



PSAU SIBUL TBI MODULE ON

INTELLECTUAL PROPERTY RIGHTS



*The Role, Importance, and Value of
Your Intangible Assets*

Philippine Copyright 2022 by Pampanga State Agricultural University

PSAU Intellectual Property & Technology Business Management Office Sibul Technology
Business Incubator

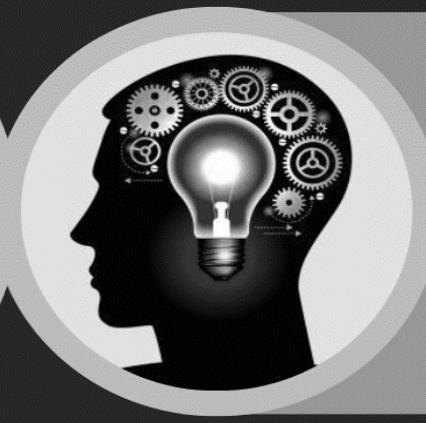
Written by Walter L. Pacunana

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Your Intangible Assets*



INCUBATION I: IDEATION AND ESTABLISHMENT PHASE

MODULE ON INTELLECTUAL PROPERTY RIGHTS

I. OBJECTIVES:

The present module on intellectual property (IP) generally seeks to:

- A. Explain what intellectual property (IP) means;
- B. Provide an overview of the Philippine IP System; and
- C. Discuss the benefits derived from different IP rights.

II. Content



What is IP?

Intellectual Property or “IP” refers to the intangible assets created by a human mind.

Intellectual Property = Creations of the Mind

IP can either be literary and artistic works, symbols, brand names, designs, or inventions.

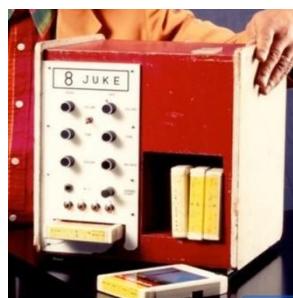
Kinds of IP Rights

Each photo below relates to at least one aspect of intellectual property; although some of these relate to two or more in one product. Generally, IP laws can protect:

- ✓ books, newspapers, paintings, photographs, sculpture, performances, broadcasts, films, recordings, computer programs, databases, etc. (through copyright and related rights)
- ✓ brands, logos, words (through trademarks)
- ✓ products which reputation derived from their places of origin (through geographical indications)
- ✓ shapes, surface decoration, and other artistic aspects of products (through industrial designs)
- ✓ inventions (through patents and utility models)



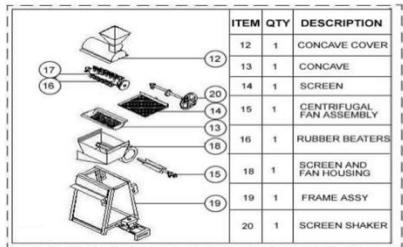
Copyright = Literary & Artistic Works



Patents = Inventions



Utility Model = Improvement/ Innovation



Industrial Design = Aesthetics

Trademark = Branding

We all know that the inventor of a machine, the author of a book, or the writer of music usually “own” their works. However, there is no enough evidence to prove such a case – this is where IP rights take place. IP rights is the legal rights over IP recognized and protected under the Republic Act No. 8293, also known as the IP Code of the Philippines. It defines metes and bound of IP ownership, and makes intangible assets into exclusive property rights, yet for a limited period of time and certain territories only. IP rights enables the rights holder to claim ownership over his/her intangible assets and use them to their maximum potential.



The Philippine Intellectual Property System

The intellectual property (IP) system of the Philippines was established way back into the Spanish and American colonial periods, earning the Philippines the reputation as one of the first Asian countries to adopt laws and policies on intellectual property.

The IP system relates to the rights and obligations, including privileges and incentives, that are all rooted from the creation and protection of IP.



Philippine Laws and Regulations covering IP (in no particular order)



Republic Act 8293

An Act prescribing the Intellectual Property Code and establishing the Intellectual Property Office, providing for its powers and functions, and for other purposes.

Republic Act 10372

An act amending certain provisions of RA 8293, otherwise known as the IP Code of the Philippines, and for other purposes.

Republic Act 165

An Act creating a patent office, prescribing its powers and duties, regulating the issuance of patents, and appropriating funds, therefore.

Republic Act 166

An Act to provide for the registration and protection of trade-marks, trade-names, and service marks, defining unfair competition and false marking and providing remedies against the same, and for other purposes.

Republic Act 9502

An Act amending RA 8293, allowing any Government agency or third person authorized by the Government to exploit an invention even without agreement of the patent owner where public interest, in particular, national security, nutrition, health or the development of other sectors, as determined by the appropriate agency of the government, so requires – and for other purposes.

Republic Act 10055

An Act providing the framework and support system for the ownership, management, use, and commercialization of intellectual property generated from research and development funded by government and for other purposes.

Presidential Decree No. 49

A Decree on the protection of Intellectual Property.



