

Intellectual Property Rights Primer for Brazil

A Guide for UK Companies

Hunter Rodwell Consulting
in partnership with Rouse & Co. International

Fast track to the world ^{UK}

ABOUT THE AUTHORS AND SPONSORS

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Consulting*



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Rouse & Co. International, which has contributed legal and technical advice for the guides in this series, is a global intellectual property consultancy, providing the full range of IP services to many of the world's major IP owners. It operates from 17 offices in 11 countries worldwide and is regularly ranked among the leading IP practices in the jurisdictions in which it operates. Its wide range of IP professionals includes commercial and dispute resolution lawyers, mediators, patent and trade mark attorneys, researchers and specialist IP investigators. www.iprights.com

UK Trade & Investment is the government organisation that helps UK-based companies succeed in an increasingly global economy. Our range of expert services is tailored to the needs of individual businesses, enabling them to maximise their international success by providing them with knowledge, advice and practical support.

UK Trade & Investment also helps overseas companies bring high quality investment to the UK's vibrant economy: the UK is acknowledged as Europe's best place from which to succeed in global business. We provide support and advice to investors at all stages of their business decision-making. UK Trade & Investment offers expertise and contacts through a network of international specialists throughout the UK and in British Embassies and other diplomatic offices around the world.

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The **UK Intellectual Property Office** is an Executive Agency of the Department of Innovation, Universities and Skills (DIUS). It was previously known as the Patent Office and has been in existence since 1852. UK-IPO is the official government body responsible for establishing and maintaining the national framework of intellectual property rights. These include Patents, Trade Marks, Designs and Copyright.

The UK Intellectual Property Office is also responsible for raising awareness of IP across the UK, helping businesses make the most of their IP and be better prepared to compete in national and international markets. UK-IPO offers chargeable search and advisory services to help business and publicly-funded bodies take decisions about intellectual property – because we know that IP can offer both an opportunity and a threat.

For further information please visit www.ipo.gov.uk or telephone +44 (0)1633 813930.

Also in this series
Intellectual Property Rights Primers for:

China

India

Korea

Vietnam

WELCOME TO THE INTELLECTUAL PROPERTY RIGHTS PRIMER FOR BRAZIL

THIS IS ONE OF A SERIES OF GUIDES BEING PUBLISHED BY THE UK INTELLECTUAL PROPERTY OFFICE AND UK TRADE & INVESTMENT TO HELP BRITISH COMPANIES IN THE MAJOR MARKETS AROUND THE WORLD WHERE THEY ARE LIKELY TO MEET PROBLEMS IN OBTAINING, PROTECTING AND ENFORCING THEIR INTELLECTUAL PROPERTY RIGHTS.

Why Brazil?

Brazil is Latin America's largest country and economy. It is close to achieving an investment-grade rating, with the potential to attract massive foreign direct investment. As one of the UK's key trading partners, Brazil has priority status in Britain's export drive. However the lack of protection for intellectual property in Brazil is a cause for concern for foreign companies wishing to do business there. In spite of the recent efforts by the Brazilian government to improve matters and bring the IPR environment into line with international norms, much has still to be done.

When operating in Brazil it is essential to appreciate how to use, guard and enforce the rights protecting the intellectual property owned by you or your company. The IPR Primer for Brazil provides the basic information you will need about IPR in general, as well as guidance on how to apply these principles in this market. It aims to make you better informed about the issues and the relevant aspects of the legal framework in Brazil.

Is this guide for you?

The content is pitched mainly at the managers of the business, rather than its lawyers, because we recognise that most smaller businesses do not have an in-house legal team, while the use of an external law firm tends to be limited by cost. However this guide is deliberately referred to as a 'primer' and we are not suggesting that it can, or should, replace the services of IP lawyers or other professionals such as patent attorneys: there will be times when it is essential to seek the advice of experts.

A company's intellectual property portfolio may be its most valuable asset. We believe it is sensible for the managers of the business to make themselves familiar with the concepts of IP and understand how the IP rights owned by their business will be affected in overseas markets. This knowledge can save the company a great deal of money through knowing what to look out for, taking timely self-help avoidance measures, appreciating when the experts should be consulted – and being able to communicate knowledgeably with them.

Not just for exporters

The guides in this series all deal with overseas markets but they are not aimed exclusively at exporters. Being involved in other types of business activity abroad also requires a good working knowledge of the local IPR environment. A company may conduct manufacturing or sourcing overseas without exporting at all; but its intellectual property rights may be just as vulnerable as a counterpart that is exporting its products or services from its UK base.

Even companies that are not involved in overseas markets can still become the victims of IPR abuse abroad. Any product may be copied or otherwise infringed by perpetrators far away. This may not be of immediate concern to the UK-based business – until the counterfeiters start exporting their illicit goods to the UK or

Europe. Such companies need to understand their position in relation to the law in the countries where the abuse originates if they are to take action successfully.

This guide should therefore be useful for managers of companies of all types, whatever their geographical span. And we hope that interested people generally, familiar or not with IPR in the UK or Brazil, may find it a valuable addition to the existing body of information on the subject.

How this guide is organised

We start by examining the basic principles of intellectual property and rights, based on the laws that apply in the UK. We go on to deal with the European and global dimensions, discussing the ways that international treaties and arrangements affect UK rights owners. The next section deals with Brazil: its international IPR memberships, its laws and how practices compare with those of the UK. Finally we look at the operation of IPR in Brazil, with information and advice on preparation, protection, enforcement and the law. The appendices contain aides-mémoire covering the registration of IP in the UK, EU and worldwide, enforcement options and a comparison of the main IP rights conditions in the UK and Brazil.

Hyperlinks are used to direct readers to more comprehensive information in the Reference section and from there to the Internet. From the Index, click on a heading to go straight to a chosen subject, while clicking on '[index]' moves you to the Index and '[return]' takes you back to your previous place in the text.

Currency: a conversion rate of £1 to 3.4 Brazilian Real is used in this guide.

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1 Brazilian IPR References

Organisations (p.32)
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Dannemann Siemsen Inst. for IP Studies
Industrial Property Assn of São Paulo
National Council Against Piracy
Escola de Belas Artes da Universidade Federal do
Rio de Janeiro
National Institute of Industrial Property

Laws and Procedures (p.32)
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Copyright Law
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2 General & International References

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European Patent Convention (EPC)
Hague Convention

Intl Anti-Counterfeiting Coalition
Intl Intellectual Property Institute
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Paris Convention
Patent Cooperation Treaty (PCT)
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Miscellaneous (p.35)

Books
Enforcement of IPR in the UK
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Brazilian Chamber of Commerce in GB
British Chamber of Commerce in Brazil
British Embassy & Commercial Offices
Local Law Firms

1. INTELLECTUAL PROPERTY RIGHTS BASICS

1.1 OVERVIEW

Q. How exactly are intellectual property and IP rights defined? [index]

Someone who is responsible for a ‘creation of the intellect’ such as an inventor, author or originator creates intellectual property (IP). Like tangible property, their creation has a value and, as with all property, it needs to be protected. Intellectual property rights (IPR) give them this protection, as well as helping them exploit and control their IP. Such a person is known as a ‘rights owner’ or ‘rights holder’.

intellectual property definitions

Q. How do I know whether I have IP? [index]

The main criterion, for all forms of IP, is whether you have been responsible for creating something novel or innovative, representing progress over what went before. The definitions vary depending on whether it is a creation in the artistic or literary fields (protected by a copyright), a new technology (patent), a product’s shape or appearance (design right) or a sign to distinguish your product or service from others (trade mark) – but the principle is the same: rights cannot be granted over anything mundane or generic, or which currently exists, is already in the public domain or is owned by someone else.

do you possess IP?

novelty is the crucial test...

However, if what you created was made in company time then the chances are that your employer will be entitled to own the rights to it. Whether it is owned by you or your company, intellectual property needs protection. Apart from with copyright and certain other rights that are already protected by law and do not have to be registered – ‘unregistered rights’ – this means you will need to apply to register the creation and, if successful, obtain ‘registered rights’; otherwise there will be no protection and others will be free to exploit your ideas and efforts.

forms of intellectual property

Registered rights have to be applied for and granted by the government. In Britain the UK-IPO is responsible for granting all registrations. There is an extensive UK-IPO website to help you.

→ *the UK Intellectual Property Office*

Q. Which are the registered and unregistered IP rights? [index]

Registered IP rights consist of patents, registered trade marks and registered design rights. In the unregistered category are copyright, (unregistered) design rights, common law trade marks, database rights and protection for know-how under laws dealing with confidential information and trade secrets.

registered and unregistered rights

There are also rights covering plant varieties, geographical indications and the design of integrated circuits, as well as protection against ‘passing off’ under fair trade legislation.

Q. How do the main types of IPR differ? [index]

the definitions below are based on UK law

Copyright [index]

As we have seen, this is an inherent right (which means it is not applied for) protecting creative works such as books, music, plays, films and broadcasts. Copyright protection occurs automatically once the work has first been recorded in some way, such as by printing.

copyright: protects creative works such as books, music and films

Its relevance to works in the artistic, literary and media sectors is well known but copyright also covers industrial items such as a product's instruction manual as well as its technical drawings.

The period of validity of a copyright varies depending on the type of work. For dramatic, artistic or literary works the protection period in the UK is 70 years following the author's death, while for broadcasts and sound recordings protection lasts 50 years after first broadcast.

