

HONDA MOTOR COMPANY,
Petitioner,

-versus-

T.L.A. CORPORATION,
Respondent- Registrant.

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}
} IPC No. 14-2011-00186
} Cancellation of:
} I.D. Reg.No. 3-2003-000465
} Date Issued: 7 June 2004
} Title: "AN ENGINE"

NOTICE OF DECISION

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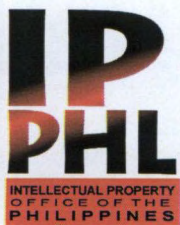
GREETINGS:

Please be informed that Decision No. 2016 - 491 dated December 23, 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, December 23, 2016.


MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs



HONDA MOTOR COMPANY,
Petitioner,

Opposer,

-versus-

T.L.A. CORPORATION,
Respondent-Registrant.

}IPC NO. 14-2011-00186

}Cancellation of :

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}Registration No. 3-2003-000465

}Date of Registration: 7 June 2004

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} Industrial Design : AN ENGINE

} Title

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x-----x } Decision No. 2016- 491

DECISION

HONDA MOTOR COMPANY (Petitioner)¹ filed a Petition for Cancellation of Industrial Design Registration No. 3-2003-000465. The registration, in the name of T.L.A. CORPORATION (Respondent-Registrant)², covers the Industrial Design entitled “AN ENGINE”.

The Petitioner alleges that the Design Registration No. 3-2003-000465 entitled “AN ENGINE” violates Section 113 of the Intellectual Property Code and Rules 300 and 301 of the Utility Model and Design Regulations because it is not new and original. According to the Petitioner, the continued registration "AN ENGINE" will cause grave and irreparable injury and damage to the Petitioner. The Utility Model and Design Regulations provide:

Rule 300. 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 should give a special appearance to and can serve as a pattern for an industrial product or handicraft that is new and original.

Under Rule 301, in order to be registrable, an industrial design must be new or original creation relating to the ornamental feature or shape, configuration, form or combination thereof, an article of manufacture, whether or with lines, patterns, or colors impart an aesthetic and pleasing appearance to the article.

The Petitioner asserts that it has been selling in 1991 and 1996 Honda’s general purpose engine earlier than the industrial design of the Respondent-registrant. It claims

¹ A corporation duly organized under the laws of Japan, with principal place of business at 1-1, 2-Chome, Minami-Aoyama, Minato-ku, Tokyo, 107-8556, Japan

² A corporation organized and existing under Philippine laws with address at 148-150 8th Street cor 11th Avenue, Caloocan City

that the general purpose engines of Petitioner, covered by copyright registrations shows substantial similarities of the engine design of Respondent-Registrant and the copyrighted general engines of the Petitioner. For lack of novelty and originality. Petitioner prays for the cancellation of Respondent-Registrant's registration.

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

1. Special Power of Attorney;
2. Certified true copy of Industrial Design Registration No. 3-2003-000465;
3. Certified true copies of Copyright Registrations of Petitioner;
4. Brochures of Petitioner's general engine; and
5. Curriculum vitae and Affidavit of Rolando Saquilabon dated 5 May 2011³

The Respondent-Registrant filed his answer on 15 December 2011, alleging that Petitioner has no cause of action. It alleged that Honda's flawed certificates of copyright registration are irregular, unprotective and unconvincing pursuant to law and jurisprudence, and confer no right in Petitioner's favor. It maintains that Petitioner's designs and models of engines are neither literary nor artistic works. According to Respondent-Registrant, Petitioner filed an application for registration of an industrial design for an "internal combustion engine", which bears substantial the same industrial design elements of its design.

In support of its answer, the Respondent-Registrant submitted the following evidence:

1. Copy of Omnibus Order issued in Civil Case No. C-20637, RTC Branch 123 dated 23 June 2005; and
2. True copy of Industrial Design Registration No. 3-2005-000403⁴

The Preliminary Conference was held on 23 July 2012 where the parties were filed their position papers. The parties filed their position papers on 2 August 2012.

Records show that the Respondent-Registrant filed its application for the design "AN ENGINE" on 6 May 2011 and was issued a registration on 7 June 2004.

Should the Respondent-Registrant's industrial design registration AN ENGINE be cancelled?

The Petitioner submitted/presented printed documents consisting of its copyright registrations to prove that the design MOTOR ENGINE is not new and novel. The copyright registrations are as follows: Certificate of Copyright Registration No. H-2003-274 for GX-160 General Purpose Engine; 1990 model⁵; Certificate of Copyright Registration No. H-2003-275 for GX-160 General Purpose Engine⁶; 1994 model; Certificate of Copyright Registration No. H-2003-276 for GX-160 General Purpose Engine;⁷ 2002 model; and Certificate of Copyright Registration No. H-2003-372⁸ for

³ Exhibit "A" to "I" with submarkings

⁴ Exhibits "1" and "2"

⁵ Exhibit "C"

⁶ Exhibit "D"

⁷ Exhibit "E"

GX-200 General Purpose Engine; 1995 model. Petitioner challenges the novelty of Respondent-Registrant's design MOTOR ENGINE by submitting its own copyright registrations for its engine. At the outset, it is dubious whether Petitioner's general engines are proper subjects of copyright, much less whether these copyrighted works can be pitted against the Respondent's registered designs to defeat the novelty. Sec. 172.1 of the IP Code provide:

