

[IPO, March 28, 2001]

**RULES AND REGULATIONS ON ADMINISTRATIVE COMPLAINTS
FOR VIOLATION OF LAWS INVOLVING INTELLECTUAL PROPERTY
RIGHTS**

Rules and Regulations on Administrative Complaints for Violation of Laws Involving Intellectual Property Rights

NOTICE

Pursuant to Section 1 of the Final Provisions of the Rules and Regulations on Administrative Complaints for Violation of Laws Involving Intellectual Property Rights which took effect on 16 December 1998, NOTICE IS HEREBY GIVEN that the Intellectual Property Office will begin to accept and adjudicate complaints for violations of laws involving intellectual property rights on 26 April 2001 to commemorate the FIRST WORLD INTELLECTUAL PROPERTY DAY.

For the information and guidance of all concerned, the Rules and Regulations have been modified and are hereby published in full, as modified:

*Rules and Regulations on Administrative Complaints for
Violation of Laws Involving Intellectual Property Rights*

Whereas, the State recognizes that an effective intellectual and industrial property system is vital to the development of domestic creativity, facilitates transfer of technology, attracts foreign investments and ensures market access for our products;

Whereas, the State recognizes that the use of intellectual property bears a social function and to this end, the State shall promote the diffusion of knowledge and information for the promotion of national development and progress and the common good;

Whereas, it is the policy of the State to enhance the enforcement of intellectual property rights in the country; and, to 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;

Whereas, it is the policy of the State to enhance the enforcement of intellectual property rights in the Philippines;

Now, therefore, pursuant to the provisions of Republic Act No. 8293, otherwise known as the Intellectual Property Code of the Philippines, the following rules and regulations on administrative complaints for violation of laws involving intellectual property rights are hereby promulgated:

RULE1
DEFINITIONS, INTERPRETATION; RULES OF COURT

Section 1. Definition of Terms- Unless otherwise indicated, the following terms shall be understood as follows:

- a) "Answer" means a pleading in which the adverse party sets forth the negative and affirmative defenses upon which he relies;
- b) "Bonds" and "Counterbonds" shall refer to cash bonds and cash counterbonds in the form of cash, cashier's check or manager's check, excluding surety bonds and surety counterbonds.
- c) "Bureau" means the Bureau of Legal Affairs of the Intellectual Property Office;
- d) "Chief Hearing Officer" means the officer within the Bureau who exercises immediate supervision over any Hearing Officer. His title or official designation may differ from the words "Chief Hearing Officer" depending on the structure of the Office;
- e) "Complaint" means a concise statement of the ultimate facts constituting the complainant's cause or causes of action, it shall specify the relief sought, but it may add a general prayer for such further or other relief as may be just and equitable;
- f) "Court" means a court of general jurisdiction such as Regional Trial Court;
- g) "Director General" means the head of the Intellectual Property Office;
- h) "Director" means the Director of the Bureau of Legal Affairs;
- i) "False Designation of Origin" means the act of any person who, on or in connection with any goods or services, or any container for goods, uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, or false or misleading representation of fact, which: (i) is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person: or (ii) in commercial advertising or promotion, misrepresents the nature, characteristics, qualities, or geographic origin of his or her or another person's goods, services or commercial activities, shall be liable to a civil action for damages and injunction provided in Sections 156 and 157 of the IP Code by any person who believes that he or she is likely to be damaged by such act. (Sec, 169, RA 8293)
- j) "False or Fraudulent Declaration" means the act of any person .who shall procure registration in the Office of a mark by a false or fraudulent declaration or representation, whether oral or writing, or by any false

means.

- k) "Hearing Officer" means the officer within the Bureau authorized to exercise the functions of "Hearing Officer" in these Regulations. The title or official designation of such officers may differ from the words "Hearing Officer" depending on the structure of the Office;
- l) "Infringement of Copyright and Related Rights" means any violation of the rights provided under Part IV of the IP Code and/or the applicable IP Law, including the act of any person who at the time when copyright subsists in a work has in his possession an article which he knows, or ought to know, to be an infringing copy of the work for the purpose of:
 - (i) selling, letting for hire, or by way of trade offering or exposing for sale, or hire, the article;
 - (ii) distributing the article for purpose of trade, or for any other purpose to an extent that will prejudice the rights of the copyright owner in the work: or
 - (iii) trade exhibit of the article in public.
- m) "Infringement of Patent" means any violation of any of the rights of patentees and holders of utility model patents and industrial design registrations under Part II of the IP Code and/or the applicable IP Law, including the act of making, using, offering for sale, selling, or importing a patented product or a product obtained directly or indirectly from a patented process, or the use of a patented process without the authorization of the patentee.
- n) "Infringement of mark" means any violation of any of the rights of the registered owner under Part III of the IP Code and/or the applicable IP Law, including the act of any person who shall, without the consent of the owner of the registered mark and regardless of whether there is actual sale of goods or services using the infringing material,
 - (i) Use in commerce any reproduction, counterfeit, copy, or colorable imitation of a registered mark or the same container or a dominant feature thereof in connection with the sale, offering for sale, distribution, advertising of any goods or services including other preparatory steps necessary to carry out the sale of any goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive; or
 - (ii) Reproduce, counterfeit, copy or colorably imitate a registered mark or a dominant feature thereof and apply such reproduction, counterfeit, copy or colorable imitation to labels, signs, prints, packages, wrappers, receptacles or advertisements intended to be used in commerce upon or in connection with the sale, offering for sale, distribution, or advertising of goods or services on or in connection with which such use is likely to cause confusion, or to cause mistake, or to deceive;
- o) "Intellectual property rights" include:
 - i) Copyright and Related Rights;
 - ii) Trademarks and Service Marks;
 - v) Patents;
 - vi) Layout-Designs (Topographies) of Integrated