→ *UK-IPO: on copyright*

Patents [index]

Patents, a form of registered IPR, are used to protect technological inventions including processes. Although a patent doesn't automatically allow a rights owner to make or sell the item (since a product's manufacture and distribution must conform to prevailing regulations) it does protect the rights owner by preventing others from exploiting or copying the IP, so it is sometimes called a 'negative right'.

patents: protection for rights associated with technology and processes

A patent gives the inventor a monopoly right over the product and also allows him or her to license it for others to make and sell, in return for the payment of royalties. It is essential to apply for a patent early on in the process of the development of a new product or process since – in addition to the possibility of someone else copying it – a technology that is already in the public domain will not be registrable.

→ *UK-IPO: on patents*

Obtaining a patent normally involves retaining a patent attorney to draft and file a patent application. To be eligible for patent protection your invention must be new and inventive and must not be of an excluded type. A search of worldwide patent databases will be made by the national Patent Office to find out if anyone has already filed a patent or disclosed a scientific article for the same technology. If not, and if the new product is deemed to be 'novel and inventive' (that is, not just a re-working of an existing idea), then the patent may be granted and the invention is protected from unauthorised use. In the UK this can take up to four and a years; however the process can be significantly accelerated if examination work has already been conducted at another intellectual property office.

how to go about applying for a patent

As in most countries, a UK patent is valid for up to 20 years. To maintain it, fees must be paid annually after the fifth year.

→ *renewal of patents and other IP rights*

Design Rights [index]

Design rights, as we have seen, consist of both registered and unregistered forms. The distinctions between what exactly may be protected by each, and the relative levels of protection, are complex. Expert advice is needed to choose which is appropriate.

design rights: for the appearance of an object; rights may be registered or unregistered

The more common type is the registered design, covering the appearance (that is, the shape or pattern) of a product or its packaging, as well as typefaces and graphics. To be registered in the UK a design must be distinctive and novel – it should not ‘remind an informed person of an existing design’ – as well as meeting other detailed criteria.

designs must be novel to qualify

Whilst there are costs involved in obtaining registered design rights (compared with relying on unregistered design rights, which are free) this form of IPR can be treated in the same way as patents – for example, by rights owners exploiting their IP through licensing – and it provides a good level of protection. A registered design right lasts for up to 25 years in the UK and must be renewed every five years.

→ UK-IPO: on design rights

Trade Marks [index]

Registered trade mark rights protect the signs used to identify a company's products or services, distinguishing them from those owned by other businesses. Brand names and logos are perhaps the most familiar form of trade marks, but elements like a product's colour or shape, or even a piece of music or (at least, in theory) a smell associated with it, can be registered as trade marks. You can also register a slogan, logo or domain name.

trade marks: signs to identify products or services

Various criteria are used to decide whether a distinctive sign is registrable. The use of a generic term, for example, would not be allowed as everyone should be free to use it, while those which merely ‘designate the kind, quality, quantity, intended purpose, value, geographical origin...’ of the goods or service are disallowed as insufficiently distinctive. However if it can be shown that an otherwise mundane feature associated with a product (for example its colour) has become distinctively connected with the product, it may be allowed.

→ UK-IPO: on trade marks

distinctiveness is an important criterion

Registration, normally using the services of a trade mark attorney, consists of filing an application with UK-IPO's Trade Mark Registry, followed by a search and examination. Before a trade mark is granted it is advertised in the UK Trade Marks Journal and can be opposed. A renewal fee is payable every ten years. A registered trade mark will remain valid indefinitely if the rights owner continues to use and renew it. Goods are classified for registration purposes under the 45 class headings of the ‘International (Nice) Classification of Goods and Services for the Purposes of the Registration of Marks’.

→ new rules for notifying trade mark owners about applications for similar marks

→ Nice classification system

Another type is the unregistered or common law trade mark. As with unregistered design rights, this form of protection is not frequently used as it has less force and relies on the common law offence of ‘passing off’ for protection. The ‘™’ device indicates that a trade mark is subject to this type of rights, whereas a registered trade mark can use the ‘®’ symbol.

unregistered trade marks: free but less effective

The term ‘word mark’ is applied to a form of trade mark based solely on a typographic treatment of a piece of text that provides a recognised identity and branding.

word marks

Other Rights [index]

The IP rights set out above are the major ones that most companies require. There are also specific provisions for the following:

- **Domain Names.** Ownership rights for domain names may be defended as a reflection of the content involved, for example under trade mark, copyright and passing-off laws. → [domain names](#)
- **Geographical Indications (GI).** This form of rights, part of the UK Trade Mark Act, protects the identity of goods whose characteristics are attributable to their geographical origin. → [geographical indications](#)
- **Plant Varieties.** Rights covering all plant genera and species are available under the Plant Varieties Act 1997. → [plant varieties](#)
- **Semiconductor Topographies.** Rights over the designs of the layouts of semiconductors are protected as unregistered design rights in the UK. → [semiconductors](#)
- **Software.** The patenting of computer software is a problem area, depending on interpretation of the much-discussed ruling by the European Patent Office (EPO) that 'computer programs as such' are not patentable. → [European rules for software IP](#)

Q. The term 'industrial property' is sometimes used. How does this differ from 'intellectual property'? [index]

The following quotation from the World Intellectual Property Organization (WIPO), a Geneva-based United Nations agency with 184 member nations, explains this distinction and summarises the paragraphs above:

→ [WIPO](#)

'Intellectual property refers to creations of the mind: inventions, literary and artistic works, and symbols, names, images, and designs used in commerce.'

→ ['industrial property' defined](#)

'Intellectual property is divided into two categories: Industrial property, which includes inventions (patents), trade marks, industrial designs, and geographic indications of source; and Copyright, which includes literary and artistic works such as novels, poems and plays, films, musical works, artistic works such as drawings, paintings, photographs and sculptures, and architectural designs.'

A summary of registration procedures in the UK is provided in Appendix A.

→ [UK registration procedures](#)

1.2 INTERNATIONAL CONSIDERATIONS

Q. Do these rights apply internationally? [index]

Member nations of the World Trade Organization (WTO) are committed to include an agreed scope of IPR protection in their national laws. These requirements, akin to 'minimum standards', are set out in the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement, which was negotiated in 1994. TRIPS also specifies procedures for associated matters such as IPR enforcement and dispute resolution.

→ *WTO*

→ *TRIPS*

This means that if you are doing business in countries that are members of the WTO you will find a degree of similarity between local IPR laws and those in force in the UK. In theory at least, the same can be said of the local enforcement and dispute resolution procedures and practices. (Few major trading nations are not included: there are now more than 150 WTO members. An important exception is the Russian Federation, which currently has observer status).

→ *WTO membership*

Whilst this enhances international IPR protection and makes it simpler for rights owners to understand what to expect in other countries, the existence of universal minimum standards does not mean IP rights held in one country will be valid in others. It is a common and potentially dangerous misconception amongst some rights owners that their domestic IP rights automatically extend worldwide. In fact – with certain exceptions and beneficial reciprocal arrangements arising from international treaties – many IP rights must be registered for specific, designated countries. This limitation is known as territoriality.

territoriality: essential to know which rights apply internationally

Q. What are the exceptions and reciprocal arrangements? [index]

These include copyright and other IP rights that are recognised under supranational laws, treaties and extensions. There are also international agreements making it easier for rights owners to achieve recognition for their rights abroad by allowing a single registration to apply more widely within a group of contracting states, or by streamlining search and application procedures.

Copyright [index]

Copyright regulations are governed by the Berne Convention, established in 1886, and (now less important) the Universal Copyright Convention (UCC), set up as an alternative to the Berne Convention. As we have seen, WTO members are bound by TRIPS; this, in turn, means they accept the Berne Convention, which covers most trading nations: there are 163 Berne Convention signatories. However in certain countries it is advisable – and in some cases, standard practice – to make a 'recordal' even of copyright to enhance protection by ensuring its prompt and trouble-free recognition.

→ *Berne Convention*

There are several systems to harmonise intellectual property rights in the EU, just as there are in Benelux and other trading blocks such as NAFTA. It is important to know whether a particular form of IP rights applies automatically to a number of territories – 'unitary' rights – or only in those territories for which it has been specifically registered. Unitary rights enjoy the same protection across a group of states without the need to apply for the rights individually in each.

definition of 'unitary' rights

Community Trade Mark [index]

The Community Trade Mark (CTM) system, which operates alongside the national trade mark systems of EU countries, is unitary – so a single registration in one of the EU member states confers trade mark protection rights throughout the EU. CTM applications are administered by the EU's Office for Harmonisation in the Internal Market (OHIM) in Alicante.

→ *the Community Trade Mark: a unitary right within the EU*

Madrid Protocol [index]

The Madrid System for the International Registration of Marks ('the Madrid Protocol'), operated by WIPO, is another unitary system for trade marks. An application filed in the UK means it will be recognised as an application in other countries that have also signed up to the Madrid Protocol, as designated in the application. ('The Madrid Union' currently consists of more than 70 individual nations plus the EU and the Russian Federation)

→ *the Madrid Protocol and Madrid Union membership*

Local trade mark authorities are allowed to challenge the filing but if they do not do so within 18 months the trade mark receives the same protection as if locally registered. In 2004 the European Community joined the Madrid Protocol, which allows a Community Trade Mark to be used as the basis of an application for trade mark registrations under the Madrid Protocol.

18 months to challenge a filing

European Patent Convention [index]

There has long been pressure within the EU for a system for patents along similar lines to the Community Trade Mark but so far negotiations have failed to achieve this. The European Patent Convention (EPC), with more than 30 contracting EU and other European nations, does not confer unitary protection and falls well short of being a 'community patent'; but it does provide useful assistance for European companies registering patents. Harmonised procedures allow you to make a single application, via the European Patent Office (EPO), for as many of the EPC countries as you need to cover. However the patents granted can then only be enforced individually, on a national basis.

