

EDDIE T. DIONISIO,
Complainant,

-versus-

VISITA INTERNATIONAL PHILS., INC. and
LAL K. TULSIANI,
Respondents.

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} IPV No. 10-2013-00034

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} For : Patent Infringement
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NOTICE OF DECISION

**ABRENICA ARDIENTE ABRENICA
AND PARTNERS LAW OFFICE**

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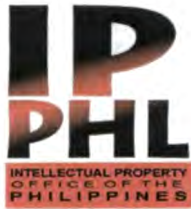
GREETINGS:

Please be informed that Decision No. 2016 - 08 dated July 28, 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, July 28, 2016.

For the Director:

Edwin O. Dating
Atty. **EDWIN DANILO A. DATING**
Director III
Bureau of Legal Affairs



EDDIE T. DIONISIO,
Complainant,

IPV No. 10-2013-00034
For: Patent Infringement

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VISITA INTERNATIONAL PHILS., INC.
and LAL K. TULSIANI,
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Decision No. 2016 - 08

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DECISION

Eddie T. Dionisio (Complainant)¹, filed on 20 December 2013 an administrative complaint of Patent Infringement against Visita International Phils., Inc. and Lal K. Tulsiani (“Respondents”)².

The Complaint alleges among other things, that he is the patent and registered owner of *Utility Model (UM) Registration No. 2-2011-000646 for a Multi-Purpose Articulated Ladder* issued on 06 June 2012. The abstract, description and claims of the utility model are provided in the registration documents.³ Complainant claims the exclusive right to manufacture, distribute, and sell the multi-purpose (MP) 4x4 ladder in the Philippines under its registered trademark SURESTEP. Complainant further alleged that sometime in June 2013, Respondent without the consent and authority of herein Complainant, and with ill will, malice, and in evident bad faith, offered to sell and successfully sold infringed MP 4x4 ladders particularly to ACE Hardware Store who informed them that ladders with similar specifications to their products are sold by the Respondents. Sample of fake and infringed MP 4x4 ladder continuously available in the market, was secured by the Complainant.

During the trial, the Complainant presented their witnesses and offered the following documentary and object evidence:

1. SEC General Information Sheet for 2013 of Respondent Vista;
2. Utility Model Registration No. 2-2011-000646 for a Multi-Purpose Articulated Ladder;
3. Communication Letter with ACE Hardware;
4. Tape Receipt from ACE Hardware;
5. SURESTEP registered trademark;
6. Actual DIONISIO ladder;
7. Box of the original ladder with the brand SURESTEP;
8. Features of Utility Model Registration No. 2-2011-000646 for a Multi-Purpose Articulated Ladder;
9. Actual VISITA ladder and its features;
10. Bill of Lading;
11. Photographs of the Complainant’s original ladder;

¹ Of legal age, Filipino, married and doing business under the business name and style Ultimate Exim Trading and Development Co. with business address at Messanine Floor, DHC Building, EDSA, Diliman, Quezon City.

² A domestic corporation duly organized and existing under the laws of the Philippines with principal place of business at 146 Visita Bldg., Yakal Street, Makati City.

³ Annex "B" of Complainant.

12. Photograph of the Respondent's ladder;
13. VISITA ladder returned to Complainant by SM;
14. Merchandise Loss/Damage Slip;
15. Photographs of price tags on the VISITA ladder at original price of P4,299.75; at marked down retail price at P3,795.00; and, of a defective ladder on the box;
16. Judicial Affidavit of Eddie T. Dionisio;
17. Judicial Affidavit of Marites S. Roca;
18. Printed Saved Page from the IPO trademark search showing pending application of VISITA; and,
19. Summary list of 2013 Sales to ACE Hardware.

