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IP ANNUAL REPORT **BRAZIL 2024**



Dear readers,

It is with great pleasure that the Dannemann Siemsen Institute (IDS) publishes the first edition of its Intellectual Property Annual Report on Brazil.

The aim of this publication is to present the most relevant data and information for Brazil in 2024 in the field of intellectual property law.

The report is divided into four chapters, covering the following aspects: figures and statistics from the Brazilian Patent and Trademark Office (BPTO), the main legislative developments, a yearbook of case law, and noteworthy news related to intellectual property and related topics.

The first chapter presents the INPI's data and statistics on patents, trademarks and industrial designs, including the number of filings and grants, the main filing countries, as well as information on appeals and invalidations.

The second chapter provides information on the Brazilian federal laws and international treaties that have been internalized, signed or considered relevant to Brazil in 2024 in the field of intellectual property.

The third chapter comments on significant decisions handed down by the Brazilian Superior Court of Justice in intellectual property field throughout the last year.

Finally, the fourth and last chapter brings together a selection of relevant news on intellectual property and related topics, such as artificial intelligence and personal data protection.

This work reflects IDS' mission to promote the study of intellectual property and foster the debate on the subject. IDS would like to thank all those involved in the preparation and publication of this work and wishes you all an excellent read!

Cordially,



Filipe
Fonteles Cabral



Felipe
Dannemann Lundgren



Patricia
Carvalho da Rocha Porto



INDEX

Chapter 1. BPTO numbers and statistics - 2024

1.1 Patent

1.1.1 Patent examination decision times.....	P. 06
1.1.2 Patent applications	P. 08
1.1.2.1 Patent application's country of origin	P. 08
1.1.3 Patent grants.....	P. 09
1.1.4 Patent applications rejections	P. 09
1.1.5 Patent appeals and nullities	P. 10

1.2 Trademark

1.2.1 Trademark examination decision times	P. 10
1.2.2 Trademark applications	P. 11
1.2.2.1 Trademark application's country of origin	P. 11
1.2.3 Trademark registrations	P. 11
1.2.4 Trademark appeals and nullities	P. 12

1.3 Industrial design

1.3.1 Industrial design examination decision times	P. 12
1.3.2 Industrial design applications	P. 13
1.3.2.1 Industrial design application's country of origin	P. 13
1.3.3 Industrial design registrations	P. 13
1.3.4 Industrial design appeals and nullities	P. 14

Chapter 2. Legislation updates - 2024

2.1 Promulgation of the Nagoya Protocol	P. 16
2.2 Brazilian Federal Law No. 14.852/24: Legal Framework Creates New Registry of Electronic Games in Brazil	P. 16
2.3 Brazil signs WIPO treaty on Intellectual Property, Genetic Resources and Traditional Knowledge	P. 17
2.4 EU-Mercosur political agreement has specific IP chapter	P. 17

Chapter 3. Case Law Yearbook, Key decisions - 2024

3.1 Patent Law and Industrial Design Law

3.1.1 STJ. Divergence Motion in Special Appeal N° 1332417/RS.	P. 19
Field of Law: Industrial Design Law and Patent Law	
Topic: Industrial design. Patents. Invalidity of registrations as a matter of defense. Infringement action.	
Authors: Rodrigo de Assis Torres and Juliana Coelho	
3.1.2 STJ. Internal Interlocutory Appeal on the Conflict of Jurisdiction N° 198259/SP.	P. 22
Field of Law: Patent Law	
Topic: Patent infringement; conflict of jurisdictions	
Authors: Bernardo Marinho Alexandre and Rodrigo de Assis Torres	

INDEX

3.2 Trademark Law

3.2.1 STJ. Special Appeal N° 2105557/RJ.	P. 24
---	-------

Field of Law: Trademark Law/Slogan

Topic: Slogan registration as trademark

Author: Mauro Ivan C. Ribeiro dos Santos

3.3 Copyright Law

3.3.1 STJ Special Appeal N° 2.152.321/SP.....	P. 27
---	-------

Field of Law: Copyright

Topic: Copyright. Title of musical work. Name of a commercial establishment.

Parasitic use. Non-occurrence.

Author: Fernanda Salomão Mascarenhas

3.3.2 STJ. Internal Interlocutory Appeal in Special Appeal N° 2095408-RJ	P. 29
--	-------

Field of Law: Copyright Law

Topic: Publishing contract. Assignment of rights clause. Validity. Possibility of fully exploiting the work without further consent from the artist.

Author: Fernando de Assis Torres

Chapter 4. IP and related topics news – 2024

4.1 Patents

4.1.1 New rules for patent procedure appeal phase in Brazil	P. 33
---	-------

4.1.2 Program of Partnerships for Productive Development (PDP) reinstated in Brazil with probable impact for the pharmaceutical industry	P. 33
--	-------

4.1.3 Significant changes in the BPTO regarding the procedures for registration of transfer of ownership and changes to patent holder data	P. 34
--	-------

4.1.4 BPTO implements Global PPH	P. 34
--	-------

4.2 Trademarks

4.2.1 BPTO adopts positions that impact appeals against trademark rejections	P. 35
--	-------

4.2.2 The BPTO Publishes new criteria for registering Slogans as Trademarks	P. 35
---	-------

4.3 IP contracts

4.3.1 New rules for IP agreements in Brazil	P. 35
---	-------

4.4 Data protection

4.4.1 The Brazilian National Data Protection Authority published its security incident report regulation	P. 36
--	-------

4.4.2 The Brazilian National Data Protection Authority publishes regulation on the role of the data protection officer	P. 36
--	-------

4.4.3 The Brazilian National Data Protection Authority publishes regulation on international data transfers	P. 37
---	-------

4.5 Artificial intelligence

4.5.1 Brazil's federal government launches the Brazilian Artificial Intelligence Plan 2024-2028	P.37
---	------

4.5.2 Brazilian Senate approves bill to regulate artificial intelligence in Brazil	P.38
--	------

4.6 Fake News

4.6.1 Supreme Court signs agreement with Big Techs to combat disinformation in social media	P. 38
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Chapter 1

BPTO numbers and statistics - 2024

CHAPTER 1

BPTO numbers and statistics - 2024

The purpose of this chapter is to present key figures and statistics on trademarks, patents, and industrial designs at the Brazilian Patent and Trademark Office (BPTO). The data, along with the graphs and tables presented below, have been extracted from official BPTO publications.

Among other information, the following data present BPTO's estimated average processing times for trademark and patent examinations in 2024, along with projections for 2025. Due to the implementation of the Industrial Property Automation System (IPAS), it was not possible to measure the technical examination times for industrial designs in 2024.

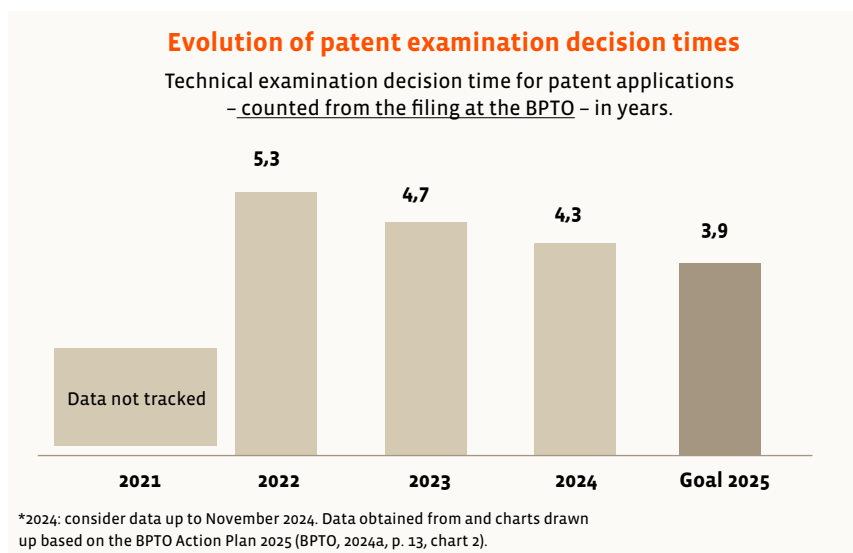
This section also provides the number of trademarks, industrial design, and patent applications filed in 2024, as well as the number of trademark and industrial design registrations and patent grants.

Additionally, figures on patent, trademark, and industrial design appeals and nullities are presented. It is important to note that the data on appeals and nullities refer specifically to 2023 but published in 2024. This is because the BPTO publishes statistics on these matters only in the second semester of the following year. Therefore, data for 2024 will be released only in mid-2025.

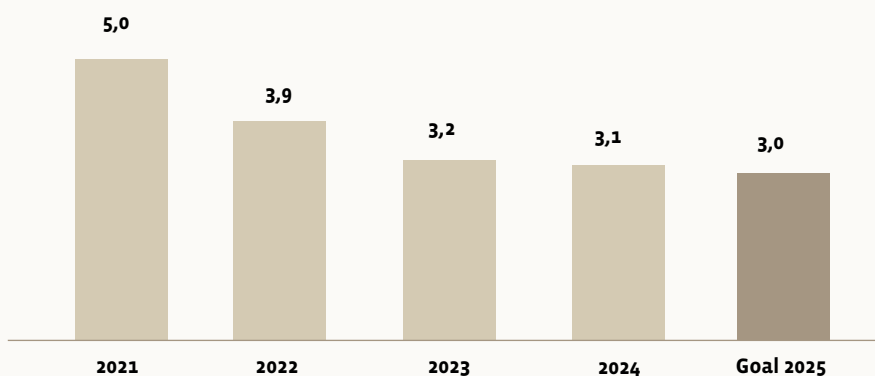
1.1 Patent

1.1.1 Patent examination decision times

Regarding decision times in patent examination, the BPTO data indicates a steady reduction in the analysis periods between 2021 and 2025, reflecting, according to the office, an improvement in the services provided to BPTO users (BPTO, 2024a. p. 13). In 2024, the average decision time for technical examination of patent applications, from the date of filing at the BPTO, was 4,3 years. For 2025, the target for the decision time for the technical examination of patent applications, starting from the filing date, is 3.9 years. If the count starts from the examination request, in 2024 the average time was 3,1 years. In 2025, this target is reduced to 3 years. On the other hand, the technical examination decision time for patent applications under prioritized examination has increased since 2023, due to the growth in the number of applications treated as priority. As a result, the target set for 2025 remained at 10 months, a figure close to those for 2023 (10.1 months) and 2024 (10.2 months). In order to optimize patent examination processes, the implementation of the *Business Process Model System* (BPMS) is planned, a strategic project aimed at automating the patent examination flow (BPTO, 2024a, p. 16).

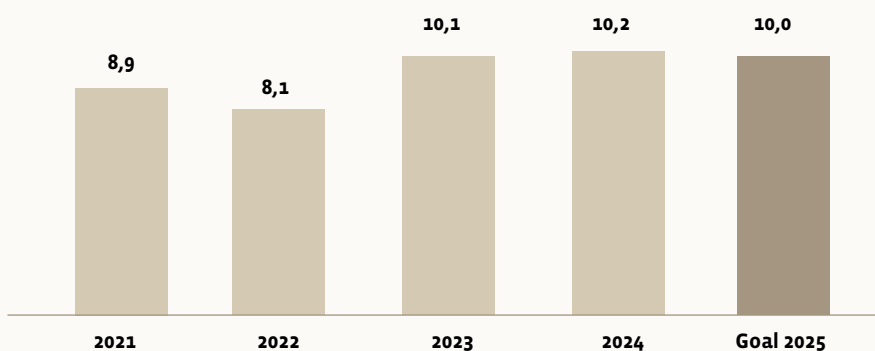


Technical examination decision time for patent applications
- counted from the request for examination – years



*2024: consider data up to November 2024. Data obtained from and charts drawn up based on the BPTO Action Plan 2025 (BPTO, 2024a, p. 13, chart 2).

Technical examination decision time for patent applications under prioritized examination
- counted from the request for prioritized examination – in months;



*2024: consider data up to November 2024. Data obtained from and charts drawn up based on the BPTO Action Plan 2025 (BPTO, 2024a, p. 13, chart 2).

1.1.2 Patent applications

In 2024, 27,701 patent applications were filed, representing a reduction of 0.8% compared to the previous year (BPTO, 2024b, p4). The number of patent applications has remained stable between the years 2019 and 2024, as illustrated in the table below.

Number of patent applications per year (2019-2024):

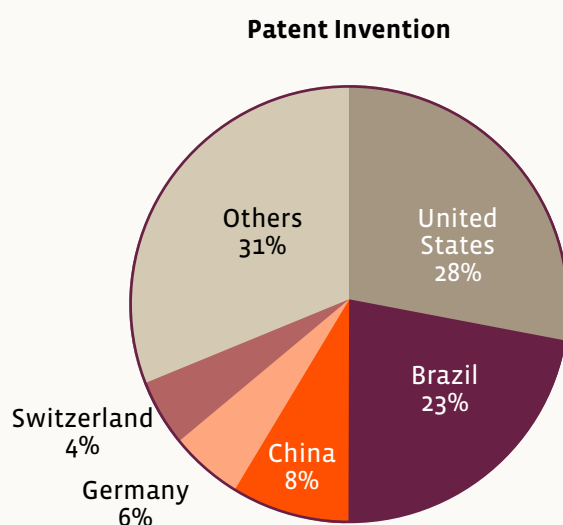
Year	Patents
2019	28.318
2020	27.091
2021	26.921
2022	27.139
2023	27.918
2024	27.701

Data obtained from and table drawn up based on the BPTO's Monthly Industrial Property Bulletin, December 2024 (BPTO, 2024b, p. 4)

1.1.2.1 Patent application's country of origin

In 2024, clients from 82 countries requested patent protection with the BPTO. Among the countries that filed the most invention patent applications were the USA (28%), Brazil (23%), China (8%), Germany (6%) and Switzerland (4%) (BPTO, 2024b, p. 6).

Country of origin of the patent applications in 2024:



Data obtained from and chart drawn up based on the BPTO's Monthly Industrial Property Bulletin, December 2024 (BPTO, 2024b, p. 6).

1.1.3 Patent grants

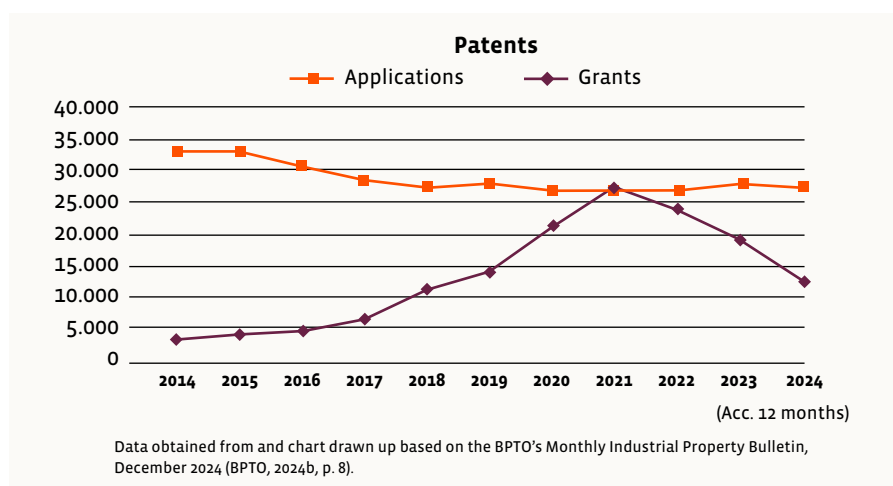
With regard to grants, in 2024 a reduction of 32.8% in patent concessions was noted, with 12,914 patents granted, compared to 19,204 grants in 2023. In the table below the numbers from 2019 to 2024 are informed (BPTO, 2024b, p. 5).

Number of patent grants per year (2019-2024):

Year	Patents
2019	13.750
2020	21.309
2021	27.644
2022	24.354
2023	19.204
2024	12.914

Data obtained from and table drawn up based on the BPTO's Monthly Industrial Property Bulletin, December 2024 (BPTO, 2024b, p. 5).

**Evolution of patent applications and grants:
Annual results between 2014 and 2024 in absolute values**



1.1.4 Patent applications rejections

With regard to patent applications rejections, the BPTO has not yet published the statistics for 2024, since the number of rejections for a given year is only published in the middle of the following year (July), in the BPTO patent appeals and nullities report.

In 2023, 4764 patent applications were rejected, showing a slight decrease compared to the number of rejections in the previous year 2022 (4953). In the table below the numbers of patent applications rejections from 2019 to 2023 are informed.

Number of patent applications rejections per year (2019-2023):

2019	5242
2020	4630
2021	5321
2022	4953
2023	4764

Data obtained from and table drawn up based on the BPTO's Patents - 2nd Instance COREP/CGREC Report - INPI 2012-2023 (BPTO, 2024c, p. 25, table 2).

1.1.5 Patent appeals and nullities

In 2023, 1932 appeals were filed against decisions refusing patent applications (BPTO, 2024c, p. 25, table 2). This figure represents 41% of the total number of applications rejected that year (BPTO, 2024c, p. 25, table 2). There was a slight decrease in the number of appeals filed in 2023 compared to 2022, when 2,143 appeals were filed, representing 43% of the number of patents denied that year (BPTO, 2024c, p. 25, table 2). As for the status of administrative nullity proceedings (ANP), the number of ANP's filed during 2023 was 158 (BPTO, 2024c, p. 25, table 2).

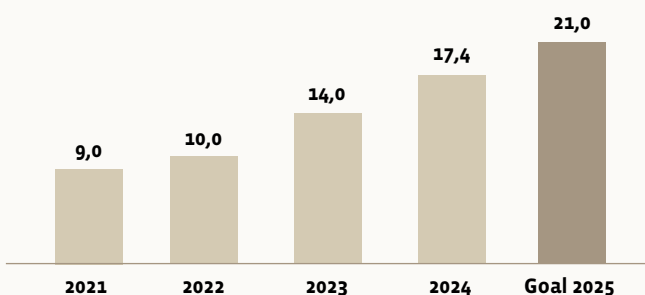
1.2 Trademark

1.2.1 Trademark examination decision times

Concerning trademarks, the indicators for examination decision times have increased steadily since 2021. For 2025, the target for the decision time for the technical examination of trademark applications, without opposition, is 21 months, higher than the 17.4 months projected for 2024. In cases with opposition, the estimate for 2025 is 33 months, while in 2024 it was 25.7 months. This increase is due to the significant growth in the number of trademark applications, which has exceeded the BPTO's analysis capacity (BPTO, 2024a, p. 14). Despite the addition of 40 new examiners in 2024, this number was insufficient to balance demand and production capacity. The use of artificial intelligence in the trademark examination process is one of the initiatives to increase productivity in this sector (BPTO, 2024a, p. 16).

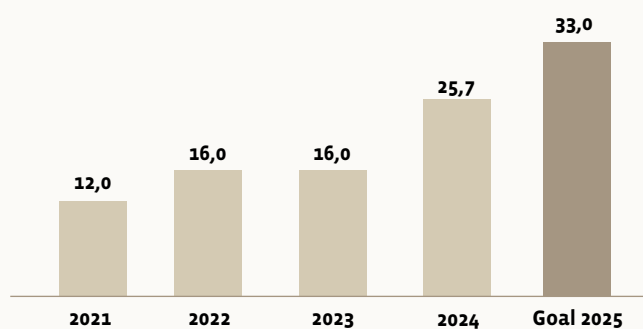
Evolution of trademark examination decision times

· Decision Time for Technical Examination of Trademark Registration Applications – Applications without Opposition – in months



*2024: consider data up to November 2024
Data obtained from and charts drawn up based on the BPTO Action Plan 2025 (BPTO, 2024a, p. 14, chart 3).

· Decision Time for Technical Examination of Trademark Registration Applications – Applications with Opposition – in months



*2024: consider data up to November 2024
Data obtained from and charts drawn up based on the BPTO Action Plan 2025 (BPTO, 2024a, p. 14, chart 3)

1.2.2 Trademark applications

In 2024 there was an increase in the number of trademark applications (+10.3%), totaling 444,037 applications (BPTO, 2024b, p4). The numbers of trademark applications between the years 2019 and 2024 are also indicated at the table below.

Number of trademark applications per year (2019-2024):

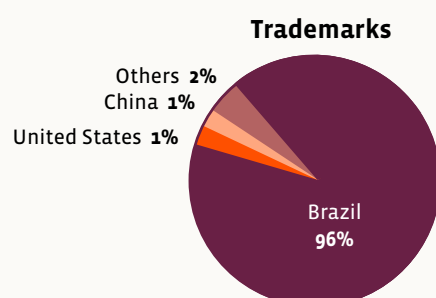
Year	Trademark
2019	245.197
2020	293.502
2021	386.845
2022	398.811
2023	402.460
2024	444.037

Data obtained from and table drawn up based on the BPTO's Monthly Industrial Property Bulletin, December 2024 (BPTO, 2024b, p. 4).

1.2.2.1 Trademark application's country of origin

In regard to trademarks, the majority of applications (96%) were filed by representatives from Brazil

Country of origin of the trademark applications in 2024:



Data obtained from and chart drawn up based on the BPTO's Monthly Industrial Property Bulletin, December 2024 (BPTO, 2024b, p. 6).

1.2.3 Trademark registrations

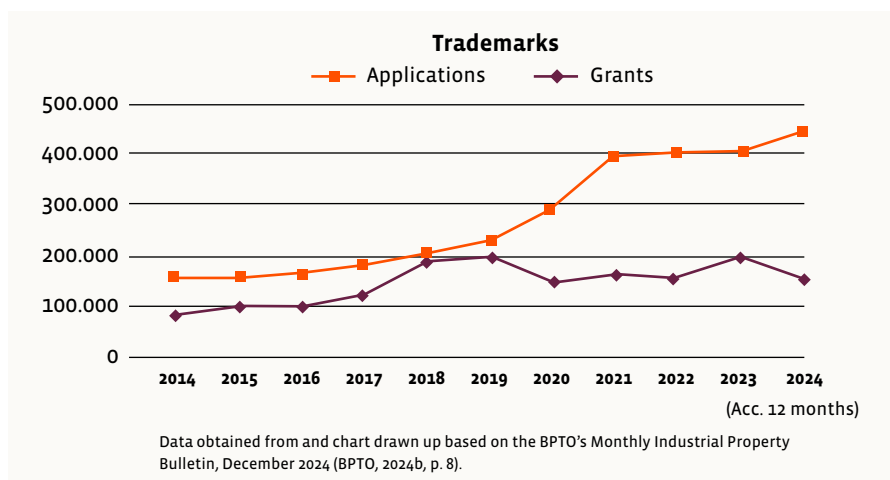
In 2024, the BPTO granted 166,063 trademark registrations, in contrast to the 210,987 trademarks registered in the previous year, meaning a reduction of 21.3% in the concessions (BPTO, 2024b, p. 5). In the table below the numbers from 2019 to 2024 are informed.

Number of trademark registrations per year (2019-2024):

Year	Trademarks
2019	205.846
2020	141.775
2021	168.413
2022	163.225
2023	210.987
2024	166.063

Data obtained from and table drawn up based on the BPTO's Monthly Industrial Property Bulletin, December 2024 (BPTO, 2024b, p. 5)

Evolution of trademark applications and registrations: Annual results between 2014 and 2024 in absolute values



1.2.4 Trademark appeals and nullities

In 2023, 31,022 appeals were filed against decisions rejecting trademark applications. With regard to nullity requests, in 2023, 8,784 requests for administrative nullity proceedings were filed against decisions granting trademarks (BPTO, 2024d, p. 6, table 2).

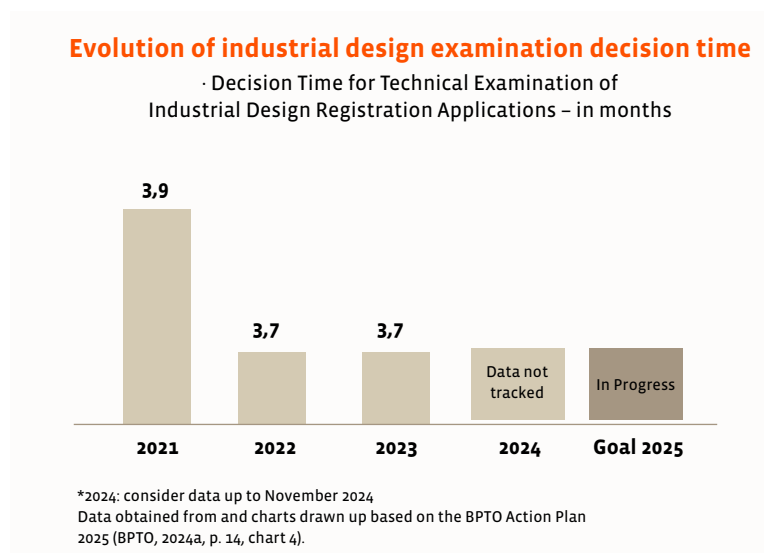
At the end of 2023, the total number of appeal petitions pending examination was 37,741, while administrative nullity petitions totaled 19,707, making a total of 57,448 petitions (BPTO, 2024d, p. 8).

Finally, at the end of 2023, the average time from examination to a decision on appeals was 35 months. For administrative trademark invalidity proceedings, the average time is 36 months (BPTO, 2024d, p. 9).

1.3 Industrial design

1.3.1 Industrial design examination decision times

The implementation of the *Industrial Property Automation System* (IPAS) made it impossible to measure technical examination times for Industrial designs in 2024, although there was a reduction between 2021 and 2023. According to the BPTO, the measurement resumed in February 2025 (BPTO, 2024a, p. 14).



1.3.2 Industrial design applications

In 2024 there was an increase in applications for industrial designs (+3.1%), totaling 7,276 applications (BPTO, 2024b, p4). The numbers of industrial design applications from 2019 and 2024 are also indicated at the table below.

Number of industrial design applications per year (2019-2024):

Year	Industrial Designs
2019	6.433
2020	6.263
2021	6.711
2022	7.196
2023	7.054
2024	7.276

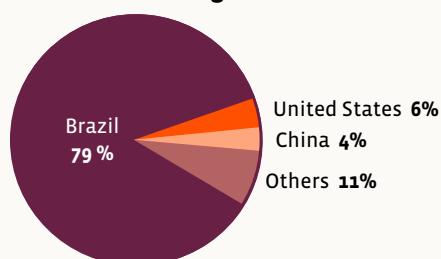
Data obtained from and table drawn up based on the BPTO's Monthly Industrial Property Bulletin, December 2024 (BPTO, 2024b, p. 4)

1.3.2.1 Industrial design application's country of origin

In regard to industrial designs, the majority of applications (79%) were filed by representatives from Brazil.

Country of origin of the industrial design applications in 2024:

Industrial Designs



Data obtained from and chart drawn up based on the BPTO's Monthly Industrial Property Bulletin, December 2024 (BPTO, 2024b, p. 6)

1.3.3 Industrial design registrations

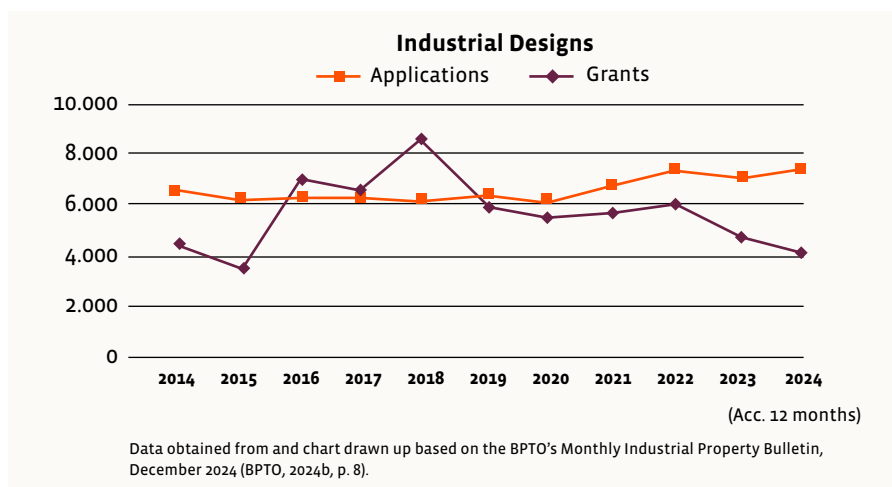
In 2024, there was a decrease of 14.0% in the number of registrations compared to 2023, totaling 4,093 concessions (BPTO, 2024b, p. 5). In the table below the numbers from 2019 to 2024 are informed, showing a decrease in the number of grants in 2023 and 2024.

Number of industrial design registrations per year (2019-2024):

Year	Industrial Designs
2019	5.835
2020	5.391
2021	5.468
2022	6.052
2023	4.758
2024	4.093

Data obtained from and table drawn up based on the BPTO's Monthly Industrial Property Bulletin, December 2024 (BPTO, 2024b, p. 5).

Evolution of industrial design applications and registrations: Annual results between 2014 and 2024 in absolute values



1.3.4 Industrial design appeals and nullities

In 2023, 47 appeals were filed against decisions rejecting industrial design applications. Regarding administrative nullity proceedings, in 2023, there were 241 requests (BPTO, 2024e, p. 6, table 2).

At the end of 2023, the total number of appeal petitions pending examination was 37, while the number of administrative nullity petitions pending was 132, making a total of 169 petitions (BPTO, 2024e, p. 8).

Finally, at the end of 2023, the average time from examination to a decision on appeals was 8 months. For administrative invalidity proceedings, the average time is 11 months (BPTO, 2024e, p. 9).

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BPTO - Brazilian Patent and Trademark Office. (2024b). Monthly Industrial Property Bulletin: Preliminary Statistics. Results: December/2024. Rio de Janeiro: BPTO. Available at: ["BPTO'S MONTHLY INDUSTRIAL PROPERTY BULLETIN"](#). Accessed on February 13, 2025.

BPTO - Brazilian Patent and Trademark Office. (2024c). Patents - 2nd Instance COREP/CGREC Report - INPI 2012-2023 (Edition No. 4, July 2024). Rio de Janeiro: BPTO. Available at: ["Patents - 2nd Instance COREP/CGREC Report - INPI 2012-2023"](#). Accessed on February 13, 2025.

BPTO - Brazilian Patent and Trademark Office. (2024d). Trademarks - 2nd Instance COREM/CGREC Report - INPI 2023 (Edition No. 1, August 2024). Rio de Janeiro: BPTO. Available at: ["Trademarks - 2nd Instance COREM/CGREC Report - INPI 2023"](#). Accessed on February 13, 2025.

BPTO - Brazilian Patent and Trademark Office. (2024e). Industrial Designs - 2nd Instance CORED/CGREC Report - INPI 2023 (Edition No. 1, August 2024). Rio de Janeiro: BPTO. Available at: ["Industrial Designs - 2nd Instance CORED/CGREC Report - INPI 2023"](#). Accessed on February 13, 2025.

Chapter 2

Legislation updates in Brazil - 2024

CHAPTER 2

Legislation updates in Brazil - 2024

This chapter provides a brief summary of Brazilian federal laws and international treaties, considered relevant, related to intellectual property rights that entered into force in the country. It also covers treaties signed by Brazil in 2024 that have not yet taken effect but will soon. Additionally, legislation that came into force in the final days of 2023 is mentioned.

For more detailed information, previously published texts on the legislation listed below can be accessed through the links provided at the end of each section.

2.1 Promulgation of the Nagoya Protocol

Brazil has acceded to the Nagoya Protocol by means of the Federal Decree No. 11,865, dated December 27, 2023. The Nagoya Protocol, together with the Convention on Biological Diversity, aims to establish international procedures that set rules among member countries to ensure fair and equitable benefit-sharing resulting from the economic exploitation of genetic resources from their biodiversity.

However, since Decree No. 11,865/2023 designates Law No. 13,123 of 2015 as the domestic legal framework for implementing the Protocol, it is important to note that, at this stage, nothing changes in the Brazilian legal landscape. The provisions of Law No. 13,123/2015 and its regulation, Decree No. 8,772/2016, remain in effect and must be strictly followed, under the risk of severe financial penalties imposed by environmental agencies.

