## **HOUSE OF REPRESENTATIVES**

## H. No. 7600

By Representatives Salceda, Mariño, Sacdalan, Alvarez (J.), Garcia (M.A.), Horibata, Escudero, Tamayo, Villa, Limkaichong, Go (M.), Bascug, Calixto, Dy (F.M.C.), Go (E.C.), Momo, Unabia, Valeriano, Bondoc, Tieng, Violago, Gatchalian, Golez, Agarao, Aumentado, Dionisio, Eudela, Garcia (D.), Guintu, Gullas, Matibag, Mercado, Oaminal, Pancho, Solon, Tanjuatco, Tolentino, Veloso-Tuazon, Bautista, Cruz (R.), Nograles (M.), Chan, Alvarez (M.), Enverga, Cojuangco (J.), Duavit, Abunda, Castro (J.), Sali, Vergara, Quimbo, Chungalao, Velasco, Biron, Abalos, Ongchuan, Espares, Bordado, Lee, Tan (R.M.), Revilla (R.J.) and Dalipe, per Committee Report No. 443

## **AN ACT**

STRENGTHENING THE POWERS AND FUNCTIONS OF THE INTELLECTUAL PROPERTY OFFICE OF THE PHILIPPINES, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 8293, AS AMENDED, OTHERWISE KNOWN AS THE "INTELLECTUAL PROPERTY CODE OF THE PHILIPPINES"

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled.

- SEC. 1. Section 4 of Republic Act No. 8293, as amended, otherwise known as the "Intellectual Property Code of the Philippines", is hereby amended to read as follows:
- **"SEC. 4.** *Definitions.* 4.1 x x x.

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"4.5 THE TERM "COUNTERFEIT GOODS" REFER TO GOODS OR MATERIALS INCLUDING PACKAGING BEARING WITHOUT AUTHORIZATION A TRADEMARK WHICH IS IDENTICAL TO A TRADEMARK VALIDLY REGISTERED WITH THE INTELLECTUAL

1 2 3 4 5 6 7	PROPERTY OFFICE OF THE PHILIPPINES (IPOPHL) OR ALREADY DECLARED AS A WELL-KNOWN MARK INTERNATIONALLY OR IN THE PHILIPPINES BY A COMPETENT AUTHORITY IN RESPECT OF SUCH GOODS OR WHICH CANNOT BE DISTINGUISHED IN ITS ESSENTIAL ASPECTS FROM SUCH A TRADEMARK AND WHICH THEREBY VIOLATES THE RIGHTS OF THE OWNER OF THE TRADEMARK IN QUESTION.							
8 9 10 11 12 13 14 15 16 17 18 19 20 21	"4.6. THE TERM "PIRATED GOODS" REFER TO GOODS OR MATERIALS OR CONTENT, WHETHER TANGIBLE AND INTANGIBLE, IN ELECTRONIC OR DIGITAL FORM, WHICH ARE MADE, PRODUCED, COPIED, REPRODUCED, DISSEMINATED, DISTRIBUTED, IMPORTED, USED, REMOVED, ALTERED, SUBSTITUTED, MODIFIED, STORAGE, UPLOADED, DOWNLOADED, COMMUNICATED, MADE AVAILABLE TO THE PUBLIC, OR PROTECTED MATERIAL BROADCASTED, OR REPLICATED WITHOUT THE CONSENT OF THE RIGHT HOLDER OR PERSON DULY AUTHORIZED BY THE RIGHT HOLDER AND WHICH ARE MADE, PRODUCED, OR REPLICATED DIRECTLY OR INDIRECTLY FROM AN ARTICLE WHERE THE MAKING OF THAT COPY WOULD HAVE CONSTITUTED AN INFRINGEMENT OF COPYRIGHT OR RELATED RIGHTS."							
22 23	<b>SEC. 2.</b> Section 5 of Republic Act No. 8293, as amended, is hereby amended to read as follows:							
24	<b>"SEC. 5.</b> Functions of the Intellectual Property Office (IPO). $-x \times x$							
25	"x x x							
26 27	"5.3. THE OFFICE SHALL PERFORM THE FOLLOWING ENFORCEMENT FUNCTIONS:							
28 29 30 31 32	"(A) GATHER INTELLIGENCE INFORMATION RELATED TO THE VIOLATIONS OF THIS ACT, CONDUCT INQUIRY AND INVESTIGATION, AND DEVELOP EFFECTIVE COUNTERMEASURES TO DETER COUNTERFEIT OR PIRATED GOODS OR CONTENT;							
33 34 35 36 37	"(B) CONDUCT VISITS DURING REASONABLE HOURS TO ESTABLISHMENTS AND BUSINESSES OF ACTIVITIES SUSPECTED TO BE IN VIOLATION OF THIS ACT IN ACCORDANCE WITH THE PROCEDURES PRESCRIBED HEREIN;							
38 39	"(C) DEVELOP A DATABASE OF PENDING CASES INVOLVING VIOLATIONS OF THIS ACT;							
40 41	"(D) UNDERTAKE ANY OR ALL OF THE FOLLOWING ENFORCEMENT ACTIONS:							

