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日本知的財産協会

JAPAN INTELLECTUAL PROPERTY ASSOCIATION

Brazil

Overview and recent developments in patent practice

Latin American Patent Practice Webinar
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DANIEL



Agenda

- **COUNTRY PROFILE**
- **PATENT PROSECUTION**
- **PATENT LITIGATION**
- **COVID-19**
- **COMPULSORY LICENSE**

Brazil: Country profile

Geographic location



Flag



Overview

- World's 9th biggest economy;
- Biggest economy in Latin America;
- Largest country in Latin America.

General information

- Official language: Portuguese
- Population: 208 million
- Area: 8.55m sq km
- Currency: Real (BRL)
- GDP: USD 1.8 trillion
- GDP per capita: USD 8,633
- Economic growth rate:

2017	2018	2019
+ 1.0%	+1.3%	+ 1.1%

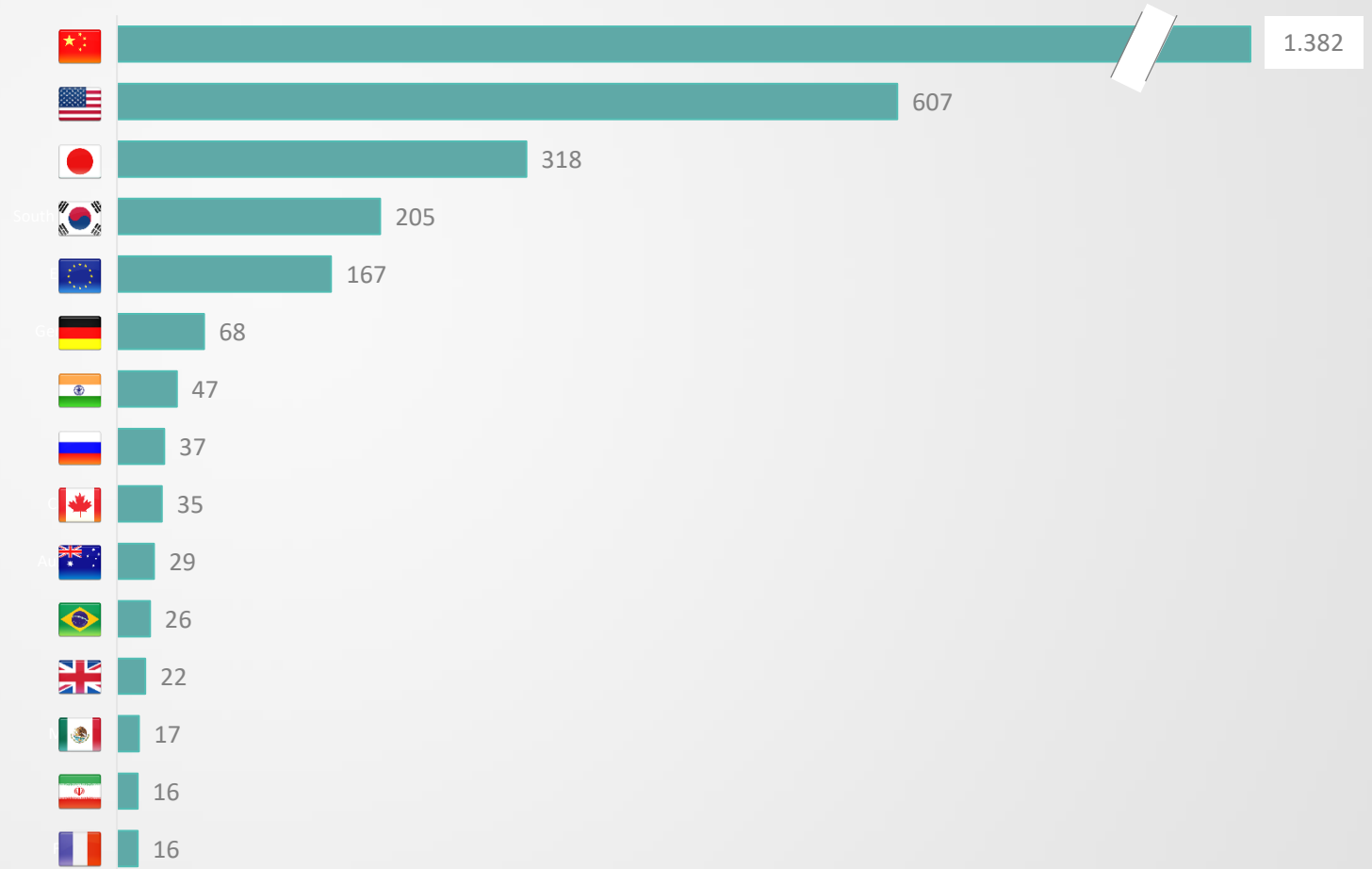
