



PHILIPPINES

ASEAN IPR SME Helpdesk IP Country Factsheet



1. THE FACTS: Business in the Philippines for EU Companies (Source: DG Trade / EU Delegation to the Philippines)



1 THE FACTS: Business in the Philippines for EU Companies

SIZE of Market
Key INDUSTRY SECTORS

2 IPR in the Philippines for SMEs: BACKGROUND

Intellectual Property Rights for SMEs: Why is this RELEVANT to you?
How does the Philippines' IP legal framework compare to INTERNATIONAL STANDARDS

3 IP Rights in the Philippines: THE BASICS

- A. Copyrights
- B. Patents
- C. Trade Marks
- D. Trade Secrets

4 Using CUSTOMS to block counterfeits

Customs in the Philippines: What you need to know

5 ENFORCING your IP

- Administrative Actions
- Civil Enforcement
- Criminal Prosecution

6 RELATED LINKS AND ADDITIONAL INFORMATION

SIZE of Market :

- EU goods exports to the Philippines in 2011: € 4.0 billion
- EU goods imports from the Philippines in 2011: € 5.1 billion
- Total trade in goods in 2011: **€ 9.1 billion**

Philippines GDP in 2011: **€ 174 billion** (Source: [World Bank](#))

Philippines GDP growth in 2011: **3.9%** (Source: [World Bank](#))

- > The EU is the Philippines' 5th largest trading partner, accounting for 10% of total trade in goods in 2011.

Key INDUSTRY SECTORS:

- > EU exports to the Philippines are mainly for manufactured products such as metal and **automotive products and industrial equipment**.
- > The Philippines' key export items to the EU are also for manufactured products with **electrical and electronic products** comprising 58% of the total exports. Exporting of **agricultural products** such as coconut oil, fruits and fishery products are also increasing.

2. IPR in the Philippines for SMEs: BACKGROUND

Intellectual Property Rights for SMEs: Why is this RELEVANT to you?

Intellectual Property Rights (IPR), as intangible assets, are a key factor in the [competitiveness of your business](#) in the global economy. IP is a primary method for securing a return on investment in innovation, and is particularly relevant to Small and Medium-sized Enterprises (see EC definition at <http://ec.europa.eu/enterprise/>) when they internationalise their business to areas such as South-East Asia. Not only a way to help you [protect your innovations](#) from competitors, IP assets can also be an important source of cash-flow for SMEs through licensing deals or selling IP, as well as a significant pull-factor when attracting investors.

Although SMEs often have limited time and resources, it is important to be aware of [how IP can be valuable to your business](#). IPR infringement is one of the most common concerns for businesses when dealing with ASEAN countries, and could lead to loss of business, revenue, reputation and competitive advantage, both in South-East Asia and in core domestic markets, unless you take proactive steps to protect your IP and deter potential infringers.

The Philippines has exerted significant effort to strengthen its campaign against counterfeiting and piracy. This is in recognition of the fact that intellectual property rights (IPRs) constitute the key considerations of businesses to be competitive. This is also in further recognition that in this globalised era, [innovation and creativity should be encouraged and protected](#).

Nevertheless, the threat of IP violations remains. IPR infringement remains a major concern for businesses dealing with the Philippines because the damages caused by infringement can be very significant. It can lead to loss of revenue and competitive advantage and can cause damage to the reputation of businesses. To SMEs, such loss and damages can mean the end of the venture. Thus, [the Philippines continues to initiate and develop comprehensive strategies to strengthen the IP system](#) and protect rights holders. At present, the legal and policy structures in the Philippines are being strengthened through laws that are responsive to the current technological environment. The capabilities of enforcement agencies are also being enhanced for IPR enforcement. Additionally, the judicial sector is being trained to be more familiar with the technical aspects of IPR. The Philippines has also taken steps towards a more [development-oriented IP system](#). Pilot local products have been included in [a project on geographical indications](#). These steps are aimed to encourage local production, global competitiveness and a greater orientation towards exports.

How does the Philippines' IP legal framework compare to INTERNATIONAL STANDARDS?

Accession to international agreements/conventions:

- Convention Establishing the World Intellectual Property Organization, since 14 July 1980;
- Paris Convention for the Protection of Industrial Property, since 27 September 1965;
- Budapest Treaty on the International Recognition of the Deposit of Microorganisms for
- Purposes of Patent Procedure, since 21 October 1981;
- Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement),
- since 1 January 1995;
- Patent Cooperation Treaty, since 17 August 2001; and
- Madrid Protocol, since 25 July 2012.



