

DEPARTMENT ADMNISTRATIVE ORDER NO. Series of 2019

> MANDATING THE USE OF THE FILIPINO AND/OR ENGLISH LANGUAGE IN SIGNAGES, BILLBOARDS, ADVERTISEMENTS, BROCHURES, FLIERS, NOTICES, ADVISORIES, LABELS, PRICE TAGS/LISTS, MENUS, RECEIPTS AND OTHER BUSINESS/MARKETING **MATERIALS**

WHEREAS, Republic Act No. 7394 (RA 7394) or the Consumer Act of the Philippines declares that it is the policy of the State to protect the interest of the consumer, promote his general welfare and to establish standards of conduct for business and industry. For this purpose, the State shall implement measures, which, among others, aim for the protection of the consumer against deceptive, unfair and unconscionable sales acts and practices.

WHEREAS, pursuant to Title III, Chapter 1 of RA 7394, a sales act or practice is considered deceptive, unfair or unconscionable when the producer, manufacturer, distributor, supplier or seller commits concealment or takes advantage of the inability to understand the language of an agreement, or similar factors.

WHEREAS, Section 7 of Article XIV of the 1987 Constitution has declared Filipino and English as the official language of the Philippines for purposes of communication and instruction.

WHEREAS, in recent times, innovations in business practices of some business entities and establishments engaged in consumer transactions have resulted in making their signages, billboards, advertisements, brochures, fliers, notices, advisories, labels, price tags/price lists, menus, receipts and other business/marketing materials, to be written or printed in some languages other than the official languages of the country.

WHEREAS, such business practices impede sound choice and proper exercise of rights of the consumer, and are deemed unfair and discriminatory, thus, inimical to the interest of consumers.

WHEREAS, there is a need to update and supplement the existing implementing rules and regulations to further pursue the intent of RA 7394 by providing guidelines on the use of languages in all written or printed signages, billboards,

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advertisements, brochures, fliers, notices, advisories, labels, price tags/price lists, menus, receipts and other business/marketing materials.

WHEREAS, as provided in Executive Order No. 292, the Department of Trade and Industry (DTI) is empowered to protect consumers from trade malpractices; formulate policies, plans and programs relative to, among others, promotion and regulation of trade, industry and investments; and, prescribe and enforce rules and regulations as may be necessary to implement such policies, plans and programs.

NOW, THEREFORE, pursuant to the provisions of the Consumer Act of the Philippines and by virtue of the rule-making power of the DTI, the following Order is hereby prescribed for the information, guidance and compliance of all concerned.

SECTION 1. – *Coverage*. This Order shall apply to and in all business entities and establishments of whatever nature and engaged in the production, manufacture, distribution, supplying or selling in the Philippines of any or all consumer products or services without prejudice to existing rules and regulations being implemented by the Department of Health- Food and Drug Administration and the Department of Agriculture pursuant to the Consumer Act of the Philippines.

SECTION 2. –*Primary Use of Filipino and/or English in Signages, etc.* Without prejudice to Department of Health (DOH) Administrative Order No. 2016-0008 on labelling of drug products, DOH Administrative Order No. 2014- 0030 on labelling of pre-packaged food products, and the guidelines and standards issued by other government agencies or offices on the regulation pertaining to size, form, weight, font, color, location and other required features, all signages, billboards, advertisements, brochures, fliers, notices, advisories, labels, price tags/price lists, menus, receipts and other business/marketing materials, shall be written or printed primarily in Filipino and/or English language where such printed or written materials are necessarily connected or incidental to the business of the establishment, its operations and products or services.

The use of foreign language or languages shall be allowed, provided that a corresponding translation is made in both or either Filipino or English, which translation shall be written or printed in the same material, either above or below the written foreign language, or in such manner that the English or Filipino translation clearly indicates or refers to the foreign language intended to be translated. The English or Filipino language translation shall be as easily visible and legible as the foreign language.

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For the purpose of this Order, Filipino language is deemed to refer or include Tagalog and/or all regional/local languages in the Philippines.

Section 3.— Exception of Business Names, Trade Names, Brand Names, and other Proper Names, and Words and Phrases. The following words or phrases may not be translated as required in Section 2 hereof provided that they shall be written or printed with the use of the Filipino or English alphabet:

- **a.** Business names, trade names and brand names of products derived from foreign language;
- **b.** Specific names of foreign origin given or designated to products or services if such names cannot be accurately translated to, or do not have a corresponding translation in, Filipino or English language: *Provided*, said specific names shall be followed with a description of the nature and/or attributes of the products or services; and,
- c. Words and phrases that are generally used and universally understood because of their significance in commerce and trade, festivities, religious feasts or commemorations and other thematic events or celebrations.

Section 4. – Where the translation of foreign language to Filipino or English is required pursuant to the second paragraph of Section 2 hereof, the business establishment shall secure a certification, which shall attest to the faithfulness of the Filipino or English translation, from the Embassy of the country whose language is sought to be translated, or its accredited translator or interpreter, or any competent individual or institution duly recognized by DTI.