The Intellectual Property Office of the Philippines



INTELLECTUAL PROPERTY
OFFICE OF THE PHILIPPINES

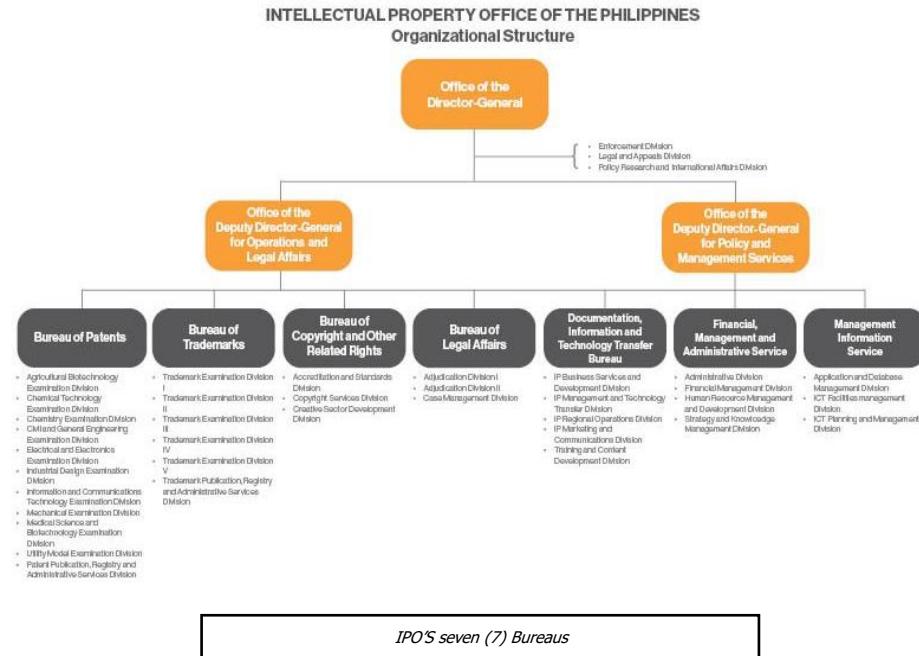
**Rising.
Shining.
Beckoning.**



www.ipophl.gov.ph

"The State shall protect and secure the exclusive rights of scientists, inventors, artists, and other gifted citizens to their intellectual property and creations, particularly when beneficial to the people, for such period as may be provided by law."

- (Article XIV, Section 13 of the 1987 Constitution)



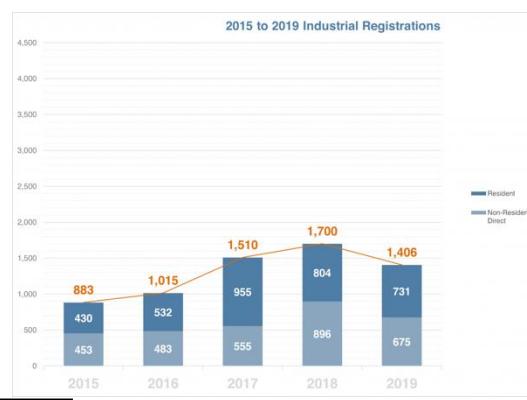
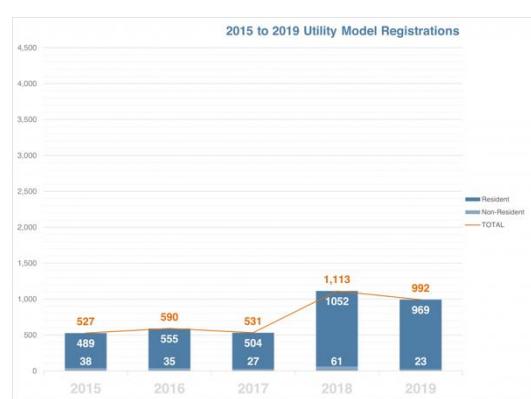
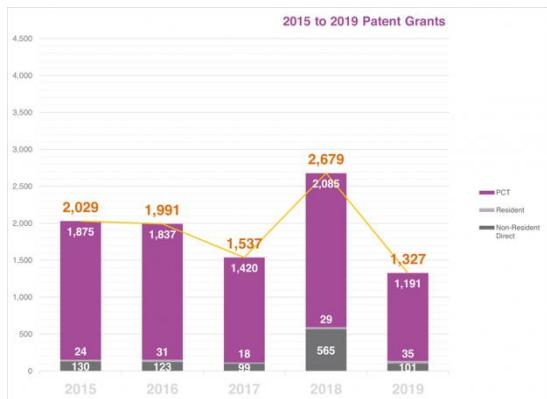
The Intellectual Property Office of the Philippines (IPOPHL)'s immediate forerunner was the Bureau of Patents, Trademarks and Technology Transfer (BPTT) that was created through an executive order of President Corazon C. Aquino to re-organize the Department of Trade and Industry (DTI). Through this EO, the Philippine Patent Office, a post-independence agency created by President Manuel A. Roxas, was turned into the BPTT while the Technology Transfer Board (an attached agency of the DTI) was abolished, with its functions adopted by the BPTT.

Presently, the IPOPHL, through RA 8293, is the official government agency attached to DTI mandated in administering and implementing State policies on intellectual property (IP) to enhance the protection of IP rights in the country. This mandate is made possible through IPOPHL's seven (7) bureaus, namely: Bureau of Patents; Bureau of Trademarks; Bureau of Copyright and Other Related Rights; Bureau of Legal Affairs; Documentation, Information and Technology Transfer

Bureau; Financial, Management and Administrative Service; and Management Information Service.



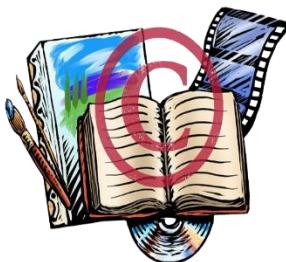
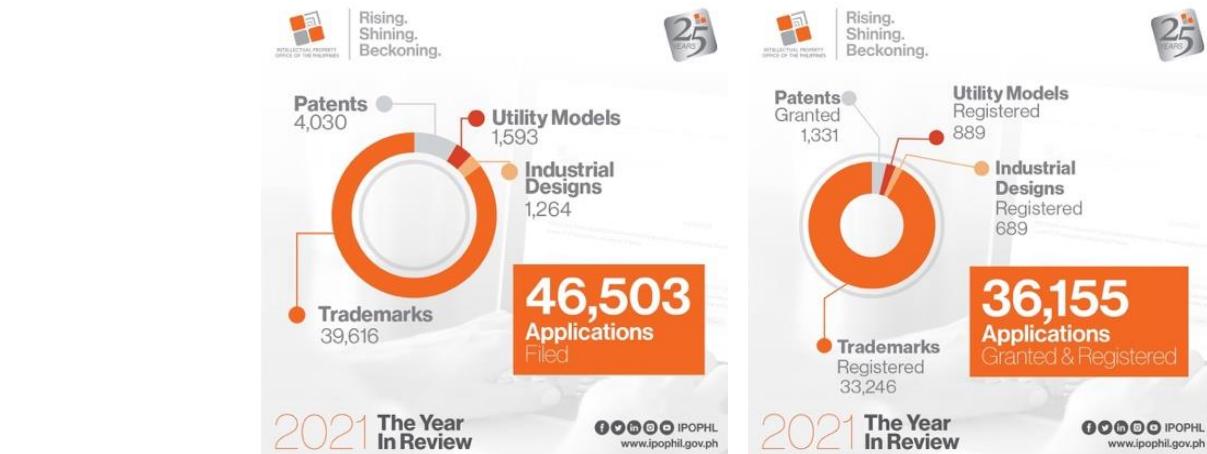
IP Applications and Registrations in the Philippines



Source: IPOPHIL

The above data shows the statistics of IP grants/ registrations from 2015-2019. As shown, IP registrations seems to be at peak in 2018 – except for trademark, and not to mention that most applicants are non-residents this year. Nonetheless, among the four classifications, trademark registration is consistently the highest for five (5) years.