1 2		( )	SERVE AND EXECUTE THE ADMINISTRATIVE ORDERS DULY ISSUED BY THE OFFICE OF THE
3 4			DIRECTOR GENERAL IN ACCORDANCE WITH ITS POWERS UNDER THIS ACT;
7		_	TISTOWERS UNDER THIS ACT,
5		"(2)	ISSUE NOTICE OR WARNING TO THE
6		]	RESPONDENT OR RESPONDENTS;
7		` /	RECOMMEND THAT THE CONCERNED LOCAL
8			GOVERNMENT UNIT AND/OR OTHER
9			GOVERNMENT AGENCY CANCEL LICENSES
10			AND BUSINESS PERMITS OF ESTABLISHMENTS
11			OR BUSINESSES FOR ENGAGING IN SELLING OR MAKING AVAILABLE TO THE PUBLIC
12 13			COUNTERFEIT OR PIRATED GOODS OR FILE
15 14			CHARGES AGAINST THE RESPONDENTS FOR
14 15			VIOLATION OF APPLICABLE LAWS, RULES OR
16			REGULATIONS;
10		]	REGULATIONS,
17		<b>"(4)</b> ]	REOUEST THE CONCERNED LOCAL
18		( )	GOVERNMENT UNIT OR OTHER GOVERNMENT
19			AGENCIES TO IMPLEMENT THE DECISIONS OF
20			THE INTELLECTUAL PROPERTY RIGHTS
21		]	ENFORCEMENT PURSUANT TO THEIR
22			RESPECTIVE MANDATES;
			,
23		(-)	REPORT THE RESULT OF SERVICE AND
24			EXECUTION OF ADMINISTRATIVE ORDERS;
25		1	AND
26		"(6)	SUCH OTHER ORDERS OR ACTIONS NECESSARY
27		` /	TO ENSURE COMPLIANCE WITH THE
28			PROVISIONS OF THIS CODE ACT.
20		-	TROVISIONS OF THIS CODE ACT.
29	"(E)	COOR	DINATE WITH OTHER GOVERNMENT AGENCIES
30	, ,	AND	PRIVATE SECTOR EFFORTS ON MATTERS
31		RELAT	TED TO INTELLECTUAL PROPERTY RIGHTS
32		ENFO	RCEMENT;
33	"( <b>F</b> )		I IN THE ENFORCEMENT OF ORDERS, WRITS,
34			ROCESSES ISSUED BY THE BUREAU OF LEGAL
35			RS AND THE OFFICE OF THE DIRECTOR
36		GENE	RAL;
37	<b>((C)</b>	COMPI	UCT MONITORING ACTIVITIES RELATED OR
3 <i>1</i> 38	"(G)		VANT TO INTELLECTUAL PROPERTY RIGHTS
38 39			RCEMENT;
J J		TITLOI	-X