IP TIPS and WATCH-OUTS in the Philippines

Geographical indications (GIs) are recognised and provided for in the [Philippine IP Code](#). However, there are no existing regulations that will guide the implementation for the registration of the GIs. Thus, some owners resort to registering their GIs as trademarks. Those that have not sought registration of their GIs as trademarks in the Philippines face the risk of a possible bad faith registration of their GI. Bad faith registration is a process which commonly involves a local company first registering the trade mark of a foreign company in the Philippines with the express intention of selling it back to the foreign company at an inflated price.

IPR infringement remains a major concern for businesses dealing with the Philippines because the damages caused by infringement can be very significant.

3. IP Rights in the Philippines: THE BASICS

A. Copyrights

WHAT are Copyrights?

Republic Act No. 8293, or the [IP Code of the Philippines](#), extends [legal protection in the form of copyright](#) to the owner of the rights of an original work, including the following:

- (a) Books, pamphlets, articles and other writings
- (b) Periodicals and newspapers
- (c) Lectures, sermons, addresses, dissertations prepared for oral delivery, whether or not composed in writing or other material form
- (d) Letters
- (e) Dramatic or musical compositions; choreographic works or entertainment in pantomime.
- (f) Musical compositions, with or without words
- (g) Works of drawing, painting, architecture, sculpture, engraving, lithography or other work of art; models or designs for works of art
- (h) Original ornamental designs or models for articles of manufacture, whether or not it can be registered as an industrial design, and other works of applied art
- (i) Illustrations, maps, plans, sketches, charts and three-dimensional works relative to geography, topography, architecture or science
- (j) Drawings or plastic works of a scientific or technical character
- (k) Photographic works including works produced by a process analogous to photography; lantern slides
- (l) Audiovisual works and cinematographic works and works produced by a process analogous to cinematography or any process for making audio-visual recordings
- (m) Pictorial illustrations and advertisements
- (n) Computer programs
- (o) Other literary, scholarly, scientific and artistic works.

The fair use of a copyrighted work for criticism, comment, news reporting, teaching (including a limited number of copies for classroom use), scholarship, research, and similar purposes is not an infringement of copyright.

Copyright consists of the right to carry out, authorize or prevent the following acts:

- (a) Reproduction of the work or substantial portion of the work;
- (b) Transformation of the work;
- (c) Rental of the work;
- (d) Public display of the work;
- (e) Public performance of the work; and
- (f) Other communication to the public of the work.

Copyrights in the Philippines: What you need to know

[Works are protected from the moment of their creation](#), irrespective of their mode or form of expression, content, quality and purpose.

The Intellectual Property Code of the Philippines defines “author” as the person who has created the work. Thus, in applying for copyright registrations in the Philippines, the author of the work indicated must be a natural person.

There are two types of rights under the copyright system of the Philippines: economic rights and moral rights. [Economic rights](#) consist of the [exclusive right of the creator or author of a work to carry out](#), authorize or prevent the following acts:

1. Reproduction of the work or substantial portion of the work;
2. Dramatization, translation, adaptation, abridgment or other transformation of the work;
3. First public distribution of the original and each copy of the work;
4. Rental;
5. Public display of the original or copy of the work;
6. Public performance of the work; and
7. Other communications of the work.

[Moral rights](#) are independent of economic rights. These are [not assignable and may be subject to a license](#). Moral rights entitle the author or creator to take measures to protect the connection between himself and the work, which includes the right to:

1. Require authorship of the works be attributed to him;
2. Make alterations to his work prior to, or withhold it from, publication;
3. Object to any distortion, mutilation or other modification of, or other derogatory action in relation to, his work; and
4. Restrain the use of his name with respect to any work not of his own creation or in a distorted version of his work.

The fair use of a copyrighted work for criticism, comment, news reporting, teaching (including a limited number of copies for classroom use), scholarship, research, and similar purposes is not an infringement of copyright. In determining whether the use made of a work in any particular case is fair use, the factors to be considered shall include:

1. The purpose and character of the use, including whether such use is of a commercial nature or is for non-profit educational purposes;
2. The nature of the copyrighted work;
3. The amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
4. The effect of the use upon the potential market for or value of the copyrighted work.

How LONG does legal protection last?

Generally, **legal protection lasts for 50 years** after the death of the author of the original or derivative work. For photographic and audio-visual works, the term is 50 years from the date of publication.

HOW do I register?

