

LORENA MINI GAS REFILLING STATION,

Petitioner,

-versus-

ALGERICO TABACON,

Respondent-Registrant.

IPC No. 12-2012-00398

Petition for Cancellation:

UM Reg. No.: 2-2011-000370

Date Issued: 03 October 2011

Title: REFILLABLE GAS CATRIDGE

X-----X

NOTICE OF DECISION

ATTY. DODIE OPINION TURLA

Counsel for Petitioner
D.O.T. Law and Notarial Offices
1327 S.H. Loyola St.
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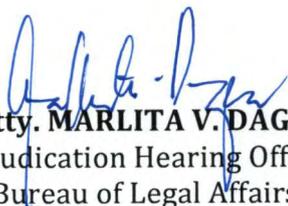
ATTY. ESTRELLITA BELTRAN-ABELARDO

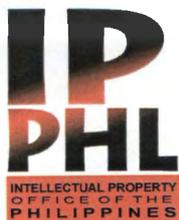
Counsel for Respondent- Registrant
BLK 22 LOT 13 Singkil Street
Lagro Subdivision, Novaliches
Quezon City

GREETINGS:

Please be informed that Decision No. 2016 - 319 dated 23 September 2016 (copy enclosed) was promulgated in the above entitled case.

Taguig City, 23 September 2016.


Atty. MARLITA V. DAGSA
Adjudication Hearing Officer
Bureau of Legal Affairs



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<i>Petitioner,</i>	}	
	}	Petition for Cancellation:
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-versus-	}	Date Issued: 03 October 2011
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ALGERICO TABACON,	}	Title: REFILLABLE GAS CARTRIDGE
<i>Respondent-Registrant.</i>	}	
x-----x		Decision No. 2016- <u>319</u>

DECISION

LORENA MINI GAS REFILLING STATION¹ ("Petitioner") filed on 28 August 2012 a Verified Petition for Cancellation of Utility Model Registration No. 2-2011-000370 entitled "REFILLABLE GAS CARTRIDGE" issued to ALGERICO TABACON² ("Respondent-Registrant") on 03 October 2011.

Petitioner asserts that Utility Model Registration No. 2-2011-000370 does not qualify for registration as a utility model and does not meet the requirements of registrability pursuant to Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines. Petitioner also claims that the Respondent-Registrant's is not the original, true and actual inventor or designer, nor did he derive his rights from the original, true and actual inventor or designer of the utility model covered by the registration. Petitioner also claims that the utility model registration subject of this case was secured through fraud and misrepresentation.

Petitioner's evidence consists of the following:

1. Exhibit "A" - copy of Utility Model Registration No. 3-2011-000370 issued on 03 October 2011 to Respondent;
2. Exhibit "B" - copy of the Request for Registration of Industrial Design entitled Gas Cartridge filed by Respondent on 12 August 2011;
3. Exhibit "C" - photocopy of some brands of refillable gas cartridge available in the market;
4. Exhibits "D" to "D-6" - copies of receipts issued by Konice Corporation;
5. Exhibits "E" to "E-2" - copies of receipts issued by W & R Trading;
6. Exhibits "F", "G" and "H" - copy of City Business Permit and License, DENR Certification and DTI Registration issued to Petitioner;
7. Exhibits "I" and "J" - City Business Permit and License for the years 2011 and 2012 issued to Petitioner;
8. Exhibit "K" - copy of Contract of Sale by Installment and Supply Agreement between Pryce Gas and Ramil Lintuan;

¹ A Filipino citizen with address at Purok Maharlika, Cuambogan, Tagum City, Davao del Norte.
² A Filipino with address at c/o Jeam Mini Gas Refilling Plant, Park 4, Magdum, Tagum City, Davao del Norte.

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9. Exhibit "L" - copy Certificate of Dealership and Certificate of LPG Supply for LPG Refillable Cartridge;

10. Exhibits "M" to "M-9" - copies of Sales Invoices issued by Petronas Energy Philippines, Inc. issued to Petitioner; and

11. Exhibit "N" - copy of Certificate of Trademark Registration No. 4-2009-740068 for the mark JEAM Mini Gas Cartridge issued to Respondent on 28 October 2010.

On 21 September 2012 this Bureau issued a Notice to Answer and served the same to Respondent-Registrant via DHL. After two motions for extension, Respondent-Registrant filed the Verified Answer 03 December 2012.

Respondent asseverates that the subject utility model for "Refillable Gas Cartridge" was registered in accordance with the requirements of the IP Code, that is, it is new and industrially applicable. According to Respondent, he made the gas cartridge which is capable of being refilled to solve the problem of environmental pollution caused by dumping of disposable cartridge. He further averred that the utility model is new because it is not part of prior art as there was no refillable gas cartridge existing in the market before the filing of the utility model application.

