Brazil: Intellectual Property

This country-specific Q&A provides an overview of intellectual property laws and regulations applicable in Brazil.

For a full list of jurisdictional Q&As visit here
1. What different types of intellectual property rights exist to protect: (a) Inventions (e.g. patents, supplementary protection certificates, rights in trade secrets, confidential information and/or know-how); (b) Brands (e.g. trade marks, cause of action in passing off, rights to prevent unfair competition, association marks, certification marks, hallmarks, designations of origin, geographical indications, traditional speciality guarantees); (c) Other creations, technology and proprietary interests (e.g. copyright, design rights, semiconductor topography rights, plant varieties, database rights, rights in trade secrets, confidential information and/or know-how).

(a) Inventions (e.g. patents, supplementary protection certificates, rights in trade secrets, confidential information and/or know-how);

- Patents – invention patents and utility model patents
- Certificates of Addition
- Confidential information and confidential know-how: protection of trade and company secrets is provided through unfair competition law.

(b) Brands (e.g. trade marks, cause of action in passing off, rights to prevent unfair competition, association marks, certification marks, hallmarks, designations of origin, geographical indications, traditional speciality guarantees);

- Trademarks, for product and service trademarks, certification marks and collective marks; famous marks/ highly renowned and well-known marks
- Geographical Indications, which comprise denominations of origin and indications of source
- Protection against unfair competition acts

(c) Other creations, technology and proprietary interests (e.g. copyright, design rights, semiconductor topography rights, plant varieties, database rights, rights in trade secrets, confidential information and/or know-how).

- Copyright and neighboring rights
- Software Protection
- Industrial Designs
- Integrated Circuit Topographies
- Plant Variety Rights (cultivars)
- Protection of confidential know-how and business information (trade secrets).
- Domain Name

2. What is the duration of each of these intellectual property rights? What procedures exist to extend the life of registered rights in appropriate circumstances?

a) Inventions:
○ invention patents: 20 years from the filing date, no less than 10 years after granting
○ Utility Model Patents: 15 years from the filing date, no less than 7 years after granting
○ Certificates of Addition: follows the duration of the invention patent it is related to

b) Trademarks:

○ Product/service trademarks, certification marks and collective mark: 10 years from the granting date, which can be indefinitely renewed for periods of 10 years as long as the fees are paid in due time and the legal requirements are met.
○ Geographical Indications: the registration will be effective for an indefinite period, the period for the use of the right is the same as the existence of the recognized product or service.

c) Other creations:

○ Copyright: The author’s economic rights shall be protected for a period of 70 years as from the first of January of the year following his death. The term of protection of neighbouring rights shall be 70 years from the first of January of the year following fixation for phonograms, transmission for the broadcasts of broadcasting organizations and public performance in other cases.
○ Software rights: The tutelage of the rights associated to the software is assured for a period of fifty years, counting from January 1 of the year following its publication or, if this is unavailable, its creation.
○ Industrial Designs: 10 years from the filing date, renewable for 3 consecutive periods of 5 years
○ Integrated Circuit Topographies: Protection shall be granted to topographies for 10 years starting from the filing date or from the date of the 1st instance of exploitation, whichever occurred first.
○ Plant Varieties: The protection of the plant variety shall be effective for a period of fifteen years from the date of grant of the Provisional Certificate of Protection, except for vines and fruit, forest and ornamental trees, including in each case the rootstock thereof, for which the term shall be eighteen years.
○ confidential know-how and business information protected for an indefinite amount of time, provided that the information is kept secret. Non-disclosure agreements are desirable to prevent that from happening.

3. Who is the first owner of each of these intellectual property rights and is this different for rights created in the course of employment or under a commission?

Brazil follows the first-to-file regime. That is, the first owner of the intellectual property right is generally the first person to request its protection before the BPTO.

The Brazilian IP Law states that an inventor has the right to obtain patent protection, and further clarifies that the applicant is presumed to be legitimately entitled to obtain the patent, also applicable for industrial designs.
Regarding trademarks, the general rule is that the first owner is the applicant that firstly applied for the protection at the BPTO.

As a member of the Paris Convention, the Brazilian IP law also states that applicants can claim for the priority date of a foreign prior IP right filed in a Unionist country. As per the period of time in which the priority right can be evoked, for patents is 12 months from the date of application, for industrial designs and trademarks the deadline is 6 months from the filing date.