Brazil: Country profile

Intellectual property

Brazil's relevancy in IP

- Brazil is among the most relevant countries in the world in what concerns Intellectual Property.
- It is the #1 market in Latin America for patent applications.
- In 2017, the Brazilian office was ranked within the top 12 global markets for patent filings.
- The BRPTO receives around 26 thousand patent filings each year.

Patent applications: Top 15 offices (2017; thousands)

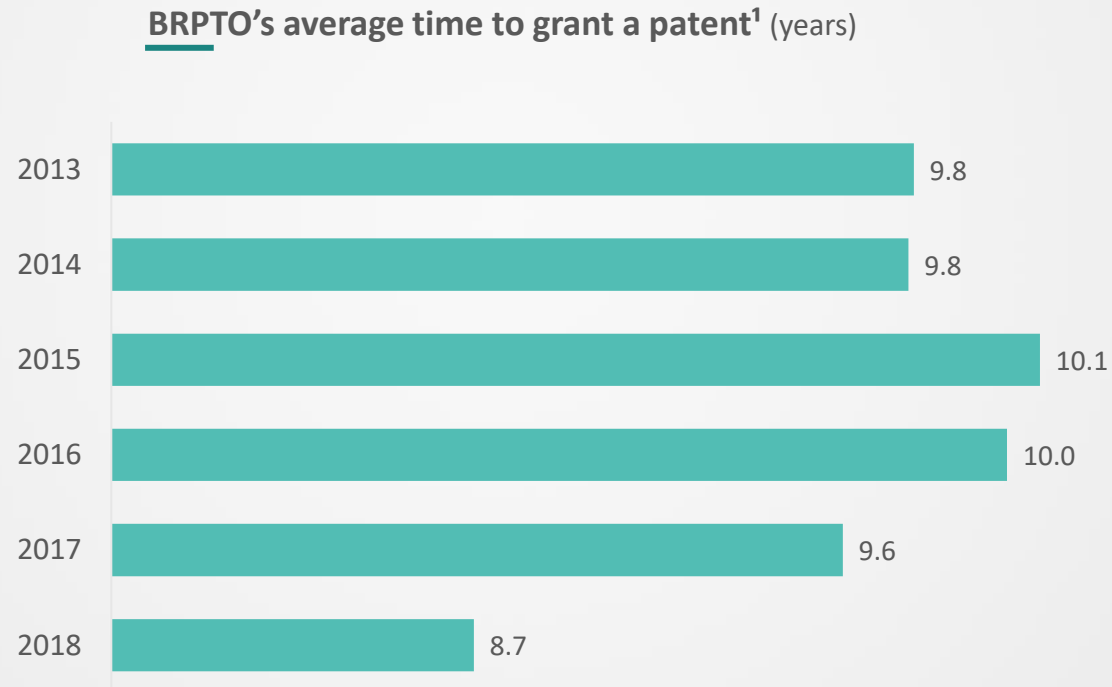


~~Patent backlog situation in Brazil~~



Patent backlog situation

- In the last years, the BRPTO has not been able to process and examine patent applications in a reasonable time.
- In 2018, however, there was relevant improvement and the BRPTO took, on average, 8.7 years to grant patents applications.