Sec. 172. Literary and Artistic Works.- Literary and Artistic Works, hereinafter referred to as 'works' are original intellectual creations in the literary and artistic domain of their creation and shall include in particular:

Xxx

(h) original ornamental designs of model for articles of manufacture, whether or not registrable as an industrial design and other works of applied art. xxx

In the case of Pearl & Dean (Phil.), Incorporated v. Shoemart, Incorporated⁹, the Court ruled that:

"these copyright and patent rights are completely distinct and separate from one another, and the protection afforded by one cannot be used interchangeably to cover items or works that exclusively pertain to the others." The Court expounded further, thus:

Trademark, copyright and patents are different intellectual property rights that cannot be interchanged with one another. A trademark is any visible sign capable of distinguishing the goods (trademark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods. In relation thereto, a trade name means the name or designation identifying or distinguishing an enterprise. Meanwhile, the scope of a copyright is confined to literary and artistic works which are original intellectual creations in the literary and artistic domain protected from the moment of their creation. Patentable inventions, on the other hand, refer to any technical solution of a problem in any field of human activity which is new, involves an inventive step and is industrially applicable.

The High Court further elaborates in Ching v. Salinas, Sr.¹⁰, it held:

But, as gleaned from the specifications appended to the application for a copyright certificate filed by the petitioner, the said Leaf Spring Eye Bushing for Automobile is merely a utility model described as comprising a generally cylindrical body having a coaxial bore that is centrally located and provided with a perpendicular flange on one of its ends and a cylindrical metal jacket surrounding the peripheral walls of said body, with the bushing made of plastic that is either polyvinyl chloride or polypropylene. x x x Plainly, these are not literary or artistic works. They are not intellectual creations in the literary and artistic domain, or works of applied art. They are certainly not ornamental designs or one having decorative quality or value.

⁸ Exhibit "F"

⁹ GR No. 148222, 15 August 2003

¹⁰ GR. 161295 29 June 2005

It bears stressing that the focus of copyright is the usefulness of the artistic design, and not its marketability. The central inquiry is whether the article is a work of art. Works for applied art include all original pictorials, graphics, and sculptural works that are intended to be or have been embodied in useful article regardless of factors such as mass production, commercial exploitation, and the potential availability of design patent protection.

As gleaned from the description of the models and their objectives, these articles are useful articles which are defined as one having an intrinsic utilitarian function that is not merely to portray the appearance of the article or to convey information. Indeed, while works of applied art, original intellectual, literary and artistic works are copyrightable, useful articles and works of industrial design are not. A useful article may be copyrightable only if and only to the extent that such design incorporates pictorial, graphic, or sculptural features that can be identified separately from, and are capable of existing independently of the utilitarian aspects of the article.

The necessary implication is that Petitioner asks this Bureau to invalidate the registrations on the basis of objects protected under copyright law, which preceding from the previous discussions, are distinct and different intellectual property rights.

The Supreme Court in *Kho v. Court of Appeals*¹¹, elaborates:

The petitioner's copyright and patent registration of the name and container would not guarantee her the right to the exclusive use of the same for the reason that they are not appropriate subjects of the said intellectual rights.

Likewise, in *Manly Sportswear Manufacturing, Inc. v. Dadodette Enterprises, the Supreme Court held:*

Besides, no copyright accrues in favor of MANLY despite issuance of the certificates of registration and deposit¹⁶ pursuant to Section 2, Rule 7 of the Copyrights Safeguards and Regulations which states:

Sec. 2 Effects of Registration and Deposit of Work. The registration and deposit of the work is purely for recording the date of registration and deposit of the work and shall not be conclusive as to copyright ownership or the term of the copyrights or the rights of the copyright owner, including neighboring rights.

At most, the certificates of registration and deposit issued by the National Library and the Supreme Court Library serve merely as a notice of recording and registration of the work but do not confer any right or title upon the registered copyright owner or automatically put his work under the protective mantle of the copyright law. It is not a conclusive proof of copyright ownership. As it is, non-registration and deposit of the work within the prescribed period only makes the copyright owner liable to pay a fine.

The Respondent-Registrant being the first to file an application for this design is entitled to the registration, which is accorded the presumption of validity.

The validity of the patent issued by the Philippines Patent Office in favor of the private respondent and the question over the inventiveness, novelty and usefulness of the improved process therein specified and described are matters which are better determined


¹¹ GR. 115758, 19 March 2002

by the Philippines Patent Office. The technical staff of the Philippines Patent Office, composed of experts in their field, have, by the issuance of the patent in question, accepted the thinness of the private respondent's new tiles as a discovery. There is a presumption that the Philippines Patent Office has correctly determined the patentability of the improvement by the private respondent of the process in question.¹²

WHEREFORE, premises considered, the instant Petition for Cancellation of Registration No. 3-2003-000465 is hereby **DISMISSED**. Let the filewrapper of the subject trademark registration be returned, together with a copy of this Decision, to the Bureau of Patents for information and appropriate action.

SO ORDERED.

Taguig City, 23 DEC 2016


Atty. ADORACION U. ZARE, LL.M.
Adjudication Officer
Bureau of Legal Affairs

¹² *Aguas v. de Leon*, GR. 32160, 30 January 1982