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FAQs on Patents

1. What is a patent?

A ***patent*** is an exclusive right granted to the inventor over an invention, to sell, use and make the same whether for commerce or industry.

2. What are the types of patents?

There are three types of patents you can apply for: patentable inventions, industrial design, and utility model.

3. What is a utility model?

A ***utility model*** is any model of implements or tools or any industrial product, or of part of the same which is of practical utility by reason of its form, configuration or composition.

Under section 109.3 of RA 8293, otherwise known as the Intellectual Property Code (IP Code) of the Philippines, a utility model can no longer be renewed. It can only be registered for a period of seven (7) years after date of filing of the application, without any possibility of renewal.

4. What is an industrial design?

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.

5. What is an integrated circuit?

An **integrated circuit** means a product, in its final form, or an immediate form, in which the elements, at least one of which is an active element, and some or all of the interconnections are integrally formed in and or on a piece of material, and which is intended to perform an electronic function.

6. What is a layout-design?

A **layout-design** is synonymous with "topography" and means the three-dimensional disposition, however expressed, of the elements at least one of which is an active element, and of some or all of the interconnections of an integrated circuit, or such a three-dimensional disposition prepared for an integrated circuit intended for manufacture.

7. What is a patentable invention?

Any technical solution of a problem in any field of human activity which is new, involves an inventive step, and is industrially applicable shall be patentable. It may be, or may relate to, a product, or process, or an improvement of any of the foregoing.

8. What are non-patentable inventions?

The following 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, and programs for computers;
- Methods 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 essentially biological process for the production of plants or animals. This provision shall not apply to micro-organisms and non-biological and microbiological processes. However, Congress is not precluded to consider the enactment of a law providing sui generis protection of plant varieties and animal breeds and a system of community intellectual rights protection;
- Aesthetic creations; and
- Anything which is contrary to public order or morality.

9. What consist of prior art?

Prior art shall consist of:

- 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

- The whole contents of an application for a patent, utility model, or industrial design registration, published in accordance with the Intellectual Property Code (IP Code) of the Philippines, 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 the IP Code of the Philippines, 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.

10. When is the filing date of a patent application?

The filing date of a patent application shall be the date of receipt by the Office of at least the following elements:

(a) An express or implicit indication that a Philippine patent is sought;

(b) Information identifying the applicant; and

(c) Description of the invention and one (1) or more claims in Filipino or English.

If any of these elements is not submitted within the period set by the regulations, the application shall be considered withdrawn.

11. What is the term of a patent, a utility model, or an industrial design?

The term of a patent shall be twenty (20) years from the filing date of the application.

The term of a utility model is seven (7) years, without any possibility of renewal.

The term of an industrial design is five (5) years from the filing date of the application. It may be renewed for not more than two (2) consecutive periods of five (5) years each, by paying the renewal fee.

Please click here to download the form for **Petition for Extension of Term**.

12 Who may be appointed as agent or representative of foreign applicant?

An applicant who is not a resident of the Philippines must appoint and maintain a resident agent or representative in the Philippines upon whom notice or process for judicial or administrative procedure relating to the application for patent or the patent may be served.

Click here to download the form for the **Appointment of Attorneys and Agents in the Philippines.**

13. What are the rights conferred by a patent application after publication?

The applicant shall have all the rights of a patentee against any person who, without his authorization, exercised any of the rights conferred under Section 71 of the Intellectual Property Code of the Philippines (IP Code) in relation to the invention claimed in the published patent application, as if a patent had been granted for that invention: Provided, that the said person had:

- Actual knowledge that the invention that he was using was the subject matter of a published application; or

- Received written notice that the invention that he was using was the subject matter of a published application being identified in the said notice by its serial number: Provided, that the action may not be filed until after the grant of a patent on the published application and within four (4) years from the commission of the acts complained of.

14. What are the annual fees in order to maintain the patent application or patent?

To maintain the patent application or patent, an annual fee shall be paid upon the expiration of four (4) years from the date the application was published, and on each subsequent anniversary of such date. Payment may be made within three (3) months before the due date. The obligation to pay the annual fees shall terminate should the application be withdrawn, refused, or cancelled. Click here to download the **Annuity Form**.

If the annual fee is not paid, the patent application shall be deemed withdrawn or the patent considered as lapsed from the day following the expiration of the period within which the annual fees were due. A notice that the application is deemed withdrawn or the lapse of a patent for non-payment of any annual fee shall be published in the IPO Gazette and the lapse shall be recorded in the Register of the Office.

A grace period of six (6) months shall be granted for the payment of the annual fee, upon payment of the prescribed surcharge for delayed payment.