On 21 April 2014, the Respondents filed its Verified Answer. In substance, the Respondents allege that there is no infringement or any violation of intellectual property rights since they had an existing and prior Utility Model Registration No. 2-2009-000166 filed on 30 April 2009, and approved on 28 December 2010, or almost three (3) years before Complainant's filing and registration of its *Utility Model (UM) Registration No. 2-2011-000646*. The Respondents likewise claim that Complainant has Utility Model Registration No. 2-2008-00427 for Foldable Ladder issued on 20 October 2008 which was subsequently cancelled by this Bureau in its decision dated 28 May 2013.⁴

On 01 December 2014, this Bureau declared Respondent in default for failure to appear at the pre-trial conference. Thereafter, on 15 December 2014, Respondent filed a Motion for Reconsideration which this Bureau denied in its Order dated 24 March 2015.

The Complainant's case is anchored on the following arguments: *first*, he is the patent and registered owner of *Utility Model (UM) Registration No. 2-2011-000646 for Multi-Purpose Articulated Ladder* issued on 6 June 2012 and thus, Complainant has the exclusive right to manufacture, distribute, and sell the multi-purpose (MP) 4x4 ladders in the Philippines; and has established business goodwill and reputation over the marketability and strict quality control of MP 4x4 ladders, including the goodwill to the brand SURE STEP; and *secondly*, Respondents without the consent and authority of Complainant and with ill will, malice and evident bad faith, offered to sell and successfully sold infringed MP 4x4 ladders covered by Complainant's *Utility Model (UM) Registration No. 2-2011-000646*.

Records show that Complainant's *Utility Model (UM) Registration No. 2-2011-000646* was ordered cancelled in this Bureau's decision dated 09 February 2016, docketed as IPC No. 12-2015-00310. Said case involves a petition for cancellation filed by the Respondents against herein Complainant's registration, which is used as ground in this instant infringement case.

Pertinent portions of the said decision reads, as follows:

This Bureau finds that Respondent-Registrant's⁵ (UM Reg. No. 2-2011-000646) forms a prior art of US Patent Nos. 4,842,089, which this Bureau takes judicial notice, and which Respondent-Registrant confirms its patent existence and validity. The aforesaid US Patent and the subject utility model both consists of foldable sections, a prior of space apart uprights longitudinal poles and plurality of rungs traverse bars, x x x

While Respondent-Registrant enumerates differences to the US Patent, stating that its ladder is an aluminum ladder which has screwless swedged steps; uses external elbow switching hinges, which prevent hurting users; carries the detachable stabilizer footings, which provide wide base and prevent the ladder from collapsing, and for more ladder be loaded per truckload or

⁴ IPC No. 12-2009-00133.

⁵ Herein Complainant.

container load for less delivery costs and container shipping, these are basically differences in character, form or shape. The ladders do the same work in substantially the same way and accomplish the same result.⁶ While an improvement of prior Utility Model may be patented accordingly, the same has not been substantially shown in this instant case. The subject Utility Model appears substantially similar in its appearance and function.

In a judicial precedent primarily in American law, it is stated that, "The essence of the *doctrine of equivalents* is that one may not practice a fraud on the patent by appropriating an invention through minor and insignificant changes in a device to avoid the patent. Its theory is that if two devices do the same work in substantially the same way, and accomplish the same result, they are substantially the same even though they differ in name, form or shape."⁷

Thus, with the cancellation of *Utility Model (UM) Registration No. 2-2011-000646*, the instant case has no more leg to stand on. The patent holder loses all exclusive rights⁸ to the utility model because these rights are deemed terminated by reason of the said cancellation of UM registration. In fact, unless restrained by the Director General, the decision or order to cancel by Director of Legal Affairs shall be immediately executory even pending appeal.⁹

WHEREFORE, premises considered, the instant case is hereby DISMISSED.

SO ORDERED.

Taguig City **28 JUL 2016**


Atty. NATHANIEL S. AREVALO
Director IV, Bureau of Legal Affairs

⁶ Wastro Inc. v. Illinois Care Co., 98 USPQ 354.

⁷ 60 AM Jur 2d, Patents, Sec. 933, as cited in Intellectual Property Law p. 236, Ranhilio Callangan Aquino, 2006 ed.

⁸ Sec. 71, IP Code.

⁹ Sec. 66, IP Code.