You may, as the owner, file an application for a certificate of registration and deposit copies of the work or works with the Copyright Division of the National Library or with the Intellectual Property Office, submitting the following documents:

1. Duly notarized copyright application form and affidavit ;
2. Two copies of the document subject of the application;
3. Certified copy of the notarized assignment document if the applicant/owner is not the author of the work;
4. Copy of the business registration certificate of the applicant;
5. Power of attorney (POA) in favour of the agent, if applicable (must be accompanied by a board resolution/secretary's certificate establishing the authority of the signatory to the POA if filing with the Intellectual Property Office of the Philippines);

In addition to the above documentary requirements, the applicant must also provide information regarding the date, place and person/entity that first completed the printing and the date, place and person/establishment where the work was first published or sold in the Philippines.

The addresses of the Copyright Division of the National Library and the Intellectual Property Office are as follows:

National Library of the Philippines:
Copyright Section
5/F East Wing, NLP Building,
T.M. Kalaw Avenue, Manila
Philippines
email: copyright@nlp.gov.ph
telephone: (632) 524-27-37

Intellectual Property Office of the Philippines
Copyright Support Services
28 Upper McKinley Road, McKinley Hill Town Center
Fort Bonifacio, Taguig City 1634, Philippines

WHO can register?

The **author or creator of the work, his heirs, or assignee** may apply in person or through a duly authorized representative. **Foreigners are permitted to apply for registration** but non-resident applicants must be represented by a duly authorized resident agent to whom notice or process for judicial or administrative procedure relating to the application or the registration may be served.

Which LANGUAGES can I use?

English or Filipino

How much does it COST?

The **typical cost** of Copyright registration in the Philippines is between **EUR 350 to EUR 380** (including official costs of about EUR 11).

**Copyrights TIPS and WATCH-OUTS in the Philippines**

- Works are protected from the moment of their creation. However, registration of copyright is still required in order to establish the right of the owner for purposes of seeking remedies against the copyright infringers.
- At present, there is only the Copyright Division of the National Library that serves as depository for registered copyrighted works. On 28 February 2013, Republic Act No. 10372 (IP Code amendment) was signed into law; the law establishes the Copyright Bureau which has policy formulation, rule making and adjudication functions to serve copyright based industries in the Philippines. The rules and regulations implementing the provisions of Republic Act No. 10372 are yet to be drafted. However, noteworthy in Republic Act No. 10372 is the introduction of the visitorial powers which allows the IPO to act on complaints or reports and visit establishments that violate IP rights. In conjunction with this, Republic Act No. 10372 introduced landlord liability, that is, owners of establishments or malls may now be held liable for copyright infringement if, after being given notice, they allow and benefit from the copyright infringing activities of stalls or shops in their establishments/ malls.

For more detailed information about the copyright protection system in the Philippines, look out for the ASEAN IPR SME Helpdesk's forthcoming Guide to Copyright Protection in the ASEAN Region, to be made available for download from [our website](#) in the coming months.

Registration of copyright is still required in order to establish the right of the owner for purposes of seeking remedies against the copyright infringers.

B. Patents

WHAT are Patents?

Patents are rights granted to an **inventor of a technical solution of a problem** in any field of human activity that is:

- NEW
- Involves an INVENTIVE STEP
- And is INDUSTRIALLY APPLICABLE.

A patent confers on its owner the exclusive right to restrain, prohibit and prevent any unauthorized person or entity from making, using, offering for sale, selling or importing the patented product.

If the subject matter of the patent is a process, then the right granted is the right to restrain, prohibit and prevent any unauthorized person or entity from using the process, and from manufacturing, dealing in, using, selling or offering for sale, or importing any products obtained directly or indirectly from such process.

Patents in the Philippines: What you need to know

The Philippines follows **the first-to-file rule**. So where two or more applications are filed for the same invention, the right to the patent shall belong to the applicant who has the earliest filing or priority date.

The following are **not patentable**:

1. Discoveries, scientific theories and mathematical methods;
2. Schemes, rules and methods of performing mental acts, playing games or doing business, and programs for computers;
3. 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;
4. Plant varieties, animal breeds, or essentially any biological process for the production of plants or animals. This provision shall not apply to micro-organisms and non-biological and microbiological processes.
5. Aesthetic creations; and
6. Anything which is contrary to public order or morality.

Chemical compositions are patentable.

Pharmaceuticals are patentable but second use of known drugs and medicines are not patentable.

Methods for treatment of the human body by surgery or therapy and diagnostic methods practiced on the human body are not patentable.

Biological materials are patentable except for plants and animals.

Plant varieties are not patentable but are protected under the Plant Variety Protection Act of 2002 [Republic Act No. 9168].

Under the amendments introduced by the Cheaper Medicines Act to the IP Code, the following are excluded from patent protection:

- A new form or new property of a known substance which does not result in the enhancement of the known efficacy of that substance
- New property or new use for a known substance, or the mere use of a known process unless such known process results in a new product that employs at least one new reactant.

