

BRAZIL:

The good-faith prior use exception to Brazil's first-to-file rule

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The Brazilian Patent and Trademark Office (BRPTO), published on November 3rd 2021, in the Official Bulletin No. 2652, Technical Opinion #43/2021, regarding the interpretation of the provisions of Article 129 § 1º of the Intellectual Property Law (Law nº 9.279/16).

Brazil has traditionally been a first-to-file trademark jurisdiction, meaning that the right to a trademark belongs to the party whose trademark application has the earliest filing date (as long as it is finally registered). However, the above-mentioned Article 129 of the IP Law establishes the right of precedence in registration and specifically states that:

Article 129—Ownership of a trademark shall be acquired by means of a registration validly issued in conformity with the provisions of this Law, and its exclusive use shall be assured to the owner...

Paragraph 1—Any person who, in good faith, on the priority date or the filing date of the application, had been using for at least six months in Brazil an identical or similar mark to distinguish or certify identical, similar or related products or services, shall enjoy a right of precedence in registration.

Technical Opinion #43/2021 was prompted by a consultation proposed by the General Coordination of Appeals and Cases of Nullity Administrative Procedures (CGREC) regarding the possibility of admitting, in the administrative nullity instance, a claim alleging the right of precedence based on the provisions of Article 129, paragraph 1.

It is important to mention that this issue had already been examined by the Attorney General's Office and an interpretation had been established that the claim of precedence could exclusively be accepted in oppositions filed against third parties' applications and could not be claimed through the filing of administrative nullity proceedings against third parties' registrations.

However, due to the recent decisions of the Superior Court of Justice (STJ) in the referred matter, admitting the invocation of the right of precedence, even after the granting of a trademark registration, the CGREC was interested in reviewing the administratively established interpretation.

From the aforementioned, it is concluded that, the right of precedence may be challenged administratively even after the granting of a trademark registration, constituting grounds for the filing of an administrative nullity proceeding, as established in Article 168 of the Law.

According to this criterion, the Brazilian PTO will now align itself with the decisions of the Brazilian Courts, establishing a fundamental standard for determining when the right of precedence can be validly claimed.

As a result, it is valid to claim the grounds of Article 129 of the Brazilian IP Law as a final provision regarding substantive examination not only during opposition procedures, but also at the level of administrative nullity proceedings.