Interestingly, more than or almost half of the TM registrations on the years of scope are owned by resident applicants. This data is still supported by the recent statistics released by IPOPIL in 2021, wherein TM filings and registration is still the highest among other IP types.



Copyright

According to Art. 27 of the Universal Declaration of Human Rights, IP rights as basic human rights involve "the right to benefit from the protection of moral and material interests resulting from authorship of scientific, literary, or artistic productions."

Copyright concerns the protection of works created by the human intellect. This domain is responsible for the protection of literary and artistic works which include writings, music, and works of the fine arts, such as paintings and sculptures, and technology-based works such as computer programs and electronic databases.

Although it is not required that these literary and artistic works are good or have artistic merit, these should, however, be original.



What Works Can be Copyrighted?

Generally, copyright protects *literary and artistic works* – the question is, what exactly and particularly are these works? The term literary, for instance, does not just mean just novels, poems, or short stories. This term could also cover the manual for car maintenance, or even things that are expressed in a written form but not meant to be understood by the average human being such as computer programs. The key to this expression, in fact is the word “works”.

It must be noted that copyright protects “works” that are the expression of thoughts, and not ideas. What is meant by that is that expression, “human expression”, is the determining factor. Hence, if one has the idea of painting “sunset over the sea”, anyone else can use the same idea – which is not protected. But when another person actually made a painting of “sunset over the sea”, that painting itself is the expression of that person, and that is protected.

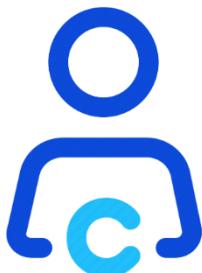
Copyright protects both original and derivative works.

- ✓ Original work relates to works which are created by one's own skill, labor, and judgment without copying or evasively imitating the work of another directly.
- ✓ Derivative work relates to works based or derived from one or more pre-existing works.

| Original Literary and Artistic Works | Derivative Works |
|---|--|
| Books & other writings; periodicals; lectures, addresses; letters | Dramatizations, translations, adaptations, & other alterations |
| Dramatico-musical compositions | Collections of literary, scholarly or artistic works; compilations of data |
| Musical compositions | |
| Drawing, painting, architecture, sculpture | |
| Ornamental designs, applied art | |
| Illustrations, maps | |
| Drawings or plastic work | |
| Photographs | |
| Audiovisual works | |
| Illustrations & ads | |
| Computer programs | |
| Other literary, scholarly, scientific, artistic works | |

The following, however, are works that cannot be copyrighted under law:

- Mere idea
- Procedure, system, method of operation, concept, principle, discovery, or mere data as such, even if they are expressed, explained, illustrated, or embodied in a work
- News of the day and other miscellaneous facts having the character of mere items of press information
- Any official text of a legislative, administrative or legal nature, as well as any official translation thereof
- Works of the government



Copyright Ownership

The first owner of the copyright and material of the literary or artistic work is generally the author, being the original creator of the work. Depending on the author's circumstances at the time the work was created (i.e. if created with a co-author or under an employment arrangement), the copyright may be shared with or may be owned by a person other than the original creator.

In accordance with the Chapter VI of RA 8293 or the IP Code of the Philippines, the following are the considered owners of each copyrighted work specified:

| Work | Owner |
|---|--------------------|
| literary & artistic works | Author |
| works of joint authorship | Co-author |
| joint works with separable parts | each part's author |
| work not part of regular duties | employee |
| work part of regular duties | employer |

| | |
|--------------------------|--------------------------|
| commissioned work | creator |
| audiovisual work | producer, director, etc. |
| letter | writer |

Nonetheless, it must be noted also that the copyright of a work can be assigned in whole or in part. Within the scope of this assignment, the assignee is entitled to all the rights and remedies which the assignor or the original author had with respect to the copyright.

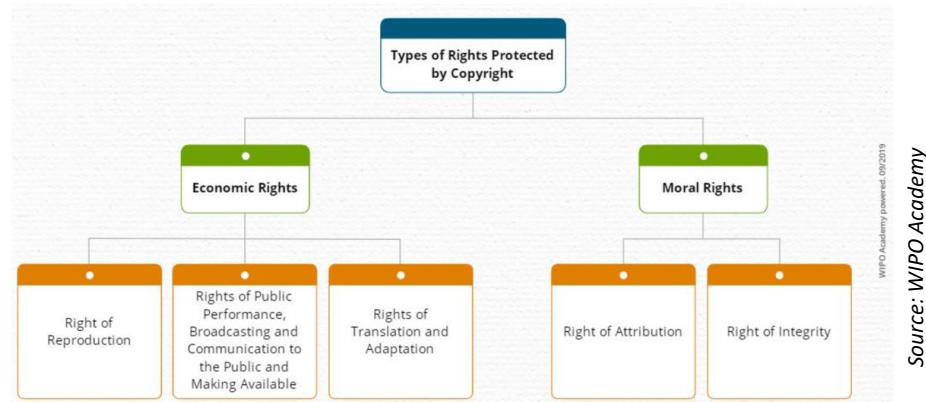


Economic and Moral Rights

There are two types of rights under copyright. First is the economic rights which allow the owner of rights to obtain financial reward from the use of his works by others. These rights can be transferred or assigned to other owners usually for a sum of money or royalties depending on the proposed terms and usage of the work.

However, in many jurisdictions, the second type of rights, moral rights, can never be transferred. This type of rights always remain with the original author of the work, even if the economic rights are transferred or assigned.

Economic rights include the 1) right of reproduction, 2) rights of public performance, broadcasting and communication to the public and making available and the 3) rights of translation and adaptation. Moral rights, on one hand, include the right of attribution and the right of integrity.