Examples provided are salts, esters, ethers, polymorphs, metabolites, pure form, particle size, isomers, mixtures of isomers, complexes, combinations, and other derivatives of a known substance, unless they differ significantly in properties with regard to efficacy.

Licensing of all forms of intellectual property rights including patent, falls under the definition of 'technology transfer arrangements' (TTAs) under the IP Code. TTAs must contain certain mandatory provisions and exclude certain prohibited clauses in order to be enforceable.

Other types of patents

Utility Models

An invention that lacks inventiveness but is **new and industrially applicable** may be registered as a utility model.

Industrial designs

Industrial designs are also protected in the Philippines. An industrial design must be **any new or original creation** relating to the ornamental features of shape, configuration, form, or combination thereof, of an article of manufacture, whether or not associated with lines, patterns or colours, which impart an aesthetic and pleasing appearance to the article.

Original ornamental designs or models for articles of manufacture, whether or not they can be registered as an industrial design, are

also copyrightable. Thus, an original ornamental work may be protected both under an industrial design registration and under copyright.

Patent related international treaties

Apart from the Paris Convention and TRIPS, the Philippines is a signatory to the Patent Cooperation Treaty (PCT) and the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure. The PCT makes it easier and cheaper for foreign businesses to obtain patents in the Philippines.

How LONG does legal protection last?

Protection for patents lasts for twenty years from filing of application, subject to payment of annuities.

A utility model registration's term is seven years after the filing date of the application and is not renewable.

An industrial design registration is for a period of five years from the filing date of the application, renewable for two consecutive periods of five years each by paying the renewal fee. The maximum total duration is fifteen years.

Patent rights belong to the inventor, his heirs, or assignees. When two or more persons have jointly made an invention, the right to a patent shall belong to them jointly.

HOW do I register?

A patent application shall be accorded a filing date when the following are filed with the IPO:

1. An express or implicit indication that a Philippine patent is sought (a Request for Grant of a Philippine Patent form must be submitted);
2. Information identifying the applicant; and
3. Description of the invention and one or more claims in Filipino or English.

The request for grant of patent shall contain the following:

1. Petition for the grant of a patent.
2. Applicant's name and address.
3. Title of the invention.
4. Inventor's name.
5. If with a claim for convention priority it shall contain the file number, country of origin and the date of filing in the said country where the application was first filed.
6. Name and address of the resident agent/representative (if any).
7. Signature of the applicant or resident agent/representative.

Once all application requirements have been met, the application will be published after 18 months from filing, afterwards it undergoes substantive examination. Following the publication

of the patent application, any person may present observations in writing concerning the patentability of the invention. Such observations shall be communicated to the applicant who may comment on them. [Submission of documents to support the applicant's comments is not provided in the rules but we think it can be allowed.]

If the examiner finds that the invention subject of the patent application is new, inventive and industrially applicable, then a patent is granted for the invention.

WHO can register?

Patent rights belong to the inventor, his heirs, or assignees. When two or more persons have jointly made an invention, the right to a patent shall belong to them jointly. Foreigners or non-residents may apply but they must appoint a local agent to whom notice or process for judicial or administrative procedure relating to the application or the registration may be served.

Which LANGUAGES can I use?

English or Filipino

How much does it COST?

The basic filing fees are as follows:

Patent registration EUR 70 and upwards

Utility Models and Designs EUR 60 and upwards

Agent fees are around EUR 525.

For further details, please see <http://ipophil.gov.ph/index.php/patents/fees> and <http://ipophil.gov.ph/index.php/design/fees>



Patents TIPS and WATCH-OUTS in the Philippines

- Patent infringement is criminal only if the infringement is repeated by the infringer, or by anyone in association with him, after the judgment of the court against the infringer. Otherwise, the patent holder's cause of action is limited to a civil action for infringement. In this regard, damages cannot be recovered for acts of infringement committed before the infringer had known, or had reasonable grounds to know of the patent. It is presumed that the infringer had known of the patent if on the patented product, or on the container or package in which the article is supplied to the public, or on the advertising material relating to the patented product or process, are placed the words "Philippine Patent" with the number of the patent.
- Patent infringement cases are not yet common in the Philippines. Thus, there is a strong likelihood that in case of a patent infringement action, judges will not be familiar with patent matters and will have to rely on the opinion of appointed experts.

For more detailed information about the patent protection system in the Philippines, look out for the ASEAN IPR SME Helpdesk's forthcoming Guide to Patent Protection in the ASEAN Region, to be made available for download from [our website](#) in the coming months.