Regarding patent applications, article 17 of the Brazilian IP Law states that an application for an invention or utility model patent originally filed in Brazil, without claiming priority and not yet published, shall assure the right of priority for the subsequent application on the same subject matter filed in Brazil by the same applicant or by successors, within a period of 1 year.

As for IP developed in the course of employment or under a commission, it depends on the IP in question:

a) Inventions:

The invention and the utility model belong exclusively to the employer when they result from an employment contract being performed in Brazil and that has research or the inventive step as its object, or if such results from the nature of the services for which the employee was hired. On the other hand, the invention or the utility model developed by an employee shall belong exclusively to him, provided that it is unrelated to the employment contract and does not result from the use of resources, means, data, materials, facilities or equipment of the employer. A third option is when the invention results from the personal contribution of the employee and resources, data, means, materials, facilities or equipment of the employer, in the absence of express contract provision to the contrary - in that case, the property of the invention patent or utility model patent shall be common, in equal parts.

b) Trademarks: the first applicant to file the trademark in the BPTO will be considered the first owner, except for good faith users who, from the priority or filing date, have been using an identical or similar mark in Brazil for at least 6 (six) months to distinguish or certify an identical, similar or alike product or service, who shall have the right of preference for the registration.

c) Other creations:

- Copyright: First owner is the author of the work, there is no express provisions for authorship during employment. The Copyright law states, on the other hand, that joint-authorship is possible, when the work is created jointly by two or more authors, in which case both will be considered owners.
Furthermore, there is the possibility of collective work. In that case, the economic rights
in the collective work as a whole shall belong to the organizer, but Individual
contributions to collective works shall benefit from protection, provided that any of the
contributors may invoke his moral rights to prohibit the mention or announcement of his
name in connection with the collective work without prejudice to his right to the
remuneration specified by contract.

Software rights: First owner is the author of the work. Unless covenanted otherwise, the
employer, service contracting party or public body shall have full title over the rights
associated to the software program, developed and elaborated throughout the duration
of an agreement or by-law obligation, expressly intended for research and development,
or in which the employee’s, service contractor’s or server’s activities are provided, or
yet, which arise from the nature of the duties pertaining to said ties. The employee,
service contractor or server shall have full title over the rights pertaining to a software
program generated with no connection to the employment contract, service agreement
or by-law obligation, and without the use of resources, technological information, trade
and business secrets, materials, facilities or equipment of the employer, the company or
entity with which the employer has entered into a service agreement or other similar
agreements, or the service contracting party or public body.

Industrial Designs: industrial design rights are also guaranteed by the first-to-file regime,
provided that the Brazilian IP Law also presumes that the creator of the industrial design
is the one applying for such IP right. As for Industrial Designs developed in the course of
employment, the provisions applied for patents are applicable to Design rights.

Integrated Circuit Topography: its creator shall be entitled to protect such IP right,
provided that, as the Law states, the applicant is presumed to be its creator:
- Unless otherwise stipulated, the rights relating to an integrated circuit topography
developed while an employment, service provision or public servant contract is in
force, in which the creative activity results from the nature of the duties related to
those positions or if there were use of the resources, technological information,
industrial or trade secrets, materials, premises or equipment of the employer,
service commissioner or employing State entity, shall be deemed to belong to the
employer, service commissioner or employing State entity.
- Rights relating to an integrated circuit topography developed without a link to an
employment or service provision contract and without the use of resources,
technological information, industrial or trade secrets, materials, premises or
equipment of the employer, service commissioner or entity creating the public
servant post, shall belong exclusively to the employee, service provider or public
servant.

Plant Varieties: Also applying the first-to-file regime, the natural or legal person who has
bred a plant variety or an essentially derived plant variety in the country shall be entitled
to protection of his property rights.

The rights in new plant varieties and in essentially derived plant varieties developed or
bred by an employee or service provider during the period of validity of the employment
or service contract or in the course of another labor activity, being the result of the
performance of duties or fulfilment of a contract relating to research work in Brazil, shall
belong exclusively to the employer or client, but it shall be mandatory to include in the
application and in the protection certificate. Unless expressly provided otherwise, the
new plant varieties and also essentially derived plant varieties bred by the employee or provider of services or other labor activity that are not covered on those provisions but are the result of a personal contribution and the use of resources, data, means, materials, installations or equipment belonging to the employer or client, shall belong to both parties.
- Confidential know-how and trade secrets: Trade secrets are initially owned by the entity that holds the information and takes reasonable steps to maintain its secrecy.