The Federal Decree No. 11,865 can be accessed, in Portuguese, here:

https://www.planalto.gov.br/ccivil_03/_ato2023-2026/2023/decreto/d11865.htm#:~:text=DECRETO%20N%C2%BA%2011.865%2C%20DE%2027,2%20de%20fevereiro%20de%202011.

An article on the subject can be found at the following link:

https://cms.dannemann.com.br/media/documents/en/Circular_n3_-_ENG.pdf

2.2 Brazilian Federal Law No. 14.852/24:

Legal Framework Creates New Registry of Electronic Games in Brazil

On May 3, 2024, Law 14.852/24 was published, establishing the legal framework for the electronic games industry in Brazil and regulating the action, import, marketing, development and commercial use of these products. This law amended article 2 of Law 9.279/96, Brazilian Industrial Property Law, to expressly establish that the protection of industrial property rights is carried out through the granting of registration for electronic games, in addition to the granting of patents, industrial designs, trademarks, geographical indications and repression of unfair competition.

The Federal Law No. 14.852/24 can be accessed, in Portuguese, here:

https://www.planalto.gov.br/ccivil_03/_ato2023-2026/2024/lei/l14852.htm

An article on the subject can be found at the following link:

https://cms.dannemann.com.br/media/documents/en/Circular_n7_-_eng.pdf

2.3 Brazil signs WIPO treaty on Intellectual Property, Genetic Resources and Traditional Knowledge

On May 24, 2024, the World Intellectual Property Organization (WIPO) approved the treaty on Intellectual Property, Genetic Resources and Traditional Knowledge. The text of the treaty is the result of two decades of negotiations and was approved at the Diplomatic Conference on Genetic Resources and Associated Traditional Knowledge, chaired by Brazilian ambassador Guilherme de Aguiar Patriota, who is also Brazil's Permanent Representative to the World Trade Organization (WTO).

Among its objectives, the treaty aims to increase legal certainty, transparency, and the quality of the patent system in relation to genetic resources and traditional knowledge associated with genetic resources, so that patent offices have access to adequate information for the correct examination and granting of these patents.

Brazil signed the treaty with other 38 countries. The treaty will enter into force three months after 15 eligible parties deposited their instruments of ratification or accession.

An article on the subject can be found at the following link:

<https://ids.org.br/en/wipo-approves-treaty-on-intellectual-property-genetic-resources-and-traditional-knowledge/>

2.4 EU-Mercosur political agreement has specific IP chapter

On December 6, 2024, the European Union (EU) and the founding members of Mercosur (Brazil, Argentina, Paraguay, and Uruguay) announced the conclusion of a partnership agreement aimed at strengthening economic and political relations between the two regions. The agreement includes a dedicated chapter on Intellectual Property, which seeks to ensure strong protection for IPRs, promoting measures to encourage innovation, research and development, as well as trade and investment between the parties. To enter into force, the agreement must be approved by the EU and Mercosur parties.

Among other key implications for IPR holders, the treaty increases the IPRs enforcement measures and provides stronger protection for a wide range of IPRs, for example the well-known trademarks, including those with a reputation in the EU or Mercosur. The agreement also offers enhanced protection for geographical indications (GIs), by granting immediate protection to a broad list of GIs from nearly all participating countries, though exceptions have been included for prior users of certain GIs in the final negotiation round.

An article on the subject can be found at the following link:

<https://www.dannemann.com.br/noticia.html?slug=o-acordo-ue-mercosul&lang=en>

Chapter 3

Case Law Yearbook, Key decisions - 2024



This section comments on a selection of relevant court decisions on Intellectual Property handed down by the Brazilian Superior Court of Justice (STJ) throughout 2024.

The comments encompass decisions rendered in connection with patents, industrial design, trademarks and copyright, in addition to issues involving civil procedural law. The project's curators sought to select decisions based on the legal relevance of the issues addressed, diversity of topics, novelty of the discussion, and impact to society.

3.1 Patent Law and Industrial Design Law

3.1.1 STJ understands that it is possible to argue the invalidity of industrial design and patents as a matter of defense in an infringement action.

Brazilian Superior Court of Justice (STJ). Divergence Motion in Special Appeal N° 1332417/RS. Reporting Justice Nancy Andrighi, Second Section of the STJ, unanimously, judged on June 12, 2024, DJe June 18, 2024.



Authors: Rodrigo de Assis Torres and Juliana Coelho

Field of Law: Industrial Design Law and Patent Law

Topic: Industrial design. Patents. Invalidity of registrations as a matter of defense. Infringement action.

Summary

“(…) The purpose of the appeal is to define whether it is possible to plead nullity as a matter of defense in an industrial design infringement action. (...) the Industrial Property Law requires (...) the participation of the BPTO (...) in actions aimed at declaring industrial property rights (trade-marks, patents and industrial designs) null and void, so that the Federal Court has jurisdiction to prosecute and judge such claims. (...) since there is express authorization in Law 9.279/1996 regarding the possibility of arguing the invalidity of patents and industrial designs as a matter of defense, obstructing the effects of the rule in question would result in an undue restriction of the fundamental right to a broad defense, in clear violation of the provisions of section. 5, LV, of the Constitution of the Republic. Divergence motion granted.”

Brief history of the litigation

On June 11, 2007, Antônio A. de Freitas filed a lawsuit before the Court of Justice of the State of Rio Grande do Sul (TJ/RS) against Bravo & Bravo Calçados e Confecções Ltda. and Junior Camilo Fernandes for industrial design infringement. The trial court ruled in favor of the plaintiff, ordering compensation for material damages, and the Court of Appeals added compensation for moral damages. The Reporting Justice Marco Buzzi denied the Special Appeal (REsp), and Bravo & Bravo and Junior's internal appeal was rejected by the Fourth Panel of the Brazilian Superior Court of Justice (STJ). The Fourth Panel's decision is the subject of the divergence motion (EResp) discussed here.

Defendants cited a decision by the Third Panel of the STJ in Resp 1.843.507/SP, which allowed raising the invalidity of patents and industrial designs as a defense in infringement actions, without involving the BPTO. It was recognized that although Law no. 9,279/1996 (Brazilian Industrial Property Law) requires separate nullity actions for patents, industrial designs, and trademarks in the Federal Court, an exception exists for patents and industrial designs. Bravo & Bravo and Junior argued that, contrary to the specific case, it is possible to raise the invalidity of patents and industrial designs as a defense, as expressly provided in Sections 56, § 1, and 118 of Law 9.279/1996 and recognized in the paradigm judgment.

The controversy and relevance of the topic

The decision aimed to “determine whether it is possible to raise the invalidity as a defense in an industrial design infringement action”.

The decision in question is of great importance because the jurisprudence of the STJ had been marked by intense debates regarding the possibility of the defendant raising incidental invalidity in infringement actions without the involvement of the BPTO. With this clarification, defendants in infringement actions now have a more reliable additional tool to challenge the legitimacy of the claimant’s industrial property rights, while an overload of the judiciary may be prevented, considering the unnecessary of processing an invalidity action in the Federal Court.

The understanding set forth by the STJ and its impacts

Preliminarily, the Second Section of the STJ accepted to judge the EREsp, observing that there was factual similarity in the compared appeal decisions, “since, in both cases, a decision was made regarding the possibility of invoking the invalidity of an industrial design registration as a defense in an industrial property rights infringement action”.

On the merits, the STJ noted the existence of rulings recognizing the possibility of raising invalidity as a preliminary issue in patent infringement actions filed in State Courts, even though the invalidity of such a right, with *erga omnes* effect, could only be declared in a separate action in the Federal Court. Thus, a recap of the Court’s approach to the matter was provided, specifying that there was an opposing stance in cases involving trademarks, which sought to prevent the declaration of invalidity by the State Courts and recognized the exclusive jurisdiction of the Federal Courts in a separate action with the participation of the BPTO.

The decision emphasized that, with the judgment of REsp 1.132.449/PR by the Third Panel of the STJ, the same understanding applied to trademarks was extended to actions involving patent and industrial design infringements, preventing the defendant from raising the invalidity of the registrations as a defense. However, in 2020, with the judgment of REsp 1.843.507/SP, the Third Panel of the STJ stated that, although the Brazilian Industrial Property Law requires invalidity actions to be filed before the Federal Court, the express exception concerning patents and industrial designs cannot be overlooked, allowing defendants to raise invalidity as a defense.

In this 2020 judgment, the STJ ruled that recognition of invalidity in infringement actions would not have effects outside the legal relationship in the case. Unlike a declaration of invalidity in the Federal Court, with the participation of the BPTO, which has *erga omnes* effect, the effect of a State Court decision in this context would be *inter partes*. This understanding was reaffirmed in the judgment of REsp 1.832.502/SP.

The Justices noted that Section 175 of Law No. 9,279/1996 stipulates, without any exceptions, that the action for the nullity of a trademark registration must be filed in the Federal Court and that the BPTO, when not the plaintiff, will intervene in the case. However, the law, for a reason, is different regarding patents and industrial designs, because there are differences in nature and purpose between them.

The STJ referred to Justice Sanseverino's understandings in REsp 1.843.507, in which he distinguished the three industrial property rights. A trademark grants the holder the exclusive right to use a specific sign on goods or services, with the primary aim of preventing confusion, protecting the consumer and the trademark holder. Patents and industrial designs do not aim to create an association to be made in the consumer market, but instead constitute temporary exclusive rights designed to encourage technological development. Such differences led the legislator to regulate each of these industrial property rights separately, assigning a specific chapter of the law to each of them.

Although Sections 57, 118, and 175 require actions for nullity (of trademarks, patents, or industrial designs) to be filed in the Federal Court with BPTO involvement, Section 56, §1 allows raising invalidity as a defense in patent and industrial design infringement actions. This does not apply to trademarks, as the law is silent on invoking nullity incidentally. Thus, the law provides two routes for raising invalidity: a specific Federal Court action (with *erga omnes* effects) and invoking nullity as a defense in infringement actions (with *inter partes* effects, limited to patents and industrial designs).

The STJ ruled that, given the express authorization in Law 9,279/1996 regarding the possibility of raising the invalidity of patents and industrial designs as an incidental issue in infringement actions, preventing the implementation of this provision would result in an undue restriction of the defendant's fundamental right to defense, in violation of Section 5, LV, of the Brazilian Constitution. The Divergence Motion was unanimously granted to recognize the possibility of raising the invalidity of an industrial design as a defense, and the case was returned to the trial court to examine the claimed invalidity.

The judgment in question occurred in a Divergence Motion. Section 927, V, of the Civil Procedure Code (CPC), which deals with binding precedents, states that judges and courts shall follow "the guidance of the plenary or the special panel to which they are bound". The legislator did not include the judgment of Divergence Motion as a binding precedent. Therefore, although the decision discussed here represents an evolution in terms of standardizing the STJ's understanding on this matter, it must be noted that judges in the first and second instances (despite doctrinal criticisms regarding the omission of the CPC on this point) are not strictly obliged, under civil procedural law, to apply this understanding.

