

Brazil joins the Madrid Trademark System

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The Madrid Protocol for International Trademarks has just been enacted in Brazil, on June 26, 2019. The Protocol is an international treaty that facilitates obtaining the registration of trademarks in more than 100 countries that are also part of this system.

It has been announced by the Brazilian Trademark Office that it will enter into effect in Brazil on October 1st 2019, but this is still to be confirmed.

Once the Protocol is in force, it will be possible, for instance, to (i) appoint Brazil as one of the designated countries in an international registration, with grounds on a base-trademark filed in the country of the IP owner, also member of the Madrid system; (ii) use a Brazilian trademark to designate other countries also signatories of the Madrid Agreement or Protocol; (iii) have a single date for renewal of the international registrations in all concerned countries.

The Brazilian Patent and Trademark Office (BPTO) is implementing changes in the Brazilian procedure to adequate itself to the Protocol. It is important to notice that in cases of conflicts between the Protocol and the Brazilian IP Law, the latest will be applied.

In Brazil, trademark applications may be subject to both pre-grant and post-grant oppositions by third parties, and even without any pre-grant oppositions the Brazilian Trademark office conducts a thorough ex-officio examination analyzing both possible absolute and relative grounds for refusal. The administrative procedure is as follows:

- When Brazil is appointed as a designated country, after the formal analysis performed by WIPO, the application is received by the BPTO and before any material examination it is published for opposition purposes. After, the BPTO will perform the substantive analysis, even if no opposition is presented. The decision is published in the Brazilian Gazette and in case of rejection it may be subject to an appeal;
- After a registration is issued in Brazil, it still could be subject to administrative cancellation before the BPTO in the following situations: (i) within 180 days from the issuance of the registration through a cancellation action, if the registration was issued in contrary to the dispositions of the Brazilian IP Law or (ii) as from 5 years from the issuance of the registration, through a forfeiture request, for lack of use.

As per informal announcements already made by the Brazilian Trademark Office, Brazil will adopt some particularities and some of the Brazilian actual system will be maintained into force, such as:

(i) Applicants may only file trademarks claiming protection in Brazil if they are already engaged in the business to be claimed in the specification of goods and services (this is a traditional anti-piracy provision in Brazilian law, to avoid that non-practicing entities file trademarks), and will be a declaration in the filing form in that regard;

(ii) Brazil will receive an individual fee for each of the registrations that designate Brazil, as well as for the renewal of such registrations;

(iii) Multiple-class applications will start to be allowed, with a separate (full) fee for each class claimed;

(iv) The individual fee will be paid in two installments, the first at the filing of the international application or the designation of Brazil and, the second in a later time, when the application is granted;

(v) Brazil will only accept designations based only on international trademarks filed post-accession (no retroactivity);

(vi) Spanish and English are the two official languages to be used in proceedings regarding international applications, but the Brazilian Trademark Office will translate and publish in Portuguese the specification of goods and services, for all legal effects in Brazil;

(vii) All acts before the BPTO after filing (such as complying with office action or filing appeals or defenses) must be performed by a Brazilian person.

The Brazilian Trademark Office has announced that a local attorney (proxy-holder) will not be required during the full prosecution of the application, unless there is an office action or the need to present a defense against an opposition. However, Brazilian law states (Sections 217 and 142) that an issued registration shall become extinct if there is no local attorney with powers to receive judicial summons in annulment proceedings (this is to avoid the need of rogatory letters being sent to foreign countries). In order to avoid any risk of loss of rights, we strongly recommend foreign applicants using the Protocol to file a petition appointing a local attorney, with the Brazilian Trademark Office, until (at the latest) the moment of issuance of the registration.

Brazil is the 7th largest economy of the world (GDP), with a population of 210 million and it is the 5th largest country of the world (in territory). We believe that with the ease of use of the Protocol, most companies will not forfeit the opportunity to protect their brands in Brazil.

However, in view of the particularities of the local system and to be aware of the decisions and deadlines as soon as they are published, it is highly recommended to hire a local attorney after designating Brazil in an international registration.

Our firm is ready to assist you with the strategic analysis of the portfolio and projects to find the best way to protect your trademarks using or not the Madrid system.

For more information or clarification on this matter, please contact any of our partners, including our Madrid Protocol team leader Flávia Tremura Polli Rodrigues (flavia.rodrigues@kasznarleonardos.com).