4. **Which of the intellectual property rights described above are registered rights?**

The applications of Invention and Utility Model Patents, Certificates of Addition, trademarks, industrial designs, Integrated Circuit Topographies and geographical indications are protectable at the Brazilian Patents and Trademarks Office (BPTO), whereas Plant Varieties (cultivars) are registerable at the National Service for the Protection of Cultivars (SNPC, in Portuguese).

On the other hand, copyrights and neighboring rights are registrable at some institutions, depending on the object of copyright protection (i.e. national library for books), but register is not mandatory and does not grant protection, which is acquired by merely fixing the creation in a tangible, intangible, known or still not known medium.; The same goes for software rights, which can be registered at the BPTO. In these cases, the register is merely a declaratory statement of the author that serves as a valuable way of proof.

5. **Who can apply for registration of these intellectual property rights and, briefly, what is the procedure for registration?**

A patent may be applied for the author’s own name, by the heirs or successors of the author, by the assign or by whomever the law or the employment or services contract states to be the owner. The same is valid for Industrial Designs.

As for trademarks, Natural or legal persons under public or private law may apply for the registration of a mark. Persons under private law may only apply for registration of a mark that relates to the activity in with they actually and lawfully are engaged, either directly or through companies they directly or indirectly control, declaring that condition on the application itself, under the penalties of law. Registration of a collective mark may be applied for by a legal person that represents the collectivity, which may engage in an activity other than that pursued by its members. Registration of a certification mark may only be applied for by a person who has no direct commercial or industrial interest in the product or service being certified.

Regarding Geographical Indications, if only one producer or provider is legitimized to use the geographical name, this person shall be authorized to apply for the Geographical Indication in its own name. If that is not the case, associations, institutes, legal persons that represent the collectivity legitimized to use exclusively a registered Geographical Indication, as
substitutes.

Regarding Integrated Circuit Topography, natural and legal persons, public or private, may request apply for their registration.
As for cultivars, protection may be applied for by a natural or legal person who has bred a plant variety, by his heirs or successors or by assignees, if any, subject to submission of the proper authority.

Procedure for registration

All the procedures for registration of trademarks, patents, certificates of addition, industrial design, geographical indications, integrated circuit topographies and software are made by filing of application before the Brazilian Office by an online form and paying the respective official fees.

Also, since October 2019 it is possible to register trademarks through the Madrid Protocol, which Brazil is one of the 120 signatories, simplifying the procedure and costs for an international file.

Plant varieties are registered before the SNPC.

It is important to note that the BPTO will conduct substantial examination of all those IP rights, except for industrial design applications. Both titleholders or third-parties may request originality and novelty analysis of Industrial Design Applications after it is granted.
Integrated Circuit Topography applications are also examined only in its formal aspects.

6. How long does the registration procedure usually take?

Usually, the regular procedure takes between 4 and 5 years. However, due to the huge backlog issue, those procedures might take longer than expected.

Overall, patent applications may take up to 13 years to be analysed, depending on the type of patent and the technical area it encompasses.

Trademark Applications procedures are taking about 1 year to be examined, if an opposition was not filed against the trademark application. If oppositions are presented, it usually takes 2 years. With Brazil’s accession to the Madrid Protocol, it is expected that examination and analysis are concluded in less time.

Geographical Indications: the procedures usually take about 3 years.
Plant Varieties applications may take between 12 to 24 months.

Industrial Design applications may take between 9 to 14 months to be analysed.

7. **Do third parties have the right to take part in or comment on the registration process?**

   **Patents:** After publication of the application and up to the end of the examination, interested parties may submit documents and data to assist the examination. That is, this procedure is called as third part observations.

   **Industrial Designs:** It is not possible for third-parties to take part of the registration procedure of industrial design applications. However, after it is granted, third-parties may file a petition requesting that the BPTO conducts a substantive examination, analysing the originality and the novelty requirements of such protected design.

   **Integrated Circuit Topography:** third-parties may not take part of the registration procedure.

   **Trademarks:** Third-parties may file an opposition against the granting of the trademark application within 60 days of its publication.

   **Geographical Indications:** After the BPTO examines the formalities of the Geographical Indication application, the application will be published, and third-parties may comment on the application within 60 days.

   **Cultivars:** After the application is published, there shall begin a period of 90 days for the submission of any appeals, the applicant being informed thereof.

   Third-parties may also file administrative nullity procedures against the BPTO’s decision that granted IP protection for any IP asset, including industrial designs and integrated topographies.

