PHILIPPINES

APAA ANTI-COUNTERFEITING COMMITTEE REPORT

COUNTRY REPORT

79th Council Meeting

29 November – 2 December 2026, Hong Kong

Part 1. Legislative Updates

Proposed amendments to the Intellectual Property Code

What is proposed. In its 6 June 2026 announcement, the Intellectual Property Office of the Philippines (IPOPHL) reported measures then under consideration in the 20th Congress concerning geographical indications, stronger site-blocking powers against online piracy, and registration of non-traditional marks, including sounds and scents.

Why it matters for IP enforcement. The site-blocking proposals would give IPOPHL direct authority to order the disabling of access to copyright-infringing platforms. The proposed geographical-indications legislation would establish a dedicated statutory framework and introduce criminal enforcement provisions. The proposals address distinct aspects of IP protection, including online copyright enforcement, geographical indications and trademark registrability.

Part 2. Recent Court Cases

a. Manolo P. Samson v. People of the Philippines (G.R. No. 275805, 27 January 2026)

Facts. Caterpillar, Inc., an international manufacturer primarily known for heavy construction equipment, expanded globally into retail merchandise, including footwear, apparel, and accessories under its "Caterpillar" and "CAT" marks. Caterpillar, Inc. discovered that Manolo P. Samson, through local retail outfits, was manufacturing and selling garments, shoes, and leather goods bearing identical marks ("Caterpillar" and "CAT") in the Philippines. Caterpillar, Inc. initiated criminal complaints against Samson for Unfair Competition under the Intellectual Property Code.

Samson contended he was acting in good faith under a color of right. He testified that he had marketed products bearing the marks domestically since 1992. He applied for registration of the CATERPILLAR mark in 1994 and obtained registration in 1997 after Caterpillar's opposition had been denied. He relied on the registration and its subsequent renewals as the basis for his continued use of the mark.

Issue. Whether Manolo P. Samson is guilty beyond reasonable doubt of criminal Unfair Competition under Section 168.3(a) of Republic Act No. 8293, given the confusing similarity between the items and the required intent to deceive or defraud.

Ruling. No. The Supreme Court acquitted Manolo P. Samson, setting aside his prior criminal conviction and reversing the lower courts' findings on criminal liability.

The Supreme Court highlighted that the key element of criminal unfair competition is intent to deceive the public or pass off goods as those of another maker. While the products showed "confusing similarity," Samson's historical domestic operations, marketing since 1992, and reliance on a trademark registration obtained after Caterpillar's opposition had been denied raised reasonable doubt as to the presence of fraudulent intent. The Court gave weight to the registration and its renewals as circumstances supporting his asserted good faith.

The Court considered the presumption of fraudulent intent under Rule 18, Section 7 of the Rules of Procedure for Intellectual Property Rights Cases, together with the safeguards for criminal presumptions under Rule 131, Section 6 of the Rules of Court. For such a presumption to establish an element of the offense, the prosecution must prove the basic fact beyond reasonable doubt, and the presumed fact must follow from the basic fact beyond reasonable doubt. The burden of proving guilt beyond reasonable doubt remains with the prosecution.

Significance. It reinforces that a finding of "confusing similarity" does not automatically establish criminal unfair competition. Intent to deceive or defraud must be proven beyond reasonable doubt, subject to the rules on permissible presumptions. An accused's reliance on a trademark registration may raise reasonable doubt as to the presence of fraudulent intent.

b. ISCO Holding Corporation v. Nikon Corporation (G.R. No. 256002, 17 November 2025)

Facts. In 2009, ISCO Holding Corporation (ISCO), a Philippine company, sought to register the trademark "NIKON & DESIGN" (featuring an anchor logo above the stylized word "Nikon") for household goods and appliances under Nice Classes 7, 9, 11, 14, and 21. Nikon Corporation, a famous Japanese enterprise renowned for cameras and optical products, filed a Verified Notice of Opposition. Nikon argued that it had owned and registered the "NIKON" wordmark in the Philippines for cameras since 1981, that the mark is globally well-known, and that ISCO's registration would lead to consumer confusion and trademark dilution.

