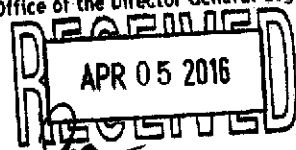


REPUBLIC OF THE PHILIPPINES
COURT OF APPEALS
MANILA

Intellectual Property Office of the Phils.
Office of the Director General-Legal



BY: _____ TIME: _____

**TAKEDA PHARMACEUTICAL
COMPANY, LTD.,**

Petitioner,

-versus-

CA-G.R. SP. NO. 135634

**DIRECTOR GENERAL OF THE
INTELLECTUAL PROPERTY OFFICE,
DIRECTOR OF THE BUREAU OF
PATENTS AND ANTONINA B. DEL
MUNDO,**

Respondents.

NOTICE OF JUDGMENT

SIRS :

Please take notice that on **March 21, 2016** a Decision copy attached, was rendered by the **FOURTEENTH DIVISION** of the Court of Appeals in the above-mentioned case, the original of which is now on file in this office.

You are hereby required to inform this Court within five (05) days from receipt hereof of the date when you received this Notice together with attached copy of the Decision.

March 21, 2016.

Very truly yours,

ATTY. CELEDONIA M. OGSIMER
Division Clerk of Court

Copy Furnished :

Office of the Dir. General/Office of the Director
of Patents/Antonina B. Del Mundo- reg w/rc
Intellectual Property Office
28 Upper McKinley Rd., McKinley Hill Town Center
Fort Bonifacio, Taguig City

Ortega Bacorro Odulio Calma & Carbonell- reg w/rc
counsel for petitioner
5th & 6th Flr., Alpap Bldg., 140 L.P. Leviste St.,
Salcedo Village, Makati City

Office of the Solicitor General- reg w/rc
134 Amoroso St., Legaspi Village
1229 Makati City

//marie c.)



RECEIVED
APR 05 2016

BY: _____ TIME: _____

Republic of the Philippines
COURT OF APPEALS
Manila

FOURTEENTH (14th) DIVISION

**TAKEDA PHARMACEUTICAL
COMPANY, LTD.,**

Petitioner,

- versus -

**DIRECTOR GENERAL OF THE
INTELLECTUAL PROPERTY
OFFICE, DIRECTOR OF THE
BUREAU OF PATENTS and
ANTONINA B. DEL MUNDO,**

Respondents.

CA-G.R. SP No. 135634

Members:

**BRUSELAS, JR., A.D.,
CHAIRMAN.,
BUESER, D. Q., AND
FRANCISCO, R. C., JJ.**

Promulgated:

21 MAR 2016

Jan 1:40 p

DECISION

FRANCISCO, J.:

ANTECEDENTS

On June 18, 1996, Takeda Pharmaceutical Company Limited (Takeda, Ltd.) filed a patent application with Serial No. 53455 in the names of inventors Hiroshi Ikeda, Takashi Sohda and Hiroyuki Odaka concerning a pharmaceutical composition which is essentially claimed to treat diabetes by increasing a person's sensitivity to insulin.¹ The application was filed under Republic Act No. 165² (RA No. 165) which was the applicable law at that time.

¹ *Rollo*, pp. 16, 46-57, 60-64, 165.

² An Act Creating A Patent Office, Prescribing Its Powers And Duties, Regulating The Issuance Of Patents, And Appropriating Funds Therefor (June 20, 1947).

CA G.R. SP NO. 135634
Takeda, Ltd. v. IPO Director General, et al.
Decision

On June 6, 1997, Congress enacted the Intellectual Property Code of the Philippines³ (IP Code) which provided some modifications on RA No. 165.

On December 29, 1998, then Director General Emma C. Francisco caused the promulgation of the Rules and Regulations on Inventions (Rules on Inventions).

