



# Republic of the Philippines Supreme Court Manila

#### THIRD DIVISION

MANILA CORPORATION,

HOTEL

G.R. No. 241034

Petitioner,

Present:

CAGUIOA, J.,

Chairperson,

INTING,

GAERLAN,

DIMAAMPAO, and

SINGH, JJ.

OFFICE OF THE DIRECTOR OF
THE BUREAU OF LEGAL
AFFAIRS OF THE
INTELLECTUAL PROPERTY
OFFICE OF THE PHILIPPINES
and LE COMITÉ
INTERPROFESSIONEL DU VIN

- versus -

DE CHAMPAGNE,\*

Promulgated:

Respondents.

August 3, 2022

MIS-PBCBOLH X

DECISION

INTING, J.:

Assailed and sought to be set aside in this Petition<sup>1</sup> for review on *certiorari* under Rule 45 of the Rules of Court are the Resolutions dated April 13, 2018<sup>2</sup> and July 23, 2018<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. SP No. 155049. The CA dismissed the Petition<sup>4</sup> for *certiorari* and

Referred to as "Le Comité Interprofessionnel du Vin de Champagne" in some parts of the *rollo*.

See Petition for Review on Certiorari under Rule 45 of the 1997 Rules of Civil Procedure with Application for Temporary Restraining Order and/or Writ of Preliminary Injunction, *rollo*, Vol. I, pp. 19-50.

Id. at 58-61. Penned by Associate Justice Myra V. Garcia-Fernandez and concurred in by Associate Justices Ramon R. Garcia and Germano Francisco D. Legaspi.

<sup>&</sup>lt;sup>3</sup> Id. at 64-65.

<sup>&</sup>lt;sup>4</sup> Rollo, Vol. II, pp. 844-866.

prohibition with application for the issuance of a temporary restraining order and/or writ of preliminary injunction filed by Manila Hotel Corporation (petitioner) that assailed the Orders dated February 13, 2018<sup>5</sup> and March 12, 2018<sup>6</sup> of the Office of the Director of the Bureau of Legal Affairs (BLA) of the Intellectual Property Office of the Philippines (IPO) in *Inter Partes* Case No. 14-2013-00372. In the Orders, the IPO granted the Motion for Extension of Time to File Appeal<sup>7</sup> filed by respondent Le Comité Interprofessionel du Vin de Champagne (respondent CIVC) from the Decision<sup>8</sup> of the IPO Adjudication Officer.

# The Antecedents

Records show that on March 19, 2013, petitioner applied for registration of its trademark "CHAMPAGNE ROOM" with the IPO, docketed as Application No. 4-2013-003052.9 On November 7, 2013, petitioner received a Notice of Opposition from respondent CIVC, a public service body established by the French Parliament engaged in the protection and development of the champagne market in general. The case was docketed as *Inter Partes* Case No. 14-2013-00372. CIVC alleged that: (1) "Champagne" is protected as a controlled appellation of origin worldwide; (2) petitioner's mark falsely suggests a connection with respondent CIVC as it incorporates the distinctive and valuable component of the latter's trade name, Champagne; (3) the mark misleads the public as to the quality, characteristics, and geographical origin of the services covered by the mark; and (4) the mark is confusingly similar to respondent CIVC's trade name.

#### The Ruling of the IPO Adjudication Officer

#### On December 22, 2017, IPO Adjudication Officer Atty. Adoracion

<sup>&</sup>lt;sup>5</sup> Id. at 792-793. Issued by Nathaniel S. Arevalo, Director IV, Bureau of Legal Affairs.

<sup>&</sup>lt;sup>6</sup> Id. at 841-842.

See Motion for Extension to File Appeal to the Director of the Bureau of Legal Affairs; id. at 781-783.

Id. at 771-780. Rendered by Atty. Adoracion U. Zare, Adjudication Officer, Bureau of Legal Affairs.

<sup>&</sup>lt;sup>9</sup> Rollo, Vol. I, pp. 58, 90-91.

<sup>&</sup>lt;sup>10</sup> Id. at 92-110.

<sup>11</sup> Id. at 10-11, 96.

<sup>&</sup>lt;sup>12</sup> Id. at 98-104.

<sup>&</sup>lt;sup>13</sup> Id. at 104-106.

