KPI MANUFACTURING, INC., doing business Under the name and style **KEY LARGO CAR ACCESSORIES CENTER**, *Petitioner,*	}	**IPC No. 13-2015-00543** Petition for Cancellation of Industrial Design
-versus-	}	Reg. No. 3-2013-001074 Issued On: 25 April 2014
ALWIN T. GO, *Respondent-Registrant.*	}	**Title: CAR MAT**

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NOTICE OF DECISION

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GREETINGS:

Please be informed that Decision No. 2017 - 09 dated 18 January 2017 (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, 19 January 2017.

MARILYN F. RETUTAL
IPRS IV
Bureau of Legal Affairs

KPI MANUFACTURING, INC. doing business under the name and style **KEY LARGO CAR ACCESSORIES CENTER,** Petitioner,	} IPC Case No. 13-2015-00543 } Petition for Cancellation of Industrial Design Registration No. 3-2013-001074 } Issued on: 25 April 2014 } Title: **" CAR MAT"**
-vs-	}
ALWIN T. GO, Respondent-Registrant.	}
x----------x	} Decision No. 2017- 09

DECISION

KPI MANUFACTURING, INC., doing business under the name and style KEY LARGO CAR ACCESSORIES CENTER ("Petitioner")[1], filed a Petition for Cancellation of Industrial Design Registration No. 3-2013-001074. The registration issued in the name of ALWIN T. GO, ("Respondent-Registrant")[2], entitled "CAR MAT" was issued on 25 April 2014.

The Petitioner relies on the following grounds in support of its petition:

"(a) The respondent is not the true and original designer of the car mat product under Industrial Design Registration No. 3/2013/001074.

"(b) The respondent's car mat product under Certificate of Registration No. 3/2013/001074 lacks novelty as it forms part of the prior art therefore void."

The Petitioner alleges, among other things, it has been dealing with car mats with designs similar to the car mat design covered by the subject Industrial Design registration before the Respondent-Registrant filed his application for registration of the car mat design on 27 September 2013. It further alleges that car mats with designs similar to the car mat design registration has been imported and sold by the Petitioner before the Respondent-Registrant filed his application for registration of the car mat design. This car mat design is marketed under Unit/Parts No.: TS5005PT. The Petitioner asserts that cars mats embodying the car mat design covered by Registration No. 3/2013/001074 have been known and published in printed publication before Respondent-Registrant filed his application, particularly in 2013 CARMATS HONGSHENGYUAN product catalog (Item No. TS5005PT). According to the Petitioner, its supplier issued him a Proforma Invoice on 26 October 2013 and it issued a delivery receipt on 19 February 2014 for its sale to Ace Hardware Philippines, Inc.

[1] A corporation organized and existing under Philippine laws with address at 1335 G. Araneta Avenue, Quezon City
[2] Filipino with address at 42-A Albany St., Bgy, Silangan, Cubao Quezon City

Republic of the Philippines
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To support its petition, the Petitioner submitted the following as evidence: Photocopy of its Securities and Exchange Commission ("SEC") Certificate; General Information Sheet; Corporate Secretary's Certificate dated 29 October 2015; Affidavit of Mario G. Gamboa; Copy of letter sent by Oscar Raro dated 14 October 2015 and 2 November 2015; letter sent by Clarence Lee Evangelista dated 19 October 2015; picture of OTTER car mat; photocopy of Industrial Design Registration No. 3/2013/001074; relevant pages of 2013 CARMATS HONGSHENGYUAN product catalog; copy of proforma invoice; and copy of delivery receipt. [3]

The Respondent-Registrant filed his Answer on 12 April 2016, alleging among other things, that he is the true and original designer of the car mat design covered by Registration No. 3/2013/001074 entitled "CAR MAT", specifically designed on 2 February 2013, using a specific computer program known as *'Solid Works.'* According to the Respondent-Registrant he has been continuously tinkering with the design until it was modified on 4 March 2013. Respondent-Registrant narrates that after being satisfied with his design, he engaged *Allied Flourish* SDN BHD, a Malaysian manufacturer to manufacture his mould which is evidenced by a purchase order dated 28 April 2013. On 27 April, 2013, he filed an application for registration of an Industrial Design with the Intellectual Property Office of the Philippines. Respondent asserts that he has no knowledge why his design was included in the catalogue of products of Petitioner's Chinese supplier.