8. **What (if any) steps can the applicant take if registration is refused?**

   It is possible to file an appeal against the rejection at the BPTO (or SNPC, in case of plant variety rights). 5 years counted from the date of the publication of the rejection decision, the applicant may file a court action in the Federal Court to try the reversion of the BPTO’s administrative decision, in case the applicant understands that all the requirements for the protection of the IP right are met.

9. **What are the current application and renewal fees for each of these intellectual property rights?**
The following indicates the current fees in Brazilian currency (reais), not covering special fees applied to small companies:

(a) Patents

- Invention Patents

Invention Patent Application: 175 for electronic filing

Invention Patent Application Annuity: 295 in the ordinary deadline, 590 in the extraordinary deadline

Invention Patent Annuities

3rd to 6th year - 780 in the ordinary deadline, 1565 in the extraordinary deadline

7th to 10th year - 1220 in the ordinary deadline, 2440 in the extraordinary deadline

11th to 15th year - 1645 in the ordinary deadline, 3295 in the extraordinary deadline

16th year forward - 2005 in the ordinary deadline, 4005 in the extraordinary deadline

- Utility Model Patents

Utility model patent application - 175 when filed electronically

Utility model application annuity: 200 in the ordinary deadline, 405 in the extraordinary deadline

Utility Model annuities:

3rd to 6th year: 405 in the ordinary deadline, 805 in the extraordinary deadline

7th to 10th year: 805 in the ordinary deadline, 1610 in the extraordinary deadline

11th year forward: 1210 in the ordinary deadline, 2415 in the extraordinary deadline

- Certificates of Addition
Certification of addition application: 190 when filed electronically

Certificate of Addition application Annuity: 105 in the ordinary deadline, 215 in the extraordinary deadline

Certificate of Addition annuities:

3rd to 6th year: 235 in the ordinary deadline, 475 in the extraordinary deadline

7th to 10th year: 365 in the ordinary deadline, 735 in the extraordinary deadline

11th to 15th year: 475 in the ordinary deadline, 950 in the extraordinary deadline

16th year forward: 605 in the ordinary deadline, 1210 in the extraordinary deadline

(b) Marks

- Trademarks:

Trade mark application: 335 if filed electronically with previous approval of the specifications, 415 if filed electronically without such previous approval

First 10 years of trademark register - 745 in the ordinary deadline, 1115 in the extraordinary deadline

Renewal: 1065 in the ordinary deadline, 1610 in the extraordinary deadline

- Geographical Indications

Denomination of Origin Applications - 2135

Indication of Source Applications - 590

(c) Other Protections

- Industrial Designs

Industrial Design Application: 235 if filed electronically
Second 5-year term maintenance fee: 425 in the ordinary deadline, 850 in the extraordinary deadline

Renewal fee: 570 in the ordinary deadline, 1140 in the extraordinary deadline

- Software

Software Application - 185

- Integrated Circuit Topographies

Integrated Circuit Topography Application: 550

- Cultivars:

Cultivar Application: 200

Cultivar Renewal fee: 400

10. What are the consequences of a failure to pay any renewal fees and what (if any) steps can be taken to remedy a failure to pay renewal fees?

If both ordinary and extraordinary deadlines are not met in accordance with administrative procedures the IP right is extinguished and there is no way to reverse that situation.

11. What are the requirements to assign ownership of each of the intellectual property rights described above?

Patents, utility models, industrial designs, integrated circuit topographies, know-how and plant variety rights can be freely assigned to any third party. The assignor must be the rightful titleholder of the IP in question at the BPTO/SNPC and the mentioned IP must still be valid by the time the assign takes place. Both contracting parties must have the power to represent each of their companies. It must be pointed out that, according to the general rules of assignment of properties, which are applicable to IP rights, in order to be effective, the transmission needs to be registered, which means that the assign must also be written.

Trademarks applications and registrations may be assigned, provided that the assignee satisfies the same legal requirements needed for applying to register it. Furthermore, the assignment must comprehend all the registrations or applications, in the name of the assignor, for the same or similar marks, covering identical, similar, or alike products or services; under penalty of having the unassigned registrations cancelled and/or the unassigned applications dismissed. A written assign agreement between the parties is
required as for the assign be recorded before the BPTO.

Concerning Geographical Indications, although there is no legal prohibition on this regard, neither the Brazilian IP Law or the BPTO rules currently foresee a specific assign procedure.

The economic rights of a copyright may be freely assigned, provided that it must always be written and is presumed onerous, while the author’s moral rights cannot be transferred.

12. **Is there a requirement to register an assignment of any of these intellectual property rights and, if so, what is the consequence of failing to register?**

The register is necessary once the property of the IP right is not transmitted until it is recorded at the competent authority.

