

Title: William C. Yao, Sr., et al. vs. People of the Philippines, Petron Corporation, and Pilipinas Shell Petroleum Corp.

Facts:

1. Petitioners, herein incorporators and officers of MASAGANA Gas Corporation, refilled LPG products under trademarks belonging to Petron Corporation ("GASUL") and Pilipinas Shell Petroleum Corporation ("SHELLANE") without authorization.
2. A letter-complaint addressed to the National Bureau of Investigation (NBI) triggered an investigation into possible violations of intellectual property rights under Republic Act No. 8293.
3. NBI Agent Ritche N. Oblanca, along with team members, conducted surveillance and test-buys at the MASAGANA facility, supporting findings of unauthorized refilling activities.
4. Provisions related to infringement per Republic Act No. 8293 were allegedly violated.
5. Search warrant applications grounded on sufficient probable cause were filed, describing the intended seizure of infringing items and equipment.
6. Search warrants issued by the RTC, directed searches and seizures at MASAGANA, led to the acquisition of multiple LPG cylinders with trademarks, motor compressor machinery, and relevant invoices.

Procedural Posture:

1. Petitioners sought to quash search warrants and demanded the return of seized properties arguing lack of probable cause, authority, specific description in warrants, and erroneous third-party seizure claim (MASAGANA).
2. Trial Court denied such motions, reinforcing probable cause and valid application procedures.
3. Dissatisfied, petitioners approached the Court of Appeals via certiorari under Rule 65, only for the appeal to be denied confirming RTC's orders.
4. The petitioners escalated the matter to the Supreme Court following denial of reconsideration by the Court of Appeals.

Issues:

1. Was there sufficient probable cause for issuing the search warrants?
2. Did NBI Agent Ritche N. Oblanca possess requisite authority to apply for the search warrants?
3. Did the description of the place to be searched fulfill the constitutional requirement of specificity?
4. Were the items to be seized described with adequate particularity in the search warrants?
5. Could MASAGANA Gas Corporation legitimately claim third-party ownership to retrieve seized property?

Court's Decision:

1. **Probable Cause**: Supreme Court upheld there was sufficient probable cause citing comprehensive testimonials and documented evidence by NBI's Oblanca and confirming MASAGANA's unauthorized use of registered trademarks.
2. **Search Warrant Authority**: Oblanca's authority was confirmed by established precedent, acceptance of procedural regularity, and detailed explanations given in affidavits.
3. **Description of Place to be Searched**: It was maintained that despite a large compound, the single business operation under MASAGANA sufficed for distinct identification, fulfilling description requirements.
4. **Particularity of Seizure**: Supreme Court adjudged ample particularity in warrant descriptions to seize items specifically connected with alleged infringement, despite claims of general item categorization.
5. **Third Party Claim and Seizure Validity**: Emphasized MASAGANA's account as alter ego, aligned corporate officers and entity's infringement liability, negating third-party retrieval claim.

Doctrine:

1. Establishment of a broad probable cause principle emphasizing reasonable belief based

on verified personal knowledge and documented evidence.

2. Adaptation of search relevant specificity principle highlighting reasonable operational anticipation interpretable through known public references.
3. Affirmation of corporate legal personality disregard (piercing corporate veil) in denial of refuge against liability for explicit corporate misconduct.

Class Notes:

1. **Probable Cause**: Entails personal witness facts—affidavit-based and documentary corroboration required.
2. **Search Warrant**: Must specify site and property to a reasonable degree; substantial approximation suffice for extensive venues under uncertain item specifics.
3. **Corporate Veil Doctrine**: Can be perforated when misuse for public deception, fraud, or crime is evident.

Historical Background:

1. Occurred against backdrop of intellectual property rights enforcement and expanding territorial directivity of trademarks amidst commercial LPG distribution conflict within the Philippines.
2. Reflected pivotal elucidations concerning the breadth of law enforcement agency powers vis-a-vis intellectual property protection, an evolving concern amid globalization influences and commercial rights recognition.