15. What are the rights conferred by patent?

A patent shall confer on its owner the following exclusive rights:

(a) Where the subject matter of a patent is a product, to restrain, prohibit and prevent any unauthorized person or entity from making, using, offering for sale, selling or importing

that product; and

(b) Where the subject matter of a patent is a process, to restrain, prevent or prohibit any unauthorized person or entity from using the process, and from manufacturing, dealing in, using, selling or offering for sale, or importing any product obtained directly or indirectly from such process.

Patent owners shall also have the right to assign, or transfer by succession the patent, and to conclude licensing contracts for the same.

16. What are the limitations of patent rights?

The owner of a patent has no right to prevent third parties from performing, without his authorization in the following circumstances:

- Using a patented product which has been put on the market in the Philippines by the owner of the product, or with his express consent, insofar as such use is performed after that product has been so put on the said market;

- Where the act is done privately and on a non-commercial scale or for a non-commercial purpose: Provided, that it does not significantly prejudice the economic interests of the owner of the patent;

- Where the act consists of making or using exclusively for the purpose of experiments that relate to the subject matter of the patented invention;

- Where the act consists of the preparation for individual cases, in a pharmacy or by a medical professional, of a medicine in accordance with a medical prescription or acts concerning the medicine so prepared; and

- Where the invention is used in any ship, vessel, aircraft, or land vehicle of any other country entering the territory of the Philippines temporarily or accidentally: Provided, that such invention is used exclusively for the needs of the ship, vessel, aircraft, or land vehicle and not used for the manufacturing of anything to be sold within the Philippines.

17. Does an owner of a patent have the right to request changes in patents?

Yes. The owner of a patent shall have the right to request the Bureau to make the changes in the patent in order to:

(a) Limit the extent of the protection conferred by it;

(b) Correct obvious mistakes or to correct clerical errors; and

(c) Correct mistakes or errors, other than those referred to in letter (b), made in good faith: Provided, That where the change would result in a broadening of the extent

of protection conferred by the patent, no request may be made after the expiration of two (2) years from the grant of a patent and the change shall not affect the rights of any third party which has relied on the patent, as published.

No change in the patent shall be permitted under this section, where the change would result in the disclosure contained in the patent going beyond the disclosure contained in the application filed.

If, and to the extent to which the Office changes the patent according to this section, it shall publish the same.

18. Who can file a petition to cancel patents?

Any interested person may, upon payment of the required fee, petition to cancel the patent or any claim thereof, or parts of the claim, on any of the following grounds:

(a) That what is claimed as the invention is not new or patentable;

(b) That the patent does not disclose the invention in a manner sufficiently clear and complete for it to be carried out by any person skilled in the art; or

(c) That the patent is contrary to public order or morality.

Where the grounds for cancellation relate to some of the claims or parts of the claim, cancellation may be effected to such extent only.

19. What are the requirements for cancellation?

The petition for cancellation shall be in writing, verified by the petitioner or by any person in his behalf who knows the facts, specify the grounds upon which it is based, include a statement of the facts to be relied upon, and filed with the Intellectual Property Office (IPO). Copies of printed publications or of patents of other countries, and other supporting documents mentioned in the petition shall be attached thereto, together with the translation thereof in English, if not in English language.

Upon filing of a petition for cancellation, the Director of Legal Affairs shall forthwith serve notice of the filing thereof upon the patentee and all persons having grants or licenses, or any other right, title or interest in and to the patent and the invention covered thereby, as appears of record in the IPO, and of notice of the date of hearing thereon on such persons and the petitioner. Notice of the filing of the petition shall be published in the IPO Gazette.

20. What is the effect of cancellation of patent or claim?

The rights conferred by the patent or any specified claim or claims cancelled shall terminate. Notice of the cancellation shall be published in the IPO Gazette. Unless restrained by the Director General, the decision or order to cancel by Director of Legal Affairs shall be immediately executory even pending appeal.

21. What are grounds for cancellation of a design registration?

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

(a) If the subject matter of the industrial design is not registrable;

(b) If the subject matter is not new; or

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

Where the grounds for cancellation relate to a part of the industrial design, cancellation may be effected to such extent only. The restriction may be effected in the form of an alteration of the effected features of the design.

22. What is a technology transfer arrangement?

Technology Transfer Arrangement refers to contracts or agreements, including renewals thereof, involving the transfer of systematic knowledge for the manufacture of a product, the application of a process, or rendering of a service including management contracts; and the transfer, assignment or licensing of all forms of intellectual property rights, including licensing of computer software except computer software developed for mass market.