ISCO countered, among other arguments, that its household appliances were completely unrelated to Nikon's optical camera line.

Issue. Whether ISCO can validly register the "NIKON & DESIGN" trademark for unrelated household products despite the prominent, pre-existing global fame and Philippine registration of Nikon Corporation's mark.

Ruling. No. The Supreme Court denied ISCO's petition, affirming the rejection of the "NIKON & DESIGN" trademark.

On the merits, the Court applied the Dominancy Test. It ruled that the word "NIKON" is a coined and highly distinctive feature in both marks. Adding a blue anchor design did not suppress the visual and auditory dominance of the identical word "Nikon".

The Court also declared that "NIKON" is a legally recognized, well-known mark. Under Sections 123.1(f) and 147.2 of the Intellectual Property Code (R.A. No. 8293), well-known marks registered in the Philippines enjoy expanded protective boundaries even on dissimilar goods where the use would indicate a connection with the registered owner and the owner's interests are likely to be damaged. The Court found that consumers could assume Nikon had expanded into household appliances and that ISCO's use would cause dilution by blurring, impairing the mark's ability to identify Nikon's goods.

Additionally, the name "NIKON" forms part of the respondent's trade name, which is independently protected under Section 165.2 even without registration. Subsequent use as a trademark is unlawful where likely to mislead the public. This provided an additional ground for rejecting ISCO's application.

Significance. The ruling reinforces that a well-known mark registered in the Philippines may receive protection even for dissimilar goods where the use indicates a connection with the registered owner and the owner's interests are likely to be damaged, including through dilution.

The ruling also underscores the strict application of the Dominancy Test. Adding minor design elements, such as an anchor logo or changes in color, does not necessarily distinguish a mark where the identical word remains its dominant feature and creates confusing visual and phonetic similarity.

Finally, it emphasizes that a foreign entity's trade name is protected under Philippine law even without registration. Subsequent use as a trademark may be barred where it is likely to mislead the public.

c. Starwood Hotels & Resorts Worldwide LLC v. Oceanic Empire Limited (G.R. Nos. 262551, 266971 and 275314, 28 January 2026)

Facts. Oceanic Empire Limited (Oceanic) sought to register the trademarks "WGLOBALCENTER" and "WFIFTHAVENUE" under Nice Class 36. Oceanic had successfully registered "WTOWER" under the same class.

Global hospitality giant Starwood Hotels & Resorts Worldwide, LLC (Starwood) filed a series of legal actions before the Intellectual Property Office of the Philippines (IPOPHL) opposing the new applications and petitioning the cancellation of the "WTOWER" mark. Starwood contended that Oceanic's marks were confusingly similar to its own globally recognized, registered "W" wordmark and stylized "W" mark covering Nice Classes 37, 41, 43, and 44 (associated with its high-end boutique "W Hotels" lifestyle line).

The IPOPHL Director General ultimately ruled in favor of Oceanic, reversing the Bureau of Legal Affairs (BLA) Director's rulings in Starwood's favor. The Court of Appeals (CA) upheld the Director General's rulings. They reasoned that no single entity has the right to monopolize a single letter of the alphabet ("W"). Furthermore, they held that real estate management and premium hotel services were distinct fields, and since these involved high-end, luxury property transactions, wealthy and discriminating buyers would not be easily confused.

Issue. Whether the trademarks "WGLOBALCENTER", "WFIFTHAVENUE", and "WTOWER" are confusingly similar to Starwood's registered "W" marks under the Dominancy Test, thereby barring their registration or warranting their cancellation.

Ruling. Yes. The Supreme Court granted Starwood's petitions, directing the denial of Oceanic's trademark applications and the cancellation of the "WTOWER" registration.