→ *EPC explanation and text*

Patent Cooperation Treaty [index]

Similarly, an application under the 1970 Patent Cooperation Treaty (PCT), operated by WIPO, does not lead to an 'international patent' but is a streamlined procedure allowing an application for a patent in a single language to apply simultaneously in any of the more than 130 PCT contracting countries ('The PCT Union'). The process involves an 'international phase' application followed by a search to assess whether an invention is capable of being patented in the designated territories. Once this has been decided, applications may be made in the individual countries, in the 'national phase', according to local rules and procedures.

→ *further information on the PCT and its membership*

The main advantages of making a PCT application are that it buys extra time (about 18 months) and cuts costs by reducing duplication, helping you avoid territories where the chances of obtaining a patent are low. For the UK, the European Patent Office performs the international searches under the PCT system.

Registered Community Design [index]

A Registered Community Design (RCD) offers unitary protection throughout all the EU member states, based on a single application to OHIM, the administering authority. It lasts for up to 25 years, in a series of five-year periods.

→ *the RCD: unitary protection in the EU*

Unregistered community designs are weaker and offer less protection than RCDs. However they may be useful in certain industries where it is not feasible to apply to register an RCD, for example in textiles.

→ *unregistered community designs*

Hague Agreement [index]

Further protection for design rights is available to signatories of the Hague Agreement, administered by WIPO, which allows the protection of designs in multiple countries through a single filing in one language. As with the Madrid System, there is the possibility of refusal by national design rights authorities. There are 48 contracting states, including the European Community.

→ *Hague Agreement and linking of the RCD*

In 2007 the European Commission passed legislation linking the RCD and Hague Agreement systems. This enables companies in EU countries that have not individually signed up to the Geneva Act of the Hague Agreement to extend the coverage of an RCD into the 23 Hague Agreement states. The EC acceded to the Geneva Act on 1 January 2008.

Paris Convention [index]

The most important provision of this long-standing intellectual property treaty, dating from 1883 and now administered by WIPO, is the establishment of 'priority rights' for patent, design and trade mark applicants in respective signatory states.

→ *Paris Convention*

This system allows applicants in one country to gain protection for their IP in another. The date of filing in the first country is counted as the effective date of filing in a second country, as long as the second filing occurs within a set period: six months for trade marks and designs; a year for patents and utility models.

international 'priority rights' for patents, designs and trade marks

Rights Extensions [index]

In addition to the arrangements set out above, British companies can benefit from extensions of their IP rights in more than 40 current and former Commonwealth nations and territories.

→ *extensions of IP rights for UK firms*

A summary of international treaties and registration procedures is provided in Appendix B.

→ *international treaties and procedures*

2. BRAZIL

2.1 IPR OVERVIEW

Q. Which principal international IPR organisations and agreements does Brazil belong to? [index]

Berne Convention (copyright) – since 1922

Hague Agreement/Geneva Act (designs) – non-member

Madrid Protocol (trade marks) – non-member

Paris Convention (priority rights) – since 1884

Patent Cooperation Treaty (patents) – since 1978

WTO/TRIPS (IPR in general) – since 1995

Brazil's membership of international IPR-related organisations

Q. How does Brazil compare with Europe in terms of the protection of IPR? [index]

Brazil has made great strides in recent years to overhaul and replace its IPR laws. It has also set up official/private partnership organisations at national level, such as (in 2005) the National Council for Combating Piracy and Intellectual Property Crimes. This supports the government's National Anti-Piracy Plan. Together with other initiatives at state level, these efforts focus attention on improving conditions for rights owners in Brazil. However, serious deficiencies remain in the enforcement of the law and the sheer volume of IPR abuse. In general, the situation in Brazil compares unfavourably with that found in Europe, especially in terms of piracy and counterfeiting – causing some IP experts to comment recently that copyright protection in Brazil, particularly for the recording industry, is still poor.

IPR protection in Brazil and the EU compared

Q. We hear about bureaucratic delays in applications to register certain forms of intellectual property. How bad is the situation? [index]

There is a considerable backlog in the processing of applications of all types by the Patent and Trademark Office, mainly involving opposed applications, which are currently taking six to seven years to be resolved. The PTO has, however, hired more examiners and introduced a new expedited examination procedure as well as an electronic filing system for trade marks, which has considerably reduced the backlog over the past two years. Currently unopposed applications are taking less than three years to be examined and this time is to be reduced further. The patent registration process may take as long as eight years depending on the type of patent.

backlogs in registration of IP rights

The risks to rights owners are obvious: without the registration, their IP remains vulnerable to infringements of all kinds. However it should be noted that remedies are available to protect a trade mark pending registration; there is also an accelerated examination procedure for patents, especially where the subject matter of an application is already being produced by a third party without the applicant's authorisation.

Q. Why is there so much IPR abuse in Brazil? Is there an international crime dimension? [index]

International organised crime makes a major contribution but is by no means the only factor. Brazil is a huge country of more than 180 million people which shares land borders, amounting to almost 10,000 miles, with all the other South American nations apart from Ecuador and Chile. In the south of the country, where Brazil has borders with Paraguay, Argentina and Uruguay (together with Brazil, comprising the four members of the Mercosur economic bloc) the shipment of counterfeit and pirated goods is a massive problem – especially in the ‘triborder’ Brazil/Argentina/Paraguay area. The southeast region of the country also has the largest GDP per capita, around £2,300, which is about three times higher than the figure for the northwest; this means there is a greater amount of income available to spend on luxury goods including counterfeits.

the challenge of immense land borders

Much of this illegal trade has an organised crime dimension, posing a major challenge for cross-border policing and customs enforcement. Major improvements are needed to bring Brazil’s Customs and border regulations to an acceptable standard.

organised crime in IPR abuse

The size of Brazil’s economy (the world’s fifth largest) and the proportions the country’s industrial and service sectors (around 36 per cent and 57 per cent of GDP), play a role in Brazil’s position as the major source of IP infringement on the South American continent.

Q. Is the Brazilian government in earnest in fighting against IPR infringement? [index]

One factor is the outright number of Brazil’s governmental entities – 26 states, the Federal District and 5,500 municipalities – which inevitably impacts on the abilities of central government and the judiciary to maintain effective responses to illegal activities, including the abuse of intellectual property rights. Set against these reasons have been international doubts about the wholeheartedness and priorities of the Brazilian government in controlling the problem. As the EU observes:

problems of control in a vast economy

‘The Brazilian authorities, notably at federal level, show an increased commitment, notably as a result of domestic and international pressure. Several political and legislative initiatives have been taken, such as police operations in the tri-border area, conducted in 2005 and leading to important seizures. There are also recent reports that the Patent and Trademark Office is increasing its staff in order to improve the functioning of the registration proceedings.

criticisms by the EU...

‘However, while the commitment of the competent authorities has increased, it is also true that IP is portrayed by the government and opinion leaders as a foreign monopoly against the interests of Brazilian people. The Brazilian Government, at a political level, has often declared that, while it considers important the protection of IPRs, it does not consider this matter as a priority in terms of allocated budgetary resources.’

Meanwhile there remains a threat by the US to remove Brazil from participation in the Generalized System of Preferences (GSP) because of its insufficient protection of IPR.

...and the US

2.2 BRAZIL'S IPR LAWS AND PROCEDURES

Q. What are Brazil's IPR laws and how do they compare with the UK's? [index]

As we have seen in International Considerations above, Brazil has been a member of the World Trade Organisation since 1995. WTO accession requires member nations to establish and maintain laws whose effect is in line with the 'minimum standards' laid down by TRIPS. Consequently there are, in theory, few major differences between Brazil's laws and those of other developed countries, although there are plenty of differences in detail. The legal framework of each of the main forms of IPR in Brazil is summarised below. Each Brazilian law is referred to by a serial number, followed by the year in which it was enacted.

Brazil's laws and procedures

implications of TRIPS membership

Copyright [index]

Brazil signed up to the Berne Convention in 1922. Copyright legislation is based on Law No. 9.610 of 1998, whose scope is similar to national regulations in most countries. It covers the full range of literary, dramatic and artistic works usually subject to international copyright protection such as films, photographs, music, books, illustrations and so on. The law provides for the eligibility of works by foreigners in accordance with the Berne Convention. The effective period for copyright protection is 70 years after an author's death for all forms of creative work including music and literature, the only exception being software which is protected for 50 years after its creation.

→ *the Copyright Law*

There is no requirement to register copyright in Brazil since the Berne Convention states specifically that copyrights need not be registered.

no need to register copyright

Registration may be made with specialist bureaux responsible for the various forms of IP: the Brazilian National Library, the Brazilian Film Institute, the Federal Council of Engineering, Architecture & Agronomy, and the Schools of Music and of Fine Arts at the Federal University of Rio de Janeiro.

→ *copyright bureaux*

Unlike in the UK, the employee (not the employer) owns the copyright to works that he or she creates within a business, unless there is an assignment agreement. The same applies to a service provider: even in a 'work for hire' arrangement, any such assignment must be made expressly. (Note that this does not apply in the case of the creation of software).

the employee owns the copyright

Industrial Property [index]

The term 'industrial property' is used in Brazil to cover all the other principal forms of intellectual property, ie invention patents, utility models, trade marks and industrial designs. It also deals with aspects such as geographical indications and unfair competition law. As we have seen from the World Intellectual Property Organization definition (1.1 above) this is a common international distinction – even though it is not used widely in the UK.

Law No. 9.279/96 comprises Brazil's Industrial Property Law which regulates these forms of IPR. The body responsible for operating the patent, utility model, industrial design and trade mark system, including registration and examination, is the Brazilian Patent and Trademark Office (PTO). This operates under the National Institute of Industrial Property (Instituto Nacional da Propriedade Industrial, or INPI), headquartered in Rio de Janeiro.

