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Marcelo & Angangco

Patents and Copyrights

OLIVER P. BACLAY, JR.

Junior Associate

Villaraza Cruz Marcelo & Angangco

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OUTLINE

- Why should you patent?
- What is a patent?
- What are patentable? What aren't?
- Who has the right to a patent?
- What are the processes available for filing a patent?



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WHY YOU SHOULD CONSIDER PATENTING

- A patent strategy gives the inventor a business advantage since it grants the patent owner exclusive rights to commercialize the invention
- Significant investment is required to commercialize a new technology and companies will only want to invest in those opportunities that can be protected from competition.
- If licensed = 20 years of passive income!



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SHOULD YOU PATENT?

- You should patent only if you intend to commercialize the invention because filing and maintaining a patent entails significant costs.



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ANNUAL FEES

Year	Annual Fee	Year	Annual Fee	Year	Annual Fee
5 th Year	P2,700	11 th Year	P11,600	17 th Year	P31,400
6 th Year	3,600	12 ^h Year	14,400	18 th Year	37,700
7 th Year	4,500	13 th Year	17,000	19 th Year	45,300
8 th Year	5,400	14 th Year	20,700	20 th Year	54,300
9 th Year	7,200	15 th Year	24,300	* Annual fee for each claim in excess of five: P350	
10 th Year	9,000	16 th Year	27,800		



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WHAT IS A PATENT?

▪ A patent is:

- The grant of exclusive rights to an inventor for a specified period (20 years for invention patents, 7 years for utility models) from filing date of the patent application.
- **The exclusive right to restrain, prohibit and prevent any unauthorized person from making, using, offering for sale, selling or importing the patented invention.**
- A mechanism for providing an incentive for scientists to bring inventions to market.
- Philippine patents are granted by the Intellectual Property Office (IPO)



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INVENTION PATENTS

- Any **technical solution** of a problem in any field of human activity which is:
 - ✓ new/**novel**-not prior art
 - ✓ involves an **inventive step**—not obvious to a person skilled in the art
 - ✓ **industrially applicable**—useful, for a practical purpose



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NON-PATENTABLE INVENTIONS

- Discoveries, scientific theories and mathematical methods

- Schemes, rules and methods of
 - performing acts
 - Playing games or doing business
 - programs for computers



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NON-PATENTABLE INVENTIONS (*cont.*)

- Methods for treatment of the human or animal body by surgery or therapy and diagnostic methods practiced on the human or animal body
- Plant varieties or animal breeds or essentially biological process for the production of plants an animals
- Aesthetic creations
- Contrary to public order or morality



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WHO HAS THE RIGHT TO A PATENT?

- Inventor, his heirs or assigns
- If commissioned work -person who commissions work
- If made in the course of employment –
 - Employee –inventive activity not part of his regularly assigned duties, even if time, facilities and materials of employer
 - Employer –invention is result of performance of regularly-assigned duties



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WHAT ARE THE DIFFERENT TYPES OF PATENT PROTECTIONS?

- **Invention Patent**
- **Utility Model**



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REQUIREMENTS FOR PATENTABILITY:

NOVELTY

- **Absolute novelty** – everything made available to the public anywhere in the world by means of written or oral description, by use, or in any other way.



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REQUIREMENTS FOR PATENTABILITY:

NOVELTY (*cont.*)

- Philippines – prior art consists of
 - ✓ everything made available to the public anywhere in the world, before the filing date or the priority date of the application claiming the invention
 - ✓ whole contents of an application for a patent, UM or ID registration
 - published in accordance with this act
 - 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, the application which has validly claimed the filing date of an earlier application under Section 31 shall be prior art with effect as of the filing date of such earlier application
 - Provided further that the applicant/inventor identified in both applications are not one and the same



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REQUIREMENTS FOR PATENTABILITY:

NOVELTY (*cont.*)

Shift from Publish or Perish... to Patent or Perish

- In many parts of the world, **any** public disclosure before applying for a patent will “bar” the patent for lack of novelty if the disclosure is sufficiently descriptive to enable someone to replicate the invention
- “Public Disclosure” includes not only publications but also oral descriptions, poster sessions, *etc.*
- US/Philippines: 1 year grace period

