

FIRST DIVISION

[G.R. No. 115106, March 15, 1996]

**ROBERTO L. DEL ROSARIO, PETITIONER, VS. COURT OF APPEALS
AND JANITO CORPORATION, RESPONDENTS.**

D E C I S I O N

BELLOSILLO, J.:

Roberto del Rosario petitions this Court to review the decision of the Court of Appeals^[1] which set aside the order of the Regional Trial Court of Makati granting a writ of preliminary injunction in his favor.

The antecedents: On 18 January 1993 petitioner filed a complaint for patent infringement against private respondent Janito Corporation.^[2] Roberto L. del Rosario alleged that he was a patentee of an audio equipment and improved audio equipment commonly known as the sing-along system or karaoke under Letters Patent No. UM-5269 dated 2 June 1983 as well as Letters Patent No. UM-6237 dated 14 November 1986 issued by the Director of Patents. The effectivity of both Letters Patents was for five (5) years and was extended for another five (5) years starting 2 June 1988 and 14 November 1991, respectively. He described his sing-along system as a handy multi-purpose compact machine which incorporates an amplifier speaker, one or two tape mechanisms, optional tuner or radio and microphone mixer with features to enhance one's voice, such as the echo or reverb to stimulate an opera hall or a studio sound, with the whole system enclosed in one cabinet casing.

In the early part of 1990 petitioner learned that private respondent was manufacturing a sing-along system bearing the trademark *miyata or miyata karaoke* substantially similar if not identical to the sing-along system covered by the patents issued in his favor. Thus he sought from the trial court the issuance of a writ of preliminary injunction to enjoin private respondent, its officers and everybody elsewhere acting on its behalf, from using, selling and advertising the *miyata or miyata karaoke* brand, the injunction to be made permanent after trial, and praying for damages, attorney's fees and costs of suit.

On 5 February 1993 the trial court temporarily restrained private respondent from manufacturing, using and/or selling and advertising the *miyata* sing-along system or any sing-along system substantially identical to the sing-along system patented by petitioner until further orders.

On 24 February 1993 the trial court issued a writ of preliminary injunction upon a bond on the basis of its finding that petitioner was a holder of a utility model patent for a sing-along system and that without his approval and consent private respondent was admittedly manufacturing and selling its own sing-along system under the brand name *miyata* which was substantially similar to the patented utility model^[3] of petitioner.

Private respondent assailed the order of 24 February 1993 directing the issuance of the writ by way of a petition for *certiorari* with prayer for the issuance of a writ of preliminary injunction and a temporary restraining order before respondent Court of Appeals.

On 15 November 1993 respondent appellate court granted the writ and set aside the questioned order of the trial court. It expressed the view that there was no infringement of the patents of petitioner by the fact alone that private respondent had manufactured the *miyata karaoke* or audio system, and that the *karaoke* system was a universal product manufactured, advertised and marketed in most countries of the world long before the patents were issued to petitioner. The motion to reconsider the grant of the writ was denied;^[4] hence, the instant petition for review.

This petition alleges that: (a) it was improper for the Court of Appeals to consider questions of fact in a *certiorari* proceeding; (b) the Court of Appeals erred in taking judicial notice of private respondent's self-serving presentation of facts; (c) the Court of Appeals erred in disregarding the findings of fact of the trial court; and, (d) there was no basis for the Court of Appeals to grant a writ of preliminary injunction in favor of private respondent.^[5]

Petitioner argues that in a *certiorari* proceeding, questions of fact are not generally permitted the inquiry being limited essentially to whether the tribunal has acted without or in excess of jurisdiction or with grave abuse of discretion; that respondent court should not have disturbed but respected instead the factual findings of the trial court; that the movant has a clear legal right to be protected and that there is a violation of such right by private respondent. Thus, petitioner herein claims, he has satisfied the legal requisites to justify the order of the trial court directing the issuance of the writ of injunction. On the other hand, in the absence of a patent to justify the manufacture and sale by private respondent of sing-along systems, it is not entitled to the injunctive relief granted by respondent appellate court.

The crux of the controversy before us hinges on whether respondent Court of Appeals erred in finding the trial court to have committed grave abuse of discretion in enjoining private respondent from manufacturing, selling and advertising the *miyata karaoke* brand sing-along system for being substantially similar if not identical to the audio equipment covered by letters patent issued to petitioner.