<sup>&</sup>lt;sup>14</sup> Id. at 106-107.

<sup>15</sup> Id. at 107-109.

U. Zare (Adjudication Officer) rendered a Decision<sup>16</sup> dismissing the opposition of respondent CIVC. The Adjudication Officer held that petitioner's adoption of the mark "CHAMPAGNE ROOM" does not suggest a connection to respondent CIVC or its appellation of origin. Neither does it mislead the buying public or consumers as to the geographical origin or the trade name of respondent CIVC.<sup>17</sup> The pertinent portions of the Decision read:

That the word "CHAMPAGNE" has become generic was shown by the various entities using the word champagne in arbitrary, fanciful and descriptive manner for their goods and service[s]. The [petitioner] points out to several websites that showcase the word "champagne", such as CHAMPAGNE PEARLS; CHAMPAGNE ROLEX; CHAMPAGNE IPHONE. As correctly argued by the [petitioner], the United States of America has classified the term as semi-generic and not descriptive which consequently lead to the production of CALIFORNIA CHAMPAGNE, which was used to toast during the second inauguration of the US President Barrack [sic] Obama. x x x.

In the instant case, the [petitioner]'s use of the mark CHAMPAGNE ROOM, for its "restaurant, food and beverages" services will in no manner, lead to an association with the production of sparkling wine in the Champagne region in France. In fact, the mark "Champagne Room" appears to be commonplace in the way of describing for the following: Champagne Room at Marbella Club Hotel in Marbella, Spain; Champagne Room at the Connaught, London; Pearl Champagne Lounge at South Beach Miami; Laguna Champagne Bar at the Venetian, Las Vegas; Champagne Bar in Grand Hyatt, Hong Kong.

Resultantly, the use of the word CHAMPAGNE in its generic sense, in an arbitrary manner to identify services not connected with wine production[,] does not constitute a mark that misleads as to the geographic origin, and is therefore, registrable.<sup>18</sup>

Thus, the dispositive portion of the Decision reads:

WHEREFORE, premises considered, the instant Opposition to Trademark Application No. 4-2013-0003052 is hereby DISMISSED. Let the filewrapper of the subject trademark be returned, together with a copy of this Decision, to the Bureau of Trademarks for information and appropriate action.

M

<sup>&</sup>lt;sup>16</sup> Rollo, Vol. II, pp. 771-780.

<sup>&</sup>lt;sup>17</sup> Id. at 778-779.

<sup>&</sup>lt;sup>18</sup> Id. at 779.

#### SO ORDERED.19

Respondent CIVC received a copy of the Decision on February 2, 2018 and filed a Motion for Extension of Time to File Appeal<sup>20</sup> to the IPO-BLA Director praying for an extension of 10 days from February 12, 2018 or until February 22, 2018 within which to file an appeal. Respondent CIVC averred that Section 2(a), Rule 9 of the Revised Rules and Regulations on *Inter Partes* Proceedings (Revised *Inter Partes* Rules)<sup>21</sup> does not prohibit the filing of a motion for extension to file an appeal.<sup>22</sup>

Petitioner filed an Opposition<sup>23</sup> to respondent CIVC's Motion asserting that the Revised *Inter Partes* Rules do not provide for an extension of the period within which to appeal the decision of the IPO Adjudication Officer to the IPO-BLA Director.<sup>24</sup>

# The Ruling of the IPO-BLA Director

In an Order<sup>25</sup> dated February 13, 2018, the IPO-BLA Director granted the motion of respondent CIVC. The Order reads:

On 09 February 2018, the [respondent CIVC] thru counsel filed a Motion for Extension of Time to File Appeal requesting for an additional period of ten (10) days from 12 February 2018, or until 22 February 2018, within which to file an appeal. The Appellant's counsel alleges in its Motion that "A draft of the Memorandum of Appeal is being prepared. However, due to heavy pressure of equally urgent professional work, more time is required to complete the appeal. Further, the [respondent CIVC] is based outside the Philippines, therefore, coordination and approvals require additional time."

In the interest of justice, this Office grants the motion, but only for an additional period of ten (10) days and without further

<sup>19</sup> Id. at 779-780.

