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DOING BUSINESS ABROAD

## Protecting your IP in Brazil





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**Intellectual property (IP)** is a valuable asset that can support your business expansion abroad. A Canadian patent, trademark or industrial design does not secure your rights outside Canada. You should consider obtaining IP protection in the countries where you plan on doing business, including selling products online or manufacturing products overseas.

Brazil is one of Canada's largest trading partners in South America. More than CAD 6 billion in goods and services are exchanged between the 2 countries annually.<sup>1</sup> Given the significance of the Brazilian market, it is important to know how to recognize, register and enforce your IP rights in Brazil. For the most part, the protection and registration process for IP in Brazil is similar to that in Canada. However, there are certain differences that you should familiarize yourself with by reading this guide.

In Brazil, you can apply for invention patent, utility model patent, trademark, copyright, industrial design, geographical indication, computer program and plant breed protection. If you wish to enter the Brazilian market or are already doing business in Brazil, you should apply to protect your IP rights as soon as practicably possible. Though foreign applicants must be represented by a Brazilian patent attorney or agent, a Canadian IP professional may be able to coordinate work with an IP professional based in Brazil.



<sup>&</sup>lt;sup>1</sup>Global Affairs Canada, "Canada-Brazil fact sheet," (2018), available online.





# Where is IP registered?

### Brazil's National Institute of Industrial Property (INPI)

is the agency responsible for the administration and registration of patents, trademarks, geographical indications and industrial designs.

Applications for patents, trademarks and industrial designs can be filed electronically at inpi.gov.br (in Portuguese only). The website also has online searchable databases of patents, trademarks and industrial designs. A good first step is to search existing IP to check whether your anticipated IP use may conflict with or infringe on someone's prior rights.

#### Trademarks

- A Brazilian trademark must be a visually perceptive and distinctive, original sign that is not prohibited by any other law. It can be a combination of letters, words, designs or numbers. Brazil also allows 3-dimensional marks, such as the shape or packaging of goods without a functional or technical effect. This requirement differs significantly from Canadian trademark law, as it prevents the registration of non-traditional marks, such as sound marks or scent marks.
- Trademark applications must be filed directly with the INPI. After a preliminary examination, a mark is published in the *Industrial Property Gazette* and becomes open to opposition by interested parties for 2 months. After this period, it is submitted for substantive examination before being granted.
- The term of protection of a trademark is 10 years from the granting date. Protection may be renewed indefinitely every 10 subsequent years.
- Brazilian trademarks only allow registration in 1 class of goods or services. To trademark a brand under multiple classes, you must submit a separate application for each class.

- As in Canada, in Brazil, it is not necessary to submit proof of use when filing a trademark application, and non-use is not grounds to challenge a trademark, as third parties can require the forfeiture of trademark registrations after 5 years of non-use.
- Brazil is a signatory to the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks.
- Unlike Canada, with its "first-to-use" system, Brazil follows a "first-to-file" system for trademark rights.
- Research to ensure your mark is not currently being used by a third party in Brazil. If someone has been using a similar mark in good faith for 6 months before your filing date, they may be able to challenge your claim to the trademark.
- Brazil has a list of "famous marks" that are protected across all classifications of goods and services. Brazil also affords protection to marks that are "well known" in Brazil, and may reject applications for similar trademarks in the same field, even if the well-known mark is not registered.

- Although Brazil is not a signatory to the Nice Agreement, the INPI uses the Nice Classification system, which is used to classify goods and services according to internationally agreed-upon categories.
- Since Portuguese is the official language in Brazil, consider protecting the Portuguese translations of your trademark as well.
- You can file your trademark application directly with the INPI in Portuguese. You may also file trademark applications in other acceptable languages through the Madrid Protocol.
- For **more information** on trademarks and applying for trademark registration, visit inpi.gov.br (in Portuguese only).

#### Patents

- A patent is a legal right to prevent others from making, using or selling your invention. Unlike Canada, Brazil has 2 classes of patents: patents of inventions and utility models.
- Patents of inventions are granted when an invention is novel, involves an inventive step and is capable of industrial application.
- Utility models are similar to patents of inventions, except they are only granted to objects of practical use that are capable of industrial application. The objects must also have a new form or disposition and involve an inventive act that results in a functional improvement in terms of its use or manufacture.
- Patent fees are reduced for discounted entities (natural persons, small businesses and non-profit organizations) and increased for paper applications. The examination fees also depend on the number of claims in the application.
- There are 2 ways to file an application: send it directly to the INPI or apply through the Patent Cooperation Treaty (PCT).

- Brazil has a "first-to-file" system, which provides patent protection to the first applicant to file an application for an invention.
- In general, an application for a patent must be filed before any public disclosure of the subject matter, as public disclosure puts an invention in the public domain and makes it unpatentable. However, Brazil provides a 12-month grace period for public disclosure of an invention under certain circumstances.
- Canada and Brazil are not partners in the Patent Prosecution Highway, so the program is not available to expedite the examination process.
- It is important for businesses to consider that Brazil's Patent Act has a compulsory licence provision according to which any person who has the technical and economic capacity to carry out efficient exploitation can file an application to have a compulsory licence granted to them, if the following 3 grounds are met:
  - o The titleholder exercised their rights in an abusive manner.
  - The patent has not been exploited within the Brazilian territory (unless this is not economically feasible).
  - The patent has not been commercialized in a way that satisfies the needs of the market.
- Any person with legitimate interest and the technical and economic capacity to carry out efficient exploitation can apply for a license for a patent on the third anniversary of the grant date.
- For more information on patents and applying for patent protection in Brazil, visit inpi.gov.br (in Portuguese only).