It can be said that the ruling will have binding effect among the STJ Panels and persuasive power in first and second-instance courts. The strength of the decision, obtained by a qualified quorum in an STJ ruling, cannot be denied. We cannot rule out the possibility of debates arising, and decisions contrary to raising incidental invalidity of patents and industrial designs may still emerge, leading defendants to seek the STJ through special appeals for further consideration. This scenario may lead, in the future, to a definitive standardization of the matter, for example, in the judgment of special appeals subject to the repetitive appeals system (Section 1,036 of the CPC).

The STJ's understanding, when applied, will make the process more flexible, allowing the defendant to challenge the validity of the industrial property right directly in the infringement proceedings, without needing a separate invalidity action. However, the decision does not settle the discussion, as concrete issues like whether the industrial design underwent merit evaluation by the BPTO (Section 111 of Law 9,279/1996), if a separate nullity action was filed in the Federal Court, or potential abusiveness in the defense, could influence whether invalidity can be raised as a defense. These and other case-specific factors will require the judiciary and legal practitioners to address these gaps on a case-by-case basis.

Link to the full text of the decision:

[Divergence Motion in Special Appeal N° 1332417 – RS](#)

3.1.2 Brazilian Superior Court Clarifies Jurisdiction in Patent Disputes: Separate Lawsuits Allowed for Different Patents on the Same Product.

Brazilian Superior Court of Justice (STJ). Internal Interlocutory Appeal on the Conflict of Jurisdiction Nº 198259 /SP. Reporting Justice João Otávio de Noronha. Second Section of the STJ, unanimously, judged on September 25, 2024. DJe September 30, 2024.



Authors: Bernardo Marinho Alexandre and Rodrigo de Assis Torres

Field of Law: Patent Law

Topic: Patent infringement; conflict of jurisdiction

Summary

In a complex patent litigation between BOEHRINGER INGELHEIM INTERNATIONAL GMBH and SUN FARMACÊUTICA DO BRASIL, a subsidiary of India's SUN PHARMA, the Superior Court of Justice – the highest Court for non-constitutional matters in Brazil – has ultimately ruled that infringement lawsuits concerning distinct patents covering distinct aspects of the same product, are not inherently connected and do not pose a risk of contradictory rulings, as each patent independently covers a separate invention.

The dispute arose from lawsuits filed in different states regarding the alleged infringement of various patents related to nintedanib, the active principal ingredient of medicine indicated, for instance, to treat idiopathic pulmonary fibrosis (IPF).

Brief history of the litigation

In Brazil, BOEHRINGER INGELHEIM DO BRASIL QUÍMICA E FARMACÊUTICA LTDA owns a valid market approval for and commercializes the OFEV (nintedanib) medicine, which is indicated, for instance, to treat idiopathic pulmonary fibrosis (IPF).

On the other hand, SUN FARMACÊUTICA DO BRASIL – i.e., the Brazilian affiliate of SUN PHARMA – has market approval for a branded and non-branded generic version of OFEV.

On 30 November 2021, SUN FARMACÊUTICA filed a complaint for declaratory judgment before the Court of Justice of the State of São Paulo (TJ/SP). This generic company sought a court's declaration that its nintedanib-based generic medicine would not infringe Brazilian patents Nos. PI0312811-3 (crystal form of nintedanib) and PI0913434-4 (nintedanib formulation).

On 13 June 2023, after a lengthy examination, the Brazilian PTO granted patent No. PI0519370-2, which is owned by BOEHRINGER INGELHEIM INTERNATIONAL GMBH.

This patent claims the use of nilotinib in manufacturing a medicine for treating idiopathic pulmonary fibrosis. For this reason, this patent secures exclusivity until 21 December 2025 for exploiting a nilotinib-based medicine for this purpose.

On 13 June 2023, BOEHRINGER INGELHEIM INTERNATIONAL GMBH filed a complaint for a patent infringement lawsuit against SUN FARMACÊUTICA before the Court of Justice of the State of Rio de Janeiro (TJ/RJ) based

on the rule that a patentee can initiate an infringement lawsuit at the State Court where the infringement takes place.

A few minutes later, SUN FARMACÊUTICA filed a second complaint for declaratory judgment before the Court of Justice of the State of São Paulo (TJ/SP), alleging that the law firm representing Boehringer before the Brazilian PTO would have an office in São Paulo. This generic company now sought a court's declaration that its nintedanib-based generic medicine would not infringe Brazilian patent No. PI0519370-2.

The controversy and relevance of the topic

Both trial judges from the Court of Justice of the State of Rio de Janeiro (TJ/RJ) and the Court of Justice of the State of São Paulo (TJ/SP) have understood that they would have jurisdiction to rule both the infringement lawsuit initiated by BOEHRINGER and the second declaratory judgment action initiated by SUN FARMACÊUTICA.

Unlike Rio's trial judge, São Paulo's trial judge has understood that there would be a connection between said cases and the first declaratory judgment action initiated by SUN FARMACÊUTICA, or there would be a risk of contradictory decisions, as the discussion would be whether SUN FARMACÊUTICA's generic medicine does or does not infringe BOEHRINGER's Brazilian patents.

So, the Brazilian Superior Court of Justice – the highest Court for non-constitutional matters – had to intervene and resolve this conflict of jurisdiction, i.e., decide which Court of Justice – Rio de Janeiro or São Paulo – must rule said two lawsuits.

Therefore, the legal controversy is whether the different Court of Justice should or should not rule on two infringement lawsuits based on other patents, even if the patented inventions are in the same product due to a connection between the lawsuits or the risk of a contradictory decision.

The understanding set forth by STJ and its impacts

On 25 September 2024, the Brazilian Superior Court of Justice's second section ruled through a unanimous decision (9 v. o) that:

- There is no connection or risk of contradictory decisions between the infringement lawsuit initiated by BOEHRINGER based on Brazilian patent No. PI0519370-2 and the first declaratory judgment action initiated by SUN FARMACÊUTICA based on Brazilian patents Nos. PI0312811-3 (crystal form of nintedanib) and PI0913434-4. The reason for this understanding is that these patents independently cover different inventions, that will demand specific technical analysis of its autonomous claims compared to the accused infringing product; and
- The Court of Justice of the State of Rio de Janeiro (TJ/RJ) – and not the Court of Justice of the State of São Paulo (TJ/SP) – would have jurisdiction to rule on infringement based on Brazilian patent No. PI0519370-2, as BOEHRINGER filed its complaint before SUN FARMACÊUTICA filed its complaint for the second declaratory judgment action.

The Brazilian Superior Court's ruling clarifies jurisdictional issues in patent litigation, allowing separate lawsuits in different jurisdictions based on different patents, even if those patents relate to the same product. The main point being that there is no legal base for bidding and universal jurisdiction for a Court to review infringement of different patents related to the same product. The patents are infringed, not the product they relate to.

The ruling, therefore, carries significant implications for the patentees of all industries. It sets a clearer precedent for resolving conflicts, potentially streamlines the litigation process, and offers greater certainty and predictability in patent disputes, thereby shaping the future landscape of patent litigation.

Link to the full text of the decision:

[Internal Interlocutory Appeal on the Conflict of Jurisdiction N° 198259 /SP](#)

3.2 Trademark Law

3.2.1 The 3rd Panel of the Brazilian Superior Court of Justice recognized the possibility of registering a trademark with an advertising expression, as long as it has a distinctive element.

Brazilian Superior Court of Justice (STJ). Special Appeal N° 2105557/RJ. Reporting Justice Nancy Andrighi. Third Panel, unanimously, judged on August 14, 2024. DJe August 15, 2024



Authors: Mauro Ivan C. Ribeiro dos Santos

Field of Law: Trademark Law/Slogan

Topic: Slogan registration as trademark

Summary

“(…) 2. The purpose of the appeal is to verify the soundness of the administrative acts that rejected the applicant’s applications for registration of a mixed trademark. (3) According to the governing legislation, “Visually perceptible distinctive signs, not included in the legal prohibitions, may be registered as trademarks” (art. 122 of the Brazilian Industrial Property Law (IPL)). 4 Art. 124 of the aforementioned law sets out the cases in which the registration of trademarks is prohibited. As far as the case in point is concerned, item VII of this article stands out: “a sign or expression used solely as a means of advertising” cannot be registered as a trademark. (5) Doctrine clarifies that the legal prohibition applies to captions, advertisements, words and/or combinations of words, drawings, engravings, original and characteristic, intended exclusively for advertising with the aim of attracting users. (6) The BPTO’s Trademark Manual establishes that “the application of item VII of art. 124 of the LPI must be judicious, being applied only when the exclusive advertising character of the sign is evidenced”. 7 The examination of the distinctiveness of the sign, in order to be granted trademark registration, must consider, according to the guidance of the competent authority, “the impression generated by the trademark, in its phonetic, graphic and ideological dimensions, as well as the function performed by the various elements that make it up and their degree of integration”. (8) Thus, the mere fact that a sign consists, among other elements, of an advertising expression is insufficient to automatically lead to the conclusion that the sign, as a whole, does not meet the necessary requirements to perform the function of a trademark. 9 In particular, what can be seen from the applications for registration made by the appellant is that, although the trademark set does contain an element with an advertising purpose (represented by the expression HARMONIA NA PELE), this does not prove to be decisive in characterizing the trademark in question solely as an advertising sign, especially due to the presence of other nominative and figurative elements that ensure the distinctiveness required by the LPI. The trademark’s registrability is recognized. (10) However, the applicant cannot be granted exclusive rights to the isolated use of the expression HARMONY IN THE SKIN, since its configuration as an advertising sign makes it unappropriable. The restriction must be apostilled. 11. special appeal granted.”

Background

In October 2013, the company Theraskin Farmacêutica Ltda. (hereinafter “Theraskin”) filed with the Brazilian Patent and Trademark Office (hereinafter “BPTO”) trademark applications nos. 906887097 and 906887844 for the word and design mark “THERASKIN Harmonia na pele” (THERASKIN Harmony on the skin) designating skincare products in classes 03 and 05.

Following the provisions of our Industrial Property Law (Federal Law No. 9,279/96, Brazilian Industrial Property Law hereinafter “IPL”), these applications were initially published for the knowledge of third parties and potential oppositions. As no oppositions were filed, the applications proceeded to substantive examination by the BPTO. At this point, the BPTO rejected the applications, arguing that the expression “THERASKIN Harmonia na pele” constituted a slogan and was therefore unregistrable in accordance with Section 124, item VII, of the IPL:

Section 124 - The following are not registrable as marks:

VII - signs or expressions used only as a means of advertising;

Theraskin filed an appeal, arguing, in essence, that the prohibition established in Section 124, VII, of the IPL applied only to expressions purely used as slogans, which was not the purpose of the mark, whose objective was, in fact, to identify its products from those of different origin, in accordance with Section 123, I, of the IPL, which states:

Article 123 – For the purposes of this Law, the following is considered:

I – product or service mark: that used to distinguish a product or service from another identical, similar, or related one of different origin.