See Motion for Extension of Time to File Appeal to the Director of the Bureau of Legal Affairs; id. at 781-783.

Intellectual Property Office of the Philippines Memorandum Circular No. 16-007, dated July 11, 2016.

<sup>&</sup>lt;sup>22</sup> Rollo, Vol. II, p. 781.

<sup>&</sup>lt;sup>23</sup> Id. at 784-790.

<sup>&</sup>lt;sup>24</sup> Id. at 786-789.

<sup>&</sup>lt;sup>25</sup> Id. at 792-793.

extension.

WHEREFORE, the [respondent CIVC] is hereby given an extension of ten (10) days from 12 February 2018 or until 22 February 2018, within which to file an appeal. No further extension shall be allowed.

SO ORDERED.26

Subsequently, the IPO-BLA Director issued a second Order<sup>27</sup> dated March 12, 2018, *viz*.:

WHEREFORE, pursuant to Sec. 2(a), Rule 9 of the Revised Rules of Court and Regulations on Inter Partes Proceedings, the [petitioner] is hereby ordered to file its comment on the appeal within a non-extendible period of ten (10) days from receipt hereof. Corollarily, the [petitioner] is hereby furnished a copy of the appeal dated 22 February 2018. This appeal is deemed submitted for decision after the lapse of the aforementioned period with or without the [petitioner] having filed the comment.

SO ORDERED.<sup>28</sup>

Not satisfied, petitioner filed before the CA a Petition<sup>29</sup> for *certiorari* and prohibition with an urgent application for the issuance of a temporary restraining order and/or preliminary injunction under Rule 65 of the Rules of Court which assailed the Orders of the IPO-BLA Director. The case was docketed as CA-G.R. SP No. 155049. Petitioner maintained that the IPO-BLA Director committed grave abuse of discretion amounting to lack or excess of jurisdiction in granting an extension of time to file an appeal and giving due course to respondent CIVC's appeal.<sup>30</sup>

# The Ruling of the CA

In the first assailed Resolution<sup>31</sup> dated April 13, 2018, the CA liberally construed the procedural rules of the IPO and concluded that the IPO-BLA Director did not commit any jurisdictional error in

<sup>&</sup>lt;sup>26</sup> Id. at 792.

<sup>&</sup>lt;sup>27</sup> Id. at 841-842.

<sup>&</sup>lt;sup>28</sup> Id. at 841.

<sup>&</sup>lt;sup>29</sup> Id. at 844-866.

<sup>&</sup>lt;sup>30</sup> Id. at 845-846.

<sup>&</sup>lt;sup>31</sup> Rollo, Vol. I, pp. 58-61.

Decision 6 G.R. No. 241034

granting respondent CIVC's Motion for Extension of Time to File an Appeal.<sup>32</sup> The CA held in this wise:

The aforequoted rules do not state that the ten (10) day period to file an appeal is inextendible. Neither do the Rules prohibit [IPO] from granting extension of time to a party to file the appeal memorandum. Considering that [respondent CIVC] was able to file its appeal memorandum within the period allowed by [IPO], this Court finds that the latter did not commit jurisdictional error in granting the motion for extension of time to file an appeal and consequently, giving due course to the appeal. In numerous cases, the Supreme Court has allowed liberal construction of the rules when to do so would serve the demands of substantial justice and equity. Allowing the appeal before the Director serves the higher interest of justice as this would provide the best opportunity for the issues between the parties to be thoroughly threshed out and resolved.

WHEREFORE, the application for issuance of temporary restraining order and/or writ of preliminary injunction is DENIED. The petition is DISMISSED.

SO ORDERED.33

Petitioner sought reconsideration of the aforementioned Order, but the CA denied the motion in a Resolution<sup>34</sup> dated July 23, 2018.

Hence, the instant petition.

Petitioner raised the sole ground for the petition, viz.:

THE COURT OF APPEALS ERRED IN ITS LIBERAL INTERPRETATION OF THE RULES ON APPEAL IN *INTER PARTES* CASES. RESPONDENT BLA DIRECTOR CLEARLY COMMITTED GRAVE ABUSE OF DISCRETION IN ENTERTAINING AND GRANTING RESPONDENT CIVC'S MOTION FOR EXTENSION OF TIME TO FILE APPEAL.<sup>35</sup>

Petitioner submits that the CA erred when it ruled that respondent BLA Director did not commit grave abuse of discretion when it upheld

<sup>&</sup>lt;sup>32</sup> Id. at 61.