→ *the Industrial Property Law*

*the Patent & Trademark Office: part of
→ INPI*

Software [index]

Unlike in the EU, where ‘computer programs as such’ are excluded from patentability (see explanation of UK/European practice in 1.1 above) rights are granted for software innovations in Brazil and treated as a special category, akin to a form of copyright. But, as we have seen, software IP is treated for administrative purposes as a form of industrial property, with registration undertaken by INPI.

Law No. 9609/98 deals specifically with software IPR, including issues of protection and marketing. Software rights owners have protection for 50 years and sanctions under the civil and criminal law are available against infringers. An employer owns the copyright to works that an employee creates within a business.

Software piracy in Brazil is less of a problem than elsewhere in Latin America, according to the Business Software Alliance’s Global Software Piracy Study for 2006 (published in May 2007): Brazil’s software piracy rate was 60 per cent, compared with a regional average of 66 per cent. The piracy rate in Argentina was 75 per cent, while in several South American countries it exceeded 80 per cent.

protection for software – akin to copyright

→ *the Software Law*

the employer owns the copyright

software piracy rates in Latin America

Invention Patents and Utility Models [index]

Brazil’s patent regulations in Law No. 9,279/96 deal with rights over technological inventions (so-called ‘invention patents’: in the UK, patents per se) but, unlike in the UK, they also cover utility models.

Utility models, sometimes referred to as ‘minor patents’, are available in many countries including France, Italy and China as well as Brazil. Rules for utility models are similar to those for invention patents, with patentability depending on yardsticks including novelty and being non-obvious and capable of production in an industrial process. However the hurdle is lower for utility models (being defined as a so-called ‘inventive act’, a lesser criterion than the ‘inventive step’ of invention patents). This means that the test for a utility model is the enhancement of a product rather than its outright inventiveness or innovation.

A further difference is that invention patents give protection for a maximum of twenty years, while utility models are valid for fifteen.

UK companies are advised to consider applying for utility models in Brazil, despite their lack of familiarity with this form of rights. It may be a good idea to apply to register a product as a utility model if an invention patent is not attainable.

Compulsory licenses may also be granted, by means of an administrative or court action, in very specific cases provided for in Brazilian IP Law. A patent owner may be subject to compulsory licensing if it exercises its patent rights ‘in an abusive manner or practices the abuse of economic power’. In addition, non-exclusive compulsory licenses may also be granted in cases of national emergency or in the public interest, as declared by the Federal Executive Authorities.

Brazil’s patent law operates under the ‘first to file’ principle: if two or more applicants file for patents for identical items, the one whose application was filed first prevails. This is similar to UK law but different from practice in the US, where ‘first to invent’ is the critical test.

patents and utility models compared

tests for patentability

maximum effective periods

UK companies should consider utility models

compulsory licensing of patents by the state in exceptional circumstances

‘first to file’ criterion

‘right of priority’

In accordance with the Paris Convention (see 1.2 above), and as in other countries, the law allows for applicants for invention and utility model patents filing applications in Brazil to ‘enjoy a right of priority’ if they have already applied for a patent for the same item overseas within the previous 12 months. As in the UK, when an invention is created in Brazil by an employee as part of his or her employment, the employer owns any resulting patents.

business inventions vest in the business

Brazil became a member of the Patent Cooperation Treaty (PCT) in 1978. This means that foreign patent-owners can assess the possibility of obtaining a patent before embarking on the ‘national phase’ of the application within Brazil – at the end of which, if the patent is granted, they will have the same protection as any other patentee in Brazil.

Brazil is a PCT member

In licensing arrangements, patent licensors may charge royalties for a pending patent application but remittances abroad can be made only when the patent is granted. The agreement must be recorded with the Brazilian PTO and the amount of the royalties that can be remitted is subject to limitations, when the licensor controls the licensee. A licensee can be given powers to defend a licensed patent, provided this authorisation is included in the licence agreement and the agreement is recorded.

licensing of patents

Industrial Designs [index]

Industrial designs are covered by the same Industrial Property Law as patents and trade marks. As in other countries, this form of rights deals with the shape or other visible attributes of a product and applications must be novel. The law’s design rights provisions confer protection for ten years from the filing date, renewable for three consecutive periods of five years. The ‘right of priority’ for previous filings of designs overseas requires filing in Brazil within six months.

industrial designs: ten-year protection

‘right of priority’

no novelty examination

Registration takes about six months and there is no ‘novelty’ examination (as there is in most countries, including the UK).

Trade Marks [index]

Trade Marks are regulated in Brazil under the Industrial Property Law. The system operates in a similar way to that of Europe, protecting shapes, symbols, colours or other devices used to identify a company’s products or services, including trade names. As in the UK, tests of registrability cover issues such as generic terms, geographical names and distinctive features. Geographical indications also receive protection in Brazil, as required by the Paris Convention, and there is a formal registration system.

trade mark law

geographical indications

Domain names may be registered. The practice of ‘cybersquatting’ – the registration in bad faith of well-known domain name marks by third parties in order to sell them to the original owners – means it is advisable for rights owners to register their domain names in Brazil as soon as they can.

domain names

However it should be noted that foreign companies requesting the registration of a domain name must declare that they will start business in Brazil within one year and will then transfer the domain name to the local company. As the registration process by foreign companies is very bureaucratic, many companies ask their trade mark agents or attorneys to hold the registration in their name. Moreover in the event of disputes there is no alternative dispute resolution over the illegal or unauthorised registration of domain names: a lawsuit is the only option.

requirement to start business in Brazil following registration

There has long been a debate over whether Brazil should become a member of the Madrid Protocol (only a few other major economies are not). The country has in the past opted to remain outside this agreement for reasons that include concerns over whether domestic trade marks might be disadvantaged and the timescale taken by the Brazilian trade mark authorities to process applications in relation to the 18 months required by the Madrid Protocol. As of early 2008, there appears to be considerable momentum behind a move to ratify this treaty. This has been driven, in part, by international pressure.

Brazil is not yet a member of the Madrid Protocol...

Thus for the time being the advantages of the Madrid Protocol – which, as we have seen, provides a unitary method of reciprocal trade mark registration for foreign companies – are not available in Brazil for foreign trade mark owners.

...so no unitary rights for foreigners

Once granted, a trade mark is valid for ten years, after which it may be renewed indefinitely for further ten-year periods. If there are two or more applicants for identical or similar trade marks for the same or similar goods the one that was first to file an application prevails, as in the UK. It is therefore vital that rights owners should file applications as soon as possible.

ten-year validity

'first to file' principle

Advertising expressions and slogans may not be registered as trade marks and are only protected under Brazil's unfair competition legislation.

It should be noted that the law provides a priority right to obtain registration for an entity that has been using the mark, in good faith, in Brazil for at least six months. To exercise this right the prior user must oppose the senior mark and file its own application within sixty days of filing its opposition.

'right of priority'

Regulations about the 'right of priority' for those applying in Brazil for trade marks for which applications have already been made overseas are similar to those for patents, in accordance with international practice. Under the Paris Convention, as for patents, a filing in a foreign country is valid as a filing in Brazil. In the case of trade marks this must be done within six months.

Marks that remain unused for five years or more, or lapse for that period, may be cancelled and registered by another company.

trade marks may be cancelled if unused

Protection for well-known marks (now known as 'highly-renowned marks' in Brazil) is similar to that in most countries: registration of such a mark by someone other than the original trade mark owner is disallowed under the terms of the Paris Convention, regardless of whether or not it is registered in Brazil.

protection for well-known marks

There is another important protection under Brazilian law for foreign unregistered marks belonging to owners from countries that are members of the Paris Convention or other mutual trade mark treaties: registration is prohibited of a mark that the applicant could not fail to be aware of in view of his activities – regardless of whether the mark is well-known or not. However the owner of the mark is required to file a local application, or his request for a mark that has been registered locally to be nullified may not succeed. The Brazilian PTO has established a recordal procedure for declaring a trade mark a 'highly-renowned mark' and this mark will be awarded protection in all classes in Brazil. Their status may also be declared through the courts.

A trade mark application can be licensed but royalties may only be charged after the application has achieved registered status. Licensing agreements must be recorded with the Brazilian PTO before royalties may be remitted abroad. The amount of the royalties that can be remitted is subject to limitations, when the licensor controls the licensee. A licensee can be given powers to defend a licensed trade mark in Brazil, provided this authorisation is included in the licence agreement and the agreement is recorded with the PTO.

licensing of trade marks

Unfair Competition Law [index]

Measures against unfair competition are provided for in the Brazilian Industrial Property Law. Instances of unfair competition can be fought in both the criminal and civil courts. The following are simplified illustrations of activities that constitute unfair competition crimes:

- Publishing false information to the detriment of a competitor in order to obtain advantage.
- Using fraudulent means to 'divert another's clientele'; this can include the reproduction of products not protected by registration under IP laws and the imitation of packaging or labelling.
- Imitating another entity's advertising expression.
- Undue use of another entity's trade name.
- Selling an adulterated or falsified product in another entity's container or package.
- The unauthorised disclosure of confidential information.

examples of activities that may be prosecuted under the unfair competition law

Criminal law penalties for crimes of this type include imprisonment or a fine. The civil courts may award preliminary injunctions to halt illicit acts, seize infringing goods and damages against infringers.

How IP Rights Parameters in the UK and Brazil Compare

A comparison between the main features of IP rights in the UK and Brazil, relating to timescales and the basic costs for the official processes of registering the rights, is provided in Appendix D.