Injunction is a preservative remedy for the protection of substantive rights or interests. It is not a cause of action in itself but merely a provisional remedy, an adjunct to a main suit. The controlling reason for the existence of the judicial power to issue the writ is that the court may thereby prevent a threatened or continuous irremediable injury to some of the parties before their claims can be thoroughly investigated and advisedly adjudicated. It is to be resorted to only when there is a pressing necessity to avoid injurious consequences which cannot be remedied under any standard of compensation. The application of the writ rests upon an alleged existence of an emergency or of a special reason for such an order before the case can be regularly heard, and the essential conditions for granting such temporary injunctive relief are that the complaint alleges facts which appear to be sufficient to

constitute a cause of action for injunction and that on the entire showing from both sides, it appears, in view of all the circumstances, that the injunction is reasonably necessary to protect the legal rights of plaintiff pending the litigation.^[6]

A preliminary injunction may be granted at any time after the commencement of the action and before judgment when it is established that the defendant is doing, threatens, or is about to do, or is procuring or suffering to be done, some act probably in violation of the plaintiff's rights. Thus, there are only two requisites to be satisfied if an injunction is to issue, namely, the existence of the right to be protected, and that the facts against which the injunction is to be directed are violative of said right.^[7]

For the writ to issue the interest of petitioner in the controversy or the right he seeks to be protected must be a present right, a legal right which must be shown to be clear and positive.

In this regard Sec. 55 of R.A. 165 as amended, known as *The Patent Law*, provides-

Sec. 55. Design patents and patents for utility models. - (a) Any new, original, and ornamental design for an article of manufacture and (b) new model or implements or tools or of any Industrial product or of part of the same, which does not possess the quality of invention but which is of practical utility by reason of its form, configuration, construction or composition, may be protected by the author thereof, the former by a patent for a design and the latter by a patent for a utility model, in the same manner and subject to the same provisions and requirements as relate to patents for inventions insofar as they are applicable, except as otherwise herein provide x x x

Admittedly, petitioner is a holder of Letters Patent No. UM-5629 dated 2 June 1985 issued for a term of five (5) years from the grant of a Utility Model herein described-

The construction of an audio equipment comprising a substantially cubical casing having a window at its rear and upper corner fitted with a slightly inclined control panel, said cubical (casing) having a vertical partition wall therein defining a rear compartment and a front compartment, and said front compartment serving as a speaker baffle; a transistorized amplifier circuit having an echo section and writhed in at least the printed circuit boards placed inside said rear compartment of said casing and attached to said vertical partition wall, said transistorized amplifier circuit capable of being operated from outside, through various controls mounted on said control panel of such casing; a loud speaker fitted inside said front compartment of said casing and connected to the output of the main audio amplifier section of said transistorized amplifier circuit and a tape player mounted on the top wall of said casing and said tape player being connected in conventional manner to said transistorized amplifier circuit.^[8]

Again, on 14 November 1986 petitioner was granted Letters Patent No. UM-6237 for a term of five (5) years from the grant of a Utility Model described as-

In an audio equipment consisting of a first cubical casing having an opening at its rear and upper rear portion and a partition therein forming

a rear compartment and a front compartment serving as a loud speaker baffle, a control panel formed by vertical and horizontal sections, a transistorized amplifier circuit wired in at least two printed circuit boards attached at the back of said control panel, a first loud speaker fitted inside said first compartment of such first casing and connected to the output of said transistorized amplifier circuit; the improvement wherein said control panel being removably fitted to said first cubical casing and further comprises a set of tape recorder and tape player mounted on the vertical section of said control panel and said recorder and player are likewise connected to said transistorized amplifier circuit; a second cubical casing having an opening at its rear, said second cubical casing having (being ?) provided with a vertical partition therein defining a rear compartment and a front compartment, said rear compartment being provided with a door and enclosing therein a set of tape racks and said front compartment serving as loud speaker baffle, said second cubical casing being adapted to said first cubical casing so that said first and second casings are secured together in compact and portable form; and a second loud speaker fitted inside said front compartment of said casing and connected to the output of said amplifier circuit.^[9]

The terms of both Letters Patents were extended for another five (5) years each, the first beginning 2 June 1988 and the second, 14 November 1991.

The Patent Law expressly acknowledges that any new model of implements or tools of any industrial product even if not possessed of the quality of invention but which is of practical utility is entitled to a patent for utility model.^[10] Here, there is no dispute that the letters patent issued to petitioner are for utility models of audio equipment.

In issuing, reissuing or withholding patents and extensions thereof, the Director of Patents determines whether the patent is new and whether the machine or device is the proper subject of patent. In passing on an application, the Director decides not only questions of law but also questions of fact, i.e. whether there has been a prior public use or sale of the article sought to be patented.^[11] Where petitioner introduces the patent in evidence, if it is in due form, it affords a *prima facie* presumption of its correctness and validity. The decision of the Director of Patents in granting the patent is always presumed to be correct, and the burden then shifts to respondent to overcome this presumption by competent evidence.^[12]

Under Sec. 55 of The Patent Law a utility model shall not be considered "new" if before the application for a patent it has been publicly known or publicly used in this country or has been described in a printed publication or publications circulated within the country, or if it is substantially similar to any other utility model so known, used or described within the country. Respondent corporation failed to present before the trial court competent evidence that the utility models covered by the Letters Patents issued to petitioner were not new. This is evident from the testimony of Janito Cua, President of respondent Janito Corporation, during the hearing on the issuance of the injunction, to wit -

Q. Mr. Cua, you testified that there are (sic) so many other companies which already have (sic) the sing-along system even before the patent application of Mr. del Rosario and as a