However, the BPTO Board of Appeals upheld the initial rejection, and the applications were definitively rejected at the administrative level.

Dissatisfied, Theraskin then filed a court action in an attempt to reverse the BPTO’s final decision. This action was assigned to the 9th Federal Court of Rio de Janeiro, resulting in a judgment that considered the action unfounded, thus maintaining the understanding that the alleged mark constituted only a slogan, being unregistrable under the aforementioned Section 124, VII, of the IPL.

Theraskin appealed from the above decision, and the case was assigned to the 2nd Specialized Panel of the Federal Appellate Court in Rio de Janeiro, which unanimously decided to deny the appeal, upholding the first instance decision.

Finally, Theraskin filed an appeal to the Brazilian Superior Court of Justice (hereinafter “STJ”), which is the court of last resort to examine, among other matters, issues deriving from the interpretation of federal laws.

The STJ accepted to hear the case and subsequently issued a decision in favor of Theraskin. In this decision, the STJ determined the nullity of the BPTO’s administrative acts that rejected Theraskin’s trademark application nos. 906.887.844 and 906.887.097. However, the STJ ordered the imposition of a disclaimer to the exclusive use of the expression HARMONIA NA PELE (HARMONY ON THE SKIN) separated from the other elements of the mark.

The BPTO complied with the decision of the STJ, allowing the aforementioned applications for registration on November 5, 2024, and publishing the grant of registration on December 3, 2024. Said registrations were granted with the following disclaimer: “no exclusive right to use the expression HARMONIA NA PELE in isolation”.

The controversy and relevance of the topic

According to the governing legislation, “Visually perceptible distinctive signs, not included in legal prohibitions, are eligible for registration as trademarks” (Section 122 of the IPL).

Section 124 of the IPL provides for the cases in which trademark registration is prohibited. Of particular relevance to this case is the provision of item VII of that Section: the following cannot be registered as a trademark: “a sign or expression used only as a means of advertising.”

Legal scholarship clarifies that the aforementioned legal prohibition applies only to purely promotional signs, not to those functioning as source identifiers, which is the defining characteristic of a trademark.

The examination of the distinctiveness of the sign, for the purpose of granting trademark registration, must consider the impression generated by the trademark as a whole.

Notwithstanding the foregoing, the BPTO, followed by the trial court and the Court of Appeals, held that Therskin’s mark—despite comprising multiple elements and not solely the expression HARMONIA NA PELE—should be considered a slogan, thus precluding trademark registration.

The significance of this case lies in the STJ’s determination that the mere inclusion of a potentially slogan-like expression within a mark is insufficient to automatically disqualify the mark as a whole from functioning as a trademark.

This case is also significant because the STJ’s decision prompted the BPTO to update its Trademark Guidelines on November 27, 2024, relaxing the criteria for registering slogans as trademarks. Reflecting the STJ’s ruling, the BPTO now prioritizes an overall assessment of the mark.

The understanding set forth by the STJ and its impacts

Based on the express text of the law, relevant legal scholarship, and the BPTO’s own technical guidelines, it can be concluded that the prohibition against registration applies to signs used solely or exclusively as a means of advertising. This understanding forms the crucial backdrop for analyzing the present case.

The STJ’s conclusion underscores a fundamental point: resolving this dispute cannot be limited to a mere isolated analysis of the phrase HARMONIA NA PELE. Such a narrow approach would disregard the fact that this expression is but one component of the appellant’s overall mark. Critically, this mark is of a mixed nature, incorporating other nominative (word-based) and figurative (image-based) elements capable of conferring distinctiveness—the very essence of a trademark.

Indeed, the BPTO’s trademark guidelines explicitly state that, “[i]n assessing the distinctiveness of a sign, the impression generated by the mark as a whole is generally considered, taking into account its phonetic, graphic, and ideological dimensions, as well as the function performed by the various elements that compose it and their degree of integration.” This holistic approach is essential for a proper evaluation of the mark’s registrability. It emphasizes that a mark should not be dissected into its constituent parts and judged piecemeal; rather, the combined impact of all elements should be the primary focus.

A close examination of the appellant’s trademark applications reveals that, while the mark does contain an element with advertising intent (represented by the expression HARMONIA NA PELE), this element is not the sole or determining factor in characterizing the mark exclusively as an advertising device. This is primarily due to the presence of other nominative and figurative elements that contribute significantly to the mark’s overall distinctiveness. These additional components work in tandem with the phrase, creating a unique and memorable commercial impression that goes beyond mere promotional messaging. They serve to identify and distinguish the source of the goods or services.

Therefore, the specific circumstances of this case warrant the recognition of the registrability of the mark in question. The presence of these additional distinctive elements mitigates the potential for the mark to be perceived solely as a promotional phrase, fulfilling the core function of a trademark: source identification.

However, in the final part of its decision, the STJ concluded that:

It should be noted, however, that the appellant cannot be granted exclusive rights to the isolated use of the expression HARMONIA NA PELE, as its configuration as a slogan renders it unsuitable for appropriation. Therefore, a disclaimer is necessary.

Indeed, Theraskin primarily argued that the overall impression of the elements comprising its sign qualified it as a distinctive sign, capable of being registered as a trademark. But Theraskin also maintained that the expression HARMONIA NA PELE, even when dissociated from the other elements, did not constitute a slogan, since, in itself, it does not recommend or highlight the products, nor does it attract consumers' attention as a mere slogan would. According to Theraskin, it is, in fact, an expression that aims solely to perform the distinctive function of a trademark, the number of words or expressions used to be irrelevant.

Consequently, by requiring a disclaimer concerning the expression HARMONIA NA PELE, the STJ substantially diminished the efficacy of Theraskin's granted registrations, thereby making difficult the enforcement of its rights against prospective registrations or infringing uses of similar signs by third parties.

Link to the full text of the decision:

[Special Appeal N° 2105557](#)

3.3 Copyright Law

3.3.1 Brazilian Superior Court of Justice confirms that isolated titles of works are not protected by copyright and recognizes that the mere use of isolated titles does not characterize copyright infringement.

Brazilian Superior Court of Justice Special Appeal N° 2.152.321/SP. Reporting Justice Ricardo Villas Bôas Cueva, Third Panel, unanimously, judged on October 01, 2024, DJe October 10, 2024.



Authors: Fernanda Salomão Mascarenhas

Field of Law: Copyright

Topic: Copyright. Title of musical work. Name of a commercial establishment. Parasitic use. Non-occurrence.

Summary

"1. The legal controversy consists of defining whether there has been a violation of copyright by the defendant, which used the title of a musical work by a deceased singer as the name of its commercial establishment. 4. (...) In this case, the trademark protection granted by the BPTO to the appellants it is not to be confused, nor does it extend to the protection given by copyright to the musical work. 5. The expression "do Leme ao Pontal", long before it gives the title to the appellants' musical work, refers to the stretch of coastline in the municipality of Rio de Janeiro/RJ. 6. According to the law, names and titles, taken in isolation, are not protected as copyright, since the guarantee extends to the entirety of the intellectual work (in this case, the music), considered as a whole. Thus, the title "do Leme ao Pontal," by itself, is not the object of intellectual protection (...). 7. Similarly, the mixed trademark "do Leme ao Pontal," registered by the appellants under the terms of Law No. 9.279/96, does not grant them exclusive use of the word part "do Leme ao Pontal". Thus, there is nothing to prevent the defendant from using this expression to name its commercial establishment."

Brief history of the litigation

The estate of SEBASTIÃO RODRIGUES MAIA, known by the stage name TIM MAIA, together with his executor and heir CARMELO MAIA, filed a lawsuit on October 10, 2016, before the São Paulo State Court of Justice (TJ/SP) against the company *Boteco do Leme ao Pontal/Gastronomia e Bem-estar Eireli*, a bar located in the state of São Paulo. The cause of action was the alleged improper use of the name of the song “*Do Leme ao Pontal*,” one of Tim Maia’s biggest hits, to name the establishment, as well as the unauthorized use of the artist’s image in its advertising campaigns.

At the initial and appeal levels, the judges rejected the plaintiffs’ request. The TJ/SP held that there had been no violation of copyright, since no evidence was found that the Defendant’s bar was exploiting the artist’s identity. In addition, the name of the establishment was a popular expression related to Rio’s famous waterfront, without any link to Tim Maia’s musical work. In the Special Appeal (REsp), the Third Panel of the Brazilian Superior Court of Justice (STJ), whose decision we are analyzing, reaffirmed that the expression “*Do Leme ao Pontal*” refers to a geographical region of the coastal strip of the municipality of Rio de Janeiro/RJ, and was not created or invented by the author of the song.

According to the summary of the decision, the appellants argued that the lower court ruling violated the Copyright Law. Moreover, the decision failed to consider that the expression “*Do Leme ao Pontal*” is a trademark registered at the National Institute of Industrial Property (BPTO), the office responsible for granting industrial property rights. By granting the trademark registration, the BPTO recognized the originality and anteriority of Tim Maia’s widely known music title “*Do Leme ao Pontal*.”

The controversy and relevance of the topic

The decision aimed to “define whether there has been an infringement of copyright by the defendant by using the title of a musical work by a deceased singer in its commercial establishment (arts. 7, V, 10 and 29 of Law No. 9,610/98).”

The decision in question is of great importance in helping to standardize national jurisprudence, as it sets a precedent on the use of popular expressions, especially those of cultural or artistic origin, in different market segments. It also reinforces that the protection granted by the BPTO to trademarks registered in specific classes does not automatically extend to uses outside these classes, or to those that do not cause confusion. It also makes it clear that titles of intellectual works, protected by copyright, do not have isolated exclusivity, highlighting the distinction between copyright and industrial property.

The understanding set forth by the STJ and its impacts

In his report, the Reporting Justice indicated that the Special Appeal under analysis involved violations of articles 85, 357 and 1022, II, of the Civil Procedure Code, as well as, in the alternative, denial of validity of articles 7, V, 10 and 29 of Law No. 9,610/98 (the Brazilian Copyright Law).

The appellant maintained that “*Do Leme ao Pontal*” is not only one of his main artistic trademarks, but also the title of the song that has become his greatest classic. He pointed out that there is no other previous work, by any artist of the same musical genre, with the same title and characteristic passages. In this way, the singer would be the sole owner of the patrimonial right over the expression.

On the merits, the Court stated that the lawsuit does neither discuss the original authorship, ownership of the work nor its eventual nonauthorized execution, but rather of using the title of the musical work. The Justice highlighted the Brazilian legislation on the titles of intellectual works protected by copyright, which stipulates that isolated names and titles are not protected by copyright. Moreover, it foresees that “the pro-

tection of the intellectual work covers its title, if it is original and unmistakable from that of another work of the same genre.” Furthermore, the trademark protection granted by the BPTO to the appellants is not to be confused with the copyright protection of the musical work.