→ *UK & Brazilian IP rights compared*

2.3 PREPARATION

Q. What steps should a company take to avoid problems? [index]

The most important step is adequate preparation. This means taking advice from those who are knowledgeable about IPR in Brazil, consulting publications and websites and referring to the many sources of assistance that are aimed specifically at companies doing business there. Many of these are listed in this document and referenced websites. (See also *'Where to get help in Brazil'* below).

preparation is the key

It is also sensible to make a special assessment of the risks in Brazil to the intellectual property owned by the business. This is particularly important if you feel your IP is potentially at risk from infringers, if other companies in similar areas of business have had problems, or if your products or services have previously been exposed to IP infringement in other territories. Such a risk assessment might include:

make an IP risk assessment

- Performing due diligence checks on the various organisations and individuals with which you intend to have dealings in Brazil.
- Seeking professional advice from lawyers and other firms that are experienced in advising on IPR in Brazil, as well as local diplomatic posts and the British and American Chambers of Commerce in major Brazilian cities, as well as the London-based Brazilian Chamber of Commerce.
- Talking to other companies which are already doing business of the same type in Brazil or operating in the same location.
- Consulting your agents, distributors, suppliers and others who are knowledgeable about local conditions for the goods or services in question.
- Checking with a trade mark or patent attorney to see whether there have been previous registrations of your own marks, or other IP, in Brazil. Any prior registrations are bound to cause difficulties and putting matters straight might be expensive or, at worst, unachievable.

While this is by no means a comprehensive list of the types of people and organisations you might consult, it offers some ideas on how to go about assessing the vulnerability of your IP. Such actions are a part of the overall risk assessment you will need to make when embarking on a new project overseas.

Above all, it is important to develop within your company an attitude of being true to normal instincts and sticking to familiar business methods. IPR infringement goes hand in hand with other corrupt practices, so it is essential that those new to the market are not beguiled by entreaties to 'do things differently' when overseas. Good local representation will be a key element in protecting your interests and avoiding problems of this kind.

stick to your instincts

Q. Who should take responsibility for a company's IPR protection? [index]

The simple answer is: everyone. Many companies depend on the integrity of their IP, often one of their most valuable assets, for their livelihood. So this subject should be given proper attention by the management and staff, as well as those with whom the company has relationships in other companies.

IP protection depends on everyone in the business...

It may be sensible for a manager to be nominated who will have particular responsibilities for aspects such as understanding what constitutes the IP owned by the business, which sources of assistance and information are available and how to set up measures to protect IP rights. In companies with legal departments a legally-trained manager would be the obvious choice; but in an SME without the benefit of an in-house legal team this role could still be adequately performed by a manager with sufficient interest, commitment and training.

...but consider appointing a manager with specific responsibility for IP

2.4 OPERATING IPR IN BRAZIL

Q. How does one go about registering IP rights? [index]

registering your rights

As we have seen, there are a number of possible situations:

- For copyright, no registration is required. However it is essential that an assignment agreement is executed whenever such a work is created in the course of a contract or employment, even by a service provider.
- For patents (including inventions, utility models and industrial designs) individual registrations must ultimately be made in Brazil, but for rights other than industrial designs the search process is eased, and extra time gained, by applying under the terms of the Patent Cooperation Treaty.
- For trade marks, registration in Brazil is the only option as Brazil is not a signatory to the Madrid Protocol.
- 'Priority rights' under the Paris Convention assist in the local registration of trade marks, designs and patents by allowing rights previously registered elsewhere to become effective in Brazil, if filed within a time limit.

Some UK patent and trade mark attorneys – and many of the larger law firms – offer services that cover Brazil through corresponding or associate arrangements. Note that a local representative with powers to receive judicial summonses is required in order for a foreign company to act before the Brazilian Patent & Trademark Office. (The PTO no longer requires notarisation, legalisation or the sworn translation of documents; the only exceptions are assignment documents involving patents or industrial designs, as well as licence agreements or technology transfer agreements. These formalities are, however, still required by the Company's Registrar and the Courts).

using locally-based law firms

local representation needed to act with the PTO

Registration is essential in Brazil. As in the UK, if you do not register your rights you may not be able to enforce them.

registration is essential

Q. How difficult is it to enforce your IP rights? [index]

As in many countries, the comprehensiveness of the laws means that, in theory, rights owners should enjoy adequate protection and the means to enforce their rights in Brazil. However there are a number of barriers which mean that practice falls well short of what might be expected:

rights enforcement is achievable in Brazil

- Gaining registered rights in the first place is, as we have seen, a problem because of the excessive backlogs in processing applications for all forms of IPR. This adds to the opportunities for abusers to exploit rights for which applications are pending.
- The sheer scale of Brazil's economy, the size of its population and the number of the country's geographical and political divisions militates against effective control by well-intentioned central authorities.
- The international criminal element, coupled to immense land borders, adds further enforcement difficulties.

The National Anti-Piracy Plan's 99 action points provide for educational and punitive measures against infringers, bringing together all the relevant parties including police, customs and tax authorities. The necessary laws are, for the most part, in place, based on both criminal and civil law procedures. Damages, stop orders and seizures are available to the courts and, in all cases, sanctions under the criminal law include fines and imprisonment.

However there is still an attitude in some sectors – especially those involving the recording media – that IPR abuse is a habitual and largely untouchable part of Brazil's 'black economy'. Until this climate changes it is hard to be sanguine about a rights owner's ability to enforce his or her rights. The best that can be done is to be aware, take preventative measures and fight abuse on a case-by-case basis wherever possible.

Q. What are the steps in IP rights enforcement? [index]

There are three levels at which rights may be enforced: arbitration, civil action (or litigation) and criminal prosecution.

- **Arbitration.** Although Brazilian legislation provides for arbitration procedures, both parties need to agree to it and this form of dispute settlement is therefore very uncommon in IP cases.
- **Civil action.** Unlike in some countries, there are no special courts exclusively dealing with IPR-related cases. But many cities (for example Rio de Janeiro) assign certain courts to rule, on a non-exclusive basis, on all IPR-related lawsuits; the same is true at the Federal Court level. The ordinary civil courts – operating at two levels, federal government and states – deal with cases as appropriate. Laws relating to trade name registration and protection are contained within the Civil Code which operates on Roman law principles. All other areas of IP have their own specific legislation.

arbitration

civil litigation

Rights owners must file lawsuits in the city where the infringer is located. In areas outside the main cities, effective action may be difficult because of the lack of IP experience of the authorities and courts.

- **Criminal prosecution.** Actions against the infringement of all types of IPR may be brought under Brazil's Penal Code and specific IP legislation, with (in theory, at least) higher penalties for infringers including imprisonment and fines. It should be noted that the criminal law regulations governing copyright offences are wholly different from cases involving trade marks and patents.

criminal prosecution

In the latter categories, a criminal complaint must be preceded by a search and seizure action. However the judge will allow the seizure of only a certain amount of the infringed goods, requiring the so-called 'vestiges of the crime' to be placed before two court experts who examine the evidence and report their findings. The purpose of this procedure is to collect irrefutable evidence rather than to stop the infringement. Only after the experts' report is made can a criminal complaint be filed. Penalties are not severe and the violator is rarely punished with imprisonment; nor are indemnifications or interim injunctions for the cessation of the illicit activity available. (Note: in a court judgment, an indemnification is an obligation imposed on one party to protect another against loss or damage). Criminal actions are therefore aimed mainly at anti-counterfeiting campaigns and the seizure of goods sold by street vendors.

→ *case study*

In cases involving copyright infringement, new legislation authorises the seizure of all infringed goods, together with the equipment used in its manufacture. In certain cases the court may order the destruction of all the goods and equipment, even before a final decision on the merits of the case is issued. Preliminary injunctions and considerable levels of indemnification are also available.

In view of the above, choosing between a civil or criminal complaint will depend a great deal on the circumstances of each case, such as whether you can clearly identify the defendant, the type of right that is being infringed and other issues to be evaluated on a case-by-case basis.

choosing between civil and criminal actions

A summary of enforcement options (not specific to Brazil) and their pros and cons is provided in Appendix C.

→ *enforcement options*

Q. How efficient are the Brazilian courts? [index]

The Brazilian courts tend to have a bad name amongst foreign rights owners, which is probably only partly deserved. Despite the problems already described in relation to judicial procedures in remote areas, Brazil's courts are not inherently inefficient and all kinds of legal remedies are available. A poor judge in the first instance may well be matched by a good one on appeal. Urgent measures – such as the seizure of infringing goods and the equipment used to manufacture them, and the interruption of the infringement under penalty of a daily fine until a final decision is issued on the merits of the case – are available and can generally be obtained within 48 hours.

quality of the Brazilian judiciary

Courts are also starting to award considerable indemnifications. For example, compensation in trade mark, patent and industrial design infringement, as well as unfair competition cases, is determined by the benefits that the injured party would have gained had the violation not occurred; while in copyright cases compensation may correspond to as much as 3,000 times the value of each item of infringed goods. However a major problem is the overall time that a lawsuit takes (typically four to ten years) as well as its associated costs.

Customs: hampered by lack of a centralised intelligence system...

Actions by Customs also play an important part in IPR enforcement in Brazil. Regulations permit Customs to monitor and seize, ex officio, infringing products on import or export. However to be more effective these measures would require, at the very least, a centralised customs intelligence system, together with a formal registration method allowing trade mark owners to register their brands for nationwide control (whereas ‘customs recordal’ is available in many other countries). In addition there are no provisions for involving Customs in patent, utility model or industrial design infringement cases.