C. Trade Marks

WHAT are Trade Marks?

A trade mark is any visible sign capable of distinguishing the goods (trade mark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods.

The IP Code enumerates marks that cannot be registered, which include:

- Immoral, deceptive or scandalous matter;
- 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;
- Consists of a name, portrait or signature identifying a particular living individual except by his written consent;
- Consists of shapes that may be necessitated by technical factors or by the nature of the goods themselves or factors that affect their intrinsic value;
- Consists of colour alone, unless defined by a given form; or
- Contrary to public order or morality.

Colour, or combination of colours alone, cannot be registered, unless defined by a given form.

Three-dimensional marks and collective marks can be registered.

Certification marks, associated marks or series of marks are not applicable in the Philippines.

A trade mark is any visible sign capable of distinguishing the goods (trade mark) or services (service mark) of an enterprise and shall include a stamped or marked container of goods.

Trade Marks in the Philippines: What you need to know

Applications are subjected to formality and substantive examination.

Opposition prior to registration is possible.

The Madrid Protocol has entered into force in the Philippines on 25 July 2012. Thus, foreign entities may seek to protect their marks in the Philippines under the Madrid Protocol, subject to compliance to local requirements, particularly with the filing of the Declaration of Actual Use.

The Philippines, being a member of the Paris Convention, extends to foreign nationals the benefits of the IP Code, which includes refusal or cancellation of registration of a trademark which constitutes a reproduction, imitation or translation of well-known mark in another country member of the Convention. The first application shall have priority over subsequent applications. Subsequent identical applications may be objected to in view of the prior application/registration. However, upon publication of

the mark, oppositions may be lodged against the application for registration of a mark by a party showing superior right (through prior use or prior registration in a different jurisdiction) over the mark. Cancellation action, although costly, is also available.

Geographical indications (GIs) are recognised and provided for in the Philippine IP Code. However, there are no existing regulations that will guide the implementation for the registration of the GIs. Thus, some owners resort to registering their GIs as trademarks. Those that have not sought registration of their GIs as trademarks in the Philippines face the risk of a possible bad faith registration of their GI.

How LONG does legal protection last?

Ten years from registration date, subject to filing of Declaration of Actual Use (DAU) within three years from application filing date and within one year from the 5th anniversary of the registration date.

HOW do I register?

The application must be accompanied by a request for registration, signed by the applicant or his representative.

A filing date is assigned to an application upon receipt by the IPO of the filing fee and the following:

1. An express or implicit indication that the registration of a mark is sought;
2. The identity of the applicant;
3. Indications sufficient to contact the applicant or his representative, if any;
4. A reproduction of the mark whose registration is sought; and
5. The list of the goods or services for which the registration is sought.

The above information is indicated in a request for registration of a mark (form provided by the IPO). Among the details that are required to be included are the following: applicant's name, country of residence or incorporation and complete address, telephone; facsimile and email; and the name and address of the resident agent or authorized representative.

Applications must be filed with the IPO, addressed to the Director of the Bureau of Trademarks of the Intellectual Property Office of the Philippines.

Intellectual Property Office
World Finance Plaza Building
#28 Upper McKinley Road
McKinley Hill Town Center
For Bonifacio, Taguig City

Online filing is an option but is available only to entities that have accounts with designated local banks.

Those who believe that they would be damaged by the registration of a mark may, upon payment of the required fee and within 30

days after the publication, file with the registry an opposition to the application. If no opposition is filed within the 30-day period, then the mark is deemed registered as of the date of publication.

WHO can register?

The following may apply for registration of a trade mark:

- a. Individuals; and
- b. Corporate entities/registered organisations.

Foreigners and non-residents can apply but they must be represented by a duly authorized local agent to whom notice or process for judicial or administrative procedure relating to the application or the registration may be served.

Which LANGUAGES can I use?

English or Filipino

How much does it COST?

The basic filing fee for trade mark registration in the Philippines is EUR 34 and upwards but an Agent's fee is typically around EUR 390.

For further information, please see <http://ipophil.gov.ph/images/Trademark/TrademarkFees.pdf>.



Trade Marks TIPS and WATCH-OUTS in the Philippines

There are numerous cases of bad faith registrations. Examiners normally review new applications against prior marks but rarely do they take notice of famous marks. Thus, legitimate owners of marks have to resort to opposition or cancellation proceedings in order to protect their rights. There are also applicants that deliberately file bad faith registrations in order for them to be approached by the real owners to abandon their application for a consideration. Cancellation of a mark through non-use is possible.