1 2	"(H) EXERCISE INTER-AGENCY SPECIAL ENFORCEMENT COORDINATION FUNCTIONS; AND						
3 4 5 6	"(I) SUCH OTHER POWERS AND FUNCTIONS AS MAY BE NECESSARY OR INCIDENTAL TO THE ATTAINMENT OF THE PURPOSES AND OBJECTIVES OF THIS ACT OR AS MAY BE ASSIGNED BY THE DIRECTOR GENERAL."						
7 8	<b>SEC. 3.</b> Section 10 of Republic Act No. 8293, as amended, is hereby further amended to read as follows:						
9 10	<b>"SEC. 10.</b> <i>The Bureau of Legal Affairs.</i> – The Bureau of Legal Affairs shall have the following functions:						
11	"10.1 x x x;						
12	"10.2 (a) x x x.						
13 14	"10.2 (b) After formal investigation, the Director for Legal Affairs may impose one (1) or more of the following administrative penalties:						
15	"x x x						
16 17 18 19 20 21 22 23	"(v) The imposition of administrative fines in such amount as deemed reasonable by the Director of Legal Affairs, which shall in no case be less than [Five thousand pesos (Php 5,000)] <b>ONE HUNDRED THOUSAND PESOS (PHP 100,000)</b> nor more than [One hundred fifty thousand pesos (Php 150,000)] <b>ONE MILLION PESOS (PHP 1,000,000)</b> . In addition, an additional fine of not more than [One thousand pesos (Php 1,000)] <b>TEN THOUSAND PESOS (PHP 10,000)</b> shall be imposed for each day of continuing violation;						
24	"X X X						
25 26	"THE DECISIONS OF THE ADJUDICATION OFFICERS ARE APPEALABLE TO THE DIRECTOR.						
27 28	"10.3. ESTABLISH AND ADMINISTER ALTERNATIVE DISPUTE RESOLUTION MECHANISMS; AND						
29 30 31	"10.4. PROVIDE ASSISTANCE TO OTHER BUREAUS AND OFFICES OF THE IPOPHL, INCLUDING LEGAL REVIEW, STUDY, AND SIMILAR TASKS.						
32 33	"10.[3]5. The Director General may by Regulations establish the procedure to govern the implementation of this Section."						
34 35	<b>SEC. 4.</b> Section 216 of Republic Act No. 8293, as amended, is hereby further amended to read as follows:						