Customs seizures may result in civil or criminal actions

There is currently a discussion in Brazil on whether a trade mark owner needs to file a criminal lawsuit or simply a civil lawsuit following a seizure by Customs. Recent experience suggests that a civil lawsuit is sufficient. (This is an important issue, as it is usually considerably more difficult to obtain an urgent remedy in a criminal court). Procedures following a seizure tend to be effective and reasonable, with the courts invariably awarding indemnification and partial legal fees (which, in Brazil, are awarded direct to the lawyer).

Self-Help Measures

Q. Should I be reconciled to taking formal action to protect my IP? [index]

The best method of protection is avoidance, rather than expecting to initiate cases against infringers. Avoidance means taking measures that lessen the likelihood of infringement. We have covered many of these under Preparation above: getting good advice, doing risk assessment, checking IP rights registrations, performing due diligence checks, filing your applications as soon as possible, giving your intellectual property the management attention it deserves as a key element of the business and – most important – remaining true to normal business instincts, wherever you are operating.

prevention is better than cure...

There are also some particular self-help considerations for companies operating in risky territories:

- **Design:** make it harder for infringers to reverse-engineer your product.
- **Staff:** hire honest people, have effective IPR-related clauses in employment contracts, educate employees about IPR protection and require them to safeguard the IP assets of the business.
- **Documents and equipment:** institute sound physical protection and destruction methods for drawings, tooling, samples, machinery and so on.
- **Packaging:** make sure there are no ‘leakages’ of packaging that might be used by counterfeiters to pass off fake product in real packages.
- **Production over-runs:** police them to ensure that genuine product is not being sold under a different name.

self-help measures that can help you avoid IPR infringement problems – and the need to take enforcement action

Top Tips for IPR Protection in Brazil [index]

- Stick to your normal business instincts
- Prevention is better than cure – and cheaper
- Assess the risks of the market and make preparations
- Seek advice but take self-help measures to protect your IPR
- Make sure everyone in your business values its IP
- Register your IPR
- Forge good relationships with organisations that can help you
- If action is necessary, be resolute but consider sending a cease and desist letter through a local lawyer first
- If you don't show that you value your IP, who else will?

tips for success

Where to Get Help in Brazil [index]

Many of the links in this guide give details of organisations that can assist in various situations. In addition, the following organisations can provide advice on IPR in Brazil (see Reference section for Internet addresses):

- **UK diplomatic posts:** Embassy in Brasilia, Consulates-General in Rio de Janeiro and Sao Paulo, and Commercial Offices in Porto Alegre and Recife. The posts cannot intervene with Brazil legal or administrative processes but they may be able to keep a watching brief when cases are brought to the Brazilian courts, or lobby on your behalf if progress is slow.
- **British Chambers of Commerce:** BritCham branches organise IPR-related events and their members include local UK lawyers as well as companies that have direct experience of IPR issues. BritCham has offices in Rio de Janeiro, Sao Paulo and Rio Grande do Sul.
- Many law firms, both local and international, have offices in the major cities of Brazil, as well as patent and trade mark attorneys. See the website in the Reference section.

→ *UK diplomatic posts*

→ *BritCham*

→ *local and foreign law firms*

3. FEEDBACK

If you have any comments about what you have read in this guide we would welcome your feedback.

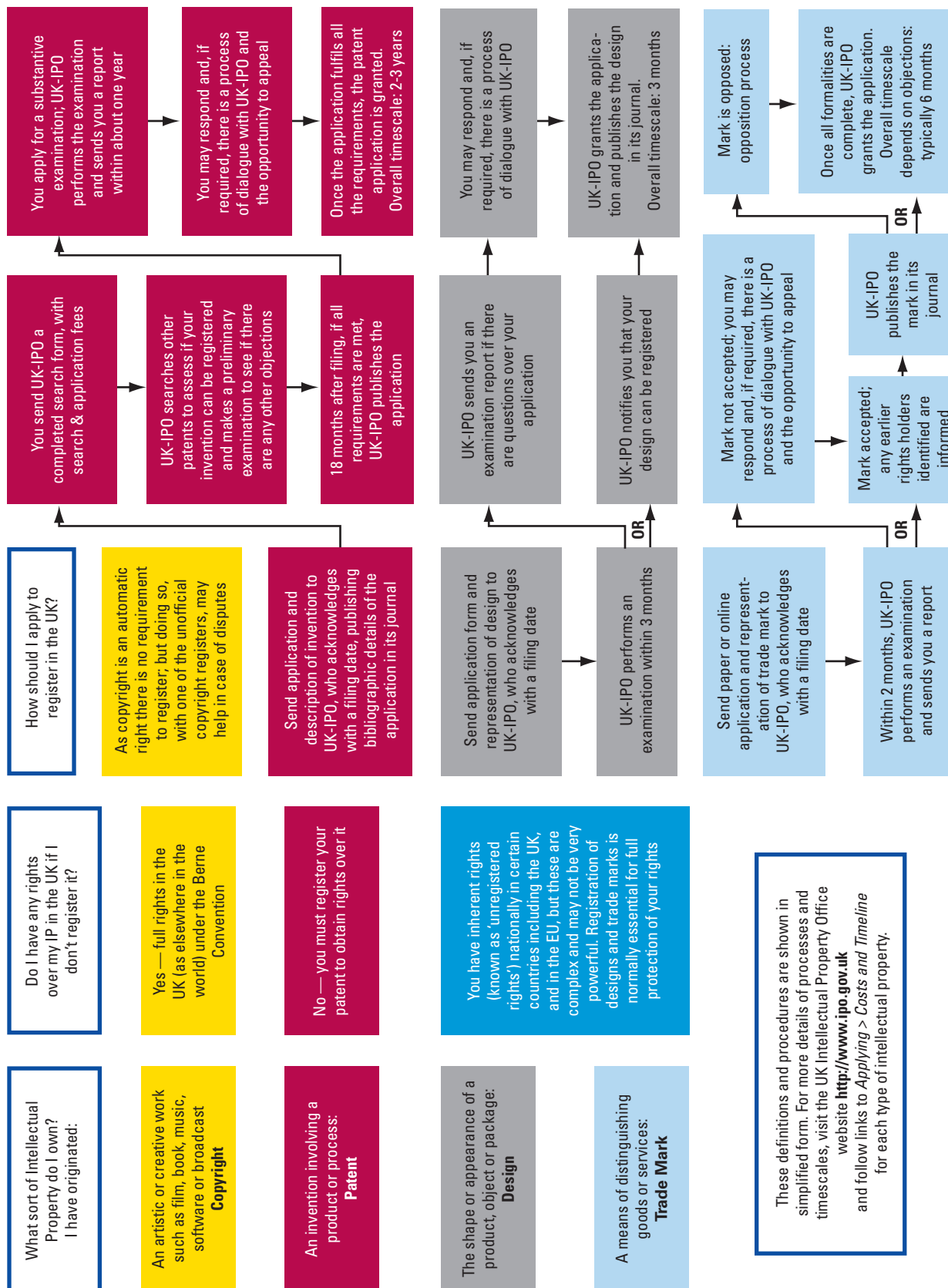
feedback

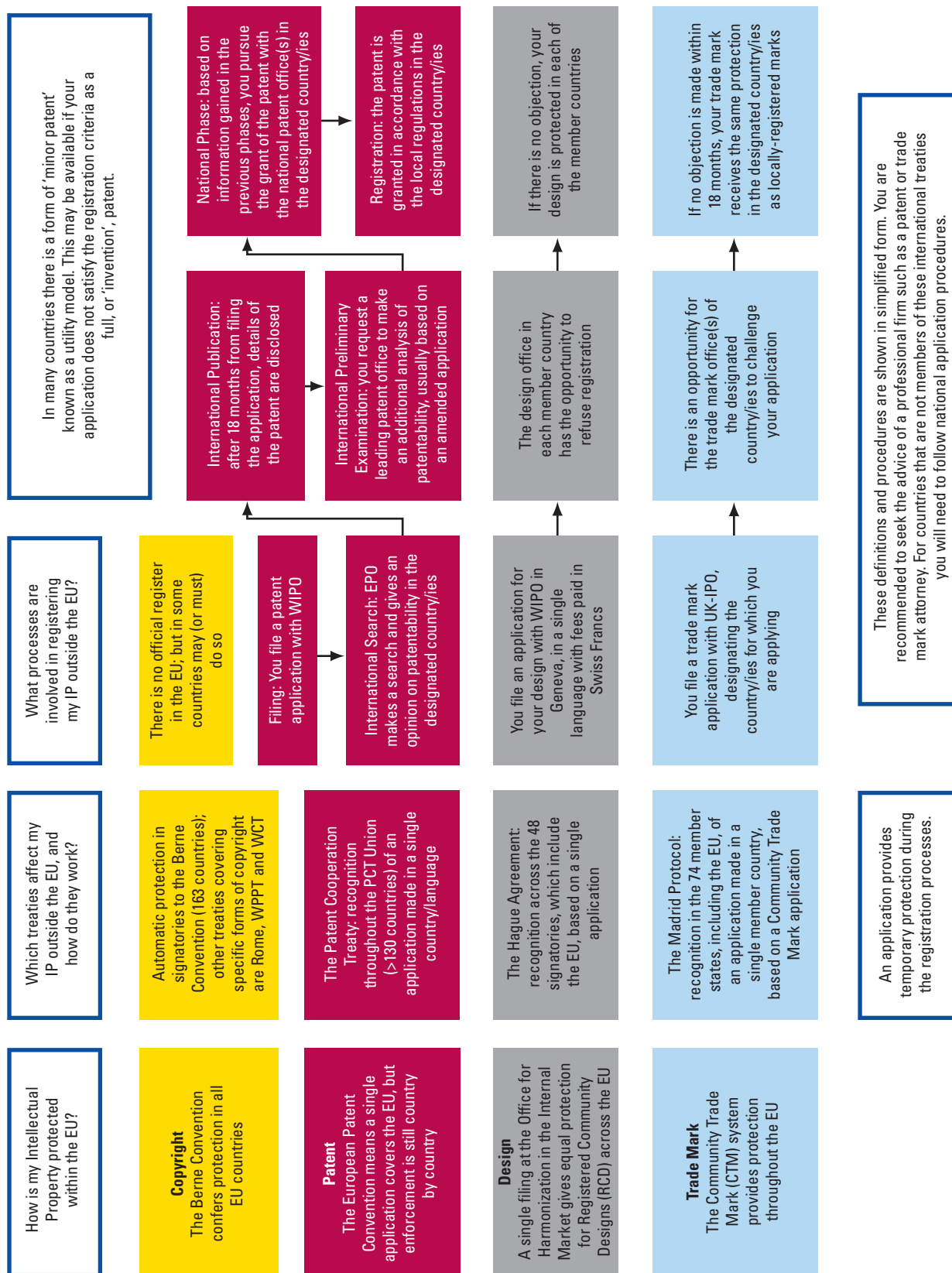
Please take a few minutes to complete our survey by clicking here. [Start survey](#)
Your opinions and suggestions will help us ensure that the IPR Primers are relevant to your needs.