Fast-track programs



Fast-track programs

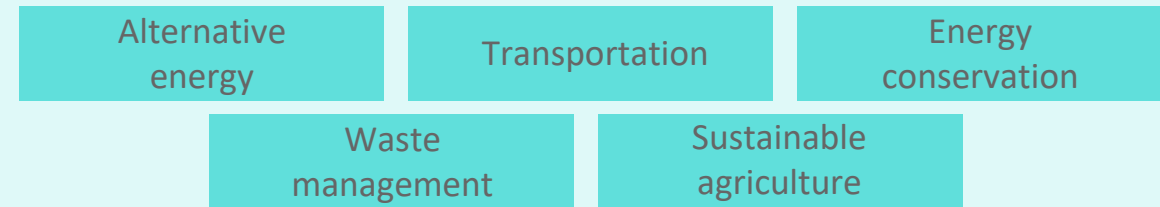
Fast-track examinations programs

BRPTO offers fast-track programs to reduce the delay to grant patents, such as:

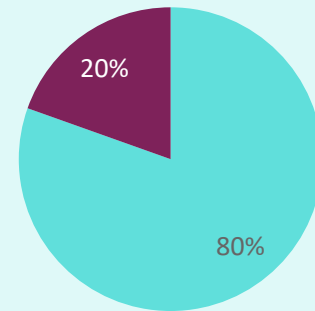
1	Green patents
2	PPH
3	Pre-examination office action
4	Preliminary Office Action
5	Health products
6	Potential infringement
7	Elder applicant

1. Green patents

Program focused on environmentally friendly inventions, involving topics such as:



Green patent
fast track
approval rate
for
examination



■ Request approved for examination
■ Request disapproved for examination

Fast-track programs

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2. PPH

International agreements between BRPTO and Patent abroad, such as the United Kingdom, The United States, Europe, China and Japan.



JPO

Information technology (IT), chemical macromolecules and polymers, metallurgy and materials, microorganisms and biotechnology, agrochemical



USPTO

Oil, gas & petrochemicals, inventions



EPO

Chemistry and medical technologies (except pharma)



SIPO

IT, package, measuring technologies or chemistry (except pharma)



UKIPO

IT, telecommunications, semiconductors, machines, electric status, energy and biotechnology



DKPTO

Mechanical engineering, lighting, heating, weapons, blasting

TECH NEUTRAL since 2019

Fast-track programs

Fast-track examinations programs

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- | | |
|---|-------------------------------|
| 1 | Green patents |
| 2 | PPH |
| 3 | Pre-examination office action |
| 4 | Preliminary Office Action |
| 5 | Health products |
| 6 | Potential infringement |
| 7 | Elder applicant |

4. Preliminary office action

Office action based on the indication of prior art references mentioned by foreign offices aiming at giving applicants the opportunity to amend their applications to mirror the claims granted abroad.

- ▶ An office action containing the prior art cited on counterpart applications abroad;
- ▶ No substantive opinion or formalities comments;
- ▶ 90-day deadline to respond it;
- ▶ BR application can be amended according to its counterparts filed abroad;
- ▶ Applicant can respond it by filing amendments and/or arguments; and
- ▶ Once the response is filed, the substantive examination begins.