1 "SEC. 216. Infringement. – Any person infringes a right protected under this Act when 2 one: 3 "(a) x x x; 4 "(b) x x x; 5 "(c) x x x. 6 "216-A. PREVENTIVE ACTION ON ONLINE INFRINGEMENT. - UNLESS OTHERWISE PROVIDED BY LAW, OR UNLESS OTHERWISE ORDERED BY 7 THE APPROPRIATE COURT OF LAW, THE INTELLECTUAL PROPERTY 8 9 OFFICE SHALL HAVE THE POWER, AFTER DUE NOTICE AND HEARING, TO DISABLE ACCESS TO AN ONLINE LOCATION PREVENT FURTHER 10 ACCESS TO AN ONLINE LOCATION WHOSE PRIMARY PURPOSE OR 11 PRIMARY EFFECT OF WHICH IS TO INFRINGE COPYRIGHT OR 12 13 FACILITATE COPYRIGHT INFRINGEMENT. "THE COPYRIGHT OWNER OR THE EXCLUSIVE LICENSEE OF 14 15 COPYRIGHT, HEREINAFTER REFERRED TO AS THE "ELIGIBLE PARTY," MAY SUBMIT AN APPLICATION TO THE INTELLECTUAL PROPERTY 16 OFFICE TO ORDER THE DISABLING OF ACCESS TO ANY INFRINGING 17 18 ONLINE LOCATION IDENTIFIED IN THE APPLICATION. 19 "THE APPLICATION TO THE INTELLECTUAL PROPERTY OFFICE 20 SHALL BE SUBMITTED BY COMPLETING IN ITS ENTIRETY THE FORMS AND DOCUMENTATION AS REQUESTED BY THE INTELLECTUAL 21 PROPERTY OFFICE TO ALLOW THE INTELLECTUAL PROPERTY OFFICE 22 23 TO ESTABLISH THAT THE PARTY FILING THE APPLICATION IS AN ELIGIBLE PARTY, OR IS AUTHORISED TO FILE THE APPLICATION ON 24 BEHALF OF AN ELIGIBLE PARTY AND VERIFY THROUGH EVIDENCE 25 THAT THE SUBJECT OF THE ORDER APPLIED FOR IS AN INFRINGING 26 27 ONLINE LOCATION. "FOR PURPOSES OF THIS CHAPTER, "ONLINE LOCATION" SHALL 28 29 REFER TO ANY SINGLE OR COLLECTION OF RELATED WEB PAGES 30 ACCESSIBLE BY A USER THROUGH A DOMAIN, IP ADDRESS, OR UNIFORM RESOURCE LOCATOR (URL), OR A SPECIFIC DOMAIN, IP 31 32 ADDRESS, OR UNIFORM RESOURCE LOCATOR (URL) WHICH SERVES TO OPERATE, IN WHOLE OR IN PART, AN APPLICATION ON THE 33 INTERNET. 34 "216-B. PROCEDURE OF INQUIRY FOR PREVENTIVE ACTION. - THE 35 **PROPERTY OFFICE SHALL FORMULATE** 36 INTELLECTUAL 37 PROCEDURE OF INOUIRY FOR PREVENTIVE ACTION ON ONLINE INFRINGEMENT, ACCORDING TO THE FOLLOWING STANDARDS: 38 39 MINIMUM REQUIREMENTS OF THE APPLICATION FOR

ACTION BY AN ELIGIBLE PARTY. THE APPLICATION

REFERRED TO IN SECTION 84A SHALL INDICATE: THE FACT

"(1)

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THAT, AND THE MANNER BY WHICH, THE INFRINGING
ONLINE LOCATION IS ACCESSIBLE; AND OTHER MATTERS
WHICH THE INTELLECTUAL PROPERTY OFFICE MAY TAKE
INTO ACCOUNT, INCLUDING:

- "(I) WHETHER THE ONLINE LOCATION MAKES AVAILABLE OR CONTAINS DIRECTORIES, INDEXES OR CATEGORIES OF THE MEANS TO INFRINGE, OR FACILITATE AN INFRINGEMENT OF, COPYRIGHT;
- "(II) WHETHER THE OWNER OR OPERATOR OF THE ONLINE LOCATION DEMONSTRATES A DISREGARD FOR COPYRIGHT GENERALLY; OR
  - "(III) WHETHER ACCESS TO THE ONLINE LOCATION HAS BEEN DISABLED BY ORDERS FROM ANY COURT OF ANOTHER COUNTRY OR TERRITORY ON THE GROUND OF OR RELATED TO COPYRIGHT INFRINGEMENT.
- "(2) ONE APPLICATION MAY BE SUBMITTED FOR MULTIPLE INFRINGING ONLINE LOCATIONS, AND THE REQUIREMENTS OF THIS SECTION MUST BE MET AND SET OUT IN THE APPLICATION.
  - "(3) THE APPLICANT MUST NOTIFY THE PERSON WHO OPERATES THE ONLINE LOCATION OF THE MAKING OF AN APPLICATION UNDER SECTION 1, BUT THE INTELLECTUAL PROPERTY OFFICE MAY DISPENSE, ON SUCH TERMS AS IT SEES FIT, WITH THE NOTICE REQUIRED TO BE SENT TO THE PERSON WHO OPERATES THE ONLINE LOCATION IF THE INTELLECTUAL PROPERTY OFFICE IS SATISFIED THAT THE APPLICANT IS UNABLE, DESPITE REASONABLE EFFORTS, TO DETERMINE THE IDENTITY OR ADDRESS OF THE PERSON WHO OPERATES THE ONLINE LOCATION, OR TO SEND NOTICES TO THAT PERSON.
  - **"(4)** UPON RECEIPT OF THE APPLICATION, THE INTELLECTUAL PROPERTY OFFICE SHALL REVIEW THE SAME AND DETERMINE WHETHER THE ONLINE LOCATION MEETS REOUIREMENTS OF PARAGRAPH (A). APPLICATION MEETS THE REQUIREMENTS OF PARAGRAPH (A), THE INTELLECTUAL PROPERTY OFFICE SHALL GIVE DUE NOTICE OF THE SAME TO THE PERSON WHO OPERATES THE ONLINE LOCATION EITHER BY DIRECTLY CONTACT SUCH PERSON OR BY POSTING SUCH NOTICE PUBLICLY. THE INTELLECTUAL PROPERTY OFFICE SHALL, WITHIN FIVE (5) DAYS OF GIVING DUE NOTICE, RENDER AN ORDER REQUIRING INTERNET SERVICE PROVIDERS TO TAKE REASONABLE STEPS TO DISABLE ACCESS TO THE

1	INFRINGING ONLIN	NE LOCATION. A	COPY OF	THE SAID
2	ORDER SHALL LII	KEWISE BE GIVEN	TO THE	<b>ELIGIBLE</b>
3	PARTY.			

- "(5) THE INTERNET SERVICE PROVIDERS MUST COMPLY WITH THE DISABLING ORDERS WITHIN 48 HOURS OF THE ISSUANCE OF THE DISABLING ORDER AND MUST DISABLE THE IDENTIFIED INFRINGING ONLINE LOCATIONS BY IMPLEMENTING AN EFFECTIVE TECHNICAL MEASURE, OR A MEASURE UNDERTAKEN BY THE INTERNET SERVICE PROVIDER TO DISABLE OR PREVENT ACCESS TO AN INFRINGING ONLINE LOCATION, AND MAY INCLUDE DOMAIN NAME SYSTEM (DNS) BLOCKING, IP BLOCKING, URL BLOCKING, SERVER NAME INDICATOR BLOCKING, OR OTHER MEANS.
- "(6) THE INTELLECTUAL PROPERTY OFFICE MAY AT ANY TIME DURING THE OPERATION OF THE ORDERS NOTIFY THE INTERNET SERVICE PROVIDERS SHOULD IT BECOME AWARE THAT ANY INFRINGING ONLINE LOCATION IS ACCESSED FROM AN ADDITIONAL ONLINE LOCATION, INCLUDING ONE THAT APPEARS TO BE ASSOCIATED WITH ANY INFRINGING ONLINE LOCATION BASED ON ITS NAME, BRANDING OR THE IDENTITY OF ITS OPERATOR, AND MAKE SUCH DIFFERENT ONLINE LOCATION SUBJECT TO THE ORDERS.

25 "x x x."

- SEC. 5. Within ninety (90) days from the effectivity of this Act, the Intellectual Property Office shall promulgate the necessary rules and regulations for the implementation of this Act.
- SEC. 6. If any provisions of this Act are declared invalid or unconstitutional, the remaining parts or provisions not affected shall remain valid.
- SEC. 7. All acts, executive orders, administrative orders, proclamations, rules and regulations or parts thereof inconsistent with any of the provisions of this Act, are hereby expressly repealed or modified accordingly.
- SEC. 8. This Act shall take effect immediately upon its publication in the *Official* Gazette or in a newspaper of general circulation in the Philippines.

Approved,