**FILE PATENT FIRST!
USE CONFIDENTIALITY AGREEMENTS!**



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REQUIREMENTS FOR PATENTABILITY:

NOVELTY (*cont.*)

- Not Novel:
 - A molecule X which has been previously disclosed in a university publication
 - A method of manufacturing a fertilizer that is known to the industry

- Novel:
 - A polymer with new properties that is obtained by the copolymerisation of a monomer of formula 1 and a monomer of formula 2 in the presence of a specified substance and using a modified process
 - An improved method or process of manufacturing a fertilizer which results in fertilizer that has no negative impact on the environment and boosts yield potential



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Non-Prejudicial Disclosure (Sec. 25, IP Code)

“25.1. The disclosure of information contained in the application during the twelve (12) months preceding the filing date or the priority date of the application shall not prejudice the applicant on the ground of lack of novelty if such disclosure was made by:

- (a) The inventor;
- (b) A patent office and the information was contained:
 - (i) in another application filed by the inventor and should not have been disclosed by the office; or
 - (i) in an application filed without the knowledge or consent of the inventor by a third party which obtained the information directly or indirectly from the inventor;or
- (c) A third party which obtained the information directly or indirectly from the inventor.

25.2 For the purposes of Subsection 25.1, ‘inventor’ also means any person who, at the filing date of application, had the right to the patent.”



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REQUIREMENTS FOR PATENTABILITY:

INVENTIVE STEP

- Not obvious to a “person skilled in the art” (Sec. 24, IP Code)
 - Whether at the priority date of the claim, it would have been obvious to a person skilled in the art to have arrived at something falling within the scope of the claim
- “Obvious”—very plain
 - Does not go beyond the normal progress of technology but merely, the ordinary skilled person, follows plainly or logically from the prior art
 - Permissible to combine together the disclosures of two or more items of prior art where such *combination* would be obvious to a person skilled in the art



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REQUIREMENTS FOR PATENTABILITY: **INVENTIVE STEP**

- **Obvious (Does not involve inventive step):**
 - Fertilizer A + Fertilizer B = Fertilizer A+B
 - Cough syrup + candy flavoring = sweet cough syrup

- **Not Obvious (Involves inventive step):**
 - Fertilizer A + Fertilizer B + chemical compound X = more powerful fertilizer C
 - Process of extracting a new chemical compound with pain-relieving properties from plant A



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REQUIREMENTS FOR PATENTABILITY:

INDUSTRIAL APPLICABILITY

- Can be produced and used in any industry
- Relates to a useful or practical art (as distinct from an aesthetic or fine art)
 - In other words, which has a technical character



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OTHER TYPES OF “PATENTS”: UTILITY MODEL

- Applies to inventions that are new and industrially applicable. Unlike an invention patent, inventive step is not a requirement
- May be or may relate to a useful machine, an implement or tool, a product or composition, a method or process or an improvement of any of the foregoing



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OTHER TYPES OF “PATENTS”: **UTILITY MODEL**

- Examples of what may not be patented as inventions but may be registered as utility models:
 - Cough syrup + candy flavoring = sweet cough syrup
 - Improved athletic socks
 - Headband + terry cloth = head band



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OTHER TYPES OF “PATENTS”: UTILITY MODEL

- Registered without substantive examination
- Term: 7 years from filing date, no renewal



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Conversion

- An applicant can convert an invention patent application into a UM application or vice-versa



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WHICH TYPE OF PATENT MEETS *YOUR* NEEDS?