On March 22, 1999 and July 31, 1999, Takeda, Ltd. amended its application by introducing new claims.⁴

On June 30, 2002, Patent Examiner Thelma C. Acosta (Examiner Acosta) issued a directive denominated as Paper No. 14 **objecting to Claim No. 1⁵ "for linking eight (8) different synergistic pharmaceutical combinations comprising an insulin sensitivity enhancer in combination with at least one member selected from from the group" which consists of:**⁶

- A) an α glucosidase inhibitor
- B) an aldose reductase inhibitor
- C) a biguanadine
- D) a statin compound
- E) a squaline synthesis inhibitor
- F) a fibrate compound
- G) a[n] LDL catabolism enhancer
- H) an angiotensin converting enzyme

Examiner Acosta remarked that "Claim [No.] 1 **should be divided and redrafted** in Combinations A-H" where these "redrafted claims [should be] included in" one of the twenty-seven (27) groups

³ Republic Act No. 8293, An Act Prescribing The Intellectual Property Code And Establishing The Intellectual Property Office, Providing For Its Powers And Functions, And For Other Purposes (June 6, 1997).

⁴ *Rollo*, pp. 51-64.

⁵ *Id.* at p. 46.

⁶ *Id.* at p. 66.

CA G.R. SP NO. 135634
Takeda, Ltd. v. IPO Director General, et al.
Decision

pursuant to some Rule 115 and a certain Office Memorandum TSE/71-3.⁷ This is because she observed that the claims appear to “constitute several distinct inventions for which a single patent cannot be issued to cover them.”⁸ She further explained that the “[r]estriction is required for the reason that the claims include: a) **different synergistic combinations comprising different compounds** which would require **different fields of search**; [and] b) **different methods of using each of the different combinations** which would likewise require **different fields of search**.”⁹ Finally, Examiner Acosta stated that Takeda, Ltd.'s response “**must include a provisional election** of one of the mentioned groups” to be considered as complete “even if the requirement for restriction is traversed.”¹⁰

On September 30, 2002, Takeda, Ltd. wrote its response to Examiner Acosta's directive in Paper No. 14 stating that it **provisionally elects** Group 26 to *claims 15-27 drawn to “the combination of compound of the Formula II or a pharmaceutically acceptable salt thereof in combination with an insulin secretion enhancer and/or insulin preparation” and claim 57 drawn to “method of treating diabetes or diabetic complications.*”¹¹ Moreover, it **manifested** that the required **divisional applications “will be filed in due course.”**¹²

On May 14, 2004, Takeda, Ltd. wrote a letter dated April 28, 2004 to Examiner Acosta **requesting the amendment** of its parent application to conform to its claims in its United States (U.S.) Patent No. 6,329,404.¹³

On June 18, 2004, almost one (1) year and nine (9) months after electing Group 26, Takeda, Ltd. filed its divisional application (Serial

⁷ *Id.* at pp. 66-70.

⁸ *Id.* at p. 67.

⁹ *Id.* at p. 70.

¹⁰ *Ibid.*

¹¹ *Id.* at p. 71.

¹² *Ibid.*

¹³ *Id.* at p. 73.

CA G.R. SP NO. 135634
Takeda, Ltd. v. IPO Director General, et al.
Decision

No. 1-2004-00241) claiming priority date from its parent application filed last June 18, 1996.¹⁴

On September 30, 2004, Examiner Acosta issued a ruling denominated as Paper No. 4 denying Takeda, Ltd.'s divisional application for being filed "beyond the reglementary period within which to file a divisional application."¹⁵

On November 30, 2004, Takeda, Ltd. filed its reply to Paper No. 4 seeking for a reconsideration from the denial of its divisional application.¹⁶ It ratiocinated that "there was an omission to fix the specific period for compliance" in Examiner Acosta's previously issued Paper No. 14 as "[i]t did not even include a statement that the requirement to divide or file the divisionals (*sic*) must be made within four (4) months from mailing date."¹⁷ Finally, Takeda, Ltd. argued that the reglementary period does not apply to their case considering that they filed a voluntary divisional application.¹⁸

On March 11, 2005, Examiner Acosta issued a resolution denominated as Paper No. 6 which denied Takeda, Ltd.'s reply (and motion for reconsideration) to Paper No. 4.¹⁹ In denying Takeda, Ltd.'s reply, Examiner Acosta reasoned that the divisional application filed cannot be considered as voluntary because it is "a result of the examiner's requirement to restrict the claims of the parent application."²⁰

On July 21, 2005, Takeda, Ltd. advanced an additional argument to supplement its November 30, 2004 reply to Paper No. 4

¹⁴ *Id.* at p. 85.