For more detailed information about trade mark protection in the Philippines, look out for the ASEAN IPR SME Helpdesk's forthcoming Guide to Protecting your Trade Mark in the ASEAN Region, to be made available for download from [our website](#) in the coming months.

D. Trade Secrets

WHAT are Trade Secrets?

While the IP Code includes “protection of undisclosed information” as one of the intellectual property rights, it does not define it. Presently, there is no law that defines trade secrets in the Philippines but the Supreme Court, in the case of Air Philippines Corp. v. Pennswell Inc., G.R. 172835, 13 December 2007, adopted the definition of the term from Black's Law Dictionary:

“A trade secret is defined as a plan or process, tool, mechanism or compound known only to its owner and those of his employees to whom it is necessary to confide it.”

Trade Secrets in the Philippines: What you need to know

There are laws that prohibit and penalize revelation of trade secrets such as the Article 40(e) of RA 7394 or the Consumer Protection act and Article 292 of the Revised Penal Code. However, these are rarely resorted to for enforcement.

Given the lack of legal protection of trade secrets, SMEs should take internal steps to protect any trade secrets that they possess; this includes inserting confidentiality provisions into employee contracts, internally restricting access to sensitive information and ensuring that confidential information is revealed on a need-to-know basis only.



Trade Secrets TIPS and WATCH-OUTS in the Philippines

As stated, laws on trade secrets are rarely enforced or used by parties in the Philippines. Thus, in the event that a criminal case for violation of laws on trade secrets is filed, trial courts are not likely to be familiar with this. In practice, parties tend to stipulate contractual obligations on trade secrets and, in the case of violations, resort to civil action for breach of contract and damages.

For more detailed information about trade secrets protection in the Philippines, look out for the ASEAN IPR SME Helpdesk's forthcoming Guide to Protecting your Trade Secrets in the ASEAN Region, to be made available for download from [our website](#) in the coming months.

Given the lack of legal protection of trade secrets, SMEs should take internal steps to protect any trade secrets that they possess.

Top Secret

4. Using CUSTOMS to block counterfeits

WHAT are Customs?

The Bureau of Customs (BOC) handles applications for recordal of IPRs and products covered therein. At present, only importations are covered by customs regulations.

Customs in the Philippines: What you need to know

Upon registration of their intellectual property rights with the **Bureau of Customs** (see below for details), a trade mark holder who has valid grounds for suspecting that counterfeit trade mark or pirated copyright goods will be imported may lodge an application in writing with the Commissioner of the Bureau of Customs for the issuance of a hold order on the release of such goods.

The IP owner or agent shall request in writing the Commissioner of Customs for the issuance of a hold order on suspected counterfeit goods, providing as much detail as possible regarding the shipment, e.g., date shipment is coming in, on what ship, from what port, etc.

WHAT can be registered?

Rights holders can register their intellectual property rights (patents, trade marks, copyrights) with the Bureau of Customs (BOC) and include supporting information pertaining to their rights to make them readily identifiable by the BOC.

How LONG does legal protection last?

Two years from the date that the recordal is confirmed.

HOW do I register?

Submitting the following documentation is required:

1. Completed Bureau of Customs (BOC) Forms.
2. Affidavit of applicant's rightful ownership of the mark, copyright, patent or design.
3. Certification that the IP Code and Customs Administrative Order No. 6-2002 has been read and understood by the applicant.
4. Samples/pictures of products bearing the mark.
5. Three certified copies of the certificates of registration of the trade mark, utility model, industrial design, copyright or patent.
6. For copyright and related rights, affidavit by the IP owner (or agent) that the copyright subsists in the work, that applicant is the copyright owner and that a copy of the work annexed to the application is a true copy.
7. Power of Attorney for the representative.

WHO can register?

IPR owners and/or their authorized representatives.

Which LANGUAGES can I use?

English or Filipino

How much does it COST?

The official fees vary depending on the number of goods covered by the recordal up to a maximum of USD 480 for unlimited number of goods per mark.



Customs TIPS and WATCH-OUTS in the Philippines

The Bureau of Customs (which has an IPR Unit) has authority to seize goods and there is a registration system for IPRs. In practice, however, the BOC lacks a systematised enforcement programme which means seizure of goods is often inefficient.

The IP owner or agent shall request in writing the Commissioner of Customs for the issuance of a hold order on suspected counterfeit goods, providing as much detail as possible regarding the shipment.

5. ENFORCING your IP

In the case of your IP assets being infringed in the Philippines, there are **four main avenues of enforcement** which you can consider which are outlined below; administrative actions, civil litigation, criminal prosecution, and customs seizures (customs are described separately in Part 3 above). In many cases, however, **negotiations between the parties**, if possible, **are more cost effective** and should be considered as a viable option.