Copyright Registration and Protection

Although literary and artistic works are automatically protected from the moment they are created, as according to the Berne Convention, authors and owners of such works may still opt to deposit their works to either the Intellectual Property Office of the Philippines (IPOPHIL) or the National Library of the Philippines (NLP), mainly for a proof or certification of ownership.

Certificate of Copyright Registration - IPOPHIL

Republic of the Philippines
INTELLECTUAL PROPERTY OFFICE OF THE PHILIPPINES
Bureau of Copyright and Related Rights
Taguig City, Philippines

Certificate of Copyright Registration

Transfer Certificate No. 2023-02553-A-TCCR

Be it known that on June 16, 2023, the PAMPANGA STATE AGRICULTURAL UNIVERSITY, Magalang, Pampanga caused the registration and transfer in its name, the copyright of the work with the following specifications:

Title: PIAU SHIBU TRI-MODULE ON DESIGN THINKING FOR FUTURE AGRIENTREPRENEURS
Author(s): Walter L. Pacunana
Class: Books, pamphlets, articles, e-books, audio books, comics, novels, and other writings
Creation Date: March 14, 2023
Period of Protection: Lifetime of the author and for fifty (50) years after the author's death

By virtue of a Notarial Deed of Assignment dated May 8, 2023, signed by WALTER L. PACUNANA and duly recorded in this office last May 16, 2023. The transferor certifies that he holds the copyright term or period of protection of the copyrighted work as indicated in this Transfer Certificate of Copyright Registration.

The recordation of copyright transfer is submitted to the National Library of the Philippines (NLP) through the Intellectual Property Office of the Philippines (IPOPHIL), for the purpose of completing the records of the NLP in accordance with Section 182 of Republic Act No. 9849, otherwise known as the Intellectual Property Code of the Philippines. This is a transfer from Certificate of Copyright Registration No. 2023-02553-A (initially recorded) by virtue hereto to no less than the above-described person concerned.

Issued on June 16, 2023 in the City of Taguig, Philippines. *[Signature]*

OFFICE OF THE I.P.O. OF THE PHILIPPINES
Director IV
Bureau of Copyright and Related Rights

Certificate of Copyright Registration and Deposit – left: from IPOPHIL, right: NLP

Certificate of Copyright Registration and Deposit - right: from NLP

Republic of the Philippines
NATIONAL LIBRARY OF THE PHILIPPINES

CERTIFICATE OF COPYRIGHT REGISTRATION AND DEPOSIT

Name of Copyright Owner: PAMPANGA STATE AGRICULTURAL UNIVERSITY (PSAU)
PSAU INTELLECTUAL PROPERTY AND TECHNOLOGY BUSINESS MANAGEMENT OFFICE
Address: PAC, Magalang, Pampanga

Name of Author: MANO ALBARNAT O. COSTALES, SHIRINE RENEE A. ADORNO, SHERRY LYNN D. SUAN, MIRIAM C. CUNANAN, BABY ANNATH MANALIS, ANNE GELIEF D. CHABUTO & WALTER L. PACUNANA
Matriality:
Author: PAMPANGA STATE AGRICULTURAL UNIVERSITY

Designation: Researcher Author
Type of Work: IP – TBM BULLETIN, VOLUME 1, ISSUE 1

Date of Work: Published Unpublished
Date of First Publication: January 01, 2023
Date Registered/Deposited: January 04, 2023 Registration No. **2023-01**

Term of Protection: Lifetime of the author and for fifty (50) years after his/her death.
Issued on: 13th day of JANUARY, 2023, in the City of Manila, Philippines.

Attested: *[Signature]*
MICHAELA A. FLOR
Copyright Examiner

CESAR GILBERT S. ADORNO
Director

Application Requirements

IPOPHIL

- One accomplished BCRR Transaction/ Registration Form and Supplemental Sheet
- One Digital Copy of the Work
- Application Fee

NLP

- Two copies of the accomplished NLP Application Form
- One duly notarized affidavit
- Two copies of the work being registered as deposit – either printed or electronic, depending on the type of material being filed
- Two pieces of documentary stamps
- Application Fee

Term of Protection

Copyright protection for artistic, literary, and derivative works lasts during the lifetime of the author plus 50 years after the author's death. This term of protection also applies to posthumous works. In the case of joint authorship, the economic rights last during the lifetime of the last surviving author plus 50 years after such author's death.

In accordance with the Chapter VI of RA 8293, the following are the owners of each copyright material specified:

| Work | Term of Protection |
|-----------------------------|-------------------------------------|
| original work | life + 50 years pma |
| derivative work | life + 50 years pma |
| work of joint authorship | life + 50 years pma |
| anonymous/pseudonymous work | 50 years from publication or making |
| work of applied art | 25 years from making |
| photograph | 50 years from publication or making |
| audiovisual works | 50 years from publication or making |

*post mortem auctoris (pma) – after the death of the author

*in accordance with the Berne Convention and IP Code of the Philippines, Chapters VI and XVI - Section 213.



Copyright Infringement

Copyright infringement happens when a copyright-protected work is reproduced, distributed, performed, publicly displayed, or made into a derivative work without any proper attribution or the permission of the copyright owner.

Particularly, according to Sec. 216 of RA 10372, a person infringes a right protected under this Act when one:

- ✓ Directly commits an infringement.
- ✓ Benefits from the infringing activity of another person who commits an infringement if the person benefiting has been giving notice of the infringing activity and has the right and ability to control the activities of the other person;
- ✓ With knowledge of infringing activity, induces, cause or materially contributes to the infringing conduct of another

Infringement vs. Plagiarism

- Infringement – using a copyrighted work without permission
- Plagiarism – passing off another's work as your own by not giving proper attribution

| Infringement | Plagiarism |
|---|---|
| Using a copyrighted work without permission | Passing off another's work as your own by not giving proper attribution |
| A legal concept | An ethical concept |
| Punishable as a crime under IP Code | Not criminally punishable (yet) |

Fair Use

"The fair use of a copyrighted work for criticism, comment, news reporting, teaching including limited number of copies for classroom use, scholarship, research, and similar purposes is not an infringement of copyright" - Sec. 185, RA 10327

Fair use is a copyright principle based on the belief that the public is entitled to use portions of copyrighted materials for certain purposes freely. Generally, fair use refers to any copying of copyrighted material done for a limited and transformative purpose such as to comment upon, criticize, or parody a copyrighted work (Stim, Richard. Getting Permission, 7th Ed. 2019.)