¹⁵ *Ibid.*

¹⁶ *Id.* at pp. 86-88.

¹⁷ *Id.* at p. 87.

¹⁸ *Ibid.*

¹⁹ *Id.* at p. 89.

²⁰ *Ibid.*

CA G.R. SP NO. 135634
Takeda, Ltd. v. IPO Director General, et al.
Decision

that the claims found in its divisional application "are not exactly the same" as the ones found in its parent application.²¹

On January 31, 2006, Patent Examiner Antonina B. del Mundo (Examiner del Mundo) reiterated Examiner Acosta's (who has already retired from service)²² position with finality that Takeda, Ltd.'s divisional application cannot be considered voluntary because the requirement to divide is a result of the examiner's directive.²³

On May 31, 2006, Takeda, Ltd. elevated the case to the Director of Patents.²⁴

On February 17, 2009, Director of Patents Epifanio M. Evasco (Director Evasco) rendered a Decision denying Takeda, Ltd.'s appeal.²⁵ In denying the appeal, Director Evasco reiterated the findings of both Examiners Acosta and del Mundo essentially stating that Takeda, Ltd.'s divisional application cannot be considered voluntary as it was "a result of the examiner's requirement to restrict the claims of the parent application."²⁶ Thus, the four (4)-month reglementary period—which was not complied by Takeda, Ltd.—applies.²⁷

Aggrieved by Director Evasco's findings, Takeda, Ltd. elevated the case to Intellectual Property Office Director General Ricardo R. Blancaflor (Director General Blancaflor).

²¹ *Id.* at p. 90.

²² *Id.* at p. 167.

²³ *Id.* at p. 91.

²⁴ *Id.* at pp. 92-105.

²⁵ *Id.* at pp. 106-112.

²⁶ *Id.* at pp. 110-111.

²⁷ *Id.* at p. 112.

CA G.R. SP NO. 135634

Takeda, Ltd. v. IPO Director General, et al.

Decision

On April 21, 2014, Director General Blancaflor issued a Decision dismissing Takeda, Ltd.'s appeal.²⁸ The reasons for rejecting the appeal were as follows:

- 1) Takeda, Ltd.'s argument that the claims in its divisional application did not refer to the claims in its parent application is "a mere attempt to justify its long period of delay" in complying with the requirement to divide;²⁹
- 2) Takeda, Ltd.'s did not contest Examiner Acosta's requirement to restrict the claims in the parent application making the same directive final;³⁰ /
- 3) Takeda, Ltd.'s claims contained in its divisional applications are covered by the claims in its parent application;³¹ and
- 4) Takeda, Ltd.'s plea to have the rules relaxed is unavailing considering that procedural rules are not to be belittled or dismissed simply because their non-observance may have resulted in prejudice to a party's substantive rights.³² /

Unsated by Director General Blancaflor's April 21, 2014 Decision, Takeda, Ltd. brought the case before this Court *via* Rule 43 of the Rules of Court for review.³³

ASSIGNMENT OF ERRORS

I.

²⁸ *Id.* at pp. 36-45.

²⁹ *Id.* at p. 41.

³⁰ *Id.* at p. 43.

³¹ *Id.* at p. 44.

³² *Ibid.* citing: *Lazaro, et al. v. Court of Appeals, et al.*, G.R. No. 137761, April 6, 2000.

³³ *Id.* at pp. 15-30.

CA G.R. SP NO. 135634

Takeda, Ltd. v. IPO Director General, et al.

Decision

RESPONDENT DIRECTOR GENERAL GRAVELY ERRED IN DISMISSING PETITIONER'S APPEAL SINCE THE SUBJECT APPLICATION IS A VOLUNTARY DIVISIONAL APPLICATION, HENCE THE FOUR (4) MONTH REGLEMENTARY PERIOD UNDER SECTION 17 OF R.A. 165 AND MEMORANDUM CIRCULAR TSE/65-6 DOES NOT APPLY:

- (1) THE PARENT APPLICATION DID NOT RESULT FROM A RESTRICTION REQUIREMENT SINCE PETITIONER'S LETTER DATED SEPTEMBER 30, 2002 HAS BEEN SUPERSEDED BY LETTER DATED APRIL 28, 2004, RECEIVED ON MAY 14, 2004. CLEARLY, THE PROVISIONAL ELECTION OF GROUP 26 WAS WITHDRAWN; AND
- (2) BOTH SECTION 17 OF R.A. 165 AND MEMORANDUM CIRCULAR TSE/65-6 ARE SILENT AS TO THE EFFECT OF WITHDRAWAL OF THE PROVISIONAL ELECTION. WORSE, MEMORANDUM CIRCULAR TSE/65-6 IS INCONSISTENT WITH THE LAW SINCE THE RECKONING PERIOD TO FILE THE DIVISIONAL APPLICATION SHOULD BE FROM FINALITY OF THE REQUIREMENT TO DIVIDE, AND NOT UPON RECEIPT OF THE RESONSE. HENCE, ANY AMBIGUITY OR INCONSISTENCY MUST BE

CA G.R. SP NO. 135634
Takeda, Ltd. v. IPO Director General, et al.
Decision

LIBERALLY CONSTRUED IN
FAVOR OF THE APPLICANT.

II.

RESPONDENT DIRECTOR GENERAL COMMITTED GRAVE ERROR AND VIOLATED THE *VERBA LEGIS* RULE BY APPLYING SECTION 17 OF R.A. 175 (*SIC*) DESPITE THE FACT THAT:

- (1) SUBJECT CLAIMS WERE NOT "DIVIDED OUT" OF THE PARENT APPLICATION; AND
- (2) THE DECISION ACKNOWLEDGED THAT THE SUBJECT APPLICATIONS INCLUDES (*SIC*) "MORE SPECIFIC CLAIMS".

III.

RESPONDENT DIRECTOR GENERAL GRAVELY ERRED IN BRUSHING ASIDE PETITIONER'S CLAIM THAT THE SUBJECT PATENT APPLICATION CAN STILL BE CONSIDERED AS A CONTINUATION APPLICATION, AKIN TO VOLUNTARY DIVISIONAL APPLICATION, IN ACCORDANCE WITH THE 1993 EDITION OF THE RULES OF PRACTICE IN PATENT CASES.

ISSUES

The Court, upon careful review of all arguments and available records, limits the succeeding discussions to the following pivotal issues for an orderly resolution of the case, *viz*:

CA G.R. SP NO. 135634
Takeda, Ltd. v. IPO Director General, et al.
Decision

-I-

WHETHER OR NOT TAKEDA, LTD.'S DIVISIONAL APPLICATION IS SUBJECT TO THE FOUR (4) MONTH REGLEMENTARY PERIOD.

-II-

WHETHER OR NOT TAKEDA, LTD.'S DIVISIONAL APPLICATION CAN BE TREATED AS A CONTINUING APPLICATION.

RATIO DECIDENDI

Brief Background:

An application for patent to claim a priority date over an invention initially filed by the inventor or any representative here in the Philippines or elsewhere is normally referred to as a "**parent application**" in intellectual property parlance. There are instances, however, when two or more inventions are claimed in a single application but are of such a nature that a single patent may not be issued for them.³⁴ In this case, the applicant is required to divide or limit the claims in the parent application to those elected and those which were not elected may be made the subject of separate applications called "**divisional applications**."³⁵ In other words, if the **components** of a parent application **do not amount to a single and unified invention when taken together**, the applicant or inventor may be **required to split** the parent application or some of its components into several independent applications called divisional applications.

³⁴*Smith Kline Beckman Corporation v. Court of Appeals, et al.*, G.R. No. 126627, August 14, 2003, citations omitted.

³⁵ *Ibid*; see: 60 Am.Jur.2d *Patents* § 164 (1972), citations omitted.

CA G.R. SP NO. 135634

Takeda, Ltd. v. IPO Director General, et al.

Decision

A divisional application, however, may be **voluntary** which means that it is **not** a **result** of any **requirement** to divide.³⁶ This method of application is entirely dependent on the applicant's own volition to do so and not pursuant to a directive of some higher authority. The **only condition** in pursuing voluntary divisional applications is that these applications must **not extend beyond the content** of the parent application.³⁷

Applicable Laws:

It is noteworthy to point out that Takeda, Ltd.'s application was filed pursuant to RA No. 165 which was superseded by the IP Code. Thus, it is imperative for the Court to first harmonize both laws in order to lay down the proper legal bases.