<sup>&</sup>lt;sup>33</sup> Id.

<sup>&</sup>lt;sup>34</sup> Id. at 64-65.

<sup>35</sup> Id. at 26.

the position of respondent CIVC that an extension of time to file appeal to the IPO-BLA Director is allowed because under the Revised *Inter Partes* Rules, an appeal to the IPO-BLA Director is not one of the instances where an extension beyond the reglementary period may be obtained.<sup>36</sup> Moreover, petitioner argues that the period to appeal is inextendible because the period of 10 days during which the prevailing appellee may comment on the appeal is inextendible.<sup>37</sup>

According to petitioner, to liberally construe the period to appeal to the IPO-BLA Director would be contrary to the express language of the mandatory periods in Section 2(a), Rule 9 of the Revised *Inter Partes* Rules, as well as the overreaching goal of the IPO-BLA to achieve a more efficient and expeditious resolution of *inter partes* cases. Petitioner maintains that the proper interpretation would be that no such extension of time to appeal is allowed.<sup>38</sup>

Petitioner then asserts that considering that no extension of time to appeal is allowed, respondent CIVC's submission of its Appeal Memorandum<sup>39</sup> on February 22, 2018 went beyond the reglementary period. Thus, petitioner asserts that the Decision of the Adjudication Officer already attained finality.<sup>40</sup>

In its Comment,<sup>41</sup> respondent CIVC counters that the *Inter Partes* Rules allow an extension of time to file an appeal. It points out that Section 2(a), Rule 9 of the Revised *Inter Partes* Rules treats the period for filing an appeal with the IPO-BLA Director and the period for filing a comment on the said appeal differently in that the provision expressly states that the period for filing a comment is non-extendible but does not mention any such limitation on the period for filing an appeal.<sup>42</sup> Respondent CIVC argues that the statutory construction rule of *casus omissus* instructs that a thing omitted must be considered to have been omitted intentionally. Hence, the omission of the term "non-extendible" as to the period for filing an appeal must be deemed deliberate, because

<sup>&</sup>lt;sup>36</sup> Id. at 31-33.

Section 2(a), Rule 9 of the Revised *Inter Partes* Rules reads in part: "After receipt of the appeal, the Director shall issue an order for the adverse party to file comment within a non-extendible period of ten (10) days from receipt of the order. x x x." Id. at 34-35.

<sup>38</sup> Id. at 35-36.

<sup>&</sup>lt;sup>39</sup> *Rollo*, Vol. II, pp. 794-840.

<sup>&</sup>lt;sup>40</sup> *Rollo*, Vol. I, pp. 36-37.

<sup>&</sup>lt;sup>41</sup> *Rollo*, Vol. II, pp. 900-919.

<sup>42</sup> Id. at 909-910.

if the *Inter Partes* Rules intended to prohibit extensions of the period for filing appeals with the IPO-BLA Director, the Rules would have explicitly stated that the period is "non-extendible." It further posits that the IPO-BLA Director's interpretation of the rules is entitled to great weight because he is in the best position to interpret the rules governing proceedings before his office.<sup>44</sup>

Respondent IPO-BLA Director failed to file a comment on the Petition.<sup>45</sup>

In its Reply,<sup>46</sup> petitioner asserts that the "casus omissus" rule does not apply in the present case. It insists that rules for perfecting administrative appeals, being merely statutory, must be observed to the letter, and parties cannot enlarge the constricted manner by which an appeal is perfected using a liberal interpretation of the rules. Petitioner insists that the Revised *Inter Partes* Rules do not provide for any extension of time to file an appeal to the IPO-BLA Director.<sup>47</sup>

As to respondent CIVC's argument that the IPO-BLA Director is given discretion to grant motions for extension of time to file an appeal filed before his office and is thus in the best position to interpret the rules governing its proceedings, petitioner counters that the IPO-BLA Director does not have any discretion to expand the Revised *Inter Partes* Rules. Hence, petitioner asserts that respondent IPO-BLA Director's act of giving due course to respondent CIVC's appeal is tainted with grave abuse of discretion.<sup>48</sup>

#### The Issue

The sole issue for the Court's resolution is whether the CA erred in affirming the Orders of the IPO-BLA Director granting respondent CIVC's Motion for Extension to File Appeal from the Decision of the Adjudication Officer.

