



BUREAU OF PATENTS

INTERIM GUIDELINES FOR NOVELTY ASSESSMENT AND VISIBILITY REQUIREMENTS FOR INDUSTRIAL DESIGNS

**REPUBLIC OF THE PHILIPPINES
INTELLECTUAL PROPERTY OFFICE OF THE PHILIPPINES
BUREAU OF PATENTS**

FOREWORD

In the exigency of service and pursuant to its powers to promulgate decisions in Adverse Information, the Office of the Director of Patents (OD) released a Decision on the Verified Adverse Information for the application PH3/2021/050062 (Decision). As per directive of the OD, the Decision shall serve as a primary jurisdiction jurisprudence for succeeding Industrial Design Office Actions regarding novelty. As such, the doctrines and guideposts explained in the Decision shall serve as basis for future actions regarding novelty determination such as in Registrability Reports (both *motu proprio* issued by the OD and those requested by third parties and/or applicants for purposes of enforcement and/or invention contest), Recommendations for Registrations and Deny Orders for Traversed Applications and Decisions for Verified Adverse Information.

The Decision of the OD is in line with the recently promulgated Decision of the Court of Appeals in the case of *Happy Choice Disposable Packaging, Inc. vs. Warren Co*¹. In that case, Warren Co filed a Verified Adverse Information challenging the novelty of “Food Bucket” design application of Happy Choice, alleging that the industrial design sought to be registered was neither new nor an improvement over Co’s designs. Employing the “ordinary observer test”, the Director declared that the overall appearance of the food bucket of the compared designs are substantially similar. The decision was affirmed by the Director-General.

Happy Choice appealed the decision of the Director-General before the Court of Appeals. The Court, in affirming the findings of the Director of Patents, adopted the ordinary observer test.

Upon Our own comparison of the parties' respective industrial designs, employing the ordinary observer test, We agree with the Director General and the Director of the Bureau of Patents that Happy's industrial design is not novel and therefore, not patentable.

In addition, the Decision touched upon the subject of Registrability, particularly as regards to Designs primarily dictated by technical and/or functional reasons. On this matter, the Industrial Design members of the Technical Working Group for the Updating of Manual for Patent Examination Procedures (TWG Members)² are instructed to include guideposts for Industrial Design Examiners regarding Partial Designs, particularly concerning visibility requirements.

In the interim, for guidance of the Industrial Design Examining Division, Examiners of the Bureau of Patents, BOP-Training Team and the public, and to keep abreast with the recent pronouncements from Office of the Director, the following are the doctrines and guidelines enunciated in the said Decision, along with illustrative case examples with recommendations from the Industrial Design Collegial Body.³

¹ CA-G.R. SP No. 171108, 29 March 2023

² As per BOP Memorandum Order No. 2023-007, TWG Members for Designs are Engr. Chamlette D. Garcia and Engr. Roi Vincent C. Perez.

³ The Industrial Design Collegial Body is an *ad-hoc* body composed of Engr. Chamlette Garcia, Engr. Eldrian Ramos and Engr. Roi Vincent Perez, and is tasked to provide recommendations to Industrial Design applications with Traversals filed by Applicants as response to the issued Orders and *motu proprio* Registrability Reports by the Office of the Director of Patents.

“ORDINARY OBSERVER TEST”

.... an “ordinary observer” is defined by this Office to be a regular purchaser, consumer, user, or viewer who possesses merely ordinary skills and ordinary discernment in relation to objects he purchases, uses, or views. An “ordinary observer” is not a design expert, collector, or connoisseur.

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This Office declares that for a subject application to pass the “ordinary observer test” for novelty in comparison to prior art, it must be such that the ordinary observer when looking at both design embodiments side-by-side can easily mistake one design for the other. It is based on the overall look and features of the designs and is not focused on minor or minuscule differences. If the ordinary observer can easily discern the difference between the two designs, then the design application is novel over the prior art.

Other jurisdictions follow the same idea with regard to who an ordinary observer is. The Japanese Design Act states that “whether a registered design is identical with or similar to another design shall be determined based upon the aesthetic impression that the designs would create through the eye of their consumers.” This provision has been explained in the Japanese Examination Guidelines for Design, wherein it was stated that “traders” are included within the ambit of the term “consumers,” as they are the persons who are appropriate in determining the actual status of trade and distribution of the article.