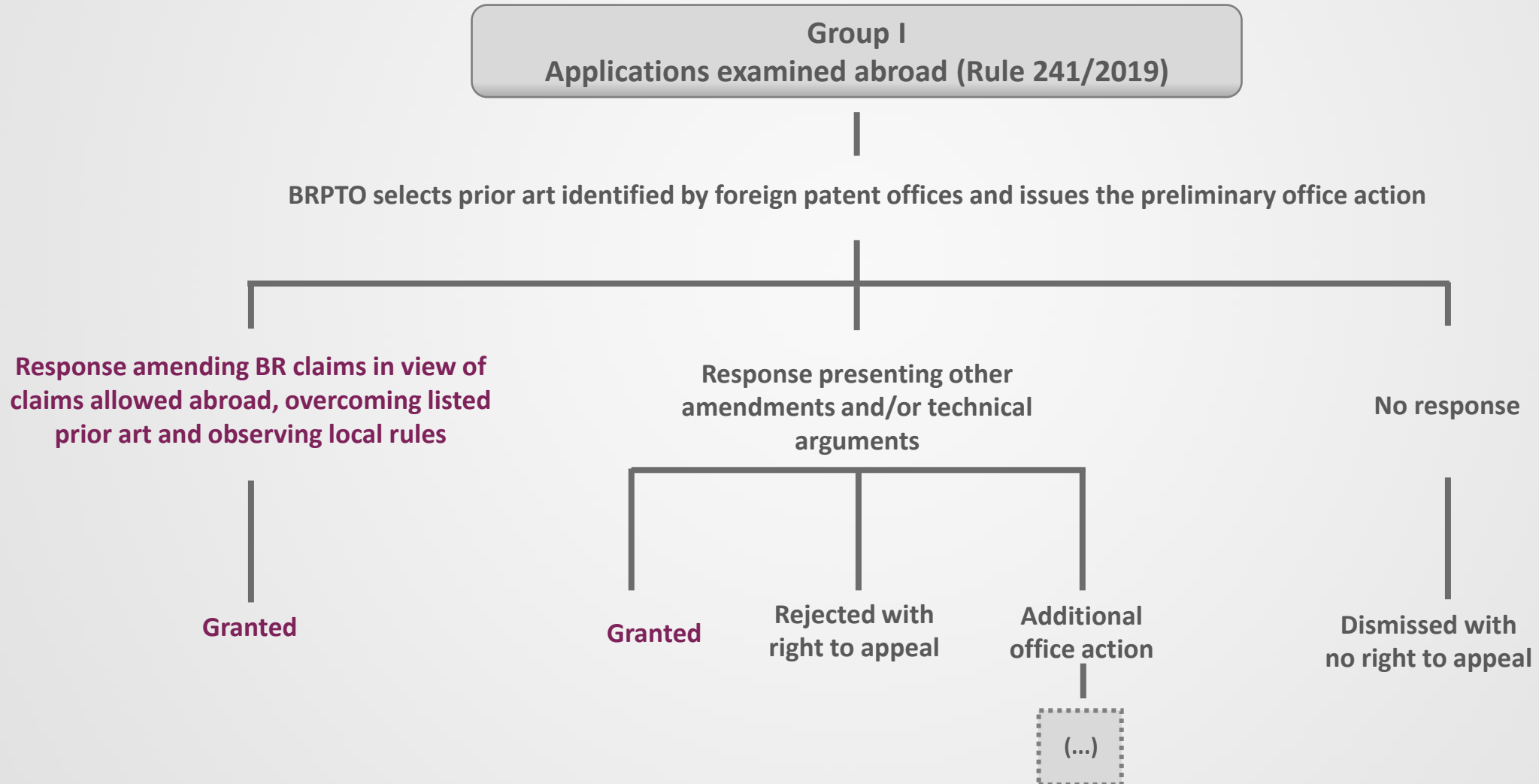
~~Fast-track programs~~

Fast-track examinations programs: Preliminary Office Action Program (6.21)

<u>INCLUDED</u> in the new “Preliminary Standardized Office Action Program”	
<div><div><div><div></div></div></div><div><u>Group I</u> Applications examined abroad (Rule 241/2019)</div></div>	<div><div><div></div></div></div> <div><u>Group II</u> Applications not yet examined abroad or without a foreign counterpart (Rule 240/2019)</div>