Administrative Actions

The Bureau of Legal Affairs of the Intellectual Property Department has jurisdiction over administrative **complaints for IP violations**, provided the total damages claim, as indicated in the complaint, is over approx. EUR 3,076.

The procedure is **similar to a simplified civil action procedure**, with parties exchanging a complaint and reply and evidence upon which a decision is made. Administrative authorities have the power to impose preliminary injunctions, preliminary attachments (a provisional remedy wherein the court/administrative body is asked to take custody of the property of the adverse party as security for satisfaction of any judgment) as well as damages and administrative fines.

Civil Enforcement

The IP owner also has the option to **file a civil action for recovery of damages and injunctions**. Civil actions for IP infringement are filed at the regional trial courts. Such cases are not common because they **tend to last many years**. First instance civil trials normally take two to three years, but are usually followed by appeals which drag the case on much longer.

The amount of damages recoverable shall be either the reasonable profit which the complaining party would have made, had the defendant not infringed his rights, or the profit which the defendant actually made out of the infringement, or in the event such measure of damages cannot be readily ascertained with reasonable certainty, then **the court may award as damages a reasonable percentage based upon the amount of gross sales of the defendant or the value of the services in connection with which the mark or trade name was used in the infringement of the rights of the complaining party**.

In any suit for infringement, the owner of the registered mark shall be entitled to recover profits or damages only if the acts have been committed with knowledge that such imitation is likely to cause confusion, or to cause mistake, or to deceive. Such knowledge is presumed if the registrant gives notice that his mark is registered by displaying with the mark the words **'Registered Mark' or ®** or if the defendant had otherwise actual notice of the registration. In cases where actual intent to mislead the public or to defraud the complainant is shown, in the discretion of the court, the damages may be doubled.

In addition to damages, **other remedies** that are available to the complainant are the following:

1. On application of the complainant, the court may impound, during the pendency of the action, sales invoices and other documents evidencing sales.
2. The complainant, upon proper showing, may also be granted injunction.
3. In any action in which a violation of any right of the owner of the registered mark is established, the court may order that goods found to be infringing be, without compensation of any sort, disposed of outside the channels of commerce in such a manner as to avoid any harm caused to the right holder, or destroyed; and all labels, signs, prints, packages, wrappers, receptacles and advertisements in the possession of the defendant, bearing the registered mark or trade name or any reproduction, counterfeit, copy or colourable imitation thereof, all plates, moulds, matrices and other means of making the same, shall be delivered up and destroyed.

Criminal Prosecution

Under the IP Code, the criminal penalties of imprisonment and fines may be **imposed to persons found guilty of trade mark infringement, unfair competition, false designation of origin and false description or representation**. As earlier mentioned, there is also criminal liability in repetition of patent infringement.

In practice, counterfeiting and piracy are typically dealt with by the criminal system, usually under copyright, trade mark and unfair competition laws. As criminal litigation tends to take years to finish at the first instance, **criminal prosecution is normally sought out only for large scale infringement**.

The IP holder should request the enforcement agencies, particularly the Philippine National Police ("PNP") or the National Bureau of Investigation ("NBI"), to **file a complaint with the District Court that has jurisdiction over the crime committed** (usually the court in the area where the infringement occurred). Although the participation of the PNP and the NBI are not required in order to institute criminal proceedings against infringers, they are necessary in order to preserve the chain of custody of evidence, which are normally questioned by defense lawyers in seeking the dismissal of a criminal action.



