

June 17, 2003

A.M. No. 03-03-03-SC

RE: CONSOLIDATION OF INTELLECTUAL PROPERTY COURTS WITH COMMERCIAL COURTS

RESOLUTION

WHEREAS, to implement the provisions of Section 5.2 of Republic Act No. 8799 (The Securities Regulation Code), and in the interest of a speedy and efficient administration of justice, the Supreme Court *en banc*, in the (a) Resolution dated 21 November 2000 (Annex 1), 4 July 2001 (Annex 1-a), 12 November 2002 (Annex 1-b), and 9 July 2002 (Annex 1-c), all issued in A.M. No. 00-11-03-SC; (b) Resolution dated 27 August 2001 in A.M. No. 01-5-298 RTC (Annex 2); and (c) Resolution dated 8 July 2002 in A.M. No. 01-12-656-RTC (Annex 3), resolved to designate certain branches of the Regional Trial Courts to try and decide cases formerly cognizable by the Securities and Exchange Commission;

WHEREAS, pursuant to the same Resolution, sixty-five (65) Regional Trial Courts, distributed in all regions (NCJR and Regions I-XII), were designated as SEC courts ("SEC Courts"), which courts have presently a total of 812 pending SEC cases (see Annex 6, Table);

WHEREAS, in A.O. No. 113-95, dated 2 October 1995, as amended by A.O. No. 104-96, dated 21 October 1996, the Regional Trial Courts in the National Capital Region and Regions 3, 4, 6, 7, 9, 10 and 11, with twenty seven (27) judges, were specially designated to try and decide cases for violations of Intellectual Property Rights (Annex 4), and to ensure the speedy disposition of cases involving violations of intellectual property rights under the Intellectual Property Code (Rep. Act No. 8293), the Supreme Court *en banc*, in A.M. No. 02-1-11-SC, dated February 19, 2002, designated the Regional Trial Courts in Regions 1, 2, 5, 8 and 12, with a total of seven (7) judges, and Branch 24 of the Regional Trial Court of Manila with one (1) judge, as Special Intellectual Property Courts ("Special IP Courts") (Annex 5);

WHEREAS, pursuant to A.M. No. 02-1-11-SC and A.O. No. 113-95, these Special IP Courts have a total caseload of 503 cases. Of this number 434 IP cases are pending in the NCJR (Annex 6, Table);

WHEREAS, since the establishment of Special IP Courts (except for the Special IP Courts in Manila), 15 designated courts, in Regions 1, 2, 3, 4, 5, 6, 7, 8, 9 and 12 have zero (0) IP cases, and do not warrant their continued designations as Intellectual Property Courts (Annex 7, Table);

WHEREAS, intellectual property cases are commercial in nature;

WHEREAS, to streamline the court structure and to promote expediency and efficiency in handling such special cases, the jurisdiction to hear and decide IPC and SEC cases are best consolidated in one court;

NOW, THEREFORE, the Court Resolves:

1. The Regional Courts previously designated as SEC Courts through the: (a) Resolutions of this Court dated 21 November 2000, 4 July 2001, 12 November 2002, and 9 July 2002, all issued in A.M. No. 00-11-03-SC, (b) Resolution dated 27 August 2001 in A.M. No. 01-5-298-RTC; and (c) Resolution dated 8 July 2002 in A.M. No. 01-12-656-RTC are hereby DESIGNATED and shall be CALLED as Special Commercial Courts to try and decide cases involving violations of Intellectual Property Rights which fall within their jurisdiction and those cases formerly cognizable by the Securities and Exchange Commission;
2. The designation of Intellectual Property Courts under Administrative Order No. 113-95 dated 2 October 1995, as amended by Administrative Order No. 104-96 dated 21 October 1996 and Resolution dated 19 February 2002 in A.M. No. 02-1-11-SC, is hereby revoked. However, the Regional Trial Court, Branch 24, Manila is hereby designated as an additional Special Commercial Court in the City of Manila; IHCSET
3. Upon the effectivity of this Resolution, all IP cases shall be transferred to the designated Special Commercial Courts except those which have undergone the pretrial stage in civil cases or those where any of the accused has been arraigned in criminal cases which shall be retained by the court previously assigned to try them;
4. The Special Commercial Courts shall have jurisdiction over cases arising within their respective territorial jurisdiction with respect to the National Capital Judicial Region and within the respective provinces with respect to the First to Twelfth Judicial Regions. Thus, cases shall be filed in the Office of the Clerk of Court in the official station of the designated Special Commercial Court;
5. In the event of inhibition of the judge of a designated Special Commercial Court, the following guidelines shall be observed: (a) where there is only one (1) Special Commercial Court, the case shall be raffled among the other judges in the station; (b) where there are two (2) Special Commercial Courts in the station, the Executive Judge shall immediately assign the case to the other Special Commercial Court; and (c) in case of inhibition of both judges of the Special Commercial Courts, the Executive judge shall raffle the case among the judges in the station; and
6. In order to ensure a just and equitable distribution of cases, the designated Special Commercial Courts shall continue to participate in the raffles of other cases. *Provided, however,* that the Executive Judge concerned shall adopt a procedure whereby every IP and SEC case assigned to a Special Commercial Court should be considered a case raffled to it and duly credited to such court.

This Resolution shall take effect on 1 July 2003 and shall be published in two (2) newspapers of general circulation. TAIEGS

(SGD.) HILARIO G. DAVIDE, JR.

Chief Justice
Supreme Court of the Philippines

(SGD.) JOSUE N. BELLOSILLO
Associate Justice
Supreme Court of the Philippines

(SGD.) JOSE C. VITUG
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(SGD.) LEONARDO A. QUISUMBING
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(SGD.) ANGELINA SANDOVAL-GUTIERREZ
Associate Justice
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MA. ALICIA AUSTRIA-MARTINEZ
Associate Justice
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(SGD.) CONCHITA C. MORALES
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(SGD.) REYNATO S. PUNO
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(SGD.) ARTEMIO V. PANGANIBAN
Associate Justice
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(SGD.) CONSUELO YNARES-SANTIAGO
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(SGD.) ANTONIO T. CARPIO
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(SGD.) RENATO C. CORONA

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(SGD.) ROMEO J. CALLEJO, SR.

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(SGD.) ADOLFO S. AZCUNA

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