The Respondent-Registrant's evidence consists of : Computer print-out of his design with actual date; certified true copy of certification dated 15 February 2015; purchase order; application for telegraphic transfer dated 17 May 2013; certificate of bank deposit dated 19 February 2016; certified true copy of SEC General Information Sheet; certification of notice of publication; Registrability Report dated 4 March 2016; and Affidavit of Alwin T. Go.[4]

The Preliminary Conference was terminated on 1 December 2016, wherein the parties were directed to submit their position papers within fifteen days. Petitioner and Respondent-Registrant filed their position papers both on 16 December 2016.

Should the Respondent-Registrant's Industrial Design Registration No. 3-2013-001074 be cancelled?

Section 122 of Republic Act. No. 8293, otherwise known as the Intellectual Property Code of the Philippines (IP Code) states that:

> Section 122. An Industrial Design is any composition of lines or colors or any three-dimensional form, whether associated with lines or colors: Provided, that such composition or form gives a special appearance to and can serve as a pattern for an industrial product or handicraft.

Sec. 120 of the Intellectual Property Code of the Philippines (IP Code) provides that an industrial design may be cancelled on the following grounds:

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[3] Exhibits "A" to "L" with submarkings
[4] Exhibits "1" to "6" with submarkings

Section 120. At any time during the term of the industrial design registration, any person upon the payment of the required fee, may petition the Director of Legal Affairs to cancel the industrial design on the following grounds:

(a) If the subject matter of the industrial design is not registrable within terms of Section 112 and 113;

(b) If the subject matter is not new;

(c) If the subject matter of the industrial design extends beyond the content of the application as originally filed. xxx"

The industrial design registration entitled "A CAR MAT " consists of a single claim:
"1 CLAIM:
The ornamental design for a car mat substantially as shown."

FIG.1

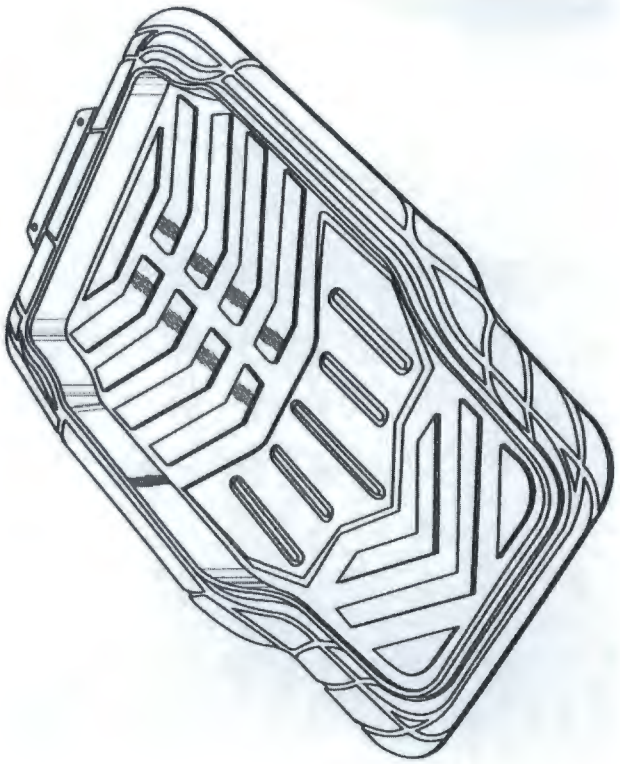
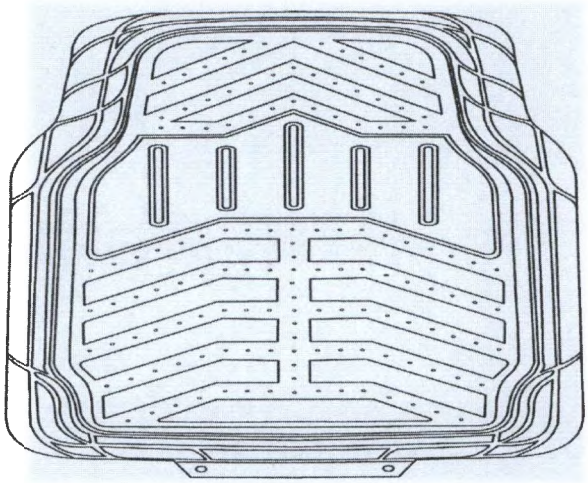


FIG 2



At the outset, it should be noted that Respondent-Registrant objects to the submission by the Petitioner for being mere photocopies which violate Office Order No. 14-068, Series of 2014[5], to wit:

> SECTION 1, Rule 2 Section 7 is hereby amended to read as follows:
>
> 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 petition are provided in the succeeding rules.
>
> (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.
>
> (c) For the purpose of the filing of the opposition, the opposer may attach, in lieu of the originals or certified, 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. xxx

The Respondent-Registrant is correct in his analysis of the rules requiring the affidavits of witnesses, documentary and object evidence to be attached in opposition and petitions. It is only in opposition cases where the rules allow photocopies to be attached to the opposition, subject to the presentation of the original. In strict implementation of this rule, SEC certificate of registration, General Information Sheet, 2013 CARMATS HONGSHENGYUAN product catalog,

[5] Amendments to the Rules and Regulations of Inter Partes Proceedings

delivery receipt, proforma invoices and the object car mat was not attached to the petition and should not be considered as evidence. Lacking objection from the Respondent-Registrant's counsel during the preliminary conference, originals of the documentary and object evidence were compared to the photocopies attached.