<sup>43</sup> Id. at 906-907.

<sup>44</sup> Id. at 907-908.

<sup>&</sup>lt;sup>45</sup> See Resolution dated September 9, 2019, id. at 1053-1054.

<sup>&</sup>lt;sup>46</sup> *Rollo*, Vol. III, pp. 1057-1072.

<sup>47</sup> Id. at 1061-1063.

<sup>48</sup> Id. at 1063-1065.

# The Court's Ruling

The Court denies the Petition and sustains the assailed Resolutions issued by the CA.

It is true that the right to appeal, being merely a statutory privilege, should be exercised in the manner prescribed by law.<sup>49</sup> But "it is equally true that in proceedings before administrative bodies the general rule has always been liberality."<sup>50</sup> "Administrative rules of procedure should be construed liberally in order to promote their object to assist the parties in obtaining a just, speedy and inexpensive determination of their respective claims and defenses."<sup>51</sup>

Republic Act No. (RA) 8293,<sup>52</sup> otherwise known as the Intellectual Property Code of the Philippines, is a law enacted pursuant to the State policy "to streamline administrative procedures of registering patents, trademarks and copyright, to liberalize the registration on the transfer of technology, and to enhance the enforcement of intellectual property rights in the Philippines."<sup>53</sup> The IPO is composed of several Bureaus, including the BLA which is headed by the BLA Director.<sup>54</sup> One of the functions of the BLA is to hear and decide opposition to the following: application for registration of marks; cancellation of trademarks; cancellation of patents, utility models, and industrial designs; and petitions for compulsory licensing of patents.<sup>55</sup>

Pursuant to the provisions of RA 8293,<sup>56</sup> the Rules and Regulations on *Inter Partes* Proceedings was promulgated.<sup>57</sup> The aforesaid rules govern proceedings relating to oppositions to trademark applications, petitions to cancel trademark registrations, petitions to cancel invention patents, utility model registrations, industrial design registrations or claims,<sup>58</sup> and appeals before the BLA and the Office of the Director General.<sup>59</sup> Subsequently, IPO Memorandum Circular No.

<sup>&</sup>lt;sup>49</sup> Besaga v. Spouses Acosta, 758 Phil. 339, 350 (2015).

<sup>&</sup>lt;sup>50</sup> Id.

<sup>&</sup>lt;sup>51</sup> Id.

<sup>&</sup>lt;sup>52</sup> Approved on June 6, 1997.

<sup>53</sup> Section 2 of RA 8293.

<sup>54</sup> Section 10 of RA 8293.

<sup>55</sup> Section 10.1 of RA 8293.

<sup>&</sup>lt;sup>56</sup> See Section 7(a) of RA 8293.

<sup>&</sup>lt;sup>57</sup> Effective October 5, 1998.

<sup>58</sup> Section 1, Rule 2 of the Revised Rules and Regulations on Inter Partes Proceedings.

<sup>&</sup>lt;sup>59</sup> Section 2(a), Rule 9 of the Revised Rules and Regulations on *Inter Partes* Proceedings.

16-007<sup>60</sup> was issued which further amended the Rules and Regulations on *Inter Partes* Proceedings.

Section 2(a), Rule 9 of the Revised *Inter Partes* Rules provides:

Section 2. Appeal to the Director. — (a) Within ten (10) days after receipt of the decision or final order, a Party may file an appeal to the Director together with the payment of the applicable fees. The appeal shall be immediately denied if it is filed out of time and/or is not accompanied by the payment of the applicable fee.

After receipt of the appeal, the Director shall issue an order for the adverse party to file comment within a non-extendible period of ten (10) days from receipt of the order. The Director shall decide on the appeal within thirty (30) days from the lapse of the period for the filing of a comment.

