

# [ PRESIDENTIAL DECREE NO. 1423, June 09, 1978 ]

## AMENDING REPUBLIC ACT NUMBERED THREE THOUSAND EIGHT HUNDRED FIFTY, OTHERWISE KNOWN AS THE "PHILIPPINE INVENTORS INCENTIVES ACT"

**WHEREAS**, it is the policy of the Government to ensure that deserving inventors are adequately encouraged and supported through appropriate incentives particularly in the production and marketing of useful inventions;

**WHEREAS**, Republic Act Numbered Three Thousand Eight Hundred Fifty, otherwise known as the "Philippine Inventors Incentives Act" is no longer responsive to the needs of local inventors.

**NOW, THEREFORE, I, FERDINAND E. MARCOS**, President of the Philippines by virtue of the powers vested in me by the Constitution, do hereby order and decree, as part of the law of the land, the following amendments to Republic Act Numbered Three Thousand Eight Hundred Fifty:

**SECTION 1.** A new section to be designated: Section 3 is hereby inserted after Section 2 of the same Act to read as follows:

**"SEC. 3.** *Definition of Terms* —

"(a) 'Invention' shall mean any new and useful machine manufactured product or substance, process or any improvement thereof that satisfies the requirement of novelty, utility and operativeness.

"(b) 'Innovation' (Utility Model) shall mean any new model of implement or tools of any industrial product or part of the same, which does not possess the quality or invention, but which is of practical utility by reason of its form, configuration, construction or composition.

"(c) 'Industrial Design' shall mean any new original and ornamental design for an article of manufacture.

**SECTION 2.** Section 3 of the Act is hereby renumbered as Section 4 and paragraph (b) thereof is hereby amended to read as follows:

**"SEC. 4.** — (b) To grant financial aid to inventors, utility model makers or industrial designers, to enable them to develop, perfect and produce their inventions, utility models or industrial designs duly patented or those which are pending patent, up to pilot plant scale which would demonstrate their operability and industrial application, under certain terms and conditions."

**SEC. 3.** Sections 4, 5 and 6 of the same Act are hereby renumbered as Sections 5, 6 and 7 respectively, thereof.

**SEC. 4.** A new section to be designated as Section 8 is hereby inserted after Section 7 as renumbered to read as follows: