

ASAHI ELECTRICAL
MANUFACTURING CORP.,
Petitioner,

-versus-

REGINALD JOSEPH O. CHUA,
Respondent.

X-----X

}
} IPC No. 12-2011-00431
} Cancellation of:
} U.M. Reg. No. 2-2010-000196
} Date Issued: 02 August 2010
} Title "AN AERODYNAMIC FAN
} BLADE"

NOTICE OF DECISION

FELICILDA & ASSOCIATES (CildaLaw)
Counsel for Petitioner
Unit 1902-A Philippine Stock Exchange-East Tower
Exchange Road, Ortigas Center, Pasig City

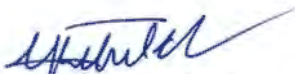
SAPALO VELEZ BUNDANG AND BULILAN
Counsel for the Respondent
11th Floor, Security Bank Center Bldg.
6776 Ayala Avenue, Makati City

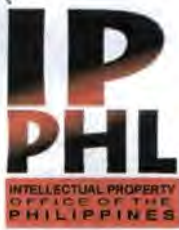
GREETINGS:

Please be informed that Decision No. 2016 - 420 dated November 18, 2016 (copy enclosed) was promulgated in the above entitled case.

Pursuant to Section 2, Rule 9 of the IPOPHL Memorandum Circular No. 16-007 series of 2016, any party may appeal the decision to the Director of the Bureau of Legal Affairs within ten (10) days after receipt of the decision together with the payment of applicable fees.

Taguig City, November 21, 2016.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs



**ASAHI ELECTRICAL
MANUFACTURING CORP.,**
Petitioner,

-versus-

REGINALD JOSEPH O. CHUA,
Respondent-Registrant.

x-----x

IPC No. 12-2011-00431
Cancellation of:

UM Reg. No.: 2-2010-000196
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Title: "AN AERODYNAMIC FAN
BLADE"
Decision No. 2016 - 420

DECISION

ASAHI ELECTRICAL MANUFACTURING CORPORATION ("Petitioner")¹ filed a Verified Petition for Cancellation of Certificate of Utility Model No. 2-2010-000196 entitled "An Aerodynamic Fan Blade" issued to REGINALD JOSEPH O. CHUA ("Respondent-Registrant")².

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

1. Certified true copy of Petitioner's Articles of Incorporation and By-Laws issued by the Securities and Exchange Commission;
2. Company profile or Petitioner's profile;
3. Petitioner's product brochure featuring Asahi-branded Aerodynamic Fans and/or Power Series Fan Blade products;
4. Secretary's Certificate;
5. Certified true copy of Utility Model Registration No. 2-2010-000196;
6. Affidavit of Teddy C. Sy, the Manager of Asahi Electrical Manufacturing Corporation;
7. Sales Invoice No. 33052 issued by the Petitioner dated 26 October 2002;
8. Sales Invoice No. 33270 issued by the Petitioner dated 18 November 2002;
9. Sales Invoice No. 33265 issued by the Petitioner dated 18 November 2002;
10. Sales Invoice No. 33367 issued by the Petitioner dated 26 November 2002;
11. Sales Invoice No. 12886 dated 07 May 2005;
12. Sales Invoice No. 16049 dated 21 July 2005;
13. Delivery Receipt No. 36455 dated 04 May 2006;
14. Sales Invoice No. 41962 dated 23 November 2007;
15. Sales Invoice No. 31697 dated 24 January 2007;
16. Sales Invoice No. 46862 dated 25 April 2008;
17. Sales Invoice No. 48190 dated 02 June 2008; and
18. Representative sample of product brochure and flyers showing angularly-shaped Aerodynamic Fan Blades of other electric fan manufacturers.

¹ A corporation organized and existing under and by virtue of the laws of the Philippines with business address at 117 Parada Street, Sta. Lucia, San Juan City, 1550 Philippines.

² With address at No. 82 Biak Na Bato, Quezon City.

On 09 January 2012, the Respondent-Registrant filed his Verified Answer denying all the material allegations of the Petition and argued that the prior art cited and/or claimed by the Petitioner did not clearly and fully disclosed all the elements of the device as claimed in the challenged utility model.

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

1. Affidavit of Neptali L. Bulilan; and,
2. Affidavit of Reginald Joseph O. Chua.

On 13 January 2012, the Petitioner filed its reply to the answer and stated that on 25 July 2011, Respondent-Registrant claimed that the fan design of Petitioner's products is the same or deceptively similar to a design patent which is owned by him³.

Should Utility Model Reg. No. 2-2010-000196 be cancelled?

The Petitioner alleges that Utility Model Reg. No. 2-2010-000196 is not new because it forms part of a prior art years before it was filed for registration on 11 May 2010. Therefore, it lacks novelty and necessarily, the Respondent-Registrant is not the maker or inventor of the subject utility model.

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:

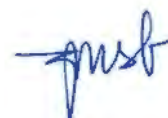
- (a) If the subject matter of the industrial design is not registrable within the terms of Sections 112 and 113;
- (b) If the subject matter is not new; or
- (c) If the subject matter of the industrial design extends beyond the content of the application as originally filed.

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

Rule 123. 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;
- (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.

³ Exhibit "H" of Opposer.



While novelty is an indispensable requirement for registrability of a utility model, the IP Code has removed the requirement of substantive examination in its registration. 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 regard its novelty, industrial applicability and whether or not it is one of the non-registrable utility models.

After judicious evaluation of this instant Petition and the evidence on records, this Bureau finds the Petition meritorious. It is a fact that the Respondent-Registrant filed his Utility Model application only on 11 May 2010, while the Petitioner's products Power Series Fan Blades were already sold in the market in the year 2002, several years ahead of the assailed utility model application.

This Bureau agrees with the Petitioner in its argument that since the Respondent-Registrant claimed on 25 July 2011 that Petitioner's fan design is the same or deceptively similar to the design of his Aerodynamic Fan Blade, hence, it is really no longer new. Sections 23 and 24 of the IP Code provides:

Section 23. Novelty – An invention shall not be considered new if it forms 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; 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 applications: *Provided further*, That the applicant or the inventor identified in both applications are not one and the same.

With the admission of the Respondent-Registrant that Petitioner's fan blades as prior art⁴, it is no longer necessary to belabor on the issue of whether or not the Petitioner's products would render the Respondent-Registrant Utility Model not novel.

Notwithstanding the admission of the Respondent-Registrant, the Petitioner submitted evidence to prove its allegations that the subject utility model is not new because it forms part of a prior art, such as its Power Series Electric Fan Blade.

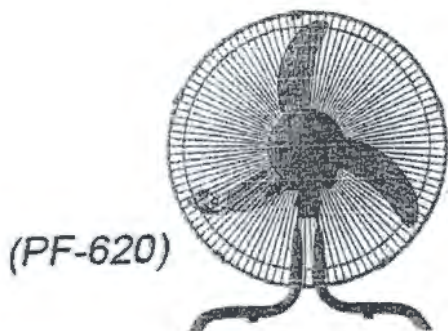
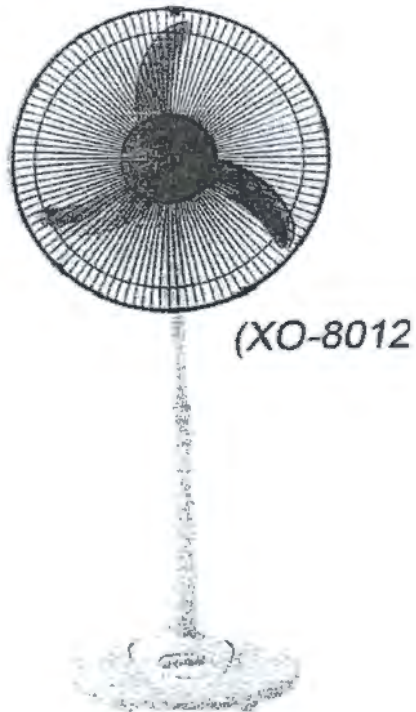
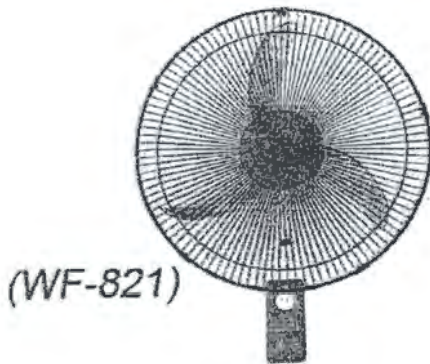
Comparisons of the respective claims in the Petitioner's products and in the subject Utility Model are shown below.