Within thirty (30) days after receipt of the decision by the Director, a party may file an appeal to the Director General. (Emphasis supplied)

An assiduous reading of Section 2(a) of Rule 9 would readily show that while the rules expressly state that the 10-day period for filing a comment to the appeal is *non-extendible*, there is no similar express prohibition on moving for an extension of time for filing an appeal. Similarly, the same rule is silent as to whether an extension of time for filing an appeal is allowed and merely states that the appeal shall be immediately denied if it is filed out of time and/or not accompanied by the payment of the applicable fee. Because the rules did not categorically and explicitly prohibit the filing of a motion for extension of time to file an appeal, the grant of such extension is not proscribed by law. Had the *Inter Partes* Rules intended to strictly prohibit and disallow the filing of such motion for extension, it would have expressly and unequivocally stated such prohibition, in the same manner that it had explicitly disallowed the extension of the 10-day period to file a comment to the appeal.

In arguing that the period to appeal cannot be extended, petitioner sought the strict implementation of the *Inter Partes* Rules. The Court is not convinced. In the case of *Palao v. Florentino III International, Inc.* <sup>61</sup>

<sup>&</sup>lt;sup>60</sup> Signed on July 11, 2016.

<sup>61 803</sup> Phil. 393 (2017).

(*Palao*), the Court held that the IPO, in its *Inter Partes* proceedings, shall not be bound by the strict technical rules of procedure and evidence.<sup>62</sup> Therein, the Court highlighted that:

Administrative bodies are not bound by the technical niceties of law and procedure and the rules obtaining in courts of law. Administrative tribunals exercising quasi-judicial powers are unfettered by the rigidity of certain procedural requirements, subject to the observance of fundamental and essential requirements of due process in justiciable cases presented before them. In administrative proceedings, technical rules of procedure and evidence are not strictly applied and administrative due process cannot be fully equated with due process in its strict judicial sense.<sup>63</sup>

In *Palao*, the Court held that it was an error for the Director General of the Intellectual Property Office to have been so rigid in applying a procedural rule and dismissing respondent's appeal.<sup>64</sup>

Moreover, in *Birkenstock Orthopaedie GmbH and Co. KG v. Phil. Shoe Expo Marketing Corp.*, <sup>65</sup> the Court emphasized the rule that quasijudicial and administrative bodies, such as the IPO, are not bound by the strict rules of procedure. The Court enunciated that:

It is well-settled that "the rules of procedure are mere tools aimed at facilitating the attainment of justice, rather than its frustration. A strict and rigid application of the rules must always be eschewed when it would subvert the primary objective of the rules, that is, to enhance fair trials and expedite justice. Technicalities should never be used to defeat the substantive rights of the other party. Every party-litigant must be afforded the amplest opportunity for the proper and just determination of his cause, free from the constraints of technicalities." x x x This is especially true with quasijudicial and administrative bodies, such as the IPO, which are not bound by technical rules of procedure.

In the present case, the grant of CIVC's Motion for Extension of Time to File Appeal by the respondent IPO-BLA Director was a valid exercise of his discretion considering that the IPO-BLA Director is *not* strictly bound by the technical rules of procedure. Because moving for an extension of time to file an appeal is not expressly and explicitly

<sup>62</sup> Id. at 398-399.

<sup>63</sup> Id. at 399, citing Samalio v. Court of Appeals, 494 Phil. 456, 464 (2005).

<sup>64</sup> Id. at 400.

<sup>65 721</sup> Phil. 867 (2013).

<sup>66</sup> Id. at 875-876.

proscribed under the Revised *Inter Partes* Rules, the IPO-BLA Director acted within his authority when he allowed respondent CIVC an extension of time considering that respondent CIVC was able to file the Appeal Memorandum within the period allowed.<sup>67</sup>

Corollarily, the CA was correct in ruling that the IPO-BLA Director did not act with grave abuse of discretion amounting to lack of jurisdiction in the issuance of the Order granting the extension of time to file the appeal and giving due course thereto.<sup>68</sup> The term grave abuse of discretion is defined as a capricious and whimsical exercise of judgment so patent and gross as to amount to an evasion of a positive duty or a virtual refusal to perform a duty enjoined by law, 69 as where the power is exercised in an arbitrary and despotic manner because of passion or hostility.70 In the case, no evidence of such arbitrary and whimsical exercise of judgment can be imputed to the IPO-BLA Director. On the contrary, the Orders of the IPO-BLA Director allowing the appeal would serve the highest interest of justice as this would provide both parties the opportunity to thresh out the issues between them based on merit and not on technicalities. "If a stringent application of the rules would hinder rather than serve the demands of substantial justice, the former must yield to the latter."71

Finally, petitioner argues that without a specific provision allowing such extension, litigants in the IPO-BLA will not have proper guidance on how to proceed following a notice of an adverse decision of the IPO Adjudication Officer.