In identifying whether the use made of a work in any particular case is fair use, the factors to be considered shall include:

- a) The purpose and character of the use, including whether such use is of a commercial nature or is for non-profit educational purposes;
- b) The nature of the copyrighted work;
- c) The amount and substantiability of the portion used in relation to the copyrighted work as a whole; and
- d) The effect of the use upon the potential market for or value of the copyrighted work.



TRADEMARK

A trademark may be a word, a logo, a number, a letter, a slogan, a sound, a color, or sometimes even a smell or texture. "Mark" means 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. (Sec. 121.1, R.A. 8293)



What are the functions of a trademark?

- It *indicates the origin or ownership* of the articles to which they are attached.
- It guarantees that those articles come up to a certain *quality*, and
- It *advertises* the articles they symbolize.

[f/PSAULPTBM](#) [e/PTBM@SAuleduph](#) [0947-348-4033](#)

(*Mirpuri v. Court of Appeals*, 318 SCRA 516.)

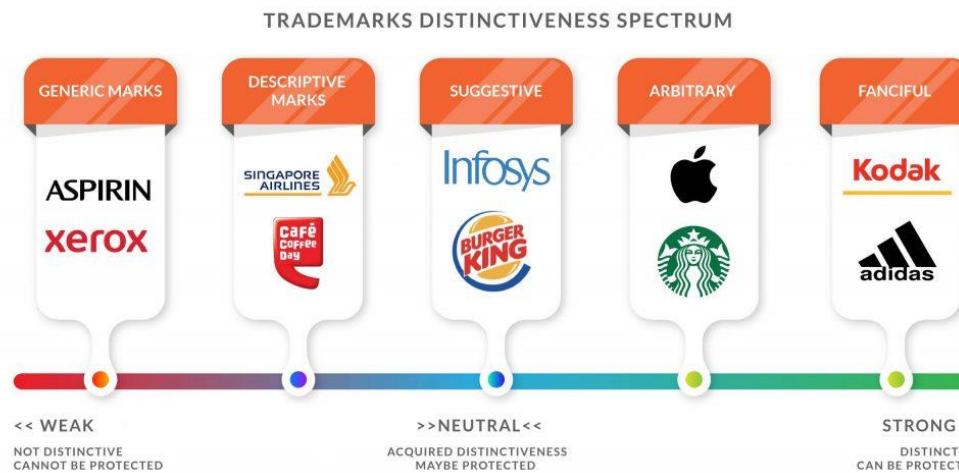


Strength of Trademarks

A device (such as a word or a logo) can only be considered a trademark or a service mark if it is distinctive, which means capable of distinguishing the goods or services upon which it is used from the goods or services of others. A non-distinctive device, on one hand, is one that merely describes or names a characteristic or quality of the goods or services.

The distinctiveness of a device can generally be categorized into one of five categories which fall along a spectrum of distinctiveness. From most distinctive to least distinctive, these categories are:

| | |
|--------------------|---|
| Fanciful | A device invented for the sole purpose of functioning as a trademark and have no other meaning than acting as a mark. These marks are considered to be the strongest type of mark. |
| Arbitrary | A device having a common meaning that has no any relation to the goods or services being sold. |
| Suggestive | A device that hints at or suggests the nature of a product or service or one of its attributes without actually describing the product or service. |
| Descriptive | A device that merely describes a product or its ingredient, quality, characteristic, function, feature, purpose or use. Note: In some jurisdictions, surnames are treated as descriptive marks. However, what is initially a descriptive word may later become protectable as a trademark if it acquires secondary meaning (i.e., SHARP, FORD) |
| Generic | A device that the public understands to be the common name of the product or service in question. Note: A term that was not generic originally can – under certain circumstances – become generic when a majority of the relevant consuming public comes to consider it the name of the product (i.e., ASPIRIN, CELLOPHANE) |



Source: Selvam & Selvam



How do I select a unique and strong trademark?

When choosing a new trademark, ideally, you will select a mark that is inherently distinctive. The strongest types of trademarks are fanciful or coined marks, like Adidas for sportswear apparel and arbitrary marks, such as Amazon for retail services.

Non-registrable Marks

A mark is considered non-registrable if it:

- A. is identical with or confusingly similar to:

- ✓ a *registered mark* belonging to another proprietor used on the same or closely related goods or services;
- ✓ a *mark well-known* internationally and/or in the Philippines, whether or not it is registered here, and used for *identical or similar goods or services*;
- ✓ *well-known mark*, registered in the Philippines, with respect to goods or services which are *not similar to those with respect to which registration is applied. (N.B. Proviso)*



- B. consists exclusively of signs or indications:

- ✓ that are *generic* for the goods or services that they seek to identify;
- ✓ that have become *customary or usual* to designate the goods or services in everyday language or in bona fide and established trade practice;
- ✓ may serve in trade to designate the kind, quality, quantity, intended purpose, value, geographical origin, time or production of the goods or rendering of the services, or other characteristics of the goods or services.



- C. consists of color alone, unless defined by a given form;

- D. consists of the flag or coat of arms or other insignia of the Philippines or any of its political subdivisions, or of any foreign nation, or any



simulation thereof.

- E. consists of a name, portrait or signature of a living individual except by his written consent, or the name, signature, or portrait of a deceased President of the Philippines, during the life of his widow, if any, except by written consent of the widow;



- F. consists of immoral, deceptive or scandalous matter, or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt or disrepute;



- G. it is contrary to public order or morality.



Trademark Distinguished from Trade Name

The terms “trade name” or “business name” and “trademark” all sound similar; yet, it is important for all business owners—especially those who are in the initial startup phase—to know their differences. Selecting and registering trade names and trademarks, indeed, is an important part of establishing a brand presence and recognition in the marketplace for a company and its products; it is a process that should be considered mindfully. The law states a precise distinction between the two; trade name is an official name under which an individual or company conducts business, while a trademark offers companies legal protection for a particular brand, which may be associated with a trade name.