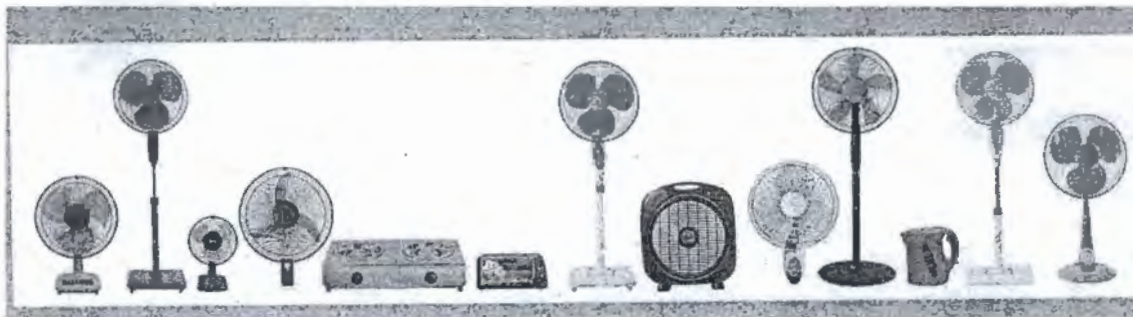
⁴ Id. at 3.

POWER SERIES ELECTRIC FAN BLADE of the Petitioner:

1. Power series electric fans are made out of A.S. or Acrylonitrill Styrene with the middle circular part being made out of engineering plastics or Acetyl, which are either in shaded colour or transparent hue.
2. Power Series Fan Blades weight range, is 130 to 140 grams.
3. Power Series Fan Blades, Asahi-branded Fan Blades are angularly-shape.

Product brochures featuring Asahi-branded Aerodynamic Fans and/or Power Series Fan Blade as shown below:





On the other hand, the Abstract of the Respondent-Registrant's Utility Model No. 2-2010-000196 is as follows:

The Construction of an aerodynamic fan blade comprising of a conical main body being provided with a central bore and a number of angularly shaped transparent blade sparsely and integrally connected to side of the conical main body; said angularly shaped blade being provided with a slim body with reduced end portion; said aerodynamic fan blade from transparent and lightweight plastic materials namely: polypropylene and acrylonitrile styrene.

The pertinent drawings of the subject Utility Model are depicted below:

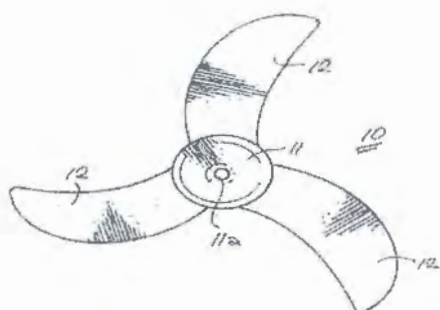


Figure 1

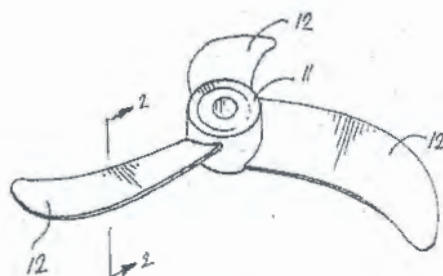


Figure 2



Figure 3

In sum, the subject utility model and the Petitioner's Power Series Fan Blades refer to:

1. An Aerodynamic fans blade made out of plastic material acrylonitrile styrene.
2. An aerodynamic fans blade having a lightweight.
3. An aerodynamic fans blade with a central bore or middle circular part made out of a transparent plastic material and angularly shaped.

Accordingly, this Bureau finds that the Respondent-Registrant's Utility Model No. 2-2010-000196 should be cancelled for lack of novelty.

msb

WHEREFORE, premises considered the instant Petition for Cancellation is hereby **GRANTED**. Let the filewrapper of Utility Model No. 2-2010-000196 be returned, together with a copy of this Decision, to the Bureau of Patents for information and appropriate action.

SO ORDERED.

Taguig City. **18 NOV 2016**



Atty. GINALYN S. BADIOLA, LL.M.
Adjudication Officer, Bureau of Legal Affairs