Significantly and for the guidance of the bench, the bar and the public, the IPO recently issued Memorandum Circular No. 2019-024, entitled "Amendments to the Rules and Regulations on *Inter Partes Proceedings*," which took effect on February 15, 2020.<sup>72</sup> In the Memorandum Circular, the IPO clarified the ambiguity in Section 2 of Rule 9, which was amended to read as follows:

68 See *rollo*, Vol. I, p. 61.

<sup>69</sup> Cruz v. People, 812 Phil. 166, 173 (2017).

B.E. San Diego, Inc. v. Bernardo, G.R. No. 233135, December 5, 2018.

<sup>&</sup>lt;sup>67</sup> See *rollo*, Vol. II, pp. 794-840.

Chua v. People, 821 Phil. 271, 280 (2017), citing Yu v. Judge Reyes-Carpio, 667 Phil. 474, 482 (2011).

Amendments/Revision to the IPO Implementing Rules and Regulations as of 18 February 2020, Intellectual Property of the Philippines Website, February 9, 2020, available at <a href="https://www.ipophil.gov.ph/news/amendments-revisions-to-irr-20200215/">https://www.ipophil.gov.ph/news/amendments-revisions-to-irr-20200215/</a> (last accessed on June 14, 2022).

Decision

SECTION 6. Rule 9, Sections 1 and 2 are hereby amended, as follows:

X X X X

Section 2. Appeal to the Director. -

(a) Within ten (10) days after receipt of the decision or final order OF THE HEARING/ADJUDICATION OFFICER OR THE ASSISTANT DIRECTOR, a Party may file a MEMORANDUM OF APPEAL to the Director together with the payment of the applicable fees. The appeal shall be immediately denied if it is filed out of time and/or is not accompanied by the payment of the applicable fee. THE PERIOD TO FILE APPEAL, HOWEVER, MAY BE**MOTION** THE*EXTENDED* UPONOFWHICH MUST STATE **MERITORIOUS** CONCERNED GROUND; PROVIDED, THAT THE MOTION IS FILED WITHIN THE PERIOD TO FILE THE APPEAL AND IS ACCOMPANIED BY THE PAYMENT OF THE APPEAL FEE AND OTHER APPLICABLE FEES.

After receipt of the appeal, the Director shall issue an order for the adverse party to file comment within a period of ten (10) days from receipt of the order. THE PERIOD TO FILE COMMENT, HOWEVER, MAY BE EXTENDED UPON MOTION OF THE APPELLEE WHICH MUST STATE MERITORIOUS GROUND; PROVIDED, THAT THE MOTION IS FILED WITHIN THE PERIOD TO FILE COMMENT AND IS ACCOMPANIED BY THE PAYMENT OF THE APPLICABLE FEES. x x x (Emphasis supplied)

With this recent amendment to the *Inter Partes* Rules, the confusion and ambiguity in the procedure for an appeal from the Decision of the IPO Adjudication Officer to the IPO-BLA Director is now removed.

WHEREFORE, the instant Petition is **DENIED**. The assailed Resolutions dated April 13, 2018 and July 23, 2018 of the Court of Appeals in CA-G.R. SP No. 155049 are **AFFIRMED**.

SO ORDERED.

M

HENRI JEAN PAUL B. INTING Associate Justice

WE CONCUR:

ALFREDO BENJAMIN S. CAGUIOA
Chairperson

SAMUEL H. GAERLAN

Associate Justice

JAPAR B. DIMAAMPAO

Associate Justice

MARÍA FILOMENA D. SINGH

Associate Justice

### **ATTESTATION**

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

ALFREDOBENJAMIN'S. CAGUIOA

Associate Justice Chairperson, Third Division

# **CERTIFICATION**

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

LEXANDER G. GESMUNDO

Chief Justice