From these doctrinal tenets followed by design regulatory offices, it is clear that a claimed design being subjected to a novelty test is viewed in its visual entirety side-by-side as compared with a similar prior design. If, employing the perspective of an ordinary observer, the compared designs are sufficiently distinct, then the claimed design should be adjudged as novel and therefore should warrant registration.

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This Office is of the view that the ordinary observer test alone is sufficient to determine novelty if the application is at the stage of prosecution with the Examiner. x x x

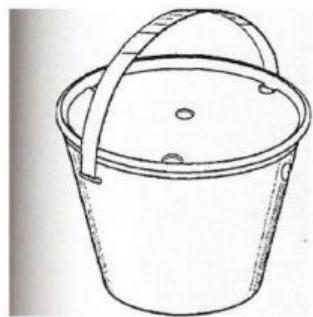
SALIENT POINTS:

- Ordinary Observer Test in PH jurisdiction
 - A test focused on overall visual impression;
 - A side-by-side visual comparison in their entirety;
 - The novelty analysis should not be focused on minor or minuscule differences; and
 - If an ordinary observer can easily discern the difference between the compared designs, then the application is deemed novel.
- Ordinary Observer
 - In novelty examination, the perspective of an ordinary observer should be employed.
 - A regular purchaser, consumer, user, or viewer who possesses merely ordinary skills and ordinary discernment in relation to objects he purchases, uses, or views.
 - They are the common consumers of such product because they are the potential purchasers.
 - Included also are the common traders of such product, because traders are the ones familiar with the basic “know-hows” of the concerned industry.
 - An “ordinary observer” is NOT a design expert, collector, or connoisseur.

- The Ordinary Observer Test alone should be employed for Novelty-Determination in:
 - *Motu Proprio* Registrability Report as requested by OD
 - Traversed applications with issued Order from OD (Recommendations for Registrations and Deny Orders).

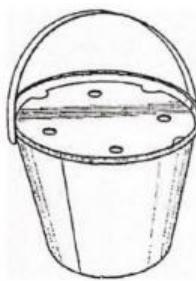
CASE EXAMPLES:

Happy Choice Packaging Inc. vs. Warren Co
CA-G.R. SP No. 171108, 29 March 2023



[Signature]
Atty. JayLynn H. Lopez
Representation

(Happy's Food Bucket)



(Co's Food Bucket)

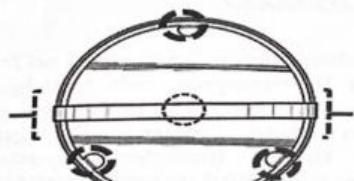


FIGURE 4

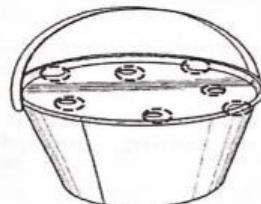


FIG. 1

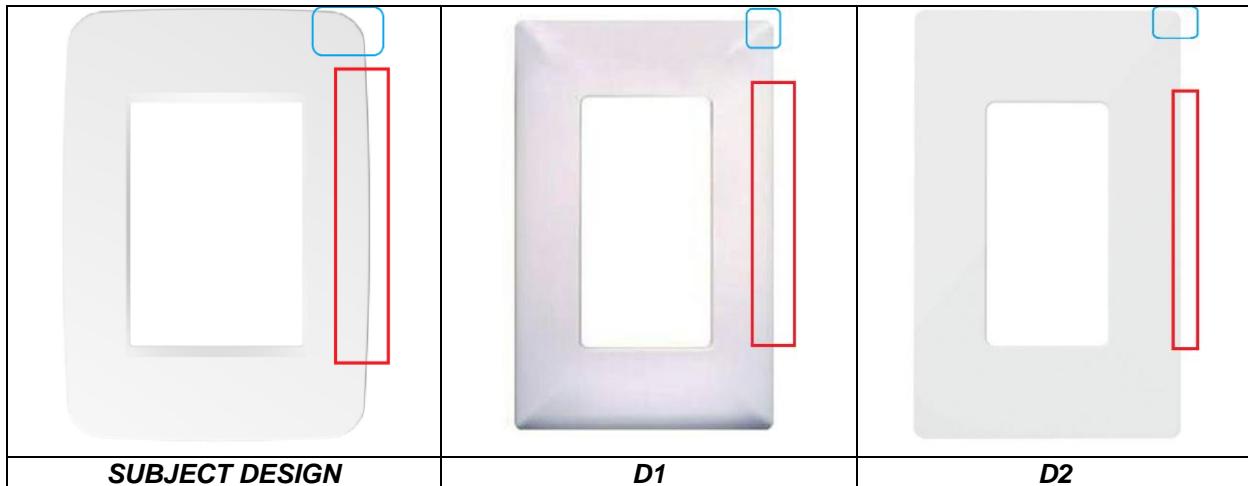
(Happy's Food Bucket)

