

New Rules for the Recognition of Marks of High Renown

By Ana Lúcia de Sousa Borda, partner at Dannemann Siemsen Advogados, Brazil

It goes without saying that a trademark enjoying good reputation and fame is very often considered to be the most valuable asset of a company.

The Brazilian IP Law bears some provisions reflecting this importance. First of all, highly reputed marks covered by a local registration deserve exceptional protection in "all fields of activity". Secondly, infringement of marks enjoying the status of high renown may lead to an increase ranging from one third up to half of the penalty to be established. Our IP Law came into full force in May 1997, but only in 2004 the BTO issued Resolution no. 110 dealing with the requirements to be complied with by trademark owners seeking special protection for their brands. Under that Resolution, the declaration of high renown could only be requested in concrete cases of conflict, that is, in the framework of an opposition or administrative nullity proceeding. Resolution no. 110 was subject to heavy criticism, as it considerably limited the possibility of trademark owners to request special protection only in connection with administrative proceedings against third parties' marks. The same criticism applies to Resolution no. 121/2005 which superseded Resolution no. 110/2004.

This scenario has now dramatically changed by virtue of Resolution no. 107 published in the IP Journal dated August 20, 2013, as it reintroduced the so-called autonomous procedure, so that trademark owners are again in a position to seek exceptional protection without the need to challenge third parties' marks. Pursuant to this autonomous procedure, the main requirements to request the status of high renown are as follows: (i) the existence of a trademark registration granted by the BTO and (ii) the existence of consistent evidence showing that the mark in question is broadly known throughout the Brazilian territory in all circles.

Differently from Resolution no. 110 and 121, under which the status of high renown was recognized for only five years, the new rules set forth that special protection is granted for a period of 10 years, such a condition being renewable if the owner submits suitable evidence attesting that the special status granted to his mark still persists. Under suitable evidence a broad spectrum of possibilities is to be understood, such as for instance opinion surveys, publicity, sales turnover in the last five years, amount of investment in publicity, evaluation of the mark by an independent institute, etc.

Resolution no. 107 will only come into force upon approval of the official fees for seeking such special protection. The pending requests submitted to the BTO under the prior rules will be examined without the need of paying the high fees for the new procedure, provided that the interested parties file a petition within 90 days informing the number of the third party's application or registration which served as basis for the request of declaration of high renown. That deadline will run only when Resolution n. 107 becomes effective.

In sum, it is not only a change, but indeed a significant improvement, which comes to the benefit of companies holding marks which qualify for special protection.

For more information, please contact:



Ana Lúcia de Sousa Borda
Partner
Dannemann Siemsen Advogados
borda@dannemann.com.br