Example: *Jollibee Foods Corporation doing business under the name and style of Jollibee*

| Trademark | Trade Name |
|---|---|
| registered with IPOPHL | registered with DTI |
| used as an identifier of a product or service | used in business transactions other than the true names of persons and/or judicial entities |
| registration is voluntary | registration is required for the owner to have a legal identity |
| owner gets exclusive right over the use of the mark | |

Importance and Value of Trademarks

Trademark safeguards more than your business' logo, and other branding items – preventing them from being infringed; it actually protects and secures the whole enterprise itself as it grows its value over time.

Grants Exclusivity
Gains Recognition and Reputation
Generates Goodwill



DID YOU KNOW?

Like other assets, trademarks can also be tradable □– which means they can also be sold, licensed, or purchased. In fact, it is even possible for a registered trademark to be worth more than the entire business itself once sold – this is because trademarks can appreciate value with time. The more the reputation of a business grows, the more valuable your brand will be – increasing your trademark's worth. Take the case of how Jollibee Food Corporation bought Mang Inasal for example, with its IP assets costing the biggest.

Success Story in the Philippines

- Jollibee Foods Corporation & Mang Inasal
- Jollibee acquired **Mang Inasal, Philippines Inc.** for P3 Billion from **Injap Investments Inc.**
 - P300 Million initial payment
 - P700 Million for tangible assets
 - P2 Billion** for IP related assets

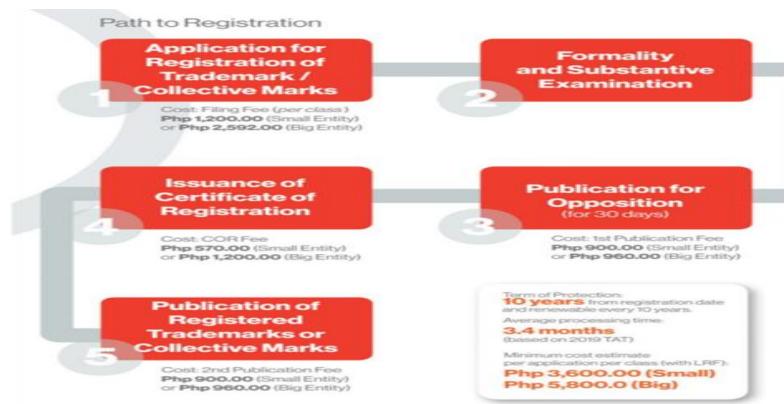
 

 Source: abs-cbnNEWS.com Posted at 10/18/2010 5:43 PM | Updated as of 11/17/2010 9:40 PM

| Mang Inasal | |
|--|----------------|
| Cash and cash equivalents | ₱132,213,023 |
| Receivables | 113,733,554 |
| Inventories | 126,423,715 |
| Other current assets | 557,888 |
| Property, plant and equipment* | 263,083,640 |
| Trademark | 2,004,255,942 |
| Leasehold rights | - |
| Other noncurrent assets | 26,086,618 |
| Total identifiable assets acquired | 2,666,354,380 |
| Less: | |
| Trade payables and other current liabilities | 271,381,354 |
| Income tax payable | 59,145,715 |
| Deferred tax liabilities | 628,717,866 |
| Total identifiable liabilities assumed | 959,244,935 |
| Net identifiable assets acquired | ₱1,707,109,445 |

 Source: 2011 SEC Form 17-A 4th Qtr.

Trademark Application and Protection



A trademark can be protected in perpetuity if monitored regularly and maintained properly. The term of protection is ten (10) years from the date of registration and is renewable for a period of ten (10) years at a time.

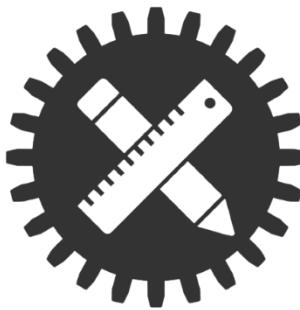
Nice Classification (NCL)

NCL is an international classification of goods and services applied for the registration of marks. A new edition is published every five years and, since 2013, a new version of each edition is published annually.

EN

| | | |
|-------------------------|----|---|
| (511) Nice class number | 29 | MEAT, FISH POULTRY AND GAME, MEAT EXTRACTS, PRESERVED, DRIED AND COOKED FRUITS AND VEGETABLES, JELIES, JAMS, FRUIT SAUCES; EGGS, MILK AND MILK PRODUCTS; EDIBLE OILS AND FATS |
| (511) Nice class number | 30 | COFFEE, TEA, SUGAR, COCOA, RICE, TAPIOCA, SAGO, ARTIFICIAL COFFEE; FLOUR AND PREPARATIONS MADE FROM CEREALS, BREAD, PASTRY & CONFECTIONERY, ICES, HONEY, TREACLE; YEAST, BAKING-POWDER, SALT, MUSTARD, VINEGAR, SAUCES (CONDIMENTIS), SPICES; ICE |
| (511) Nice class number | 31 | AGRICULTURAL, HORTICULTURAL AND FORESTRY PRODUCTS AND GRAINS NOT INCLUDED IN OTHER CLASSES; LIVESTOCK; FRESH FRUITS AND VEGETABLES; SEEDS, NATURAL PLANTS AND FLOWERS; FOODSTUFFS FOR ANIMALS; MALT |

Nice Classification of PAC-ALIAS logo



Industrial Design

Any composition of lines or colors or any three-dimensional form, whether associated with shape, lines, or colors, that produce an aesthetic or ornamental effect when taken as a whole – provided that such composition or form gives a special appearance to and can serve as pattern for an industrial product.

Industrial design – also referred to as ID or design patents – registration protects the aesthetic or ornamental features of products, useful articles, or devices such as handicraft, jewelry, mobile phones, packaging materials, furniture, appliances, etc.



When is a design registrable?

Any design can be registered if it is a *new* – meaning it does not form part of the prior art – or *original*/creation.

Non-registrable designs, however, are the following:

- dictated essentially by technical or functional considerations
- a mere scheme or surface ornamentation existing separately from the industrial product or handicraft; and/or
- contrary to public order or morality.

Term of Protection

Industrial design protection is for *five (5) years* from filing date and can be renewed twice consecutively for a total of 15 years.

It must be noted however that other jurisdictions may consider a different duration period depending on their existing laws.



