisions of Republic Act No. 9502.

SECTION 4. Rule 7 is hereby amended to read, as follows:

RULE 7

Opposition to Application for Registration of Marks

Section 1. *Who may oppose.* - Any natural or juridical person, who believes that he/she or it would be damaged by the registration of a mark, may file a written notice of opposition to a trademark application.

Section 2. *Period to file opposition.* - The verified notice of opposition must be filed within 30 days from the date of the publication of the trademark application in the IPOPHL "Gazette". Upon proper motion anchored on meritorious grounds which must be expressly indicated in the motion, and the payment of the filing fee for opposition and other applicable fees, the Bureau may grant an additional period of 30 days within which to file the opposition. A second motion for extension of 30 days may be granted on compelling grounds and upon payment of the applicable fees; *Provided*, that in no case will the filing of the opposition exceed ninety (90) days from the date of the aforementioned publication; *Provided, further*, that if the last day for filing of the verified opposition or motion for extension falls on a Saturday, Sunday, holiday, non-working day or on a day when the Office or the Bureau is closed for business as may be declared by the Director General, the filing must be done the next succeeding working day.

SECTION 5. Rule 9 is hereby amended to read, as follows:

RULE 9

Decisions; Appeal

Section 1. *Decisions and Final Orders.* - A decision or final order shall be in writing, stating clearly and distinctly the facts, evidence, records, the provisions of law, rules and regulations, as well as principles and doctrines if applicable, on which it is based, signed by the Director, or by the Committee of Three in petitions to cancel patents as the case may be. The approval of a compromise agreement shall be deemed decision on the merits and shall be treated and enforced accordingly. No motion for reconsideration shall be allowed.

Section 2. *Appeals.* - The decision or order of the Director, or the Committee of Three in a petition to cancel a patent as the case may be, may be appealed to the Director General within thirty (30) days after receipt of a copy of the Decision by the parties.

Section 3. *Entry of Judgments (Decisions) and Final orders.* - (a) If no appeal is filed on time, the decision or final order becomes final and executory. The "Entry of Judgment" shall be immediately issued by the Director, with the date the decision or final order becomes final and executory as the date of entry.

SECTION 5. *Other Amendments.* - Rule 3 is hereby amended by deleting Section 3, Sections 4 to 7 thereby become Sections 3 to 6. Also, Rule 8 is hereby amended by

deleting Sections 3 to 5, Sections 6 to 8 thereby become Sections 3 to 7. Further, Rules 10 and 11 are hereby deleted.

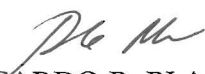
SECTION 6. *Separability Clause.* – Any portion or provision of this Office Order that may be declared invalid shall not have the effect of nullifying other portions or provisions hereof as long as such remaining portion or provision can still subsist and be given effect in their entirety.

SECTION 7. *Repealing Clause.* – All rules and regulations or parts thereof inconsistent herewith are hereby repealed modified accordingly.

SECTION 8. *Filing of Certified Copies.* – Certified copies of these Office Order shall be filed with the UP Law Center, Department of Trade and Industry, the Senate of the Philippines, the House of Representatives, the Supreme Court of the Philippines, and The National Library.

SECTION 9. *Effectivity.* – This Office Order takes effect fifteen (15) days after publication in a newspaper of general circulation. Parties who, prior to the effectivity of this Office Order, filed unverified notices of opposition or motions for extension of the period to file verified notice of opposition, shall be allowed to utilize in accordance with the rules the maximum period of 120 days within which to file verified notice of opposition.

Signed this 29th day of June 2011 at Taguig City, Philippines.


ATTY. RICARDO R. BLANCAFLOR
Director General