The Petitioner argues that the subject industrial design is no longer new because it had already imported and sold car mats with designs similar to the Respondent-Registrant's Industrial Design Registration No. 3-2013-001074 before Respondent-Registrant's filing date of 22 June 2012. The Petitioner's witness, Mario G. Gamboa[6] narrates that the company on 26 October 2013, placed orders for car mats from its supplier in China and sold the same on 19 February 2014. Clearly, the act of placing the orders was after the filing date.

In this regard, in determining whether an invention is new or novel, the invention must not form part of prior art. The pertinent provisions of the IP Code state:

> 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 application: Provided further, That the applicant or the inventor identified in both applications are not one and the same.

Assuming for the sake of argument, that 2013 CARMATS HONGSHENGYUAN product catalog is considered, there is no evidence of the publication or circulation, apart from year 2013 written on the cover page. Since the catalogue does not indicate the date of its publication, it cannot be verified whether it has been printed prior to the filing date of 27 September 2013 and is, therefore, a useless prior art reference. Without the dates, these cannot serve to anticipate Respondent-Registrant's design. The Supreme Court in Angelita Manzano v. Court of Appeals[7] illustrates:

> Thus the Director of Patents explained his reasons for the denial of the petition to cancel private respondent's patent —
>
> Even assuming *gratia arguendi* that the aforesaid brochures do depict clearly on all fours each and every element of the patented gas burner device so that the prior art and the said patented device become identical, although in truth they are not, they cannot serve as anticipatory bars for the reason that they are undated. The dates when they were distributed to the public were not indicated and, therefore, they are useless prior art references.
>
> xxx Another factor working against the Petitioner's claims is that an examination of Exh. "L" would disclose that there is no indication of the time or date it was manufactured.

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[6] Exhibit "L", par 13
[7] G.R. No. 113388, 5 September 1997

> This Office, thus has no way of determining whether Exh. "L" was really manufactured before the filing of the aforesaid application which matured into Letters Patent No. UM-4609, subject matter of the cancellation proceeding.

Furthermore, assuming that the mats are considered in evidence, the pictures do not have any marking showing its production or manufacturing date. On the other hand, Respondent-Registrant proved that he created and originated the design on a specific computer program[8], on 2 February 2013. On 15 May 2013, prior to the date Petitioner ordered from its supplier in China, the Respondent-Registrant have transacted with the Malaysian company to make a mould for him. That these designs have been copied or end up in a supplier in China should not be attributed as Respondent's fault.

On the other hand, the Respondent-Registrant requested a Registrability Report[9] which findings did not point to any document of particular relevance in determining novelty. This implies that the examiner conducting the search did not find on record any information that destroyed the design's newness and originality. "This is a matter which is properly within the competence of the Patent Office the official action of which has the presumption of correctness and may not be interfered with in the absence of new evidence carrying thorough conviction that the Office has erred. Since the Patent Office is an expert body preeminently qualified to determine questions of patentability, its findings must be accepted if they are consistent with the evidence, with doubts as to patentability resolved in favor of the Patent Office."[10] The Supreme Court has held:

> Where, however, the plaintiff introduces the patent in evidence, if it is in due form, it affords a *prima facie* presumption of its correctness and validity. The decision of the Commissioner of Patents in granting the patent is always presumed to be correct.[11]

In the case of Aguas v. de Leon[12], the Supreme Court ruled:

> 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 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.

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[8] Exhibit "1"
[9] Exhibit "5"
[10] Note 7
[11] Vargas v. F.M. Yaptico, G.R. No. 14101, 24 September 1919
[12] G.R. L. No. 32160, 30 January 1982

WHEREFORE, premises considered, the Petition for Cancellation is, as it is hereby DENIED. Let the file wrapper of Industrial Design Registration No. 3-2013-001074 together with a copy of the DECISION be returned to the Bureau of Patents (BOP) for appropriate action.

SO ORDERED.

Taguig City, 18 JAN 2017

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