



CEST

Centro de Estudos Sociedade e Tecnologia



Universidade de São Paulo

Bulletin - Volume 1, Number 2, December/2015

Intellectual property in Brazil: between delay and progress

Maristela Basso

In entrepreneurial Brazil no due importance is given to legal protection as industrial design, utility model and the so-called 'trade dress' is concerned – either at the moment of its development or when a company's intangible patrimony (no matter how big it is) is being evaluated and/or inventoried. And this happens in face of the difficulties that our entrepreneurs and developers of new shapes and functions have when it comes to get hold of the intangible assets of their businesses, to assess a new visual and functional result – towards assets and objects that already exist – as well as to a set of shapes, colors, and designs that distinguish their products and secure the identity of their shops, trademarks, and establishments.

A different mentality prevails in the USA. Concerning the case of the nail files Egyptian Goddess Inc. vs Swiss Inc., of 2008, the Supreme Court cut down on the requirements so as to guarantee a legal protection towards the design and models only at “the common viewer's eye test”, independent of the existence of the “novelty point” in the product accused of copying or usurpation. Should the common viewer (not technical) buy the product, thinking that he/she is purchasing the other one, counterfeiting is established.

More recently, in the case “Apple vs. Samsung”, American Justice recognized that the Samsung products, accused by Apple of copying and counterfeiting, do not pass the “common viewer's eye test”, regardless of the novelties added up by the Korean company onto their products. Besides Apple's industrial design being contravened by Samsung, this would have also violated the business competitor's 'trade dress', that is, that set of information, colors, and characteristics that unprotected under the industrial design registration and/or the utility model define and identify

The Brazilian Judiciary is mindful of the debates set forth in the society and in the consume market.

Apple's products and company.

The lesson Brazilians can take out of it is that industrial design and utility models should be protected under the INPI (National Institute of Industrial Property) registration as soon as they have been created and developed by the companies or individuals. The industrial design registration protects the new plastic-ornamental shape that provides the already existing object with a new and original visual result. The utility model registration protects the functional improvement in use or fabrication of an already existing object. Therefore, expressive-nature and functional-nature changes in already existing products must be protected by industrial design or utility model, respectively, guaranteeing the registration owner with the exclusivity of the right to economic exploitation for many years to come.

The legal stimulation towards intellectual property protection is, thus, suitable for the necessities of innovation and entrepreneurship. Also, the trademark registration can be added up to the design and utility model protection. Several registrations over the same developed asset can live together peacefully, besides the protection of the so-called 'trade dress' widely recognized by jurisprudence, and which is independent of registration and must be respected. For Brazilian Courts, “the trade dress refers to the characteristics of the visual appearance of a product and/or its packaging (or even

the façade of a building such as a restaurant) that can be registered and protected from being used by competitors as trademark, the characteristics of which can include the tridimensional shape, the graphic project, the color, or even the smell of a product and/or its packaging” (Lawsuit n°. 2006.006.86005, 4th Civil Court, County of Goiânia/GO, September 3, 2007). As an example, let’s take the case of Rum Bacardi below:

“The commercialization of some liquor - Rum Bacachari - of the same kind as the other famous and internationally renowned – Rum Bacardi – somehow equally bottled, with cap, colors, logotype, and, mainly, somehow identical labels, having only small badges and effigies made different, unveils the unconfessed purpose of misleading or confusing the consumer, and thereby gain profits, characterizing constitutionally forbidden practicing (art. 5, item XXIX of the FC), which must be promptly restrained, and with compensation for damage” (TJSC (Court of Justice of Santa Catarina) – Civil Appeal n°. 980063825, Second Civil Chamber, 1999).

After the ‘trade dress’ has been recognized by Brazilian Justice, a proliferation of lawsuits started to be filed among competitors aiming at eliminating their competition, mistaking ‘Trade Dress’ for ‘Codes for Categories of Products’ – those that constitute the real pattern in the Market for products of the same market niche, that is, those that adopt a similar design and in a concomitant way by all competitors. This phenomenon is regulated by the Industrial Property Law, by which it has been established that the common and vulgar shape of a product such as the “Codes of Categories” are not registrable as trademark, as it is shown in the very interesting decision below:

The impossibility of conditioning in another type of packaging; Companies competing in other products; Benefits, with no loss to the consumer.

(...) “It is undeniable that the packaging and labels of both products, produced by market-leader companies (Perdigão and Sadia), and holding trademarks of strong acceptance by consumers, keep certain similitudes. The shapes of the packaging are similar as, furthermore, all pizzas have similar packaging.” (...). I am not impressed by the similitude of prints, since they are connected to the nature of the products itself – pizzas with cheese and tomatoes.

On adopting the author’s theory, all strawberry-flavored yogurt packaging, traditionally in pink color and with the images of the fruit printed on the label, should be changed. There is no right to exclusivity upon colors and packaging, non-registrable as trademark, especially when common or vulgar of the products (ART 12, VIII AND XXI, OF LAW. 9.279/96).

(...) Assumption for the unlawful act of unfair competition for diverting of customers is the potential of the conduct to mislead the consumer to purchase one product for the other. It is not certainly the case in here. The customers will certainly not be misled by the picture in the label and they will not take home one pizza for the other by mistake. The packaging and label coincidences, in the concrete case, are useful so as to mark the components, common of both products – pizza with cheese - and not to establish a confusion between highly-prestige trademarks, inducing the consumer to take one for the other.” (Rapporteur: Teixeira Leite; County: São Paulo; Court: 4th Private Law Chamber; Trial Date: Sept. 11, 2008; Register Date: October 8, 2008; other numbers: 3296774200).

As it can be seen, the Brazilian Judiciary is mindful of the debates set forth in the society and in the consume market. Whether the entrepreneurs and developers seem to be timid as regarding the present system of intellectual property protection, the Judiciary goes forward judging rightly, most of the times.



Maristela Basso,
*lawyer and professor of
International Law for
Intellectual Property at the
Faculty of Law of USP;
Founding Member of the
CEST.*

Journalist Responsible: Edson Perin
Coordinator: Edison Spina

This article is a result of the author’s
ascertainment and analysis, without
compulsorily reflecting CEST’s opinion.