The salient portions of RA No. 165 concerning divisional applications are reproduced as follows:

Section 17. Multiple inventions in one application. - If several independent inventions which are not so closely related as to be proper in one application are claimed, the Director may require the application to be restricted to a single invention in the same manner as notifications of defects in the application. A later application filed for an invention divided out shall be considered as having been filed on the same day as the first application provided the later application is filed within four months after the requirement to divide becomes final, or within such additional time, not exceeding four months, as may be granted.

Section 18. Issuance of patent. - If the original or corrected application is in order, the Director shall issue the patent and shall, as soon as practicable, make the publication required by section six, Chapter I hereof. (emphasis supplied)

³⁶ Rule 611 of the Rules and Regulations on Inventions.

³⁷ *Ibid.*

C.A.G.R. SP NO. 135634
Takeda, Ltd. v. IPO Director General, et al.
 Decision

Here, the law is **silent** as to the effects of an applicant's **non-compliance** of the Director of Patent's (the Director) **requirement to divide**. And since the IP Code was enacted during the pendency of Takeda, Ltd.'s patent application, it is worth citing the pertinent provisions of the Code applicable to divisional applications, to wit:

Section 38. Unity of Invention. - 38.1. The application shall relate to one invention only or to a group of inventions forming a **single general inventive concept**.

38.2. If several independent inventions which do not form a single general inventive concept are claimed in one application, the Director may require that the application be restricted to a single invention. A later application filed for an invention divided out shall be considered as having been filed on the same day as the first application: Provided, That the later application is filed within four (4) months after the requirement to divide becomes final or within such additional time, not exceeding four (4) months, as may be granted: Provided further, That each divisional application shall not go beyond the disclosure in the initial application.

38.3. The fact that a patent has been granted on an application that did not comply with the requirement of unity of invention shall not be a ground to cancel the patent.

x x x

Section 50. Grant of Patent. - 50.1. If the application meets the requirements of this Act, the Office shall grant the patent: Provided, That all the fees are paid on time.

x x x

Section 61. Cancellation of Patents. - 61.1. Any interested person may, upon payment of the required fee, petition to cancel the patent or any claim thereof, or parts of the claim, on any of the following grounds:

- (a) That what is claimed as the invention is not new or Patentable;

CA G.R. SP NO. 135634

Takeda, Ltd. v. IPO Director General, et al.

Decision

Applicants' response to be complete *must include* a provisional election of one of the above mentioned groups even if the requirement for restriction is traversed.

(SGD.)

THELMA C. ACOSTA

Patent Examiner

(emphasis supplied)

In the afore-cited paper, it is evident that the phrases "**restriction is required**" and "**should be divided and redrafted**" need no stretch of imagination to conclude that it is an **unambiguous directive** for the applicant to comply with the requirement to divide the parent application. Besides, Takeda Ltd.'s **failure to contest** Examiner Acosta's directive in Paper No. 14 as well as its own undertaking to file a divisional application **expressly contradicts** the **position** that the divisional application filed **resulted from** a **voluntary act** of electing to conform to the U.S. Patent. This is because failure to contest an act that is objectionable amounts to an implied acquiescence and *estoppel* on the part of Takeda Ltd.⁵⁰ Thus, Takeda Ltd.'s divisional application cannot be considered as a voluntary application for no amount of verbal niceties can possibly justify the applicant's insistence that the requirement to divide the parent application was not a product of any requirement imposed by the examiner. Besides, **any amendment or addition to the claims** of the parent patent does **not dispense with** the examiner's **requirement to divide**.

SECOND, a **voluntary** divisional application *presupposes* that the examiner **never imposed** on the applicant a requirement to divide parent application. It simply means that the applicant, in his or her own volition, simply caused the division of the parent application despite an absence of any requirement to divide imposed by the examiner. This is because a voluntary act is a result of or

CA G.R. SP NO. 135634

Takeda, Ltd. v. IPO Director General, et al.