Comparison between patents and utility models in Brazil		
	Patents	Utility models
Requirements	Novelty Inventive step Industrial application	Novelty Inventive act Industrial application
PCT application national phase	30 months	30 months
Publication	18 months from the date of filing or oldest priority	18 months from the date of filing or oldest priority
Validation	Up to 20 years (from the filing date)	Up to 15 years (from the filing date)

#### Industrial designs

- In Brazil, industrial designs refer to the appearance of a product in particular, the ornamental shape or the ornamental set of lines and colours applicable to a product, so long as it provides a new and original visual result that can be industrially manufactured.
- The term of protection for an industrial design is 10 years from the filing date. The protection may be renewed every 5 years for a maximum of 25 years from the filing date, as long as applicable fees are paid.
- An inventor who publicly discloses their design has a 180-day grace period from the time of disclosure before the industrial design enters the public domain and can no longer be protected.
- Industrial design protection is administered by the INPI. In Brazil, the novelty and originality of a design are not assessed before registration. The substantive examination of an industrial design may only be performed after the registration has been granted and if the holder requests it from the INPI.
- Foreign applicants must be represented by a Brazilian patent attorney or agent. A Canadian IP professional

may be able to coordinate work with an IP professional based in Brazil.

• For **more information** on industrial designs and industrial design registration in Brazil, visit inpi.gov.br (in Portuguese only).

#### Copyright

- In Brazil, copyright is the exclusive legal right to produce, reproduce, publish or communicate an original literary, textual, spoken artistic, dramatic, choreographic, audiovisual, photographic, musical, visual, model, literary adaptation, computer program, or compilation work. As in Canada, software can be protected as a literary work.
- There are 2 types of rights conferred by the Brazilian copyright system:
  - o patrimonial rights, which give the holder the commercial rights to exploit the work
  - moral rights, which are the non-economical rights of the author in relation to the work and ensure, among other things, that the author has the right to have their name attributed to the work and can control any modification to the work (they are different from patrimonial rights as they cannot be transferred to third parties)

- The main registration authority in Brazil is the Copyright Office of the National Library. The National Library is the legal authority responsible for registering literary works, including artistic and musical works. The *Brazilian Copyright Law* provides that other institutions, such as the School of Fine Arts and the School of Music, which are both part of the Federal University of Rio de Janeiro, can register other forms of copyrightable works.
- As in Canada, copyright is automatic and requires no formal registration. Voluntary registration is possible to assist in establishing a priority date of creation and the method of filing, depending on the type of creative work. Copyright protection begins upon creation of the work.
- As a rule, the term for copyright protection in Brazil is the life of the author, plus 70 years after the author's death, and these rights are inherited by the author's successors. However, there are exceptions to this rule, as some forms of copyrightable works have different terms of protection.
- For **more information** on copyright in Brazil, visit cultura.gov.br (in Portuguese only).





## IP enforcement

## There are several ways to enforce your rights against unauthorized use of your IP in Brazil:

- Enforcement is administered on a country-by-country basis. Therefore, you must monitor the Brazilian marketplace for any unauthorized use of your IP. Enforcement of your IP rights is your responsibility.
- The Department of Federal Revenue of Brazil (Secretaria da Receita Federal do Brasil) may provide you with some assistance in enforcing your IP rights in Brazil, as they help prevent counterfeit goods from entering Brazil.
- If you believe your IP rights are being infringed upon in Brazil, you should consult a lawyer licensed to practise in Brazil or an IP professional to discuss the next steps.
- It is important to understand that the Canadian government generally cannot enforce IP rights owned by private individuals in Brazil. It is the responsibility of the rights holders to register, protect and enforce their rights and, where relevant, retain counsel and advisors.
- IP disputes may be brought before the state courts of Brazil, unless a federal entity is the accused infringer, in which case it will go before federal court. Infringement of IP rights may lead to civil and/or criminal charges, depending on the type and severity of the charges.

- You may also choose to proceed with an alternative dispute resolution method to resolve your IP dispute in Brazil. Mediation and arbitration, which are generally more informal, less adversarial, cheaper and settlement-focused, can also be used as alternatives to going to court.
- If you suspect infringement, your lawyer can send a "cease and desist" letter to the alleged infringer informing them that you believe they have infringed on your IP rights and advising them to refrain from committing the infringement.
- If you choose to enforce your rights through formal court proceedings, be aware of the costs and time associated with this adversarial route. Brazilian courts can award varying remedies in IP disputes, including monetary damages, imprisonment, fines, temporary or permanent injunctions, and search and seizure orders.





## Tips: Important notes

- IP rights are important, so take the time to determine what IP can be registered and what rights can be enforced.
- Remember that the protection of IP rights (such as patents, trademarks, industrial designs and copyright) registered in Canada does not extend to Brazil.
- Align your IP strategy with your business strategy. Identify business goals, protectable IP, regional requirements, potential partners and the capacity to expand into your target markets.
- Routinely monitor the marketplace for unauthorized use of your IP.
- Before proceeding with any of the enforcement methods outlined above, consider contacting a qualified legal representative to discuss options, including a "cease and desist" letter.

#### For more help

- For information about IP protection in Brazil, check out the INPI website at inpi.gov.br (in Portuguese only).
- For material relating to the export of goods to Brazil, please see the Canadian Trade Commissioner Service website at tradecommissioner.gc.ca.
- Visit the Global Affairs Canada website at international.gc.ca for more information about doing business in Brazil.
- For IP tools, resources and information for businesses, visit Canada.ca/ip-for-business.
- For more information on going global with your IP, visit Canada.ca/export-ip.
- Find more programs and support for Canadian businesses and innovators at innovation.canada.ca.

 $^{*}\mbox{The}$  information provided above is meant as an educational resource only and should not be construed as legal advice.





