



leão

---

INTELLECTUAL PROPERTY

Since 1957



leão

INTELLECTUAL PROPERTY

Since 1957

# SUZHOU INTERNATIONAL INTELLECTUAL PROPERTY SEMINAR

---

IP RIGHTS IN BRAZIL AND RELATED BUSINESS  
OPPORTUNITIES

Prof. Dr. Milton Lucídio Leão Barcellos



## Summary

---

- **Introduction: IP Rights in Brazil**
- **Patents, Trademarks and Designs in Brazil**
- **Brazilian economy and environment for IP Rights**
- **Business opportunities related to IP Rights in Brazil**
- **Conclusion**



## IP Rights in Brazil: Culture and atmosphere

---

- Carnival;
- Samba;
- Football (soccer);
- Caipirinha;
- Famous supermodels;
- Beach;
- Plenty of natural resources;
- But also big companies... EMBRAER (airplanes), INBEV (beverage), GERDAU (Iron and Steel), ...
- Innovation atmosphere.



## IP Rights in Brazil: Laws in force

- Brazilian Federal Constitution of 1988 (...the IP rights must be harmonized with the three main ideological goals so-called social interest, economic and technological development of the Country – article 5, item XXIX);
- Paris Convention, Berne Convention, Rome Convention, PCT and TRIPS member;
- Not member of the Hague Agreement (Designs);
- Not member of the Madrid Protocol or the Madrid Agreement;
- Brazilian Industrial Property Law n. 9279/96 (adapted to TRIPS);
- Brazilian Copyright Law (9610/98) and Brazilian Software Law (9609/98);
- Brazil is a Civil Law Country.



## Brazilian Patents before and after TRIPS

---

- TRIPS (01.1995) x Brazilian Industrial Property Law (05.1996)
- Pharmaceutical/chemical substances, chemical compounds, processed food products and genetically modified microorganisms before and after TRIPS in Brazil;
- Change from 15 to 20 years of patent protection (from the filing date or at least 10 years from the granting date...).



## Patentability criteria in Brazil: main topics

- Novelty: International standards, nothing new about it;
- **Inventive step:** PHOSITA and the Problem-Solution approach - similar to European approach;
- Industrial application: International standards, nothing new;
- **Written description:** full and sufficient description is highly recommended and needed: enablement and best mode (validity and enforcement related issues...).



## Patentability criteria in Brazil: Problem-Solution approach

---

**Art. 56 of the European Patent Convention:** “An invention shall be considered as involving an inventive step if, having regard to the state of the art, it is not obvious to a person skilled in the art”;

**35 U.S.C. § 103:** “A patent for a claimed invention may not be obtained, notwithstanding that the claimed invention is not identically disclosed as set forth in section 102, if the differences between the claimed invention and the prior art are such that the claimed invention as a whole would have been obvious before the effective filing date of the claimed invention to a person having ordinary skill in the art to which the claimed invention pertains. Patentability shall not be negated by the manner in which the invention was made”.

**Art. 13 of the Brazilian Industrial Property Law:** “An invention is endowed with **inventive activity** when, to a **technician versed in the subject**, it is not derived in an evident or obvious way from the state of the art”.





## Patent Prosecution in Brazil

---

- Drafting: European style;
- Software related patents and nanotechnology patents are allowed in Brazil;
- Changing/correcting the patent claims before filing the Brazilian National Phase or before the examination's first office action in Brazil: is it recommended?
- ANVISA "double checking" previous to the grant of the patent... (arts. 18, I and 229-C of the Law 9279/96 and 27.2 of TRIPS).
- Prosecution average elapsed time;
- PPH, fast track and priority examination request: eligibility.



## Patent Prosecution in Brazil and “fast track” alternatives: ...

---

- Minister Marcos Pereira (Ministry of Development, Industry and Foreign Trade – MDIC) declared that *the MDIC is focused on develop a fast solution to accelerate the analysis of patent pending and new applications in Brazil. Nowadays it takes between 8 to 14 years to have a patent grant decision from the Brazilian Patent Office (INPI)*. Interview published on June 29th, 2016 – O Globo Online Brazilian Newspaper;
- “Fast track” option: Green technology patents, applicant is a person older than 60 years old, patent infringement, specific health-related inventions (HIV, Cancer and neglected diseases), Lawsuit option before the Federal Courts;
- PPH (pilot program between INPI-USPTO): Gas/Petroleum sectors (applications filed from 01/01/2013).