Copyright assignment is not required to be recorded, but it can be done at the competent authority if the copyright itself is registered, or, if it is not registered, its assignment can be notarized.

13. **What are the requirements to licence a third party to use each of the intellectual property rights described above?**

Licensing agreements can even be made orally, although it is not advisable. Despite that, according to the Brazilian Civil Code, the validity of any contract depends on three general rules: (i) capable agents, (ii) licit, possible, determined or determinable purpose, and (iii) form provided or not prohibited by law.

It must be noted that Know-How cannot be licensed in Brazil. The BPTO understands that, once the agreement is terminated, the Brazilian company may continue to freely use the know-how, once it has acquired the knowledge of the transmitted know-how.

14. **Is there a requirement to register a licence of any of these intellectual property rights and, if so, what is the consequence of failing to register?**

Recordal is not mandatory, but it makes the contract effective before third-parties; enables remittance of capital abroad and allows tax deductibility.

15. **Are exclusive and non-exclusive licensees given different rights in respect of the enforcement of the licensed IP, and if so, how do those rights differ?**

An exclusivity clause is independent from clauses that stipulate enforcement possibilities in a licensing agreement. That is, either exclusive or non-exclusive licensees can have power to seek injunctions and sue for damages, it depends exclusively on the contract. It must be noted, though, that the Brazilian IP Law determines that, in order to be effective against third
parties, the contract must be recorded in the BPTO – therefore, this step is necessary in order for licensees (exclusive and non-exclusive) to be able to seek injunctions and sue for damages.

16. **Are there criminal sanctions for infringement of any intellectual property rights, and if so, what are they and how are they invoked?**

Yes, there are. The Brazilian Intellectual Property Law establishes crimes against patents (articles 183-186), for which penalty can go up to 3 years of imprisonment or application of fine; industrial designs (articles 187 and 188), for which penalty can go up to 1 year of imprisonment or application of fine; marks (articles 189 and 190), for which penalty can go up to 1 year of imprisonment or application of fine; geographical indications (articles 192 – 194), for which penalty can go up to 3 months or application of fine; and against unfair competition, which comprises, among other aspects, the protection of confidential information (article 195), for which penalty can go up to 1 year of imprisonment or application of fine.

Furthermore, the Brazilian Cultivar Law stipulates that infringing cultivar rights is also a crime.

The Brazilian Penal Code dictates that violating copyrights and neighbouring rights is punishable by imprisonment that can go up to 1 year.

17. **What other enforcement options are available for each of the intellectual property rights described above? For example, civil court proceedings, intellectual property office proceedings, administrative proceedings, alternative dispute resolution.**

- Regular civil court infringement action, non-infringement declaratory action, non-cancelation/nullity declaratory action and cancellation/nullity actions
- Preliminary injunctions
- Writ of mandamus against the administrative decisions of BPTO/SNPC
- Produce of evidence action
- Proceedings before the BPTO/SNPC (including opposition and administrative nullity)
- Alternative dispute resolution such as mediation and arbitration procedures

18. **What is the length and cost of such procedures?**

In regular court proceedings, the length and cost vary according to the complexity of the cases and the IP right in dispute. As an example, disputes involving patents in court can take between 4 and 6 years, due to its complexity, whereas Trademark dispute resolutions usually take between 3 and 5 years to be settled.

Length and cost of proceedings before the BPTO also vary, despite being cheaper than court procedures. Considering the backlog of patent and trademark, the average of duration of
both procedures can take up to 6 and 3 years respectively to be solved at the BPTO.

Alternative dispute resolutions are usually less time-consuming, although depending on the method that is chosen, might be even more expensive than court procedures due to the possibility of choosing an arbitrator with a technical background and expertise, for instance.

19. Where court action is available, please provide details of which court(s) have jurisdiction, how to start proceedings, the basics of the procedure, the time to trial, the format of the trial, the time to judgment and award of relief and whether any appeal is available.

The Federal venue has jurisdiction for reviewing decisions taken by the BPTO or SNPC, in terms of granting or not granting an IP right. On the other hand, the State venue has jurisdiction over determining the infringement of an IP right, as well as in non-infringement declaratory actions.