(Co's Food Bucket)

RULING: Subject design, Happy's Food Bucket, is NOT novel over Co's Food Bucket.

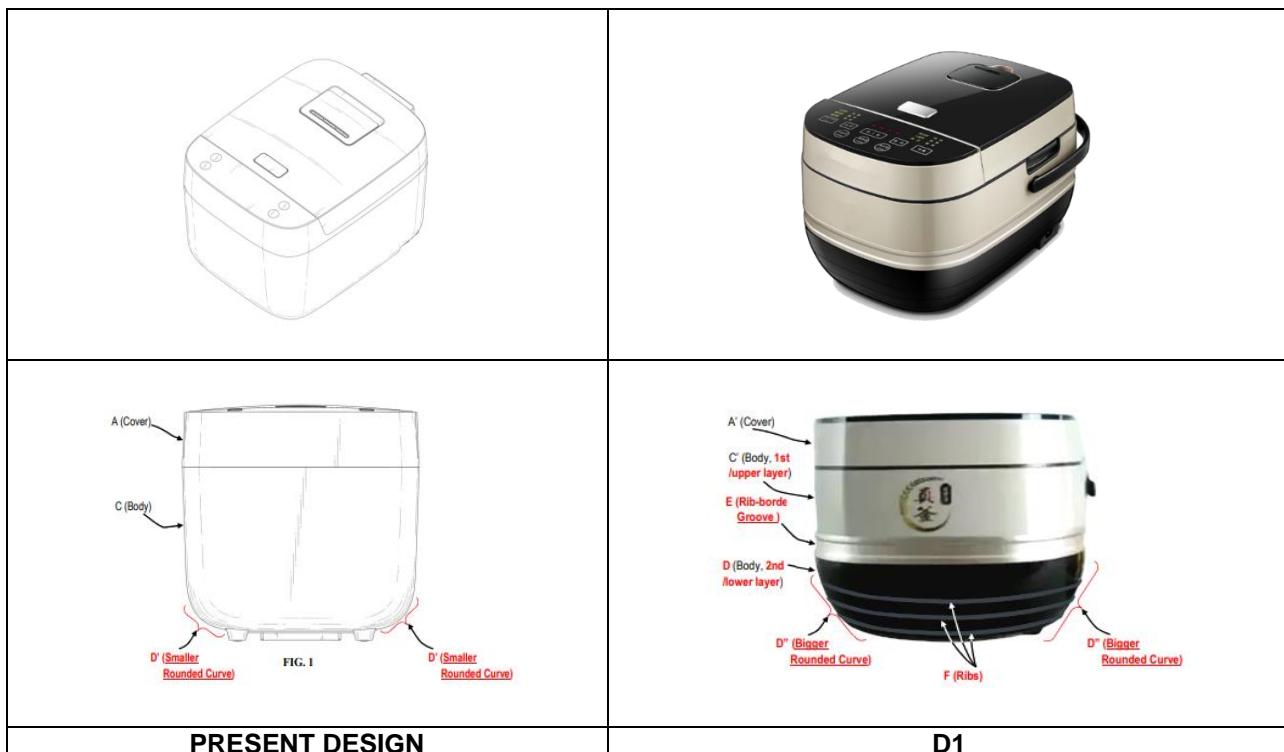
"As aptly pointed out by the Director of the Bureau of Patents and subsequently, by the Director General, and as depicted in the following drawings, the differences between the patented food bucket of Co and that of Happy's are too insignificant. The dissimilarities between the two are but minor. Co's patented art has seven (7) holes, all of which are found on the cover of the food bucket while Happy's own food bucket, the subject of its application for registration, has four (4) holes on the cover (or what it refers to as "openings"22) with one (1) hole situated at the center."

