



PLAIN PACKAGING QUESTIONNAIRE

National Group: The Philippines
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Questions

Please answer the following questions. For each of questions 1) – 10) below, please answer in relation to your country's national laws including any constitutional law.

- 1) If the general conditions of registrability are met, does the product or service in relation to which a trade mark is used or proposed to be used have any affect on the ability to:
- (a) register the trademark; and
 - (b) use it once so registered?

Answer:

Our answer to both 1(a) and 1(b) is the same, namely, that once the general conditions of registrability are met, the product or service in relation to which a trademark is used or proposed to be used will not have any effect on the ability to register the trademark and to use it once so registered.

Under Sec. 123.3 of the Intellectual Property Code of the Philippines (Republic Act No. 8293), it is specifically provided that “the nature of the goods to which the mark is applied will not constitute an obstacle to its registration.”

As signatory to the Paris Convention, the Philippines is also obliged to honor its provisions. Article 7 of the Paris Convention expressly provides that “the nature of the goods to which the trademark is to be applied shall in no case form an obstacle to the registration of the mark.”

With respect to use of the product or service, once the trademark covering the same is registered, Sec. 138 of the Intellectual Property Code provides that a certificate of registration shall be prima facie evidence of, among others, the registrant’s exclusive right to use the registered mark in connection with the goods or services specified in the certificate.

2) What rights are derived from trademark registration?

Answer:

Sec. 147 of the IP Code enumerates the rights conferred by a trademark registration on the owner, namely, that he shall have the exclusive right to prevent all third parties not having his consent from using in the course of trade identical or similar signs or containers for goods or services which are identical or similar to those in respect of which the trademark is registered where such use would result in a likelihood of confusion.

The registered owner of a well-known mark has a broader right in that protection shall extend even to goods or services which are not similar to those covered by the registered well-known mark provided that the use of that mark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered well-known mark.

3) What rights exist in relation to a sign used as a trademark but not registered? What is the basis of any such right?

Answer:

With respect to a sign that has been used as a trademark but has not been registered, the Intellectual Property Code in Sec. 123.2 provides that nothing shall prevent the registration of any such sign which has become distinctive in relation to the goods for which the registration is requested as a result of the use that has been made of it in commerce in the Philippines. The Intellectual Property Office of the Philippines may accept as prima facie evidence that the mark has become distinctive as used in connection with applicant's goods or services in commerce, proof of substantially exclusive and continuous use thereof by the applicant in commerce in the Philippines for 5 years before the date on which the claim of distinctiveness is made.

Even if any such sign is not registered, the owner of the said sign has rights in equity to prevent other persons from using the said sign for the latter's goods and services, particularly those which are the same or similar to the goods and services of the original owner of such sign. In the Philippines, both law and equity apply to the protection and enforcement of rights.

4) Is it possible to:

(a) obtain; or

(b) maintain;

registration for a trademark that is not:

(i) used; or

(ii) intended to be used?

Answer:

It is possible to obtain registration for a mark that is not used because under the Intellectual Property Code, an application for registration may be based on intent to use.

It is not, however, possible to maintain a registration for a trademark that is not used because under Sec. 124.2 of the IP Code, the applicant or registrant is required to file a Declaration of Actual Use (DAU) with evidence to that effect within 3 years from the filing date of the application. Otherwise, the application shall be refused or, if already registered, the mark shall be removed from the register by the Director.

As earlier adverted to, it is not possible to obtain nor maintain a registration for a mark that is not intended to be used.

5) If yes to 4) above, are the rights derived from such trademark registration the same or different to registered trademarks that are used?

Answer:

Please note that our answer to Question No. 4 is qualified. Once an applicant has filed an application for trademark registration but before the actual registration of the mark, his rights to his mark are the same as those of the owner of a registered trademark. However, he loses the said rights once he fails to file the DAU within the period required by the IP Code.

6) Are rights in unregistered trademarks dependent on use? Whether yes or no, please explain the basis for your answer.

Answer:

The answer is Yes. Without use, a person cannot claim any right of ownership of an unregistered trademark. It may be apropos to state here that under the old trademark law the owner of a trademark is the first user thereof. The registration only provides him with a prima facie right to the trademark. Hence, use is the basis to own a trademark.

7) Is there any basis to restrict the use of:

(a) a registered trademark; or

(b) a sign used as a trademark?

If yes, please explain any relevant laws or precedents.

Answer:

The answers to the 2 questions are both in the negative.

8) Is there any basis for the state or any state-controlled body to expropriate?

(a) a registered trademark;

(b) a sign used as a trademark; or

(c) the rights deriving from either (a) or (b)?
If yes, please explain any relevant laws or precedents.

Answer:

The answers to the 3 questions are all in the negative.

9) If yes to 7) or 8) above, do public interest considerations provide any basis for such restriction or expropriation ("Restriction/Expropriation")? If yes, please explain any applicable public interest considerations, and any relevant laws or precedents.