Decision

denotes one's unbridled volition which is free from any outside or external interference.⁵¹

THIRD, Takeda Ltd.'s failure to contest Examiner Acosta's June 30, 2002 Paper No. 14 already **makes the requirement** to restrict the claims or divide the parent application **final** because, as discussed earlier, the former is **deemed** to have **acquiesced** to such requirement. In effect, this implied acquiescence **renders irrelevant** Takeda Ltd.'s **argument** that there is **no specific rule** governing the **withdrawal of provisional elections**.

Concomitantly, the Court also deems it elucidating to restate Takeda Ltd.'s related argument raised before Examiner Acosta asserting that "there was an omission to fix the specific period for compliance" in order to clarify the issue regarding the finality of a patent examiner's requirement to restrict or divide the parent application. And at this point, the Court declares such argument to be patently absurd as it is a widely known procedure in the Philippine legal system that the reglementary period is **always reckoned** from the **date of receipt** of any legal order or process.⁵² The applicant's counsel cannot flimsily cover-up its negligence by denying and ignoring the fact that it was at it was their inaction which caused the reglementary period to file a divisional application to expire.⁵³ Since Takeda Ltd. **failed to timely contest the requirement** upon receipt of Examiner Acosta's Paper No. 14, **the reglementary period is understood to run from such date of receipt.**

LAST, contending that the claims in the divisional application are different from the claims in the parent application betrays Takeda Ltd.'s cause. The obvious reason is that the **claims in the divisional application must emanate from the parent application,**⁵⁴ otherwise, it

⁵¹Cf. "Voluntary." Def. 1. *Webster's Third New International Dictionary of the English Language Unabridged*. Springfield, Massachusetts, USA: Merriam-Webster, Incorporated, 1993. Print.

⁵² Cf. *Neypes, et al. v. Court of Appeals, et al.*, G.R. No. 141524, September 14, 2005.

⁵³Cf. *Mercurv Drug Corporation v. Court of Appeals, et al.*, G.R. No. 138571, July 13, 2000, citations

CA G.R. SP NO. 135634

Takeda, Ltd. v. IPO Director General, et al.

Decision

will be a **different claim** to invention which becomes a proper **subject of another parent** application., Corollarily, non-compliance of the examiner's directive or requirement to divide *per se* does not automatically render the **parent** application as cancelled or denied. It only means that the applicant cannot anymore claim, in its divisional application, priority over the individual components found in the parent application.

In this regard, the Court observes that the provisional election among the 27 Groups fixed by the examiner is only meant to provide a leeway for the applicant to choose *how* it wants to divide its parent application. The June 30, 2002 Paper No. 14 never contained any proviso giving the applicant an option to disregard the requirement to restrict the claims or divide the parent application into distinct components. Since division has **already become a requirement** set by the examiner, it cannot be ignored or disregarded by the applicant just by merely claiming that it wants or opts to file a voluntary application instead. Such excuse for not filing on time is too convenient for the Court to allow.

As regards Takeda Ltd.'s claim that the active ingredients in both the parent and the divisional applications are different (biguanide vs. biguanadine), the Court need not dwell on the propriety of the Examiner Acosta's requirement to restrict the claims after evaluating the parent application because it is well-within the her administrative expertise to determine by virtue of her special knowledge.⁵⁵

On the Concept of Continuation Application:

The Court reminds the parties that the basic principles of justice and fair play proscribe the introduction of a new theory on appeal⁵⁶

CA G.R. SP NO. 135634

Takeda, Ltd. v. IPO Director General, et al.

Decision

unless it falls within the exceptions recognized by jurisprudence such as when factual bases thereof would not require presentation of any further evidence by the adverse party in order to enable it to properly meet the issue raised in the new theory.⁵⁷

Now, assuming *arguendo* that this case falls within the exception of the "theory of the case" principle as there is no need for the parties to present additional evidence, the Court still refuses to accept Takeda Ltd.'s argument that its divisional application be considered as a "continuation application" of its parent application.

