



Republic of the Philippines

DEPARTMENT OF SCIENCE AND TECHNOLOGY

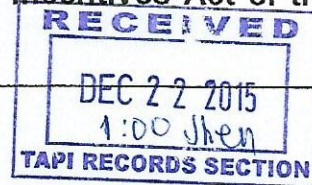
OFFICE OF THE SECRETARY

DEC 21 2015

Memorandum Circular No. 004  
Series of 2015

**SUBJECT: Guidelines, Criteria and Documentary Requirements for the Inventors' Umbrella Organization**

**PURPOSE:** Prescribe the criteria and documentary requirements for effective and efficient implementation of the provision of Section 8.b, Article IV of Republic Act No. 7459 otherwise known as "**Inventors and Invention Incentives Act of the Philippines**"



**I. Definition of Terms**

1. **INVENTION** shall refer to any patented machine, product, process including implements or tools and other related gadgets of invention, utility model and industrial design patents;
2. **INVENTOR** shall refer to the patentee/s, heir/s or assignee/s of an invention;
3. **COMMERCIAL SCALE** shall refer to the sale of goods and services pertaining to the invention exceeding P200,000 during any twelve (12) month period.

**II. Guidelines**

1. The Technology Application and Promotion Institute (TAPI) shall accredit inventors' organizations using Memorandum Circular Number 2013-001 or Revised Criteria and Documentary Requirements for the Accreditation of Inventors' Organization as amended;
2. The Department of Science and Technology (DOST) shall prescribe the criteria and documentary requirements for the Inventors' Umbrella Organization;
3. Once the criteria and documentary requirements have been prescribed by DOST, TAPI shall disseminate the information to every inventors' organizations;
4. TAPI shall call for an assembly of all 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.

*[Handwritten signature]*

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### **III. Functions of the Inventors' Umbrella Organization**

1. Represent the inventor sector in the Screening Committee for R.A. No. 7459; and
2. Certify that the invention has an active patent and that the technology is newly developed by local researches or adapted locally from foreign sources, as required by BIR Revenue Regulation No. 19-93.
3. Certify that the manufacture and/or sale of the invention products from technology developed is made on a commercial scale. The commercial value of the invented product is entitled to the tax exemption benefits.

### **IV. Accreditation Criteria**

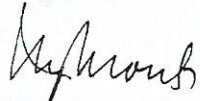
The criteria for Inventors' Umbrella Organization are hereby prescribed as follows:

1. National coverage;
2. Members shall be inventors' organizations accredited by TAPI, no individual membership;
3. Must be registered with the SEC/CDA and complies with all current requirements;
4. Must garner majority of the TAPI-accredited inventors' organizations as members; and
5. In the event that two (2) or more organizations qualify as the umbrella in terms of the above mentioned criteria, then the one with the most number in terms of individual members with active patent shall be recognized as the umbrella organization.

### **V. Documentary Requirements**

1. List of member organization
2. Certified copy of certificate of membership
3. Certified copy of certificate of accreditation issued by TAPI
4. SEC/CDA registration documents (articles of incorporation, By-laws)
5. List of board of directors, officers and members

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

  
**MARIO G. MONTEJO**  
Secretary