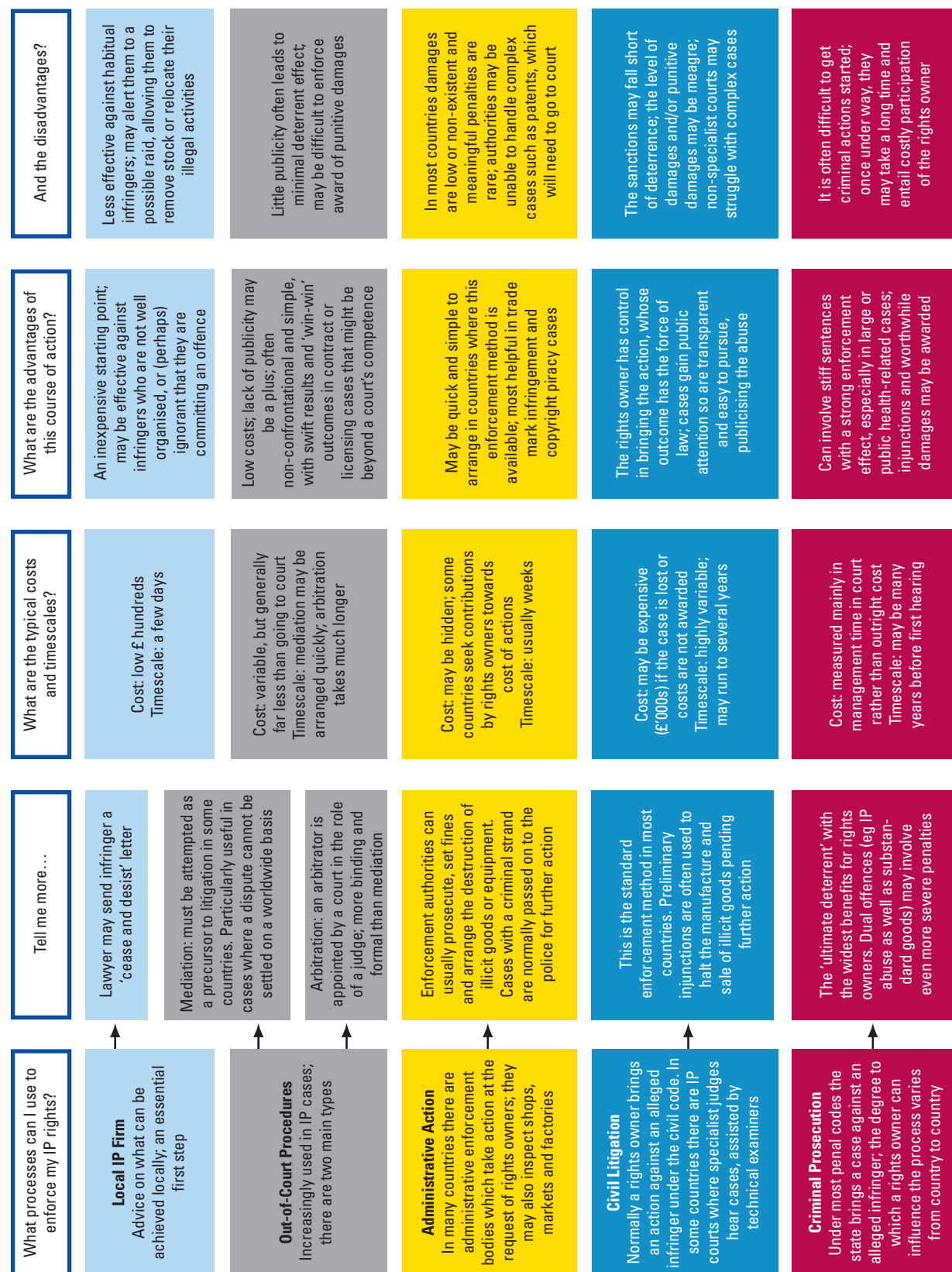
Disclaimer

This guide contains only a summary of IPR issues. It is not intended as a substitute for the advice of professionals such as lawyers and attorneys. You should always seek expert guidance before taking decisions that may affect your IP rights, in Brazil or elsewhere.

the small print







APPENDIX D : BRAZIL/UK IP RIGHTS COMPARISON [RETURN] [INDEX]

Country/Form of IP Right		Maximum Initial Term from filing date; for copyright, from author's death (eg literary work)	Cost typical official fees, excluding legal representation	Time to Register typical period, from filing date	Extension Periods total = max extension term + initial term	Notes
UK						
Copyright		70 yrs	—	—	none	term depends on type of work
Patent		4 yrs	£200	2 - 3 yrs	16 x 1 yr (total 20 yrs)	renewal on an escalating scale
Design		5 yrs	£60	3 mths	4 x 5 yrs (total 25 yrs)	cost for first design
Trade Mark		10 yrs	£200	6 mths	10 yrs (unlimited)	
Brazil						
Copyright		70 yrs	—	—	none	50-year protection for software
Patent	Invention	20 yrs	£235	5 - 8 yrs	none	
	Utility Model	15 yrs	£200	5 yrs	none	
Industrial Design		10 yrs	£230	6 mths	3 x 5 yrs (total 25 yrs)	
Trade Mark		10 yrs	£230	5 yrs	10 yrs (unlimited)	

Cellsoft Industriale e Comercial Ltda and Western Brands, Inc. ('Cellsoft') v. C&A Modas Ltda ('C&A') (counterfeiting)

At the lower court hearing the court expert's report made it clear that C&A were selling counterfeit versions of sandals protected by industrial property registered to Cellsoft. The infringers were ordered *'to pay indemnification for losses and damages and to abstain from commercialising [sandals] with an industrial design equal to those of the plaintiffs under penalty of a daily fine of R\$10,000'* (about £3,000).

The case went to appeal, with C&A (the appellant) claiming that one of the suppliers of fake sandals was not involved in the counterfeiting. This appeal was not granted: the judge ruled that there was evidence that it knew the sandals had been counterfeited.

Comment: This case demonstrates the use of the court expert in establishing the facts (see Section 2.4) and the measures typically used to deter counterfeiters – including a stiff daily fine in the event that they continued the offence.

APPENDIX F : REFERENCES [INDEX]

1 BRAZILIAN IPR REFERENCES [INDEX]

Organisations [index]

Biblioteca Nacional – Escritório de Direitos Autorais da Fundação (EDA) [index]
<http://www.bn.br/Script/FbnEda.asp?pStrCodSessao=6C3DB860-4781-4138-AF5E-CF8316B034F4>

Brazilian Association of Industrial Property Agents (ABAPI) [index]
www.abapi.com.br

Dannemann Siemsen Institute for Intellectual Property Studies (IDS) [index]
www.ids.org.br

Escola de Belas Artes da Universidade Federal do Rio de Janeiro [index]
<http://www.eba.ufrj.br/direitosautorais/home.html>

Industrial Property Association of São Paulo (ASPI) [index]
www.aspi.org.br

National Council Against Piracy (CNCP) [index]
<http://www.mj.gov.br/combatepirataria>

National Institute of Industrial Property (INPI) [return] [index]
www.inpi.gov.br

Laws and Procedures [index]

Brazil and the Madrid Protocol [index]
<http://www.felsberg.com.br/newsletter/international22/texts.html>

Copyright Law [return] [index]
http://www.wipo.int/clea/docs_new/pdf/en/br/br002en.pdf

Domain name registration: Registro.br [index]
<http://registro.br>

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http://www.wipo.int/clea/docs_new/pdf/en/br/br003en.pdf

Legislative Profile – IP Laws [index]
<http://www.wipo.int/about-ip/en/ipworldwide/pdf/br.pdf>

Software Law [return] [index]
http://www.wipo.int/clea/docs_new/pdf/en/br/br001en.pdf

2 GENERAL AND INTERNATIONAL REFERENCES

Collection of Laws for Electronic Access (CLEA) [index]

This excellent site, operated by the World Intellectual Property Organization (WIPO) is 'a unique electronic database providing easy access to intellectual property legislation from a wide range of countries and regions as well as to treaties on intellectual property. It is an invaluable information resource made available by WIPO free of charge to all interested parties, including researchers, legal professionals, policy-makers, students and administrators.'