Industrial Design, Trademark, and Patents

Given below are some key differences among industrial designs, trademarks, and patents:

| Industrial Design | Trademark | Patents |
|---|--|--|
| <ul style="list-style-type: none">• focuses on the appearance of an article - which is not required to distinguish one's goods or services from others• must be new and original | <ul style="list-style-type: none">• a sign or a combination of these that is/are able to distinguishing the goods and services of one enterprise to others• must be distinctive | <ul style="list-style-type: none">• a new technical solution to an existing problem; are considered inventions and improvements• must be new, includes an inventive step, and industrially applicable |



KNOWLEDGE CHECK

What would be the most likely form of IP protection for the examples listed below?

Match the examples to its correct form of IP Protection?

| Examples | Form of IP Protection |
|---|-----------------------|
|  A teapot | <input type="text"/> |
|  A new form of electric motor | <input type="text"/> |
|  The logo of the Open University | <input type="text"/> |

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Patent And Utility Model

Patent Vs. Utility Model

Patent

- This is a grant issued by the Government through the Intellectual Property Office of the Philippines.
- It is an exclusive right granted for a product or process which is *new, involves an inventive step, and is considered industrially applicable*.

Utility Model

- This is an innovation or improvement that is almost similar to patent.
- Utility model can be any technical solution of an existing problem in any field of human activity which is *new and is industrially applicable*.

| Patent | Utility Model |
|--|--|
| <ul style="list-style-type: none">• Must be new, includes an inventive step, and is industrially applicable• Substantive Examination required• 20 years from filing date | <ul style="list-style-type: none">• Must be new and industrially applicable• No substantive examination• 7 years from filing without renewal |

New/ Novel

Novelty means "new compared to prior art"; it specifies the requirement that, in order to be patentable, an invention must somehow be different from all published articles, known techniques, and marketed technologies. Upon filing of the application for a patent, thus, the invention must not already have been made available to the public. (HK Archarya & Co, 2014).

Inventive

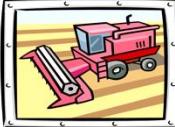
An invention involves an inventive step if, having regard to prior art, it is NOT OBVIOUS to a person skilled in the art at the time of the filing date or priority date of the application claiming the invention. (*Sec. 26, IP Code*).

Industrially Applicable

An invention is considered industrially applicable if it can be produced and used in any industry.

What Can and Cannot be Patented

Examples of patentable inventions are the following:

| <u>Product</u> | <u>A process or method</u> |
|---|---|
| <ul style="list-style-type: none">• <u>A useful machine</u> e.g. biogas digester threshing machine  | <ul style="list-style-type: none">• <u>Non-biological process</u> e.g. A method of treating a plant characterized by the application of growth-stimulating substance or radiation |
| <ul style="list-style-type: none">• <u>A composition</u> e.g. pharmaceutical product (vaccine for bovine coronavirus; chemical substance/composition)  | <ul style="list-style-type: none">• <u>Microbiological process</u> e.g. A process of isolating the bacteria from the soil |

Non-Patentable Subject Matters

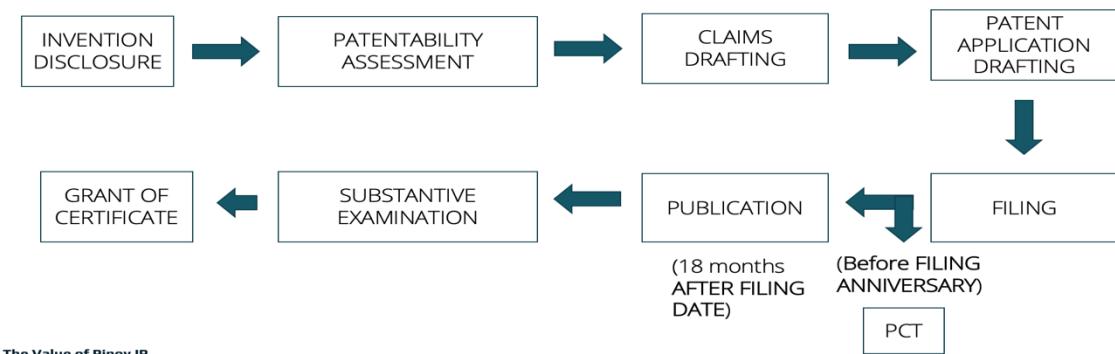
As according to the IP Code of the Philippines, the ones listed below shall be excluded from patent protection:

- Discoveries, scientific theories and mathematical methods;
- Schemes, rules and methods of performing mental acts, playing games or doing business;
- Programs for computers;
- Method for treatment of the human or animal body by surgery or therapy and
- diagnostic methods practiced on the human or animal body. (This provision shall not apply to products and composition for use in any of these methods);
- Plant varieties or animal breeds or essential biological process for the production of plants and animals. (Shall not apply to microorganisms and non-biological and microbial processes);
- Aesthetic creations
- Anything which is contrary to public order or morality

Rights Conferred to Patent Owners

- ✓ Right to exclude others from making, using, selling, or importing infringing product, machine in the country where the patent was granted
- ✓ Right to assign, sell, or license these rights
- ✓ Presumption that the applicant is first and original inventor

Patent Prosecution and Application Process



A. Invention disclosure

Before proceeding to the actual prosecution, the maker of an invention needs to disclose the information of his creation with a patent agent that would facilitate and advise him of the IP strategy that would be adapted.

In some cases, an Invention Disclosure Form (IDF) is provided – which mostly, addresses the following questions:

- *Should we even disclose this?*
- *Has this been disclosed previously? (Period of non-prejudicial disclosure)*
- *Does this have a market locally or abroad? What countries?*
- *What is the time frame for commercialization?*
- *Does the invention work and how? (Agents acting as devil's advocate)*
- *What are the parts? Do you have technical drawings? How do the parts work in coordination to solve the problem?*
- *Do you have specific examples of the invention?*

B. Patentability assessment

After disclosure, just like what have been discussed in the previous sections, the invention or innovation must be assessed of its patentability – making sure it does not fall under any of the list of non-patentable subject matters, and that it satisfies the patentability requirements: novel, inventive (if patent), and industrially applicable.