PH 3-2020-050442



ASSESSMENT OF THE INDUSTRIAL DESIGN COLLEGIAL BODY (Design is NOVEL over D1 and D2)

- At first visual instance, employing the lens of an ordinary perspective purchaser, one can easily see that the **overall shape of the compared gangs differ** in that the subject design appears to have slightly curving sides with more angular, smoother curved edges of larger radial measure as compared to D1 and D2, both of which leaning towards being boxy rectangular shape, having normal curved edges. Moreover, the projecting toward the edges of D1 are embossed lines.
- In the **inner box openings** of the compared designs, the ordinary purchaser would appreciate the **larger, wider opening box of the subject design** whereas D1 and D2 have box openings have shorter widths. This then results to a thicker upper and lower frame of the subject design whilst the prior arts' inner box openings primarily reflect the rectangular shape of the outer frame.



ASSESSMENT OF THE INDUSTRIAL DESIGN COLLEGIAL BODY (Design is NOVEL over D1.)

- Scant examination of D1's visual design would reveal the designer's preferred design language on the article, that is **a contrast of dark and light colors**.

It is evident from its black cover, ovoid bottom, and the lock mechanism and carry handle, while the side profile of its body sports a lighter golden color finish. As we are mainly concerned about the aesthetic features of a design, the choice of black color to be incorporated to the handle and lock mechanism shows, at least in part, D1's designers' intent to make the product more pleasing to the eye. Stated otherwise, ***it is the resulting visual effect of contrasting light and dark colors, when looking at D1 as a whole, that makes the handle and lock mechanism distinct visual points that may gather the attention of the ordinary observers and traders.***

- While the compared designs may share the basic design constitution of being a curved rectangular rice cooker, the specific differences are stark and visually distinct that **at first glance, traders would have the appreciation of deeming the subject design as being of a simpler design language**. Accordingly, the **same traders and consumers would not be deceived of buying one over the other.**

“CIRCUMSPECT OBSERVER TEST”

... However, if a pre-grant Opposition or Adverse Information is involved and an earlier design is being alleged as novelty-destroying then a two-step analysis may be employed.

Thus, in pre-grant opposition, the first step to be hurdled by a subject application is the ordinary observer test, as explained earlier.

However, in pre-grant opposition, if the subject application fails the ordinary observer test, an analysis based on minor differences between the subject application and the “X” design, as well as the subject application vis-à-vis the designs claimed by the oppositor to be novelty-destroying must be had.

Thus, in pre-grant opposition, the second step to be hurdled, should the subject application fail the ordinary observer test, would be a more circumspect test focusing on design differences. This is because in a real-life situation, if the ordinary observer cannot distinguish one design from the other, said observers will then turn circumspect and will turn to looking at minor differences in the designs in order to distinguish one from the other. The exact approach to how any minor differences is analyzed will change on a case-to-case basis.

It is interesting to note that a two-step analysis is employed by US courts when the issue of post-grant infringement arises but not necessarily in pre-grant opposition. The two-step process for design infringement in the US involves a first “ordinary observer test” and a second comparison of small differences. In the case of Oralabs, Inc. vs. Kind Grp., the “ordinary observer test” doctrine as applied in design infringement was discussed, thus:

“The test for design patent infringement is a two-step process.

First, the Court compares the claimed design and the accused product to determine if “the claimed design and the accused design [are] . . . sufficiently distinct that it will be clear without more that the patentee has not met its burden of proving the two designs would appear ‘substantially the same’ to the ordinary observer.”