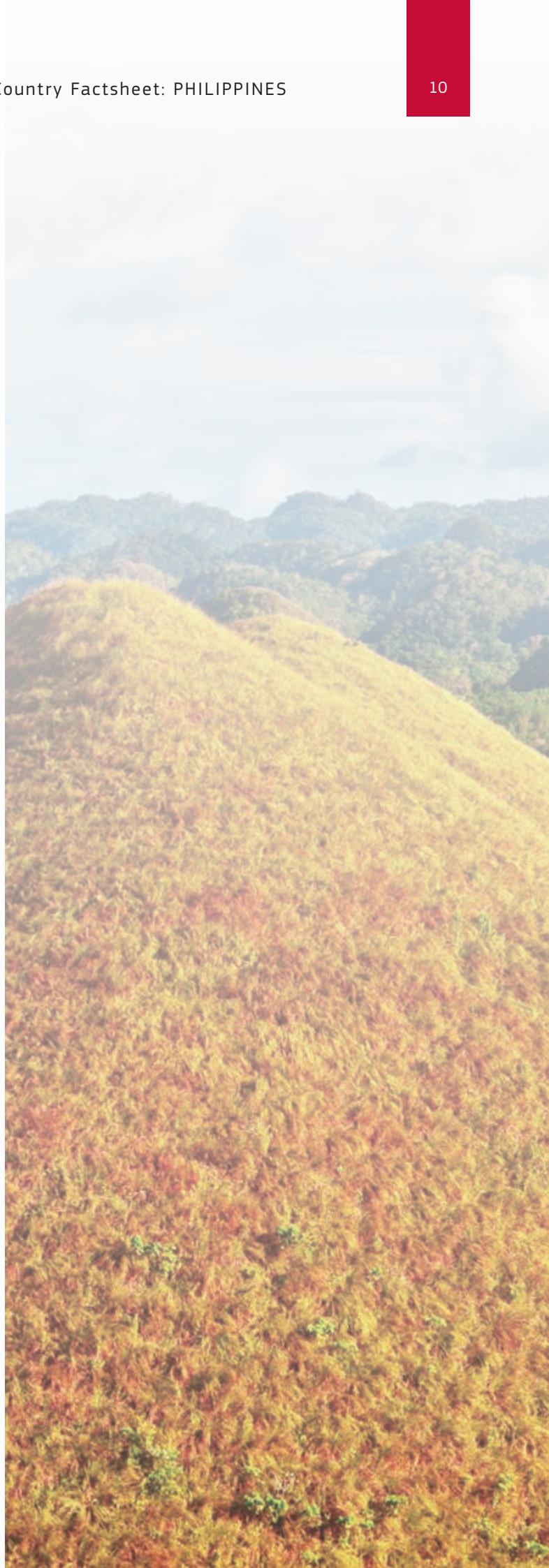
Enforcement TIPS and WATCH-OUTS in the Philippines

- Awareness of IP rights is growing in the Philippines but enforcement proceedings are still constrained by the inexperience of courts, especially those outside of major cities. Settlement outside of courts is often a more cost-effective approach to addressing infringement.
- Lengthy response times to requests for raids by enforcement authorities can often result in infringers relocating their activities; in many cases it is more beneficial to concentrate on faster enforcement avenues such as administrative and out of court actions.

For more detailed information about IP enforcement in the Philippines, look out for the ASEAN IPR SME Helpdesk's forthcoming Guide to IP Enforcement in the ASEAN Region, to be made available for download from [our website](#) in the coming months.

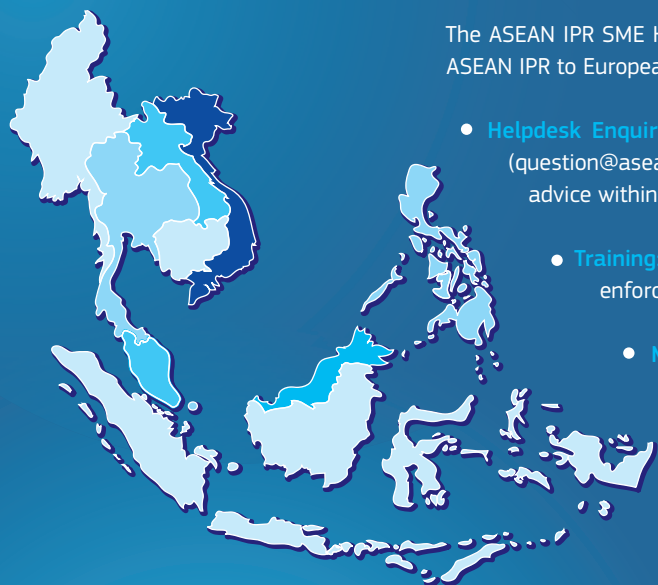
6. RELATED LINKS and Additional Information

- > Visit the ASEAN IPR SME Helpdesk website for further relevant information, such as how to deal with business partners in the ASEAN region - <http://www.asean-iprhelpdesk.eu/>
- > Visit the Helpdesk blog www.yourIPinsider.eu for related articles on IP in South-East Asia and China
- > EU Delegation to the Philippines - http://eeas.europa.eu/delegations/philippines/index_en.htm
- > World Intellectual Property Organisation (WIPO) - <http://www.wipo.int/portal/index.html.en>
- > Intellectual Property Office of the Philippines - <http://ipophil.gov.ph>
- > Bureau of Customs - <http://customs.gov.ph>





ASEAN IPR SME HELPDESK



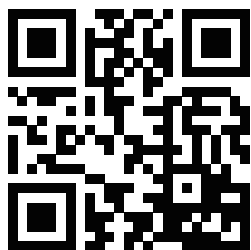
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