The relevant provisions of the Rules of Practice in Patent Cases⁵⁸ cited by Takeda Ltd. states:

48-A. Continuation, and Continuation-in-part Application. -

- (a) A **continuation application** naming as inventors the same or less than all the inventors named in the original application and which discloses and claims only subject matter disclosed in the prior application may be filed as a separate application before the patenting or abandonment of or termination of proceedings on the original application.
- (b) A **continuation-in-part** is an application filed during the pendency of an earlier filed application by the same inventor(s) repeating some substantial portion(s) or all of the earlier application and adding matter not disclosed in the said earlier filed application.

Any claim in a continuation-in-part application which is directed **solely** to subject matter **adequately disclosed** in the

CA G.R. SP NO. 135634

Takeda, Ltd. v. IPO Director General, et al.

Decision

parent application is entitled to the benefit of the filing date of the parent application. However, if a claim in a continuation-in-part application recites a feature which was not disclosed or adequately supported by a proper disclosure in the parent application, but which was first introduced or adequately supported in the continuation-in-part application such a claim is entitled only to the filing date of the continuation-in-part application.

A continuing application must be filed before the abandonment or patenting of the first application. (emphasis supplied)

The aforementioned rule provides that even "continuation applications" and "continuation-in-part applications" are circumscribed by the requirement that its claims should be those disclosed in the parent application.⁵⁹ And if the claims in the "continuation-in-part application" are not of those which are found in the parent application, the former shall be considered as having been filed not on the date of the latter's filing but on the former's actual date of filing. In other words, it will be treated as another parent application filed on a much later date than the original parent application. Stated differently, still, the concept of "continuation application" refers to the claims themselves filed subsequent to the filing of a parent application—not divisional applications themselves.

Here, it was already established in the previous discussions that the claims in Takeda Ltd.'s divisional application are different than that of its parent application when it admitted⁶⁰ in its Memorandum⁶¹ that the active ingredients in both parent and divisional applications are biguanadine and biguanide, respectively.

⁵⁹ Cf. Section 38.2 of Republic Act No. 8293 ("[E]ach divisional application shall not go beyond the disclosure in the initial application.")

⁶⁰ See: *Republic, etc. v. De Guzman*, G.R. No. 175021, June 15, 2011, citations omitted.

⁶¹ *Rollo*, p. 210.

CA G.R. SP NO. 135634
Takeda, Ltd. v. IPO Director General, et al.
Decision

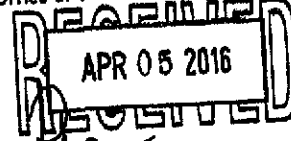
In sum, the Court lays down its observation that **what has been denied** here is Takeda Ltd.'s **divisional** application—*not* the **parent** application. The applicant Takeda Ltd. is only confusing the issues by claiming that the divisional applications which were filed out of time should be treated as a continuation of the claims found in the parent application. It should not be allowed because a continuation of the parent application is presently covered by another rule which is that of amendments.⁶²

WHEREFORE, in view of the foregoing premises, this Court **AFFIRMS** the Director General Ricardo R. Blancaflor's April 21, 2014 Decision which denied Takeda Pharmaceutical Company Limited's appeal to reinstate its divisional patent application.

No costs.

SO ORDERED.

Intellectual Property Office of the Phils.
Office of the Director General-Legal



BY: _____ TIME: _____

ORIGINAL SIGNED
RENATO C. FRANCISCO
Associate Justice

WE CONCUR:

ORIGINAL SIGNED
APOLINARIO D. BRUSELAS, JR.
Associate Justice

ORIGINAL SIGNED
DANTON Q. BUESER
Associate Justice

⁶² Cf. Section 49 of Republic Act No. 8293.

CERTIFIED TRUE COPY


Atty. CELEDONIA M. OGSIMER
Division Clerk of Court

CA G.R. SP NO. 135634
Takeda, Ltd. v. IPO Director General, et al.
Decision

CERTIFICATION

Pursuant to Article VIII, Section 13 of the Constitution, it is hereby certified that the conclusions in the above Decision were reached in consultation before the opinion of the Court was written.

ORIGINAL SIGNED
APOLINARIO D. BRUSELAS, JR.
Associate Justice
Chairman, Fourteenth (14TH) Division

CERTIFIED TRUE COPY

Atty. CELEDONIA M. OGSIMER
Division Clerk of Court