In this sense, the Justice concluded that the isolated title of the song is not protected by copyright, as the legislation ensures protection for the intellectual work, that is, the title as part of the work. Although the expression “*Do Leme ao Pontal*” names the appellants’ song, it is not reasonable to say that the name of the bar was chosen with reference to the song, since the expression was already used before the song itself to describe the geographical region of the coastal strip of the city of Rio de Janeiro/RJ. Furthermore, the bar neither plays the song nor features Tim Maia’s image; instead, its theme is inspired by the beach environment.

Finally, the Court has not considered the argument that the trademark “*Do Leme ao Pontal*” was registered at the BPTO. This was because the trademark was registered in the name of the record company that owned the rights to Tim Maia’s discography, which was not part of the case. The decision also noted that the marks are in different classes (one relating to music and the other to commercial establishments) and that, while the record label’s mark alludes directly to the singer, the bar’s mark makes no explicit reference to Tim Maia.

Link to the full text of the decision:

[Special Appeal Nº 2.152.321/SP](#)

3.3.2 STJ recognizes the validity of assignment of rights clause in agreements reached between artists and music publishers

Brazilian Superior Court of Justice (STJ). Internal Interlocutory Appeal in Special Appeal Nº. 2095408-RJ, Justice-Rapporteur Raul Araújo. Fourth Panel. Judged on June 03, 2024. DJe: June 07, 2024.



Authors: Fernando de Assis Torres

Field of Law: Copyright Law

Topic: Publishing contract. Assignment of rights clause. Validity. Possibility of fully exploiting the work without further consent from the artist.

Summary:

“Therefore, it is observed that the contract under examination goes beyond the mere publishing contract and that, from the content of its clauses, despite the ambiguity, there was the real production of effects typical of the assignment of rights. Its classification as a publishing contractual type would only be possible if the annulment or nullity of such clauses were verified, due to violation of the law or abusiveness. As the lower court rightly pointed out, the plaintiff does not allege any defect in the execution of the transaction, capable of causing its voidability, and, as is well known, such defects cannot be declared ex officio.”

About the controversy

The lawsuit was filed by Nizam Mansur de Carvalho Guanaes Gomes (“Plaintiff”) against Stalo Produções Artísticas e Comércio Ltda. (“Stalo”) and Universal Music Publishing Ltda. (“Universal”), based on alleged copyright infringement.

Plaintiff claims to have composed, in 1991, the song “We are the world of carnival”, having contracted, in the same year, with Stalo, the publishing and assignment of copyrights for an indefinite period.

He claims that Stalo never submitted financial reports for the amounts corresponding to the copyrights generated from the commercialization of his work. He also claims that Stalo had agreed with Universal to co-publish and manage the work, without notifying the Plaintiff, and that both parties prevented the Plaintiff from allowing the music to be adapted to create a jingle for the carnival, claiming that Stalo would be the publisher holding the right to exploit the work.

He notified Stalo about the unilateral termination of the contract, which he considers to be a publishing contract and not an assignment of rights, since there was no effective assignment of rights, and therefore subject to termination by act of will. He also requested that the legal relationship established between the two defendants, Stalo and Universal, be declared without any effect for him, and also applied for the payment of compensation for economic and moral damages.

Universal responded claiming that the contract reached between the Plaintiff and Stalo would contain a valid and effective assignment of rights, and suitable for the total and definitive assignment of the rights, in exchange for remuneration proportional to the income earned.

Stalo responded alleging the inadequacy of the initial claim, the absence of culpable conduct, since the success of the song was the result of its efforts, the irrevocability of the assignment, which is not to be confused with the publishing contract, and the lack of grounds for the claim for compensation.

The controversy, therefore, is limited to the nature of the contract in question and the rights and obligations arising therefrom, as well as the conduct of the parties in the execution of the contract.

The first instance judgment rejected the Plaintiff's claims, as it considered that there were no grounds for the annulment of the contract and payment of compensation.

Plaintiff filed an appeal reiterating the reasons of the initial complaint and highlighting the conflict of interests and possibility of unilateral termination of the contract for just cause.

The Panel Judges understood that the contract under examination goes beyond the mere publishing contract and, from the content of its clauses, despite the ambiguity, there was the real production of effects typical of the assignment of rights. Its classification as a publishing contractual type would only be possible if the annulment or nullity of such clauses were verified, due to violation of the law or abusiveness, which was not proven.

The Plaintiff further filed a motion for clarification, but it was equally rejected. Plaintiff further filed a Special Appeal to the Brazilian Superior Court of Justice (STJ) based on the following claims: (a) alleged omission of the Court of Justice of the State of Rio de Janeiro in what concerns Plaintiff's lack of knowledge and consent regarding the subcontracting of Universal; and (b) the contract must be terminated for just cause, with the consequent payment of compensation for damages, since *"(...) the difficulties imposed by the respondents for the dissemination of the work, preventing its wide dissemination as a jingle for the 2008 Salvador Carnival, must, in fact, be understood as damages caused to the work itself, as well as an offense to the honor and reputation of the appellant (...)"*.

The Justice-Rapporteur Raul Araújo rejected the Special Appeal in a monocratic decision, and the Plaintiff filed an Internal Interlocutory Appeal in the Special in order to hear from the whole panel.

The relevance of this topic

Under the publishing contract, the publisher, obliging himself to reproduce and disclose the work, is authorized, on an exclusive basis, to publish and exploit it for the term and under the conditions agreed with the author (art. 53 of Law 9.610/98, Brazilian Copyright Law). Under this type of contract, there is no transfer of ownership of the copyright, only of the prerogative of its exploitation, with the objective of carrying out its disclosure.

By means of an assignment contract, copyright is transferred in whole or in part to third parties (art. 49 of Law 9.610/98), with the assignee becoming the actual holder of the rights to the work.

In the Brazilian scenario, there is a recurring controversy between the two types of contracts, because although authors usually prefer the effects of the publishing contract, which serves the interest of publicity more, protecting their ownership of the work, publishers and record companies, who frequently hold greater economic power in this relationship, end up pushing for the assignment, which gives them power far greater than that strictly necessary for the achievement of the purposes of the contract.

In this context, it is common for hybrid figures to emerge, in which the publishing contract pursued by the author is sometimes absorbed or distorted by rights assignment clauses, which end up generating the originally undesired translational effect.

This topic is important as it shows the reach of assignment of rights clauses within the scope of publishing contracts, and how it can change the essence of the contract initially desired by the artist.

The opinion of the Superior Court of Justice

The Fourth Panel of the STJ rejected Plaintiff's appeal unanimously, throwing out any argument of omission or damages caused to the work itself for decisions taken by the assignee.

In short, the STJ has taken the following position mirroring the lower court's decision:

- (i) The Court of Justice of the State of Rio de Janeiro, while rejecting the Plaintiff's appeal, properly indicated the reasons why they were convinced that the assignment of rights clause would be valid;
- (ii) It is correct the understanding that no evidence was produced in the sense of annulling the assignment clause, as the Plaintiff himself failed to claim nullities regarding the clause;
- (iii) It is not possible to affirm, based on the evidence produced in the case, that Stalo and Universal committed any abuse or even that there is a commercial unbalance between the contracting parties. Because, though Universal is a multinational, the publisher that reached the contract with the artist, Stalo, is a small-sized company; and
- (iv) Given the validity of the clause, the assignment should produce all legal effects.

Therefore, the Court recognized the validity of the assignment of rights clause and, in the lack of any evidence leading to the annulment of the clause, the STJ rejected the Plaintiff's claims.

Link to the full text of the decision:

[Internal Interlocutory Appeal in Special Appeal N°. 2095408-RJ.](#)

Chapter 4

IP and related topics news – 2024

CHAPTER 4

IP and related topics news – 2024

This chapter presents a selection of relevant news articles related to the field of Intellectual Property and related topics, published in 2024 or at the very end of 2023, with effects in 2024.

Below are summaries of these articles, which can be accessed in full through the links provided at the end of each summary.

4.1 Patents

4.1.1 New rules for patent procedure appeal phase in Brazil

On December 12, 2023, the BPTO published new rules – Legal opinion No. 19/2023 – limiting the applicants' right to amend the claims during the appeal procedure. The rules entered into force on April 2, 2024, and were given normative effect by a decision issued by the President of the BPTO.

The new rules state that the applicant could not present amended claims with an administrative appeal against the examining division's rejection, even if such claims result from restrictive amendments and overcome the grounds for refusal.

In other words, the BPTO's board of appellate patent examiners would simply have to analyze the exact same claims rejected by the examining division according to the BPTO's new rules.

The new provisions entered into force with *ex nunc* effects, which means that the BPTO would not apply the new rules to appeals that have already been decided before April 2, 2024.

Articles about the subject can be accessed through the links:

- https://cms.dannemann.com.br/media/documents/en/Circular_n17_f90eJQG.pdf;
- https://cms.dannemann.com.br/media/documents/en/Circular_n18_-_ENG.pdf;
- <https://ids.org.br/en/news-post/ivan-ahlert-analyzes-the-bptos-restrictive-interpretation-of-voluntary-amendments-to-patent-applications-and-its-effects-on-bpto-opinion-19-2023/>.

4.1.2 Program of Partnerships for Productive Development (PDP) reinstated in Brazil with probable impact for the pharmaceutical industry

After a period of restructuring led by the Executive Group of the Health Economic-Industrial Complex (GECEIS), coordinated by the Ministry of Health's Secretariat for Science, Technology, Innovation, and the Health Complex (SECTICS), the regulation on Public-Private Development Partnership (PDP) was revised, and a new model of Public-Private Partnership, known as the Program for Local Development and Innovation (PDIL), was introduced.

Ordinance No. 4,472/2024, issued by the Ministry of Health, updates the regulations concerning PDPs to align them with Ruling No. 2015/2023 issued by the Federal Audit Court (TCU), which identified several inconsistencies in the previous framework, including potential violations of intellectual property rights. A PDP is a mechanism originally introduced in Brazil in 2008, through which a private company transfers technology to a government-owned company in exchange for exclusive rights to supply the product to the government for a specified period.

Ordinance No. 4,473/2024 establishes and regulates the PDIL, aiming to promote local production and innovation in response to health challenges, enhance the sustainability and resilience of the Unified Health System (SUS), and expand access to healthcare. The program seeks to reduce SUS's reliance on external production and technology, strengthening its productive and technological capabilities.

With the new regulatory framework in place, the Ministry of Health is expected to publish the updated list of strategic products eligible for PDP and PDIL soon.