After a complaint has been filed and served to the defendant, the parties can choose whether or not to take up preliminary mediation procedures. In case it doesn’t occur, or the mediation doesn’t have positive results, the defendant needs to submit an answer and the discovery begins. After discovery phase, there may be a phase for production of expert witness report. After that, the judge will enter into judgement, without the need for jury trial, and issue a ruling. The defeated party may appeal to request a review of the ruling to the Court of Appeals. The Court’s decision may be further appealed to the superior courts if a federal law or the Constitution itself is disregarded during the hearing of the appeal. The appeals to Superior Courts will be heard only if admitted by the Courts, which is rarely the case.

The time elapsed from filing to ruling hugely varies depending on the IP right involved. For patents, for instance, time to the first judgement can take between 3 and 5 years. On the other hand, the award of relief may be conceded shortly after the complaint is filed, if the judge understands that the requisites for granting the injunction are present.

20. What customs procedures are available to stop the import and/or export of infringing goods?

If the Brazilian customs service suspects of counterfeit, it can retain the product and communicate the legal owner of the good to check if the product in question is infringing any right, including IP-related rights.

21. Are any non-court enforcement options or dispute resolution mechanisms mandatory in respect of intellectual property disputes in any circumstances? If so, please provide details.

The Brazilian Code of Civil Procedure determines that, unless both parties expressly state that they do not wish to go through a mediation procedure, it will be carried out within the
lawsuit, that is, in court, before the case moves to trial. Other than that, there is no mandatory non-court enforcement option or dispute resolution mechanisms.

22. **What options are available to settle intellectual property disputes?**

Disputes can be settled in court and out of court, either by arbitration or mediation. Also, the parties are free to negotiate a dispute resolution agreement during court procedures, as a conciliatory approach is stimulated during proceedings.

23. **What is required to establish infringement of each of the intellectual property rights described above? What evidence is necessary in this context?**

Committing a crime against an IP right, as disclosed in question 16, will also be basis for suing for infringement of the respective IP right, through civil procedure. Other actions of third parties that are not comprised in the crimes against IP rights that tend to damage the IP titleholder may also be the basis for IP infringement lawsuits.

As for integrated circuit topographies, article 36 of its law states that an infringement occurs in the following cases: reproduction of the topography, in whole or in part, by any means, including its incorporation into an integrated circuit; importation, sale, or distribution by any other means, for commercial purposes, of a protected topography or an integrated circuit which incorporates a protected topography; or importation, sale, or distribution by any other means, for commercial purposes, of a product which incorporates an integrated circuit incorporating a protected topography, only in so far as this circuit continues to contain an illegal reproduction of a topography.

The evidence necessary is the one that proves the infringement or the imminence of infringement. It is noteworthy that the Brazilian Superior State Court understands that it is not mandatory to prove that the infringement caused damages to the IP titleholder, once its violation entails harm to the titleholder.

As for copyrights, an evidence of access to the copyrighted material is necessary to qualify an infringement, whenever the work in question was not made public or had limited exposition.

As for trade-secrets, the infringement will be possible if the plaintiff demonstrates that the trade-secret in question was obtained through unlawful means.

24. **How does the court acquire any necessary information (fact or technical) and in what circumstances does it do so? In particular a) Is there a technical judge, a judge with technical experience, a court appointed expert, an expert agreed by the parties, and/or parties’ expert witness evidence? b) What mechanisms are available for compelling the obtaining and protecting of evidence? Is disclosure or discovery**
available?

a) Is there a technical judge, a judge with technical experience, a court appointed expert, an expert agreed by the parties, and/or parties’ expert witness evidence?

In cases that involve highly specific technical details, which is frequently the case of IP litigation specially concerning patent rights, the judge may be assisted by a court-appointed expert registered within a public court list of experts in his field of expertise. Alternatively, the Brazilian Code of Civil Procedure also dictates that the parties can agree upon submitting the technical questions to a specific expert witness, requesting the judge to allow his/her participation, which can be accepted or denied.

It should also be noted that, recently, the Superior Court of Justice has pacified the understanding that in lawsuits of trade dress infringement must have a court expert taking part.

In any case, the parties can also submit their own expert witness evidence (technical assistants).

b) What mechanisms are available for compelling the obtaining and protecting of evidence? Is disclosure or discovery available?

The parties can freely submit different sorts of evidence, i.e. expert witness, documental, etc. In case of risk of losing the opportunity to submit a proof, a special procedure for the production of evidence is available before or concomitant to the main lawsuit. However, parties can omit documents if they are not compelled by the law and the judge to do so, bearing in mind that no one is obligated to produce evidence for self-incrimination.