Under the Dominancy Test, the Court found that the shared, dominant, and visually striking feature across the competing marks was the stylized bold uppercase letter "W". The additions of descriptive suffixes like "Globalcenter", "Fifthavenue", or "Tower" did not mitigate the visual and aural impact of the primary "W" branding. The Court found that Starwood's plain 'W' word mark lacked sufficient distinctiveness. However, its stylized 'W' was confusingly similar to Oceanic's marks.

The Court also considered the marks as presented in the marketplace, including their prominent display on buildings and in online material. This supported its assessment of the commercial impression created by the dominant stylized "W".

The Court rejected the lower tribunals' narrow division between hotel accommodations (Class 43) and real estate affairs (Class 36). The Court emphasized that global luxury hospitality brands may extend their business into residential management, premium condominiums, and commercial developments. The commercial relationship and normal expansion of the services supported a likelihood of confusion.

Even though the target consumers are sophisticated buyers who exercise great care, the similarity may create Confusion of Business (or origin). Consumers may mistakenly assume that Oceanic's real estate structures are authorized by, or commercially connected with, Starwood's luxury "W Hotels" business. Care in an expensive property transaction does not necessarily prevent a mistaken assumption of sponsorship or affiliation.

Significance. Although arising from registration disputes rather than a counterfeit-goods prosecution, the ruling is relevant to enforcement because it establishes that while a company cannot monopolize an ordinary letter of the alphabet, protection may extend to a distinctive stylized letter forming the dominant feature of a registered mark. The assessment turns on the marks and their likely commercial impression.

It also clarifies that a high price tag and a discriminating buyer pool do not automatically preclude a likelihood of confusion. Even sophisticated buyers may mistakenly assume that the businesses are connected through sponsorship, affiliation or corporate origin (Confusion of Business).

Finally, the ruling acknowledges modern corporate diversification and the commercial relationship between the real estate and hospitality services at issue. Relatedness must be assessed in their commercial context, rather than determined solely by their classification under Classes 36 and 43.

Part 3. Enforcement and Practice Updates

a. E-Commerce Memorandum of Understanding

On 29 May 2026, IPOPHL reported improved cooperation between rights holders and e-commerce platforms under the voluntary E-Commerce MOU against online counterfeiting. Participation in the MOU had grown to 119 signatories.

Some signatories reported listing removals within 24 hours to three days. One signatory reported more than three times as many deleted listings in 2025 as in the preceding year. These are reported stakeholder experiences, not statutory deadlines or uniform platform performance commitments.

Participants identified seller verification, repeat infringers and cross-border enforcement as persistent concerns. They also discussed closer coordination with enforcement agencies to address offline supply networks. The practical implication for rights holders is the value of combining listing removal with evidence preservation and investigation of recurring sellers.

b. Greenhills IP Rights Help Desk

IPOPHL and the National Committee on Intellectual Property Rights (NCIPR), the inter-agency body coordinating Philippine IP enforcement, launched an IP Rights Help Desk at Greenhills on 20 April 2026.

In its 21 April 2026 announcement, IPOPHL identified Greenhills as the only Philippine mall cited in the United States Trade Representative's Notorious Markets List. The Help Desk provides an onsite channel for consultations, reporting concerns and IP-related guidance. It also supports traders seeking to transition to legitimate products.

The initiative combines a local compliance presence with inter-agency coordination. IPOPHL described regular assessment and operational planning as part of the intended approach.

c. Local government participation

IPOPHL reported on 1 October 2026 that 38 local government units had Anti-Counterfeiting and Anti-Piracy (ACAP) policies in place. These policies promote IP compliance in government workplaces, including measures addressing counterfeit goods and unlicensed software.

Report prepared by:

Vida M. Panganiban-Alindogan / Carlo B. Valerio

Anti-Counterfeiting Committee
Philippines