- Invention Patent
 - Considerations:
 - Long term of protection is desired (20 years)
 - Costs : Annual fees for maintenance of patent
 - ✓ Annual Fee increases every year
 - ✓ Excess claims fee in addition to annual fee

- Utility Model Registration
 - Considerations:
 - Quick registration for enforcement purposes
 - Fast obsolescence of technology



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FILING OF PATENT APPLICATIONS

- Independent (non-PCT) patent application
 - File with Philippine IPO
 - File with patent offices of other countries

- Patent Cooperation Treaty (PCT) application
 - International patent **application** in 128 countries
 - Significantly reduces costs of prosecution



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PATENT APPLICATION PROCEDURE: FIRST-TO FILE RULE

- Filing of patent application
 - Request for Grant of Philippine Patent
 - Description
 - Drawings, if any
 - Claims Abstract

- Formality examination
- Classification and search
- Publication of application
 - Third party observations

- Substantive examination
- Grant of patent



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TRADITIONAL PATENT SYSTEMS

- Local patent application followed within 12 months by multiple foreign applications claiming priority
 - multiple formality requirements
 - multiple searches
 - multiple publications
 - multiple examination/prosecution
 - translations and national fees required at 12 months



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PCT SYSTEM

- Uniform formality and centralized international publication
- International search report
- International preliminary examination report (if demanded)
- International and national phase
- Translations and national fees required at 30 months, and only if applicant wishes to proceed.



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PCT System

- Patent “filing system” not a patent “granting” system, no “PCT” or “international” patent
- Decision on granting patent exclusively by national or regional offices in the national phase



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OVERVIEW OF PCT PROCEDURE

- File PCT Request with IPO
- IPO conducts formality exam
- IPO transmits application to WIPO and ISA
- ISA conducts search/issues ISR
- WIPO publishes application (with ISR) within 18 months from priority date/filing date
- *Optional:* applicant files demand for PE
 - IPEA conducts preliminary sub exam/issues IPER
- Applicant enters the national phase (generally within 30 months)



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ENTERING THE NATIONAL PHASE

- In other countries – 20, 30, 31 months from priority/filing date
- In the Philippines – 30 months (31 with surcharge)
- Switzerland, Luxembourg, Sweden, Tanzania, Uganda, Zambia (20 months)



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OUTLINE

- What is a copyright?
- What works are protected by copyrights? What aren't?
- Who is the owner of a copyright?



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WORKS PROTECTED BY COPYRIGHT

- Books, pamphlets, articles and other writings;
- Periodicals and newspapers;
- Lectures, sermons, addresses, dissertations prepared for oral delivery, whether or not reduced in writing or other material form;
- Letters;
- Dramatic or dramatico-musical compositions; choreographic works or entertainment in shows;
- Musical compositions, with or without words;
- Works of drawing, painting, architecture, sculpture, engraving, lithography or other works of art; models or designs for works of art;



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- Original ornamental designs or models for articles of manufacture, whether or not registrable as an industrial design, and other works of applied art;
 - Illustrations, maps, plans, sketches, charts and three-dimensional works relative to geography, topography, architecture or science;
 - Drawings or plastic works of a scientific or technical character;
 - Photographic works including works produced by a process analogous to photography; lantern slides;
 - Audiovisual works and cinematographic works and works produced by a process analogous to cinematography or any process for making audio-visual recordings;
 - Pictorial illustrations and advertisements;
 - Computer programs; and
 - Other literary, scholarly, scientific and artistic works.
- Works are protected by the sole fact of their creation!



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DERIVATIVE WORKS

- Dramatizations, translations, adaptations, abridgments, arrangements, and other alterations of literary or artistic works; and
- Collections of literary, scholarly or artistic works, and compilations of data and other materials which are original by reason of the selection or coordination or arrangement of their contents.



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UNPROTECTED SUBJECT MATTERS

- Mere idea
- procedure
- method or operation
- concept
- principle
- discovery
- mere data



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COPYRIGHT PROTECTION

Copyright or economic rights shall consist of the exclusive right to carry out, authorize or prevent the following acts:

- Reproduction of the work
- Dramatization, translation, adaptation, abridgment, arrangement or other transformation of the work;
- The first public distribution of the original.
- Rental of the original or a copy of an audiovisual or cinematographic work, a work embodied in a sound recording, a computer program, a compilation of data and other materials or a musical work in graphic form, irrespective of the ownership of the original or the copy which is the subject of the rental
- Public display of the original or a copy of the work;
- Public performance of the work; and
- Other communication to the public of the work.