25. **How is information and evidence submitted to the court scrutinised? For example, is cross-examination available and if so, how frequently is it employed in practice?**

The content and strength of evidence submitted by parties are freely assessed by the court. A recent change in the Brazilian Code of Civil Procedure allows cross-examination, which however is not that much employed in solving IP cases in Brazil.

26. **What defences to infringement are available?**

Patents:

Infringement is not qualified in the following situations:

I. to acts carried out by unauthorized third parties, privately and without commercial
purposes, provided these acts do not prejudice the economic interests of the patentholder;

II. to acts carried out by unauthorized third parties for experimental purposes, in connection with scientific or technological studies or researches;

III. to the preparation of a medicine in accordance with a medical prescription for individual cases, carried out by a qualified professional, as well as to the medicine so prepared;

IV. to a product manufactured in accordance with a process or product patent that has been introduced onto the domestic market directly by the patentholder or with his consent;

V. to third parties who, in the case of patents related to living material, use the patented product, without economic intent, as an initial source of variation or propagation to obtain other products; and

VI. to third parties who, in case of patents related to living material, use, place in circulation, or market a patented product that has been legally introduced into commerce by the patentholder or the holder of a license, provided that the patented product is not used for commercial multiplication or propagation of the living material in question

Industrial Designs: items I, II and IV of the defense to patent infringement apply to Industrial Designs

Trademarks:

The titleholder of a mark may not:

I. prevent merchants or distributors from using their own distinctive signs along with the mark of the product, in its promotion and commercialization;

II. prevent manufacturers of accessories from using the mark to indicate the purpose of the product, provided that fair competition practices are followed;

III. prevent the free circulation of the product placed on the domestic market by himself or by another with his consent, except as provided in Paragraphs 3 and 4 of Article 68; and

IV. prevent the mention of the mark in a speech, scientific or literary work, or in any other publication, provided it is done without commercial connotation and without detriment to its distinctive character.

Copyrights:
Article 46 of the Brazilian Copyright Law contemplates a few situations in which the use of copyright material is tolerated and not considered a violation, such as the reproduction in one copy of short extracts from a work for the private use of the copier, provided that it is done by him and without gainful intent; the quotation in books provided that the author is credited for the quoted passage; or the reproduction in any work of short extracts from existing works, regardless of their nature, or of the whole work in the case of a work of three-dimensional art, on condition that the reproduction is not in itself the main subject matter of the new work and does not jeopardize the normal exploitation of the work reproduced or unjustifiably prejudice the author’s legitimate interests.

Cultivars:

In broad terms, the breeder’s right in the plant variety shall not be deemed infringed by a person who:

(i) stores and plants seeds for his own use on his premises or on the premises of third parties of which he has possession;

(ii) uses or sells as food or raw material the product of his planting, except for the purposes of reproduction;

(iii) uses the plant variety as a source of variation in genetic improvement or in scientific research;

(iv) being a small rural producer, multiplies seed, for donation or exchange in dealings exclusively with other small rural producers, under programs of financing or support for small rural producers conducted by public bodies or non-governmental agencies, authorized by the Government.

Integrated Circuit Topographies:

The effects of the protection shall not apply:

I – to acts carried out by unauthorized third parties for the purposes of analysis, evaluation, teaching and research;

II – to acts which consist of the creation or exploitation of a topography which is the result of analysis, evaluation and research on the protected topography, on the condition that the resulting topography is not substantially identical to the protected topography;

III – to acts consisting of the importation, sale or distribution by other means for commercial
or private purposes, of integrated circuits or products containing them, put into circulation by the holder of the corresponding integrated circuit topography registration or with his consent; and

IV - to importation of Integrated Circuit Topography, carried out or ordered by a person or persons unaware, at the time of obtaining the integrated circuit or the product, or with no reasonable grounds to suspect, that the product or integrated circuit incorporated an illegally reproduced, protected topography.

27. **Who can challenge each of the intellectual property rights described above?**

As for administrative procedures, any party with legitimate interest may file a petition opposing the grant of an IP application, except for industrial designs, as the Brazilian IP law does not cover this possibility. Furthermore, it is also possible, even for industrial design rights, to challenge the administrative decision that granted an IP right. In respect to design rights, third parties may request that the BPTO conducts substantial analysis of the registered design, by which the conditions of originality and novelty will be examined and, if proven inexistent, the BPTO will file an ex officio administrative nullity procedure.

With regard to civil court procedures, the general conditions to litigate in Brazil are “the right of action”, which indicates that the plaintiff is an interested party, and “standing to sue”, which can be identified by the necessity of the action and its utility to the plaintiff, that is, it is convenient to obtain what the plaintiff seeks.