<http://www.wipo.int/clea/en/index.jsp>

Copyright

Berne Convention [return] [index]

UK Copyright Service's article '*International copyright law – The Berne Convention*':

http://www.copyrightservice.co.uk/copyright/p08_berne_convention

Copyright in the UK [return] [index]

UK-IPO:

<http://www.ipo.gov.uk/copy.htm>

Copyright Licensing Agency (CLA) [index]

Based in the UK, CLA licenses the copying of published extracts. Its website provides practical information on many aspects of copyright:

<http://www.cla.co.uk/>

Designs

Designs in the UK [return] [index]

UK-IPO:

<http://www.ipo.gov.uk/design.htm>

Unregistered Community Designs [return] [index]

Patent and trade mark attorney Hindle Lowther's explanation:

<http://www.hindlelowther.com/design11.htm>

International IPR Organisations, Systems and Treaties

Community Trade Marks (CTM) [return] [index]

CTM resource site of the Office for the Harmonization of the Internal Market (OHIM):

<http://oami.europa.eu/en/mark/default.htm>

Overview by ipr.co.uk:

http://www.ipr.co.uk/IP_conventions/community_trade_marks.html

UK-IPO:

<http://www.ipo.gov.uk/abroad/abroad-tmeurope.htm>

European Patent Convention (EPC) [return] [index]

European Patent Office site for EPC:

<http://www.epo.org/patents/law/legal-texts/epc.html>

Text of the Convention:

<http://www.european-patent-office.org/legal/epc/e/contents.html>

Hague Agreement [return] [index]

WIPO datasheet '*Hague System for the International Registration of Industrial Designs*' with link to list of parties to the agreement:

<http://www.wipo.int/hague/en/>

UK-IPO site on linking of Hague Agreement and Registered Community Design:

<http://www.ipo.gov.uk/policy/policy-issues/policy-issues-designs/policy-issues-designs-protection.htm>

and European Commission press release on the same subject:

<http://europa.eu/rapid/pressReleasesAction.do?reference=IP/05/1691&format=HTML&taged=0&language=EN&guiLanguage=en>

International Anti-Counterfeiting Coalition (IACC) [index]

<http://www.iacc.org/contact.php>

International Intellectual Property Institute (IIPI) [index]

<http://www.iipi.org/>

Madrid Protocol [return] [index]

WIPO's introduction '*Madrid System for the International Registration of Marks*':

<http://www.wipo.int/madrid/en/>

UK-IPO:

<http://www.ipo.gov.uk/abroad/abroad-tmworld.htm>

List of Madrid Protocol registrations on Institute of Trade Mark Attorneys site:

<http://www.itma.org.uk/trade-marks/6b-protocol.htm>

Outlaw-Com's guide to '*Registering a Trade Mark through the Madrid Protocol (international application)*':

<http://www.out-law.com/page-376>

Paris Convention [return] [index]

WIPO's '*Summary of the Paris Convention for the Protection of Industrial Property*':

http://www.wipo.int/treaties/en/ip/paris/summary_paris.html

Patent Cooperation Treaty (PCT) [return] [index]

WIPO's PCT Resources site:

<http://www.wipo.int/pct/en/>

UK-IPO:

<http://www.ipo.gov.uk/abroad/abroad-patentworld/abroad-pct.htm>

Mewburn Ellis LLP's succinct explanation and list of members:

http://www.mewburn.com/downloads/PCT_Members_States_as_at_01Jun07_-_June_2007.pdf

Registered Community Design (RCD) [return] [index] See also Hague Agreement

UK-IPO:

<http://www.ipo.gov.uk/design/d-applying/d-should/d-should-abroad/d-should-abroad-eu.htm>

Rights Extensions [return] [index]

These are listed on the UK-IPO website, with descriptions of the rules and conditions for the extension of protection for the various UK and EU IP rights:

<http://www.ipo.gov.uk/abroad/abroad-extend.htm>

TRIPS [return] [index]

Trade-Related Aspects of Intellectual Property Rights:

http://www.wto.org/english/tratop_e/trips_e/trips_e.htm

UK-IPO:

<http://www.ipo.gov.uk/policy/policy-issues/policy-issues-trips.htm>

World Intellectual Property Organization (WIPO) [return] [index]

Website gateway to a copious source of IPR information:

<http://www.wipo.int/portal/index.html.en>

World Trade Organization (WTO) [return] [index]

WTO's home page:

<http://www.wto.org/>

List of WTO members: [return]

http://www.wto.org/english/thewto_e/whatis_e/tif_e/org6_e.htm

Miscellaneous

Books [index]

The Handbook of European Intellectual Property Management

'Developing, Managing and Protecting Your Company's Intellectual Property' by Adam Jolly

ISBN 9780749449889 published July 2007

<http://www.kogan-page.co.uk/bookdetails.aspx?ISBN=9780749449889>

Knockoff: the Deadly Trade in Counterfeit Goods

'The True Story of the World's Fastest Growing Crime Wave' by Tim Phillips

ISBN: 9780749443795 published December 2005

<http://www.koganpage.com/bookdetails.aspx?ISBN=0749443790>

Enforcement of Intellectual Property Rights in the UK [index]

Kirkland & Ellis International LLP on the system in England and Wales:

http://www.buildingipvalue.com/n_eu/279_283.htm

Intellectual Property Explained ('My IP'), UK-IPO 2007 [index]

A guide covering IPR for UK companies, together with advice on protection and the steps that would-be rights owners should take:

<http://www.ipo.gov.uk/myip.pdf>

Renewal of IP Rights [return] [index]

UK-IPO:

<http://www.ipo.gov.uk/manage/manage-renew.htm>

Reports [index]

HM Treasury, 2006: *'Gowers Review of Intellectual Property'*

http://www.hm-treasury.gov.uk/media/6/E/pbr06_gowers_report_755.pdf

OECD, 2007: *'The Economic Impact of Counterfeiting and Piracy (Executive Summary)'*

<http://www.oecd.org/dataoecd/11/38/38704571.pdf>

UK-IPO website [return] [index]

Guidance on all aspects of IPR in the UK, Europe and worldwide:

<http://www.ipo.gov.uk/home.htm>

Patents

Chartered Institute of Patent Attorneys (CIPA) [index]

The CIPA site offers a wide range of advice on patents, international news and articles, together with a search facility for UK-based and international patent attorneys, searchable by region:

<http://www.cipa.org.uk/pages/home>

Patents in the UK [return] [index]

UK-IPO :

<http://www.ipo.gov.uk/patent.htm>

Software Patents [return] [index]

The European Patent Office does not *'grant patents for computer programs or computer-implemented business methods that make no technical contribution. Programs for computers as such are excluded from patentability [unless they have] the potential to cause a 'further technical effect' which must go beyond the inherent technical interactions between hardware and software.'*

See EPO regulations on this subject:

<http://www.epo.org/focus/issues/computer-implemented-inventions.html>

and Ius Mentis's article *'Software Patents under the European Patent Convention'*:

<http://www.iusmentis.com/patents/software/epc/>

UK Patent Rules [index]

UK-IPO's 'unofficial consolidation' of the Patent Rules 1995:

<http://www.ipo.gov.uk/patentrules1995.pdf>

Trade Marks

Changes in UK Trade Mark Registration Procedures [return] [index]

Reddy & Grose's description of how existing owners of trade marks are to be consulted when UK-IPO receives applications for similar marks:

<http://www.reddie.co.uk/content/view/119/49/>

Domain Names [return] [index]

The following links provide guidance on:

- domain names in the context of IP law:
http://www.waterfrontpartnership.com/ip/d_domain_names.htm
- choosing and registering a domain name:
<http://www.nominet.org.uk/registrants/register/choose/>
- legal rights relating to domain names:
<http://www.nominet.org.uk/disputes/drs/rights/>
- domain name disputes:
<http://www.out-law.com/page-5700>

Geographical Indications [return] [index]

UK-IPO's notes on GI and links to further information:

<http://www.ipo.gov.uk/patent/p-applying/p-should/p-should-otherprotect/p-should-otherprotect-geographic.htm>

Institute of Trade Mark Attorneys (ITMA) [index]

This site provides a compendium of information on trade marks, including definitions, costs, tips on registration, FAQs and listings of ITMA members, sorted by UK region:

<http://www.itma.org.uk/intro/index.htm>

Nice Classification System [return] [index]

'The countries party to the Nice Agreement constitute a Special Union within the framework of the Paris Union for the Protection of Industrial Property. They have adopted and apply the Nice Classification for the purposes of the registration of marks.'

Class definitions:

<http://www.wipo.int/classifications/fulltext/nice8/enmain.htm>

Plant Varieties [return] [index]

DEFRA's 'Guide to the Plant Varieties Act 1997':

<http://www.defra.gov.uk/planth/pvs/guides/pvsact-20050317.pdf>

Semiconductor Topographies [return] [index]

The Design Right (Semiconductor Topographies) Regulations 1989:

http://www.opsi.gov.uk/SI/si1989/Uksi_19891100_en_1.htm

Trade Marks in the UK [return] [index]

UK-IPO:

<http://www.ipo.gov.uk/tm.htm>

Where to get help in Brazil

Brazilian Chamber of Commerce in Great Britain [return] [index]

<http://www.brazilianchamber.org.uk/>

British Chamber of Commerce in Brazil [return] [index]

<http://www.britcham.com.br/>

British Embassy and Commercial Offices in Brazil [return] [index]

<http://ukinbrazil.fco.gov.uk/en/our-offices-in-brazil/>

Local Law Firms [return] [index]

<http://whichlawyer.practicallaw.com/which/firmRecommendationsByJurisdictionSpecialisation.do?jurisdictionId=:22206&specialisationId=:25784>

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