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WHO IS THE COPYRIGHT OWNER

- Copyright ownership shall belong to the author of the work
- In the case of works of joint authorship, the co-authors shall be the original owners of the copyright and in the absence of agreement, their rights shall be governed by the rules on co-ownership.
- If, however, a work of joint authorship consists of parts that can be used separately and the author of each part can be identified, the author of each part shall be the original owner of the copyright in the part that he has created;
- If made in the course of employment -
 - The employee - if the creation of the object of copyright is not a part of his regular duties.
 - The employer - if the work is the result of the performance of his regularly-assigned duties.



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- If commissioned works - the person who so commissioned the work shall have ownership of the work, but the copyright thereto shall remain with the creator, unless there is a written stipulation to the contrary
- For audiovisual work - the producer, the author of the scenario, the composer of the music, the film director, and the author of the work so adapted.
- For letters - the writer.



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COPYRIGHT LIMITATIONS

The following are not infringement of copyright:

- The recitation or performance of a work, once it has been lawfully made accessible to the public, if done privately and free of charge or if made strictly for a charitable or religious institution or society;
- The making of quotations from a published work if they are compatible with fair use and only to the extent justified for the purpose, including quotations from newspaper articles and periodicals in the form of press summaries: Provided, That the source and the name of the author, if appearing on the work, are mentioned;
- The reproduction or communication to the public by mass media of articles on current political, social, economic, scientific or religious topic, lectures, addresses and other works of the same nature, which are delivered in public if such use is for information purposes and has not been expressly reserved: Provided, That the source is clearly indicated;



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- The reproduction and communication to the public of literary, scientific or artistic works as part of reports of current events by means of photography, cinematography or broadcasting to the extent necessary for the purpose;
- The inclusion of a work in a publication, broadcast, or other communication to the public, sound recording or film, if such inclusion is made by way of illustration for teaching purposes and is compatible with fair use: Provided, That the source and of the name of the author, if appearing in the work, are mentioned;
- The recording made in schools, universities, or educational institutions of a work included in a broadcast for the use of such schools, universities or educational institutions: Provided, That such recording must be deleted within a reasonable period after they were first broadcast: Provided, further, That such recording may not be made from audiovisual works which are part of the general cinema repertoire of feature films except for brief excerpts of the work;
- The making of ephemeral recordings by a broadcasting organization by means of its own facilities and for use in its own broadcast;



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- The use made of a work by or under the direction or control of the Government, by the National Library or by educational, scientific or professional institutions where such use is in the public interest and is compatible with fair use;
- The public performance or the communication to the public of a work, in a place where no admission fee is charged in respect of such public performance or communication, by a club or institution for charitable or educational purpose only, whose aim is not profit making, subject to such other limitations as may be provided in the Regulations;
- Public display of the original or a copy of the work not made by means of a film, slide, television image or otherwise on screen or by means of any other device or process: Provided, That either the work has been published, or, that the original or the copy displayed has been sold, given away or otherwise transferred to another person by the author or his successor in title; and
- Any use made of a work for the purpose of any judicial proceedings or for the giving of professional advice by a legal practitioner.



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FAIR USE DOCTRINE

- The use of a copyrighted work for criticism, comment, news reporting, teaching including multiple copies for classroom use, scholarship, research, and similar purposes is not an infringement of copyright.
- The reproduction of the code and translation of the forms of the computer program to achieve the inter-operability of an independently created computer program with other programs may also constitute fair use.
- In determining fair use -
 - The purpose of the use, whether such use is of a commercial nature or is for non-profit educational purposes;
 - The nature of the copyrighted work;
 - The amount and substantiality of the portion used in relation to the copyrighted work as a whole; and
 - The effect of the use upon the potential market for or value of the copyrighted work.



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Marcelo & Angangco

OLIVER P. BACLAY, JR.

**Junior Associate, CVC Law
Villaraza Cruz Marcelo & Angangco**

CVCLAW Center
11th Avenue corner 39th Street
Bonifacio Triangle
Bonifacio Global City
Taguig City 1634
Metro Manila

Tel. No.: (632) 988-6088

Fax No.: (632) 988-6000

E-mail: op.baclay@cvclaw.com

Website: www.cvclaw.com