## Trademark protection and enforcement in Brazil

---

- First to file system;
- Brazil is not a member of the Madrid Agreement/Protocol;
- Single class application system;
- Average elapsed time between application and registration: 2-3 years (without oppositions/office actions);
- Enforcement: Based on a trademark registration and a clear infringement scenario, the State Court District Judge will probably grant the preliminary injunction against a competitor;
- New civil procedure law – due process of law (2015): Historical change in the way the Brazilian law suits are processed and the clear stimulation of negotiation, mediation and arbitration as alternative dispute resolution of controversies: **this also will reflect on the number of Licensing and T. Transfer Agreements.**



## Industrial Design protection and enforcement in Brazil

---

- First to file system;
- Brazil is not a member of the Hague Agreement;
- No previous examination system (once formal requirements are fulfilled, the registration is granted);
- Average elapsed time between application and registration: 6 to 12 months;
- Enforcement: Based on an industrial design registration and a clear infringement scenario, the State Court District Judge will probably grant the preliminary injunction against a competitor;
- New civil procedure law – due process of law (2015): The same scenario as for TM and Patents.



## Patent applications statistics in Brazil (2016)

Country		Patent Applications – Invention (January – October 2016)			
		Paris Convention	PCT	Divided	TOTAL
(1) US	United States of America	1.133	6.224	137	<b>7.494</b>
(2) BR	Brazil	4.085	90	-----	<b>4.175</b>
(3) DE	Germany	248	1.577	10	<b>1.835</b>
(4) JP	Japan	204	1.311	58	<b>1.573</b>
(5) FR	France	138	1.035	11	<b>1.184</b>
(6) CH	Switzerland	118	973	11	<b>1.102</b>
(7) NL	Netherlands	18	749	15	<b>782</b>
<b>(8) CN</b>	<b>China</b>	<b>34</b>	<b>624</b>	<b>4</b>	<b>662</b>
(9) GB	Great Britain	48	523	11	<b>582</b>
(10) IT	Italy	49	481	-----	<b>530</b>
Total	Total	<b>6.354</b>	<b>16.389</b>	<b>280</b>	<b>23.023</b>



## IP applications statistics in Brazil from January to October (2016)

Country		Technology Transfer Contracts	Industrial Designs	Geographical Indications	Trademarks	Patents	Software	Integrated Circuits	Total
BR	Brazil	706	2.792	3	115.087	6.547	1.424	8	<b>126.567</b>
US	United States of America	53	706	-	7.096	7.518	2	-	<b>15.375</b>
DE	Germany	4	260	-	2.267	1.839	-	-	<b>4.370</b>
FR	France	12	155	-	1.495	1.196	1	-	<b>2.859</b>
JP	Japan	7	233	-	873	1.576	-	-	<b>2.689</b>
CH	Switzerland	6	68	-	1.283	1.103	-	-	<b>2.460</b>
GB	Great Britain	4	42	-	1.174	584	-	-	<b>1.804</b>
<b>CN</b>	<b>China</b>	-	<b>35</b>	-	<b>975</b>	<b>680</b>	-	-	<b>1.690</b>
NL	Netherlands	1	133	-	586	783	-	-	<b>1.503</b>
IT	Italy	2	82	-	837	539	-	-	<b>1.460</b>
<b>Total</b>		<b>821</b>	<b>4.964</b>	<b>3</b>	<b>139.000</b>	<b>25.504</b>	<b>1.427</b>	<b>8</b>	<b>171.727</b>



## *IP Business with Brazilian Companies*

---

- Brazil is a continental big Country;
- Brazilian GDP in 2015 was around US\$ 2 Trillion (decrease of 3,8% compared to 2014);
- Open for trade with Foreign companies;
- Brazil is passing through a difficult political and economic moment, but the perspectives are really good for two years from now (2018);
- It is a good moment for M&A and IP assets acquisitions in Brazil.



## *Conclusions*

---

- China filed more than one million patent applications in China and was the largest Foreign filer of trademarks in US and in France (2015). But in Brazil China is the 6th Foreign filer of trademarks and 8th Foreign filer of patents;
- The new Government is committed with Intellectual Property, recognizing it as an important tool for the development of the Country;
- It is a good moment to invest in Brazil and consolidate a good IP portfolio in order to benefit from it in the next coming years;
- In the last November, the Brazilian Minister of Industry and Development (MDIC) had a formal meeting with Mr. Francis Gurry (WIPO) with many good results related to improvement of the IP Prosecution in Brazil and access to the Madrid Protocol by 2018;
- High-Tech companies have a good IP environment in Brazil.





Questions?

---



**Thank you!**

**Prof. Dr. Milton Lucídio Leão Barcellos**

**[milton@leao.adv.br](mailto:milton@leao.adv.br)**

**[www.leao.adv.br](http://www.leao.adv.br)**