

BRAZIL: Madrid Protocol Two Years After Implementation

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The 2021 action plan of the Brazilian Patent and Trademark Office (PTO) was released in February and highlights the Madrid Protocol as an important measure for keeping Brazil in a good position in the global intellectual property system.

The PTO's original projections of International Registrations (IRs) via the Madrid Protocol were optimistic. It estimated that for each year, Brazil would be designated in IR applications under the Madrid Protocol in 8,176 Brazilian cases, and that between 95 and 306 IR applications would be filed via the PTO to be sent to the World Intellectual Property Organization (WIPO).

This estimate proved realistic. Brazil has been a member of the Madrid System since October 2, 2019. One year later, there were 8,107 designations for Brazil, and the PTO sent 125 registrations to WIPO.

The low volume of filings (from an international perspective) originating from Brazil may be due to (a) the unexpected economic situation created by the COVID-19 pandemic, which affected the investments by Brazilian companies abroad; and (b) the fact that most Latin American countries, which constitute the largest export market for Brazil, are not yet members of the Madrid System.

Notwithstanding the above, close to two years after Brazil acceded to the Madrid Protocol, the following matters require attention:

1. Office actions and inconsistencies may possibly be due to the inaccuracy of translations when a list of pre-defined, specified goods and services is not used.

2. Non-submission of responses from the applicant may result when the PTO does not communicate developments in prosecutions to WIPO.

3. Non-submission of evidence of use of a mark and, consequently, forfeiture of registration, may result if the PTO does not notify WIPO of non-use cancellation actions. (The PTO has not yet confirmed non-notification.)

4. According to the Brazilian Intellectual Property Act, a person domiciled abroad must constitute and maintain a duly qualified attorney-in-fact in Brazil, with powers to represent it administratively and judicially, including the power to receive service of process. Breach of such legal provision could result in the abandonment of trademark registration or application.

It is not mandatory to appoint a local attorney in Brazil in order to file applications using the Madrid System. It is, however, mandatory to appoint a local counsel if such an application encounters obstacles and is not approved or, if after the mark is registered, the trademark owner encounters an issue pertaining to the mark in Brazil and requires legal assistance.

5. The PTO's resolutions regulating multiclass applications/registrations have not yet been implemented. There were provisions to implement a multiclass system for both Madrid and national filings. Only IRs entering the country via the Madrid Protocol can take advantage of the multiclass system at the moment. The division of multiclass applications is only available for the purpose of transferring ownership. Consequently, an entire application would be suspended in all classes if the examination of a multiclass application is suspended in one class.

Author's Insight

Foreign applicants may be prudent to appoint a local attorney to avoid any possible losses of rights due to non-notification or failure to respond as set out in items 1 through 4 above. Regarding item 5, we can only expect the Brazilian PTO's prompt regulation.

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