With that in mind, the infringement or the threat of infringement of an IP right can be questioned in court.

28. **When may a challenge to these intellectual property rights be made (e.g. during any registration process or at any time during the subsistence of the right)?**

After the patent application is published, third-parties may file a petition presenting arguments against the granting of such application until the end of the technical examination. After it is granted, an administrative nullity procedure is available within 6 months of the date of publication of the grant. This grant can also be challenged in court through a nullity action, during any time, as long as the patent is valid.

Regarding industrial design registrations, an administrative nullity procedure is available within 5 years from the date of publication of the granting of this IP right. Court actions may also be filed within the period that the industrial design is valid.

As for trademarks, interested third-parties may oppose to the registration within 60 days from the publication of the trademark application, or file an administrative nullity procedure within 180 days from the publication date of the granting. As for court procedures, the period
for filing a court nullity action expires in 5 years from the date of granting.

As for copyright law, this question poses a tough challenge, if we keep in mind that the registration of a copyright is merely declaratory of rights. In court, the economic rights of the author may be challenged within 3 years if it is derived of a non-contractual violation, whereas if it is similar to a contractual violation, it can be questioned in court within 10 years, according to the Brazilian Superior Court of Justice.

A cultivar application can be challenged within 90 days from its publication date. An administrative nullity procedure before the SNPC is also available, as well as a nullity court action.

29. **Briefly, what is the forum and the procedure for challenging each of these intellectual property rights and what are the grounds for a finding of invalidity of each of these intellectual property rights?**

The forum is either the administrative authority on issuing the register (either the BPTO or the SNPC, in case of cultivar protection), or the federal court, once it is entitled to review unlawful administrative decisions of federal administrative organisms. As for the grounds for a finding of invalidity, it depends on the IP right, once the most common ground is the lack of any requirement for granting the IP right (e.g. patentability requirements, trademark requirements, etc.).

30. **Are there any other methods to remove or limit the effect of any of the intellectual property rights described above, for example, declaratory relief or licences of right?**

A declaratory relief for non-infringement can be filed with regard to all IP rights.

Compulsory Licensing is also a possibility, especially when analysing antitrust issues regarding IP, with specific dispositions regarding patents, as article 68 of the Brazilian IP law states that the titleholder shall be subject to having the patent licensed on a compulsory basis if he exercises his rights derived therefrom in an abusive manner, or by means thereof engages in abuse of economic power, proven pursuant to law in an administrative or judicial decision, as well as in other occasions.

Another possibility that limits the effect of IP rights is the previous good faith user, in the following terms:

Patents and industrial designs: A person who in good faith, prior to the filing or priority date of a patent application, was exploiting the object thereof in this country, shall be assured the right to continue the exploitation, without onus, in the same manner and under the same conditions as before.
Trademarks: Every person who, in good faith on the priority or filing date, has been using an identical or similar mark in this country for at least 6 (six) months to distinguish or certify an identical, similar or alike product or service shall have the right of preference for the registration.

31. **What remedies (both interim and final) are available for infringement of each of the intellectual property rights described above?**

Remedies include:

- Preliminary Injunctions, for example regarding restraining orders, rendering of information and seizure of goods by the court bailiff and permanent injunctions;
- declaratory relief;
- injunctive relief;
- damages;
- disclosure of information and accounts;
- delivery up / destruction of infringing products;
- recall of infringing products and removal from the market.

32. **What are the costs of enforcement proceedings and is any kind of costs recovery available for successful parties? Is there a procedural mechanism enabling or requiring security for costs?**

The costs of civil enforcement vary widely according to the IP right in question as well as the Court. But as a general rule, the official fees to file a lawsuit correspond to 1% of the value attributed to the lawsuit. Other common costs are expert’s fees and fees for filing appeals. The costs for IP right enforcement proceedings follow the general principle that the losing party bears the costs, i.e. the court fees and the costs of the successful party, in relation to the claim on which the respective party lost.

The Brazilian Code of Civil Procedure enables a mechanism to secure the damages, i.e., freezing the infringing party’s bank account and ability to wield properties.

33. **Has the COVID-19 pandemic caused any changes (temporary or permanent) to the protection or enforcement of intellectual property? For example, changes to deadlines, filing or evidence requirements or court processes.**

The BPTO deadlines were suspended in March 16th and returned to run in June 1st. Also, the courts all around the country has suspended their deadlines. However, in both cases, the employees continued to work by their homes, enabling the course of the processes.