No signages, billboards, advertisements, brochures, fliers, notices, advisories, labels, price tags/price lists, menus, receipts and other business/marketing materials shall be used, posted, or displayed without a prior transmittal to DTI of an original duplicate or certified copy of the said certification together with a copy, sample, reproduction or replica, whichever is applicable, of the business material involved or, in the case of billboards and signages, a photo thereof showing distinctly their written or printed contents.

Section 5. Coordination and Cooperation between the Department of Trade and Industry with Other Government Agencies/Bureaus. – The Department of Trade and Industry shall maintain coordination and cooperation, and exchange of information with the Securities Exchange Commission (SEC), the Department of Agriculture (DA), the Department of Health (DOH), the Food and Drugs Authority (FDA), the Bureau of Internal Revenue (BIR), the Local Government

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Units (LGUs) through the Department of Interior and Local Government (DILG), and other appropriate public and private regulatory entities to ensure effective compliance with the provisions of this Order.

Section 6. Notice of Compliance. – All violations of this Order shall be proceeded in accordance with Department Order No. 18-122, series of 2018, except that the Notice of Violation shall be preceded with an issuance of a Notice of Compliance against the erring establishment, stating therein the fact of violation with a warning to comply with the mandate of this Order within fifteen (15) days from service thereof. Compliance with the directive within the reglementary period shall terminate the proceedings. However, failure or refusal to comply by the erring establishment shall warrant the issuance and service of Notice of Violation and the subsequent filing of appropriate formal charge pursuant to the aforementioned Department Order.

Section 7. – *Penal and Administrative Sanctions.* – Non-compliance with this Order, particularly Section 2 hereof, shall be deemed a violation of the provisions of Deceptive, Unfair and Unconscionable Sales Acts and Practices defined under Title III, Chapter I of the Consumer Act of the Philippines (RA7394) and its appropriate implementing rules and regulations. The erring business entity or establishment shall be administratively liable and shall pay administrative fine ranging as follows:

a. 1st Offense.

Capitalization

Capitalization	THIC
Below 20,000	Php 1,000 - 5,000
Above 20,000 to 100,000	Php 10,000- 20,000
Above 100,000 to 300,000	Php 21,000- 40,000
Above 300,000 to 500,000	Php 41,000- 50,000
Above 500,000 to 1 million	Php 51,000- 80,000
Above 1 million	Php81,000-100,000

Fine

b. 2nd Offense.

Capitalization	Fine
Below 20,000	Php 5,000-10,000
Above 20,000 to 100,000	Php 11,000 - 30,000
Above 100,000 to 300,000	Php 31,000 - 50,000
Above 300,000 to 500,000	Php 51,000 - 80,000

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Above 500,000 to 1 million Above 1 million Php 81,000- 100,000 Php100,000-300,000

c. 3rd Offense.

The administrative fine for the *2nd Offense* shall be imposed and shall carry with it the cancellation of the business name certificate from DTI Business Name Registration and recommendation to local government units and other concerned agencies for the revocation of business registration, permit, license and other regulatory clearances.

d. In addition, an administrative fine of Php1,000.00 shall be imposed for each day of continuing violation counted from receipt of decision until cessation of the violation subject of the charge or full and complete execution of the decision.

In fixing the amount of administrative fine, the following shall be taken into consideration:

- i. The actual capitalization of the business;
- **ii.** The nature and extent of reach of the business/marketing material involved;
- **iii.** The adverse effect, if any, of the business/marketing material to the consumer and the public;
- iv. Voluntary admission of guilt coupled with voluntary desistance from further committing the violation; and
- v. In cases when the violation has caused and resulted in damage, actual and of value, to one or more persons, in which case, the appropriate fine shall be imposed in the maximum amount.

Any and all owner or officer/s of said erring business entity or establishment who caused and/or approved the violation shall be prosecuted, both in accordance with the said Act and proper laws, implementing rules and regulations.

Section 8. *Transitory Provision.* – A period of one (1) month following the effectivity of this Order shall be given to all business establishments within which to take the proper adjustment and/or modification, if needed in order to comply with this Order, on their existing signages, billboards, advertisements, brochures, fliers, notices, advisories, labels, price tags/price lists, menus, receipts and other business/marketing materials.

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Section 9. Repealing Clause. – All previous Orders, which are inconsistent with this Order, are hereby repealed or amended accordingly.

Section 10. Separability Clause. – If any provision of this Order is declared by a court of competent jurisdiction to be invalid, void or unconstitutional, such provision shall be deemed deleted and shall not affect the validity of the rest of the provisions which shall remain in full force and effect.

Section 11. Effectivity. – This Order shall take effect fifteen (15) days after its publication in two (2) newspaper of general circulation. A copy of this Order shall be sent to the National Administrative Register at the University of the Philippine Law Center, and shall be posted in the Official Gazette and in the DTI website.

Issued this $\frac{2/5+}{}$ day of $\frac{\text{June}}{}$ 2019 in Makati City, Philippines.

RECOMMENDING APPROVAL:

ATTY. RUTH B. CASTELO

Undersecretary, Consumer Protection Group

APPROVED.

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