Respondent-Registrant's evidence consists of the following:

1. Exhibit "1" - Judicial Affidavit of Algerico P. Tabacon;
2. Exhibit "2" - Certificate of Business Name Registration of Respondent;
3. Exhibit "3" - Barangay Resolution No. 35 dated 09 December 2009 of Brgy. Magdum, Tagum City;
4. Exhibit "4" - Certificate of Non-Coverage No. CNC-R11-1002-0016 issued by DENR on 04 February 2010;
5. Permit No. 59098 issued by the City Mayor of Tagum to Respondent;
6. Exhibits "6" and "6-A" - Max Sun Cartridge;
7. Exhibits "7" and "7-A" - Myer Blue Flame Gas Cartridge;
8. Exhibits "8" and "8-A" - Bounce Butane Gas;
9. Exhibits "9" and "9-A" - Kenjitsu Gas Container;
10. Exhibits "10" and "10-A" - Iwatani Casette Gas;
11. Exhibits "11" and "11-A" - Ko-Nice Cartridge;
12. Exhibits "12" and "12-A" - Mega 1 Butane Gas;
13. Exhibits "13" and "13-A" - Jeam Gas Cartridge;
14. Exhibits "14" and "14-A" - Publication of Respondent's utility model application for Refillable Gas Cartridge in IPO E- Gazette on 24 October 2011;
15. Exhibit "15" - Letter dated 16 November 2012; and
16. Exhibit "16" to "16-B" - Judicial Affidavit of Engr. Rolando Saquilabon.

The case was then referred to the Alternative Dispute Resolution ("ADR") Services for Mediation. However, Respondent refused to mediate. The preliminary conference was terminated on 10 April 2013 and the parties were directed to submit their respective position papers. On 22 April 2013, Respondent filed its Position Paper while Petitioner did so on 09 July 2013.

Should Respondent's Utility Model No. 2-2011-000370 entitled "Refillable Gas Cartridge" be canceled?



Section 109.4 of Republic Act No. 8293, also known as the Intellectual Property Code of the Philippines ("IP Code"), as amended, provides:

109.4. In proceedings under Sections 61 to 64, the utility model registration shall be canceled on the following grounds:

- (a) That the claimed invention does not qualify for registration as a utility model and does not meet the requirements of registrability, in particular having regard to Subsection 109.1 and Sections 22, 23, 24 and 27;
- (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 invention has not been furnished;
- (d) That the owner of the utility model registration is not the inventor or his successor in title.

In relation to this, Rule 213 of the Rules and Regulations on Utility Models and Industrial Design provides:

Rule 213. 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.

In determining whether an invention is new or novel, the invention must not form part of prior art. Section 23 and 24 of the IP Code states:

Sec. 23. *Novelty*. - An invention shall not be considered new if it forms part of a prior art. (Sec. 9, R. A. No. 165a)

Sec. 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.



The utility model being challenged is the "refillable gas cartridge" consisting of the following claim:

CLAIM:

A refillable gas cartridge comprising;

a container body having a lid with upwardly directed peripheral flange defining therein a central opening;

a valve cap having a fitting portion seam sealed at said peripheral flange covering said central opening, said valve cap having an integral nozzle holder provided underneath thereof;

a valve body fixedly secured in said nozzle holder and having a gas chamber therein, said valve body having a pipe fitting member at the lower end thereof with gas passageway in communication with said gas chamber;

a spring seated within the said gas chamber;

a nozzle seated at the top end of the spring;

an injection nozzle fixedly fitted in said valve body, said injection nozzle hole extending to horizontally formed lower end nozzle orifice in communication with the said gas chamber;

an O-ring fitted around said injection nozzle and sandwichly held in place by the upper end portion of the said valve body and top portion of said nozzle holder adapted to open and close said nozzle orifice of said injection nozzle.

The pertinent drawing of the Utility Model is reproduced below:

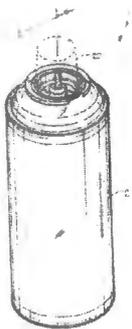


Figure 1



Figure 2

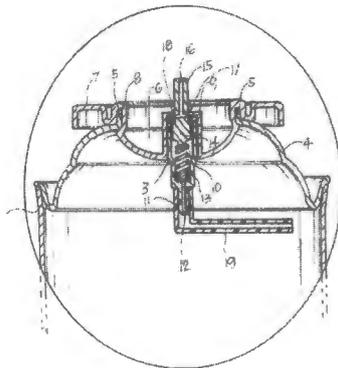


Figure 2

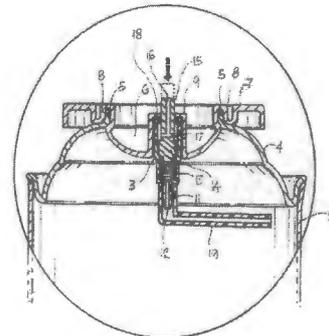


Figure 4

Petitioner is seeking the cancellation of the "refillable gas cartridge" on the ground that it is not new since it already exist even before Respondent filed the application for registration of the utility model. To prove their claim, Petitioner submitted photos of gas cartridges available in the market as well as receipts/ delivery receipts issued in 2011 showing their purchases of Butane Gas contained in gas cartridges from different distributors/sellers.