Second, if the claimed and accused designs are not plainly dissimilar, the Court compares the claimed and accused designs with the prior art. “When the differences between the claimed and accused designs are viewed in light of the prior art, the attention of the hypothetical ordinary observer may be drawn to those aspects of the claimed design that differ from the prior art. **If the claimed design is close to the prior art designs, small differences between the accused design and the claimed design assume more importance in the eye of the hypothetical ordinary observer.**” (Emphasis ours)

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The JPO and the First Instance Intellectual Property Courts in Japan determine the common and different points in the basic constitution of the compared designs wherein the key criterion is the determination of the common as well as the different visual points in the compared designs and from there adjudge whether the overall aesthetic impression is substantially similar from the viewpoint of the ordinary observer. **The common and different visual points should be selected based upon which of the common visual points draw the observer’s attention the most.** Several matters should be taken into consideration in identifying said visual points, such as nature, purpose, use, and manner of use of the articles. If the overall

difference does not outweigh the aesthetic impression of the common points because the observable difference is deemed insignificant or negligible, the aesthetic impression of the claimed design is considered similar, if not the same, with that of the prior design in the viewpoint of the observer.

SALIENT POINTS

"CIRCUMSPECT OBSERVER TEST"

- **RATIONALE:** "*This is because in a real-life situation, if the ordinary observer cannot distinguish one design from the other, said observers will then turn circumspect and will turn to looking at minor differences in the designs in order to distinguish one from the other.*"
- This the second step in novelty analysis involving taking a closer or "circumspect" look on the various visual points of the design application which may differ from the prior art.
- The common and different visual points should be selected based upon which of the common visual points draw the observer's attention the most.
- Several matters should be taken into consideration in identifying said visual points, such as nature, purpose, use, and manner of use of the articles.
- If the overall difference does not outweigh the aesthetic impression of the common points because the observable difference is deemed insignificant or negligible, the aesthetic impression of the claimed design is considered similar, if not the same, with that of the prior design in the viewpoint of the observer.
- This test should only be utilized in cases of **Pre-grant Opposition** (Verified Adverse Information) and in **Registrability Reports requested by Third-Parties and Applicants** for Enforcement and Invention Contests purposes.
- Take note however, that the "Circumspect Observer Test" is **the second-step** in novelty-determination analysis. If the subject design is deemed novel employing the "Ordinary Observer Test" then there's no need to proceed with the second step.
 - o Employ first the "Ordinary Observer Test" meaning, visually compare the subject design with the prior art, examining their over-all visual impression, in the perspective of an ordinary consumer/trader.
 - o If the subject design passes the Ordinary Observer Test, then do not anymore proceed with the Circumspect Observer Test.

In summary, the following are the steps to be followed in determining registrability and novelty of designs:

STEP 1: IS IT NEW VS. PRIOR ART?

** If at the stage of prosecution before Examiner*

Step a: Does it pass the Ordinary Observer Test?

If yes, it is novel.

If no, it is not novel.

* If during pre-grant opposition:

Step a: Does it pass the Ordinary Observer Test?

If yes, it is novel.

If no, apply Step b.

Step b: Does it pass the Minor Differences / Circumspect Observer Test?

If yes, it is novel.

If no, it is not novel

STEP 2: IS THE NEW DESIGN DICTATED BY TECHNICAL OR FUNCTIONAL REASONS?

* If yes, reject on this particular ground of non-registrability.