Answer:

Since the answer to Questions 7 and 8 are both in the negative, there is no need to answer this question.

10) If yes to 7) or 8) above, are trademarks different from other intellectual property rights in this regard?

Answer:

Since the answer to Questions 7 and 8 are both in the negative, there is no need to answer this question.

11) If yes to 7) or 8) above, are any treaty or other international obligations relied on to provide a basis for such Restriction/Expropriation (as applicable)? If yes, please explain the international obligations, and how those obligations are reflected in or received into your country's law.

Answer:

Since the answer to Questions 7 and 8 are both in the negative, there is no need to answer this question.

12) Is your country a signatory to the WHO Framework Convention on Tobacco Control("FCTC")? If yes, has your country ratified the FCTC?

Answer:

Yes, the Philippines is a signatory to the WHO Framework Convention on Tobacco Control (FCTC). The Philippines has also ratified the FCTC. The formal accession to FCTC was on June 06, 2005 and the entry into force of FCTC in the Philippines was on September 04, 2005.

13) If yes to 12) above, has the FCTC been implemented in your country? If yes, please explain its legal impact, if any, including by reference to the Guidelines for Implementation of Articles 11 and 13 of the FCTC.

Answer:

The answer is Yes. The Department of Health (DOH) of the Philippine Government has issued DOH Administrative Order No. 013-10 entitled "Requiring Graphic Health Information on Tobacco Product Packages, Adopting Measures to Ensure that Tobacco Product Packaging and Labelling Do not Promote Tobacco by Any Means that are False, Misleading, Deceptive or Likely to Create an Erroneous Impression, and Matters Related Thereto". The subject of the said Administrative Order is actually the provisions of Articles 11 and 13 of FCTC and is therefore considered a direct implementation of the provisions of the said Articles 11 and 13.

14) Is the FCTC received directly into your country's domestic law or is domestic legislation required to give it effect in your country's law?

Answer:

By the ratification through concurrence of 2/3 of the Philippine Senate in accordance with the Constitution on September 4, 2005, the FCTC was transformed to municipal law and as such became legally binding on state organs.

15) If there is presently a legal basis in your country for permitting any Restriction/Expropriation, please answer the following questions in relation to both registered trademarks and unregistered trademarks (if your country recognizes/protects the latter).

(a) What are the parameters for such Restriction/Expropriation? For example, the nature of any stated public interest considerations, the proportionality of the proposed measure to the Restriction/Exploration.

(b) Is it relevant that such Restriction/Expropriation only applies in relation to a particular class of products, eg tobacco products, foods deemed to be unhealthy or alcohol?

(c) What are the financial consequences for the state and the trademark rights holder respectively? For example, is a rights holder entitled to or eligible for any compensation in respect of the

Restriction/Expropriation? If yes, what type of rights holders are so entitled or eligible? If not, why is no compensation available?

(d) If compensation is available, how is it calculated?

(e) Does a trademark rights holder affected by Restriction/Expropriation have any other claims or remedies against the state? If yes, please explain the basis and nature of any claims or remedies.

(f) In the event of Restriction/Expropriation, could a trademark remain registered?

(g) If yes, what is the consequence of any Restriction/Expropriation on a well known trademark that was registered prior to the Restriction/Expropriation?

Answer:

There is presently no legal basis permitting a restriction/expropriation of registered or unregistered trademarks in the country.

16) If there is presently no legal framework in your country permitting Restriction/Expropriation, please answer the following questions in relation to both registered trademarks and unregistered trademarks (if your country recognizes/protects the latter).

(a) What legislative changes would be necessary in your country to implement a plain packaging regime for a specific class or classes of products such as those previously mentioned? For example, amendments to existing domestic trademark legislation, changes to your country's constitution, multilateral or supranational treaty obligations.

(b) Could a plain packaging regime be implemented in your country without providing compensation to affected trademark rights holders? If no, what type of rights holders would be entitled to or eligible for compensation? If yes, why would no compensation be payable?

(c) Would a trademark rights holder affected by Restriction/Expropriation have any other claims or remedies against the state? If yes, please explain the basis and nature of any claims or remedies.

Answer:

a) This is a complex question since domestic trademark legislation may not suffice to implement a plain packaging regime for a specific class or classes of products because the constitutional provisions affecting property ownership may be involved and affected parties may raise the question of constitutionality of any such proposed law.

b) Assuming the plain packaging regime may be implemented in the Philippines which imply, that constitutional objections have been hurdled, the great likelihood is that any legislation may have to provide for compensation to the affected trademark rights holder. Essentially, all types of rights holders may be entitled to compensation since they hold rights of ownership over their trademarks which have value. These trademarks have acquired goodwill through the years which resulted from advertising, promotions and marketing, all of which entail extensive effort and expense.

c) Aside from the above issues that may be raised by a trademark owner, we believe that there are no other basis for further claims or remedies.