

New rules of the Brazilian Patent and Trademark Office for validation of evidence of use of trademarks in forfeiture proceedings

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The Brazilian IP Law determines that use of a trademark must be initiated within 5 (five) years of the registration issuance date and may not be interrupted for a period longer than 5 (five) consecutive years, under penalty of cancellation of the registration.

Evidence of use of a trademark must only be submitted if and when a third party with legitimate interest initiates anytime a cancellation procedure based on non-use. Usually, forfeiture requests are filed against registrations that are cited by the BPTO as impeditive anticipations to applications. The legal period investigated comprises the five-year period preceding the forfeiture request filing date.

BPTO has been altering its policies and practices in relation to forfeiture proceedings. As we announced a few months ago, regarding the validation of use of trademarks made by authorized parties, in order for the proof of use to be accepted BPTO now requires submission of an express authorization to use the trademark, through a written document, or execution of a license agreement which does not need to be recorded with the BPTO.

A few days ago, through Technical Note BPTO/CPAPD nº 01/2018, BPTO has implemented additional important changes to forfeiture proceedings, which deserve the following comments:

1) **Legitimate interest:** The applicant of a forfeiture request must justify its legitimate interest, otherwise forfeiture request is rejected. Legitimate interest is verified at the filing date of the forfeiture request. If conditions for legitimate interest subsequently cease, forfeiture request will not lose object and will proceed until final decision.

2) **Proof of Use:** The supporting documentation of use must refer to the trademark and the goods / services covered by the registration.

2.1 **Amount:** Any proof of use will avoid cancellation of the registration, regardless of the amount of evidence presented.

2.2 **Tolerance:** When use of the trademark has not been initiated within 5 years from the registration issuance date, cancellation may be avoided if proof of serious and effective measures taken by titleholder to initiate use are submitted along with evidence that use has started soon after end of the legal period investigated.

2.3 **Invoices:** They will be accepted as proof of use, even if the trademark appears only in the heading of the invoice, or as element of the company name / title of establishment, and is not associated to the goods/services itemized.

2.4 **Additional Proof of Use:** Gifts, promotional items, contracts, media materials may be accepted as proof of use as long as they are dated and refer to the trademark / goods / services covered by the registration.

2.5 **Lack of Use – Legitimate Reasons – Criteria:** Brazilian IP Law determines that forfeiture will not be declared when titleholder justifies the lack of use for legitimate reasons. BPTO rules that when legitimate reasons for nonuse of the trademark last for (i) at least half the legal period investigated, forfeiture will not be declared; (ii) less than half the legal period investigated – titleholder must submit evidence of the serious and effective measures taken to initiate use of the trademark.

We remain at your entire disposal should you need additional information on this matter.