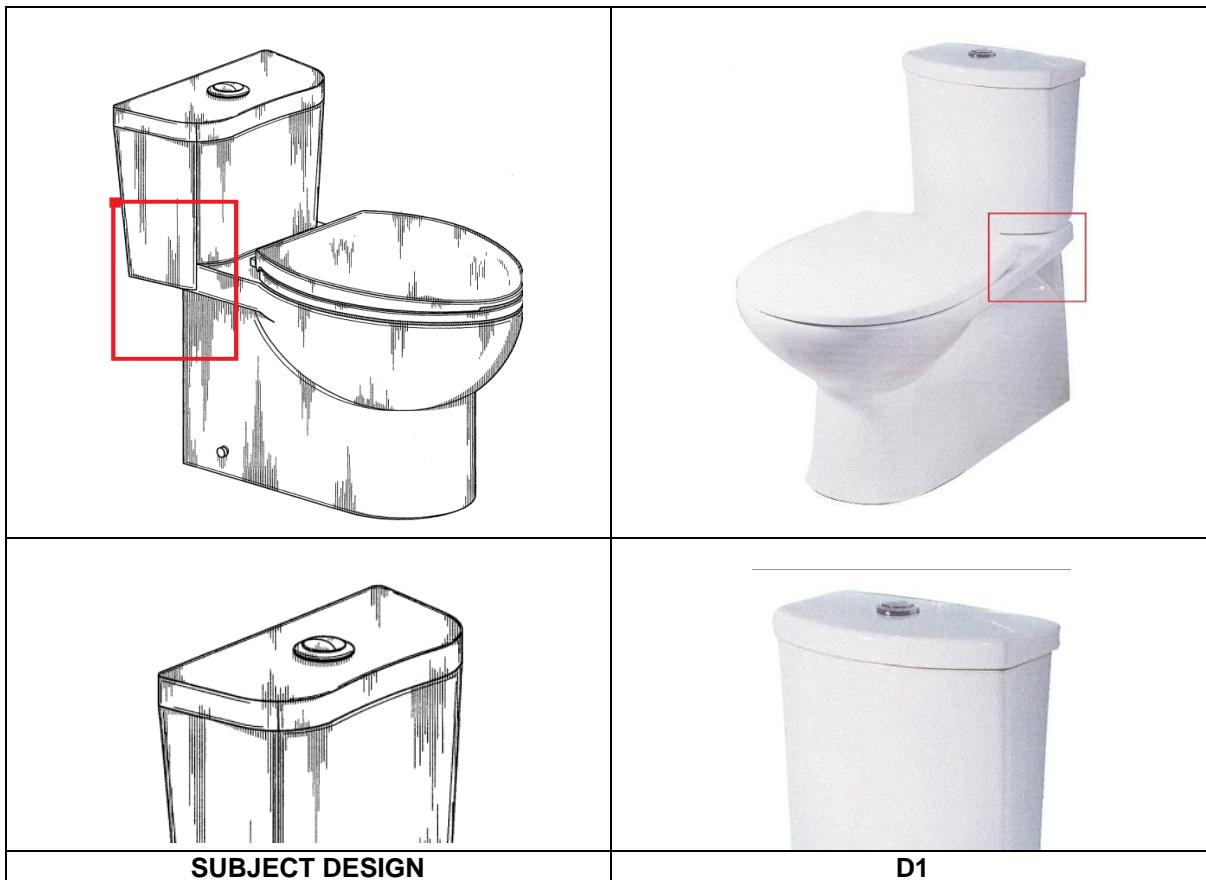
* If no, may be registered if new.

STEP 3: IS THE NEW DESIGN CONTRARY TO PUBLIC ORDER, HEALTH, OR MORALITY?

* If yes, reject on this particular ground of non-registrability.

* If no, may be registered if new.

PH3-2019-000418



ASSESSMENT OF THE INDUSTRIAL DESIGN COLLEGIAL BODY (Design is NOVEL over D1.)

- We agree with the Applicant that a “one-piece” design, wherein the water tank and toilet bowl forms part of a single integral assembly, produces an aesthetic appearance distinct from a “two-

piece" design wherein the toilet bowl and water tank are separate parts fused together adjacently to form the water closet assembly.

- As a result of the integration of the water tank and the toilet bowl in a single assembly, the **subject design does not have the line or space between the said parts**.
- Another point of distinction between the two designs is the shape of their water tanks along with their covers. The **tank and cover of D1 appears to have more of a curvature front** whereas the **tank and cover subject design posits a flat look in its front end**.
- *We are of the opinion that the said visual distinctions in the compared designs, when viewed in their respective entirety, warrants the finding of novelty for the subject design. That to the unbiased, untrained eye of a perspective ordinary purchaser, given that most water closets available in the market present a common design as one would be familiar with, the difference in the appearance resulting from a unitary tank-toilet assembly, flat side profile of toilet bowl, and curved front end of the tank makes the subject design visually distinct over the prior art; such that the ordinary purchaser will look upon those differences with importance in making purchase decision, so much so that he will not be deceived of choosing one over the other.*

VISIBILITY REQUIREMENTS FOR PARTIAL DESIGNS

The IP Code provides that “an industrial design is any composition of lines or colors or any three-dimensional form, whether or not associated with lines or colors: Provided, that such composition or form gives a special appearance to and can serve as pattern for an industrial product or handicraft.”⁴ The Revised IRR qualifies such definition, in that it must “produce an aesthetic and ornamental effect in their *tout ensemble* or when taken as a whole.”⁵ Clearly, and in accordance with established jurisprudence, “A design patent protects the non-functional aspects of an ornamental design as seen as a whole and as shown in the patent.”⁶ Hence, it is vital that designs for registration are those which are VISIBLE. This also aligns with the aforementioned two-tier novelty tests.

Nonetheless, there are attempts wherein a prospective applicant would “strip-down” an industrial article to show its internal aspects, and then file the same as an Industrial Design application, in the hopes of securing “Design Registration” for their benefit.⁷ This, in effect, constitutes an act to circumvent the mandates of the law; and it has been well established that what cannot be legally done directly cannot be done indirectly.⁸



In the foregoing cases, the Applicant-Filer presumably banks on the notion that the Office only conducts Formality Examination for Design applications; and that the said applications would fall under the so-called “Partial Designs”.

Philippine law allows for Partial Designs, as explained in Rule 1507.2 of the 2022 Revised IRR for Patents, Utility Models and Industrial Designs which allows the use of broken lines for parts of the design which are not claimed. ID5, a forum that studies and develops industrial design systems and office practices of the several Offices⁹, broadly define Partial Designs as “**any design that forms less than the entirety of the entire article**. This could include designs protecting portions or parts of products.” In its published study called, “Catalogue of Partial Design Protection,” among the principles behind introduction of partial designs was “*to protect designers from the increasing number of imitations that appropriated part of the original and creative characteristics of the design but were able to avoid infringement of the product design as a whole.*”¹⁰

⁴ Section 112, R.A. 8293

⁵ Rule 1500, 2022 Revised IRR for Industrial Designs

⁶ *Amini Innovation Corp. v. Anthony Cal., Inc.*, 439 F.3d 1365, 1370- 71 (Fed. Cir. 2006))

⁷ see applications PH3-2021-051225 to PH3-2021-051229 filed by Mr. Alvin Tan

⁸ *Tawang Multi-Purpose Cooperative vs La Trinidad Water District*, G.R. No. 166471, March 22, 2011 (*En Banc*, J. Carpio)

⁹ The ID5 is an Industrial Design framework comprised of China National Intellectual Property Administration (CNIPA), the European Union Intellectual Property Office (EUIPO), the Japan Patent Office (JPO), the Korean Intellectual property office (KIPO) and the United States Patent and Trademark Office (USPTO).

¹⁰ “History of Partial Design Protection”, p.7, *Catalogue of Partial Design Protection*, a study published by ID5 comparing the Partial Design practices of its Partner Offices.

ELEMENTS OF A PARTIAL DESIGN

- (1) Partial Design is found to be a part or forms part of an article;
- (2) Partial Design is overtly or explicitly visible without need for manipulation by the observer;
- (3) Partial Design must not serve a technical function;
- (4) Partial Design constitutes a part that is “included in the appearance of a full design”; and
- (5) Partial Design constitutes a part that may be subjected to a visual comparison with another design.

In other words, in order for “Partial Designs” to be recommended for registration, said design sought to be registered must be visible to the eye of the ordinary observer. Visibility is a primary requirement for a claimed design.

Features of a design that are not visible or perceptible during the normal, intended use of the product that embodies the design cannot be claimed for registration. “Normal use” is said to be the use by the intended end user of the product or article, and does NOT include intervention to overhaul or provide maintenance to machines or devices that contain internal components. In practical common usage, *the end users of such articles do NOT normally open or disassemble them during ordinary use in accordance with the product’s intended function.*¹¹

Internal parts that necessitate removal of a case or cover before these can be perceived by the ordinary observer are not partial designs and do not warrant protection, even if these are ornamental and novel. Internal parts of the product cannot operate to create an overall aesthetic visual impression or give a special appearance to a product as prescribed in Sec. 112 of the IP Code, as amended, since the same, in practice, would still be covered or hidden.

In handling cases like the foregoing, the Examiner may raise an objection citing Secs. 112 in relation to Sec. 113.2 of the IP Code and Rule 1500 of the 2022 Revised IRR, for the lack of special appearance constituting an aesthetic or ornamental effect and being dictated essentially by technical or functional considerations.

¹¹ VISIBILITY”, p.66, ARISE-ASEAN Common Guidelines for the Examination of Industrial Designs (Second Edition).