23. What are the rights of a licensor vis-a-vis the rights of a licensee in a voluntary license contract?

The grant of a license, under the Intellectual Property Code (IP Code) of the Philippines, shall not prevent the licensor from granting further licenses to third person nor from exploiting the subject matter of the technology transfer arrangement himself, in the absence of any provision to the contrary in the technology transfer arrangement.

The licensee shall be entitled to exploit the subject matter of the technology transfer arrangement during the whole term thereof.

24. What are the grounds for compulsory licensing?

The Director of Legal Affairs of the Intellectual Property Office may grant a license to exploit a patented invention, even without the agreement of the patent owner, in favor of any person who has shown his capability to exploit the invention, under any of the following circumstances:

- National emergency or other circumstances of extreme urgency;

- Where the public interest, in particular, national security, nutrition, health or the development of other vital sectors of the national economy as determined by the appropriate agency of the Government, so requires; or

- Where a judicial or administrative body has determined that the manner of exploitation by the owner of the patent or his licensee is anti-competitive; or

- In case of public non-commercial use of the patent by the patentee, without satisfactory reason.

If the patented invention is not being worked in the Philippines on a commercial scale, although capable of being worked, without satisfactory reason: Provided, that the importation of the patented article shall constitute working or using the patent.

25. What are the grounds for cancellation of a compulsory license?

Upon the request of the patentee, the said Director of Legal Affairs may cancel the compulsory license:

(a) If the ground for the grant of the compulsory license no longer exists and is unlikely to recur;

(b) If the licensee has neither begun to supply the domestic market nor made serious preparation therefor; or

(c) If the licensee has not complied with the prescribed terms of the license.

The licensee may surrender the license by a written declaration submitted to the Intellectual Property Office (IPO) of the Philippines.

The Director of Legal Affairs shall cause the amendment, surrender, or cancellation in the Register, notify the patentee, and/or the licensee, and cause notice thereof to be published in the IPO Gazette.

26. What is patent infringement?

Patent infringement is the 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.

27. Who can be liable as contributory infringer?

Anyone who actively induces the infringement of a patent or provides the infringer with a component of a patented product or of a product produced because of a patented process knowing it to be especially adopted for infringing the patented invention and not suitable for substantial non-infringing use shall be liable as a ***contributory infringer*** and shall be jointly and severally liable with the infringer.

28. What are the civil remedies for patent infringement?

Any patentee, or anyone possessing any right, title or interest in and to the patented invention, whose rights have been infringed, may bring a civil action before a court of competent jurisdiction, to recover from the infringer such damages sustained thereby, plus attorney's fees and other expenses of litigation, and to secure an injunction for the protection of his rights.

If the damages are inadequate or cannot be readily ascertained with reasonable certainty, the court may award by way of damages a sum equivalent to reasonable royalty.

The court may, according to the circumstances of the case, award damages in a sum above the amount found as actual damages sustained: Provided, that the award does not exceed three (3) times the amount of such actual damages.

The court may, in its discretion, order that the infringing goods, materials and implements predominantly used in the infringement be disposed of outside the channels of commerce or destroyed, without compensation.

29. What is the criminal action for repetition of infringement?

If infringement is repeated by the infringer or by anyone in connivance with him after finality of the judgment of the court against the infringer, the offenders shall, without prejudice to the institution of a civil action for damages, be criminally liable therefor and, upon conviction, shall suffer imprisonment for the period of not less than six (6) months but not more than three (3) years and/or a fine of not less than One hundred thousand pesos (PhP 100,000) but not more than Three hundred thousand pesos (PhP 300,000), at the discretion of the court. The criminal action herein provided shall prescribe in three (3) years from date of the commission of the crime.

30. May a foreign national be allowed to file an infringement action?

Yes. Under the Intellectual Property Code (IP Code) of the Philippines, any foreign national or juridical entity who meets the requirements of Section 3 thereof and not engaged in business in the Philippines, to which a patent has been granted or assigned, may bring an action for infringement of patent, whether or not it is licensed to do business in the Philippines under existing law. Section 3 of the IP Code provides:

"Any person who is a national or who is domiciled or has a real and effective industrial establishment in a country which is a party to any convention, treaty or agreement relating to intellectual property rights or the repression of unfair competition, to which the Philippines is also a party, or extends reciprocal rights to nationals of the Philippines by law, shall be entitled to benefits to the extent necessary to give effect to any provision of such convention, treaty or reciprocal law, in addition to the rights to which any owner of an intellectual property right is otherwise entitled by this Act."