In order to address the following questions in regards to patentability, a prior art or patent search is usually done by an IP agent:

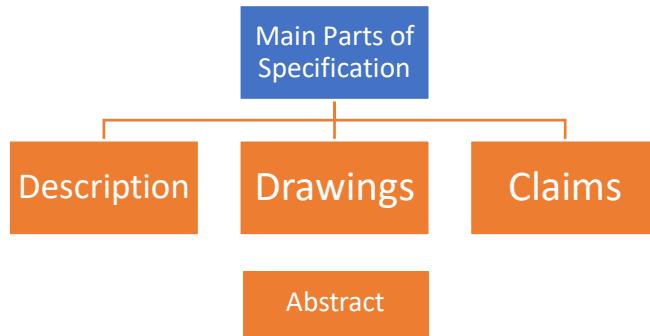
- ✓ *Is the technology directed to patentable subject matter (i. e. product, process, or any improvement of a product or process?)*
- ✓ *Is it new? (Is it not disclosed in any prior art?)*
- ✓ *Is it inventive?*
- ✓ *Is it applicable in any industry?*

Prior art - any public document – whether patent or non-patent – that is available (practically, to the examiner) before the filing date.

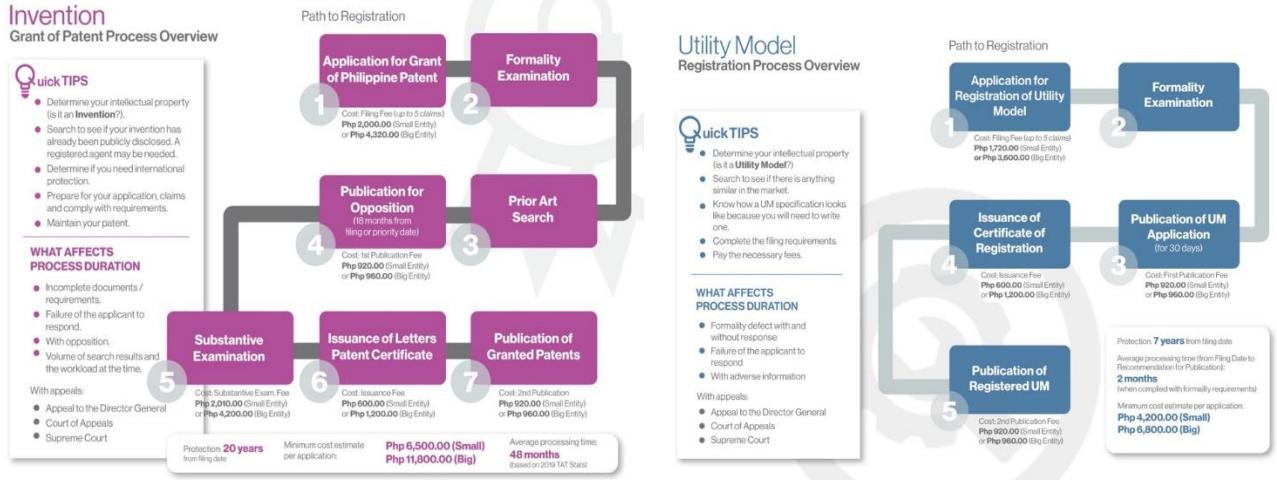
Prior art search report - a report containing all the technologies found relevant to the subject of focus. Aside from the IPC, databases, keywords, and search strings used, this report also contains the final verdict of the patent agent of the IP strategy that shall be adapted – if patent or utility model, for example. It discusses the difference among all the technologies found in contrast to the invention for filing, and how the latter is found new, inventive, and industrially applicable.

C. Patent application (and claims) drafting

- ✓ Drawing(s) must show every feature(s) of the invention claimed. (Depicting what is essential in the specification and claims.)
- ✓ Description must fully, clearly, and concisely described the invention .
- ✓ Claim(s) must particularly point out and distinctly claim what the applicant regards as his invention.
- ✓ Abstract must show the gist of the invention.



D. Filing up to the Grant of Certificate



IP Filing Strategy

REMEMBER: IP laws are jurisdictional

Each application must be filed in separate countries

Requires a law firm in each country with filed application

No such thing as a world-wide enforceable patent



III. Activity



SUMMATIVE ASSESSMENT

Please encircle the letter of the correct answer based on the listed information in the present module.

1. Discoveries, scientific theories and mathematical methods are patentable.
 - a. The statement is false.
 - b. The statement is true.
 - c. The statement is neither true nor false.

2. A government-issued grant, bestowing an exclusive right to an inventor over a product or process that provides any technical solution to a problem in any field of human activity which is new, inventive, and industrially applicable.
 - a. Copyright
 - b. Patent
 - c. Utility Model
 - d. Industrial Design

3. Fanciful marks are comprised of made-up words and are considered as the strongest type of marks.
 - a. The statement is false.
 - b. The statement is true.
 - c. The statement is neither true nor false.

4. A protection option that protects the aesthetic aspect of an article.
 - a. Utility Model Registration
 - b. Trademark Registration
 - c. Copyright Deposit
 - d. Industrial Design Registration

5. A trademark is a word, a group of words, sign, symbol, logo or a combination thereof that identifies and differentiates the source of the goods or services of one entity from those of others.
 - a. The statement is false.
 - b. The statement is true.
 - c. The statement is neither true nor false.

6. According to RA 8293, the term of a patent...
 - a. starts from the moment of creation
 - b. is lifetime
 - c. is 20 years

b. shall be twenty (20) years from the filing date of the application d. is anywhere between three (3) to five (5) years

7. The term of protection of a utility model is seven (7) years and can be renewed.

- a. The statement is false. c. The statement is neither true nor false.
- b. The statement is true.

8. An Act prescribing the Intellectual Property Code and establishing the Intellectual Property Office of the Philippines (IPOPHL), providing for its powers and functions, and for other purposes.

- a. Republic Act 8293 c. Republic Act 10644
- b. Republic Act 6713 d. Republic Act 8392

9. One of the requirements of patentability is "industrial applicability". This means...

- a. the invention must have been created during the Industrial Revolution
- c. the invention must be new
- b. the invention can be produced and used by a certain industry
- d. none of the above

10. Rights under copyright are classified into two: economic and cultural.

- a. The statement is false. c. The statement is neither true nor false.
- b. The statement is true.

IV. Reference

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