An article on the subject can be found at the following link:

https://cms.dannemann.com.br/media/documents/en/Circular_n8_-_ENG.pdf

4.1.3 Significant changes in the BPTO regarding the procedures for registration of transfer of ownership and changes to patent holder data

The BPTO's Patent Division published Ordinance No. 20/2024, which came into force on October 13, 2024, introducing changes to the procedures for registering transfers of ownership and modifications to patent data with the aim of accelerating and standardizing these processes. Among the key changes, the ordinance eliminates the requirement for notarization and legalization/apostille of digitally signed foreign documents, although specific certifications are yet to be defined. It also removes the need for sworn translations of documents in a foreign language and the requirement for witness signatures. Additionally, the ordinance allows the acceptance of digital signatures certified by ICP-Brasil, mandates proof of authorization for representatives of assignors and/or assignees and requires that any change of address be declared by the patent owner or legal representative.

An article on the subject can be found at the following link:

https://cms.dannemann.com.br/media/documents/en/Circular_n9_-_eng.pdf

4.1.4 BPTO implements Global PPH

On December 10, 2024, the Brazilian Patent and Trademark Office (BPTO) published Ordinance/INPI/PR No. 48, dated November 29, 2024, establishing Phase V of the Patent Prosecution Highway (PPH) Pilot Project, which took effect on January 1, 2025. This new phase follows the BPTO's integration to the Global Patent Prosecution Highway (GPPH) on July 6, 2024, introducing changes to the priority processing of patent applications in Brazil. The new regulation revokes the previous Ordinance/INPI/PR No. 78/2022 and brings updates to the program, expanding the possibilities for using the GPPH.

The GPPH is a plurilateral PPH program that integrates three existing bilateral PPH types: the traditional PPH, the PPH-PCT, and the Mottainai PPH. This initiative is a key tool for prioritizing all administrative proceedings at the BPTO, significantly accelerating the processing of patent applications in Brazil.

The previous quantitative restrictions on PPH and PPH-PCT requests—both per year and per applicant per week—have been removed, allowing for broader participation in the Global PPH Program. The annual request quota is now set at up to 3,200 PPH requests, with a maximum limit of 1,000 requests per International Patent Classification (IPC) section.

An article on the subject can be found at the following link:

<https://www.dannemann.com.br/noticia.html?slug=brasil-implementacao-do-pph-global-gpph&lang=en>

4.2 Trademarks

4.2.1 BPTO adopts positions that impact appeals against trademark rejections

In February 2024, came into force the opinion 00017/2023/CGPI/PFE-INPI/PGF/AGU, issued by the Attorney General's Office (AGO) of the Brazilian Patent and Trademark Office (BPTO), on the limits and scope of the full devolutive effect foreseen in article 212, paragraph 1, of the Brazilian Industrial Property Law (IPL), in relation to trademarks.

As a result of the opinion, which received normative effect, the Appeals Coordination (CGREC) of the BPTO has the discretion to: 1) suspend the analysis of an appeal against the rejection of a trademark application based on article 124, XIX of the IPL until a final decision is rendered on the non-use cancellation request filed against the anteriority cited by the first instance examiner; and 2) analyze the availability of the trademark in cases where the first instance rejection based on absolute grounds due to lack of distinctiveness, lawfulness, and/or veracity is reversed.

An article on the subject can be found at the following link:

<https://ids.org.br/en/bpto-adopts-positions-that-impact-appeals-against-trademark-rejections/>

4.2.2 The BPTO Publishes new criteria for registering Slogans as Trademarks

An update to the BPTO's Trademark Guidelines, published on November 27, 2024, has relaxed the criteria for registering slogans as trademarks. Previously, the registration of slogans was restricted because the law prohibited the registration of expressions used solely for advertising purposes.

The BPTO's new interpretation prioritizes the overall evaluation of the trademark. This means that even if a slogan is used only for advertising, it can be registered as long as it is filed in conjunction with a distinctive element, such as a logo or company symbol.

An article on the subject can be found at the following link:

[Dannemann Siemsen_Circular 12/2024](#)

4.3 IP contracts

4.3.1 New rules for IP agreements in Brazil

On January 1, 2024, Law No. 14,596 of June 14, 2023, came into force in Brazil, introducing specific rules for transactions involving intangible assets and repealing all previous legislation related to the remittance of royalties abroad.

The new law establishes significant changes to IP contracts, aligning Brazil's regulations with the Organization for Economic Co-Operation and Development (OECD) guidelines. Transactions involving intangible assets are now subject to transfer pricing rules. Another key modification is the requirement that royalty rates comply with the arm's length principle, ensuring that payments reflect the same terms as if the intangibles had been licensed or transferred to an unrelated company.

Additionally, the new law eliminates the mandatory requirement for recording IP agreements with the Brazilian Patent and Trademark Office (BPTO). At first glance, this might suggest that recordal is no longer necessary. However, it remains important, particularly from a tax perspective. The recordal certificate issued

by the BPTO makes the IP agreement enforceable against third parties and serves as evidence of the agreement's subject matter and the IP rights involved, reducing the potential for tax authorities to interpret the agreement freely. This may significantly mitigate tax risks, including potential scrutiny from the Brazilian Revenue Service regarding remitted payments and tax collections.

Articles about the subject can be accessed through the links:

https://cms.dannemann.com.br/media/documents/en/Circular_n1_-_ENG.pdf

https://cms.dannemann.com.br/media/documents/en/Circular_n2_-_ENG.pdf

4.4 Data protection

4.4.1 The Brazilian National Data Protection Authority published its security incident report regulation

On April 26, 2024, the National Data Protection Authority (ANPD) published Resolution CD/ANPD No. 15, of April 24, 2024, which approves the Security Incident Reporting Regulation. The Regulation in question focuses on establishing the procedures for reporting security incidents that may entail a relevant risk or damage to data subjects, under the terms of art. 48 of the General Personal Data Protection Law (LGPD).

Among the key provisions of the regulation are: the obligation to notify the ANPD and the data subject whenever a security incident occurs that may pose a significant risk or harm to personal data holders; a three-working-day deadline for notification, counted from the moment the controller becomes aware that the incident has affected personal data, which is extended to six working days for small entities; and the requirement for the controller to maintain a record of the security incident for at least five years, among other measures.

An article on the subject can be found at the following link:

https://cms.dannemann.com.br/media/documents/en/Circular_n5_-_ENG.pdf

4.4.2 The Brazilian National Data Protection Authority publishes regulation on the role of the data protection officer

On July 17, 2024, the National Data Protection Authority (ANPD) published Resolution CD/ANPD No. 018 approving the regulation on the role of the data protection officer (DPO). The rule aims to provide clear guidelines for hiring and carrying out the activities of the DPO, in accordance with the provisions of Law No. 13,709/2018 (General Data Protection Law). The DPO is responsible for mediating communication between data subjects, the companies or organizations that use them and the ANPD. The document came into force on the date of its publication.

An article on the subject can be found at the following link:

<https://ids.org.br/en/news-post/anpd-publishes-regulation-on-the-role-of-the-person-responsible-for-processing-personal-data/>

4.4.3 The Brazilian National Data Protection Authority publishes regulation on international data transfers

On August 23, 2024, the National Data Protection Authority (ANPD) published Resolution CD/ANPD No. 19/2024, which approved its International Data Transfer Regulation. The document aims to establish the procedures and rules applicable to international data transfer operations in the following situations: (i) to countries or international organizations that provide a level of personal data protection equivalent to that established by the General Data Protection Law (LGPD); or (ii) when the data controller offers and demonstrates guarantees of compliance with the principles, data subject rights, and data protection framework established by the LGPD. In the latter case, guarantees may be provided in the form of specific contractual clauses for a given transfer, standard contractual clauses, or global corporate rules.

The regulation outlines principles and guidelines for international data transfers, establishes criteria for their execution, differentiates international data transfers from international data collection, and sets transparency requirements, among other provisions.

An article on the subject can be found at the following link:

<https://ids.org.br/en/news-post/anpd-publishes-document-regulating-the-international-transfer-of-data/>

4.5 Artificial intelligence

4.5.1 Brazil's federal government launches the Brazilian Artificial Intelligence Plan 2024-2028

On July 30, 2024, the federal government introduced the Brazilian Artificial Intelligence Plan (PBIA) 2024-2028, a project aimed at positioning Brazil as a global leader in artificial intelligence (AI) technology. The plan, titled “AI for the Good of All,” was developed in collaboration with the private sector and other institutions to set goals and guidelines for the development and application of AI across various sectors, including health, education, public security, and energy.

Funding for the project will come from the private sector, the National Fund for Scientific and Technological Development (FNDCT), the Financier of Studies and Projects (Finep), which is linked to the Ministry of Science, Technology, and Innovation (MCTI), and the National Bank for Economic and Social Development (BNDES).

The PBIA is structured around 10 key premises and aims to modernize public services by leveraging AI to introduce technological innovations that enhance efficiency and quality. The primary focus of investment will be on Immediate Impact Actions—initiatives that are either already in progress or set to launch in the short term to address specific challenges in priority areas such as health, agriculture, the environment, industry, trade and services, education, social development, and public administration.

An article on the subject can be found at the following link:

<https://ids.org.br/en/news-post/brazils-federal-government-launches-the-brazilian-artificial-intelligence-plan-2024-2028/>

4.5.2 Brazilian Senate approves bill to regulate artificial intelligence in Brazil

On December 10, 2024, the Brazilian Senate approved Bill 2.338/23, which aims to regulate artificial intelligence (AI) systems in Brazil.

Among the main points of the bill are: the creation of the SIA - National AI Regulation and Governance System; the establishment of rights for people or groups affected by AI; the adoption of AI governance rules; the definition of excessive risk AI, whose development is prohibited, and high-risk AI, subject to stricter compliance rules; the establishment of different civil liability regimes; the setting of fines in the event of infringement.

Regarding copyright, the bill limits the “fair use” of copyright works for AI training purposes to non-profit scientific and research organizations. Under the bill, authors whose rights are infringed will be entitled to reasonable, “proportional” remuneration that considers the “size of the AI agent”, as well as being able to apply for an injunction to stop the infringement immediately.

The next step will be for the bill to be examined by the Chamber of Deputies. If no changes are made, the document will go for presidential sanction. If it is amended, the text returns to the Senate for a new vote.

An article on the subject can be found at the following link:

<https://www.dannemann.com.br/noticia.html?slug=aprovacao-da-lei-de-inteligencia-artificial-pelo-sena-do-brasileiro-proposta-segue-para-a-camara-dos-deputados&&lang=en>

4.6 Fake News

4.6.1 Supreme Court signs agreement with Big Techs to combat disinformation in social media

On September 6, 2024, representatives of some digital platforms and social networks, such as TikTok, YouTube, Meta, Microsoft, and Kwai, signed an agreement to join the Supreme Court’s Program to Combat Disinformation. The program was created in 2021 to combat practices that affect people’s trust in the Supreme Court, distort or alter the meaning of decisions and put fundamental rights and democratic stability at risk. It therefore focuses on developing projects, actions, and products with various partners to disseminate correct information and explain the workings and competences of the court more clearly.

An article on the subject can be found at the following link:

<https://ids.org.br/en/news-post/supreme-court-signs-agreement-with-big-techs-to-combat-disinformation-in-social-media/>



ids.org.br