Engr. Rolando Saquilabon, Respondent's witness, however, have a different observation. In his Affidavit, he stated:

16. Q: How were you made aware that this case involving the cancellation of the utility model registration no. 2-2011-00370 issued in October 3, 2011?

A: I was asked by Atty. Estrellita B. Abelardo whether I can serve as expert witness in the cancellation case involving the utility model registration no. 2-2011-00370 sometime in October 2012.

17. Q: What information or documents, if any, helped you in forming your expert opinion?

A: I was given copies of the verified petition for cancellation and the utility model registration. A model of the refillable gas cartridge of the respondent and the models of the various brands were shown to me for inspection.

18. Q: What did you do with the documents and materials shown to you?

A: I read the petition and found some erroneous matters, such as, utility model application do not require publication. According to regulations governing utility model applications, before the applications are issued their certificates of registrations, they have to be published in IPO gazette (e-gazette). With the models shown to me, I observed that the Respondent's model is relatively denser stainless steel while the other models are made of lighter tin can. Furthermore, the respondent's model appears to have a monolithic body made from steel tube cut to shorter units, while the other models appear to be made from a rolled thin sheet with joined abutting longitudinal ends. Moreover, the steel base cover and the steel top cover of the steel tube body appears to be heat-welded; while the other models are the types wherein their base cover and top cover are machine-pressed with sealing rings, thereby making the material integrity of the former xxx better than those of the latter especially when subjected to repeated gas pressures in repeated refillings and atmospheric pressures in repeated emptying of the contents when used with burners.

Specifically referring to the actual samples or models presented to me, in terms of construction or means to produce the disposable or non-refillable cartridges having a stern warning to be "NEVER REFILLED" in their bodies namely: MYERS, BLUEFLAME, BOUNCE, KENJITSU, IWATANI, KO-NICE, AND MEGA 1, their bodies are made from rolled tin sheets having joined longitudinal abutting ends. Furthermore, their base portions are sealed with sealing rings or annular strips by machine pressing.

Whereas, the JEAM refillable gas cylinder is made of a monolithic tubular body or cylinder made of denser and stronger steel material and its base portion being sealed by a steel base plug which is heat-welded thereat. The top seal housing the nozzle is likewise made of steel being heat-welded thereat.

A scrutiny of the gas cartridges available in the market vis-a-vis the claim as stated in Utility Model Registration No. 2--2011-000370 for "Refillable Gas Cartridge" of Respondent would readily show that they are not the same. Photograph of the existing cartridges are shown below:



Though the gas cartridges appear similar, however, the use of these gas cartridges are different. The ones available in the market which was submitted by Petitioner to destroy the novelty of Respondent's utility model, are non-refillable cartridges compared to the refillable gas cartridge of Respondent. The gas cartridges presented by Petitioner contains the warning/precaution: "Do not refill"; "never refill gas"; or "Container is non-refillable" while Respondent's gas cartridge is refillable and contains the word: "DO NOT THROW AWAY. REFILLABLE MINI CYLINDER".

Since Respondent's gas cartridge is refillable in contrast to the non-refillable gas cylinders in the market, the latter does not constitute prior art as to bar or revoke the registration of the Respondent's utility model. A prior art is one 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.

A patent shall be presumed valid.³ The issuance of such patent creates a presumption which yields only to clear and cogent evidence that the patentee was the original and first inventor. The burden of proving want of novelty is on him who avers it and the burden is a heavy one which is met only by clear and satisfactory proof which overcomes every reasonable doubt.⁴

Accordingly, since Petitioner was not able to rebut the presumption accorded to a patent, the cancellation of the utility model registration for the "refillable gas cartridge" is not warranted.

WHEREFORE, the instant Petition for Cancellation is hereby **DENIED**. Let the filewrapper of Utility Model Registration No. 2-2011-000370 be returned, together with a copy of this Decision, to the Bureau of Patents for information and appropriate action.

SO ORDERED.

Taguig City **23 SEP 2016**


MARLITA V. DAGSA
Adjudication Officer
Bureau of Legal Affairs

³ *Chiron Corp. v Genentech Inc.*, 363 F.3d 1247, 125 (Fed. Cir. 2004)

⁴ 60 AmJur 2d 573, cited in *Angelita Manzano v. Court of Appeals and Melencia Madolaria, as assignor to new United Foundry Manufacturing Corporation*, G.R. No. 113388, 05 September 1997.