



Republic of the Philippines

DEPARTMENT OF SCIENCE AND TECHNOLOGY



DOST Memorandum Circular No. 001

Series of 2023

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SUBJECT: Revised "Guidelines, Criteria and Documentary Requirements for the Inventors' Umbrella Organization".

I. Rationale

Section 1.5 of the 2005 Implementing Rules and Regulations of Republic Act No. 7459, otherwise known as "Inventors and Invention Incentives Act of the Philippines, defines the Filipino Inventors Society (FIS) as the organization duly accredited and recognized by the Department of Science and Technology.

Section 8(b) of Article IV of Republic Act No. 7459, on the other hand, expanded the functions of the Department of Science and Technology – Technology Application and Promotion Institute (DOST-TAPI) to include accreditation and recognition of inventor organizations throughout their activities.

Pursuant to the above-mentioned provisions, DOST Memorandum Circular 004 was issued on 21 December 2015, outlining the Guidelines, Criteria and Documentary Requirements for the Inventors' Umbrella Organization.

This Memorandum Circular shall supplement and clarify specific terms in MC 004 in order to effectively carry out the creation and recognition of the Filipino Inventors Society as mandated by law.

II. Definition of Terms

1. **INVENTION** - shall refer to any patented machine, product, process including implements or tools and other related gadgets, utility model and industrial design patents;
2. **INVENTOR** - shall refer to the patentee/s, maker, or designer of an invention, utility model or industrial design as indicated in the letters patent, UM registration, or ID registration;
3. **COMMERCIAL SCALE** - shall refer to the sale of goods and services pertaining to the Invention exceeding Php200,000.00 during any twelve (12) month period provided under BIR Revenue Regulation No. 19-93 or as may otherwise be determined by BIR.
4. **NATIONAL COVERAGE** - for purposes of this Circular, shall mean recognized by the DOST for all the Filipino inventors in the Philippines;
5. **UMBRELLA ORGANIZATION** - shall refer to the Filipino Inventor's Society (FIS) as defined in Section 1.5 of the 2005 Implementing Rules and Regulations of Republic Act No. 7459.

III. Guidelines

1. DOST-TAPI shall accredit inventors' organizations using DOST-TAPI Administrative Order No. 031, known as the Guidelines for the Expanded Inventors' Organization Accreditation Program or any of its amendments or revisions; and
2. DOST-TAPI shall call for an assembly of all the accredited inventors' organizations for the creation of the umbrella organization through the election of its officers which will lead to its establishment as a legal entity.

IV. Functions of the Inventors' Umbrella Organization

1. Represent the inventor sector in the Screening Committee for R.A. No. 7459;
2. Certify inventions that have active patents and that the technology is newly developed by local researches or adapted locally from foreign sources, as required by the applicable BIR Revenue Regulations and/or other government issuance;
3. Certify that the manufacture and/or sale of the invention products from technology developed is made on a commercial scale as defined under Item II (3) above. The commercial value of the invented product is entitled to tax exemption benefits; and
4. Represent TAPI-Accredited Inventors Organizations in any request for assistance from DOST-TAPI for organizational activities.

V. Inventors' Umbrella Organization Criteria

The selection/creation of the Inventors' Umbrella Organization shall be based on the following criteria:

1. National coverage;
2. Membership comprise inventors' organization, no individual membership;
3. Duly registered with the SEC/CDA and complies with all the annual reportorial requirements, such as but not limited to the updated General Information Sheet or Cooperative Annual Performance Report and the Audited Financial Statement, as applicable; and
4. Has majority of the TAPI-accredited inventors' organizations as members.

VI. Documentary Requirements

The created umbrella organization shall submit the following documents to DOST-TAPI for evaluation:

1. List of member inventor organizations;
2. Certified copies of certificates of membership;
3. Certified copies of the members' certificates of accreditation issued by DOST-TAPI;
4. SEC/CDA registration documents (articles of incorporation, By-laws); and
5. List of board of directors, officers and members.

VII. Procedure in the Creation of the Umbrella Organization

The DOST-TAPI shall prescribe the procedure in the creation of the Umbrella Organization.

VIII. Separability Clause

Should any provision of this Memorandum Circular be declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

IX. Repealing Clause

All issuances, orders, rules, and regulations or parts thereof that are inconsistent with the provisions of this Memorandum Circular are hereby repealed, amended, or modified accordingly.

This Circular shall take effect fifteen (15) days after its complete publication in the Official Gazette or newspaper of general circulation and upon filing at the UP Law Center in accordance with law.



RENATO U. SOLIDUM, JR.
Secretary