Circuits; and

- iii) Geographic Indications;
- iv) Industrial Design;
- vii) Undisclosed Information
- p) "IP Code" means Republic Act No. 8293 otherwise known as the Intellectual Property Code of the Philippines;
- q) "IP Law" means any law, in addition to the IP Code, involving intellectual property rights; r) "Office" means the Intellectual Property Office;
- s) "Regulations" means this set of rules and regulations and such Regulations as may be formulated by the Director of Bureau of Legal Affairs and approved by the Director General.
- t) "Unfair Competition" means the act of any person who shall employ deception or any other means contrary to good faith by which he shall pass off the goods manufactured by him or in which he deals, or his business, or services for those of the one having established such goodwill, or who shall commit any acts calculated to produce said result.

The following shall likewise constitute unfair competition:

- (i) The act of selling one's goods and giving them the general appearance of goods of another manufacturer or dealer, either as to the goods themselves or in the wrapping of the packages in which they are contained, or the devices or words thereon, or in any other feature of their appearance, which would be likely to influence purchasers to believe that the goods offered are those of a manufacturer or dealer, or the act of clothing the goods with such appearance as shall deceive the public and defraud another of his legitimate trade, or the act of reselling the goods by any subsequent vendor with a like purpose.
- (ii) The act of employing any other means, by artifice or device, calculated to induce the false belief that a person is offering the services of another who has identified such services in the mind of the public.
- (iii) The act of making any false statement in the course of trade or any act contrary to good faith of a nature calculated to discredit the goods, business or services of another.
- u) "Violation of laws involving intellectual property rights mentioned in Rule 2 Section 2" means violation of any law relating to the intellectual property rights enumerated under Section 4 of Republic Act No. 8293.

Section 2. Interpretation - These Regulations shall be liberally construed to carry out the objectives of the IP Code and IP Laws and to assist the parties in obtaining just and expeditious settlement or disposition of administrative cases filed before the Office.

Section 3. Suppletory Application of the Rules of Court-These Regulations shall

primarily govern in the prosecution of administrative complaints in the Bureau. The provisions of the Rules of Court, however, shall apply in a suppletory character.

RULE 2 COMMENCEMENT OF ACTION

Section 1. Complaint, When and to Whom Filed. - All administrative complaints for violation of the IP Code or IP Laws shall be commenced by filing a verified complaint with the Bureau within four (4) years from the date of commission of the violation, or if the date be unknown, from the date of discovery of the violation. A complaint is verified by an affidavit that the affiant has read the pleading and that the allegations therein are true and correct of his knowledge and belief.

A pleading required to be verified which contains a verification based on "information and belief or upon "knowledge, information, and belief or lacks proper verification, shall be treated as an unsigned pleading.

The complaint shall include a certification that the party commencing the action has not filed any other action or proceeding involving the same issue or issues before any tribunal or agency nor such action or proceeding is pending in other quasi-judicial bodies; Provided, however, that if any such action is pending, the status of the same must be stated, and should knowledge thereof be acquired after the filing of the complaint, the party concerned undertakes to notify the Bureau within five (5) days from such knowledge, Failure to comply with the foregoing requirements shall not be curable by mere amendment of the complaint or other initiatory pleading but shall be cause for dismissal of the case without prejudice. The submission of a false certification or non-compliance with any of the undertakings therein shall constitute indirect contempt, without prejudice to the corresponding administrative and criminal actions. If the acts of the party or his counsel clearly constitute willful and deliberate forum shopping, the same shall be ground for summary dismissal with prejudice and shall constitute direct contempt.

Section 2. Original Jurisdiction - (a) The Bureau shall have original jurisdiction in administrative actions for violations of laws involving intellectual property rights where the total damages claimed are not less than two hundred thousand pesos (P200,000.00); Provided however, that availment of the provisional remedies may be granted in accordance with these Regulations and the provisions of the Rules of Court; The Director shall coordinate with local enforcement agencies for the strict and effective implementation and enforcement of these Regulations.

The commencement of the action under these Rules and Regulations is independent and without prejudice to the filing of any action with the regular courts.

Section 3. Venue of Hearings. - All hearings on actions covered by these regulations shall be held within the premises of the Office.

Section 4. Formal Requirement. -The Complaint shall be typewritten and addressed to the Bureau, and shall contain the names and residences of the parties and a concise statement of the ultimate facts constituting the complainant's cause or causes of action. It shall specify the relief/s sought, but it may add a general prayer for such further or other relief/s as may be deemed just or equitable. Every pleading filed shall likewise contain a caption setting forth the name of the Office