~~Fast-track programs~~

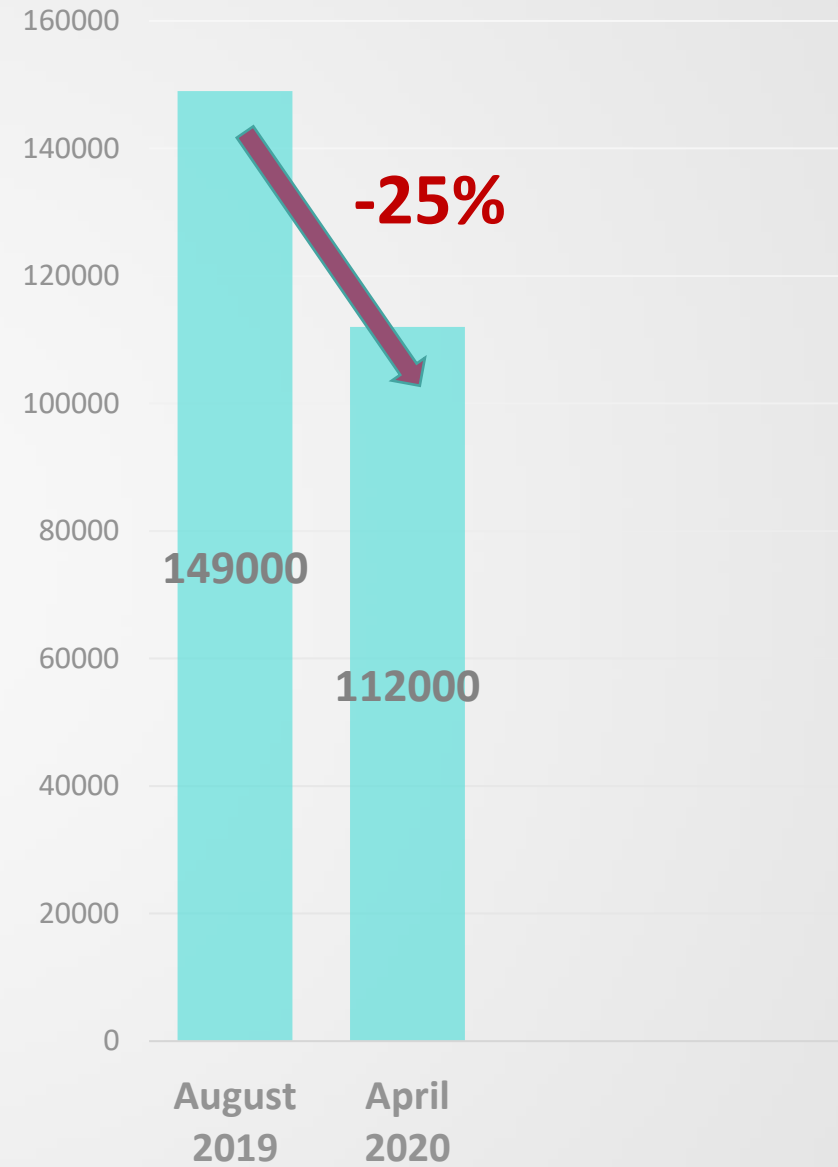
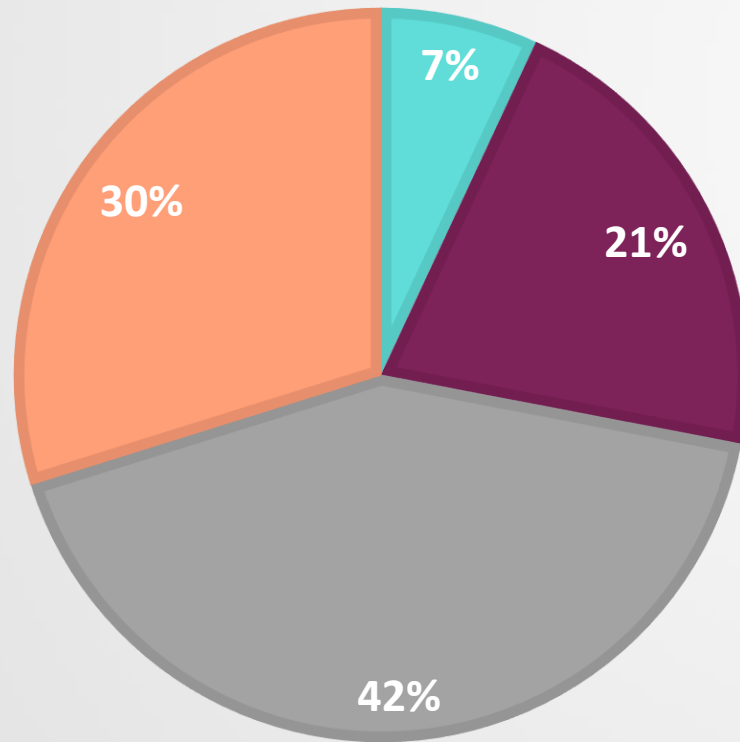
Fast-track examinations programs: Preliminary Office Action Program (6.21)



~~Results so far~~

PRELIMINARY STANDARD OFFICE ACTION PROGRAM

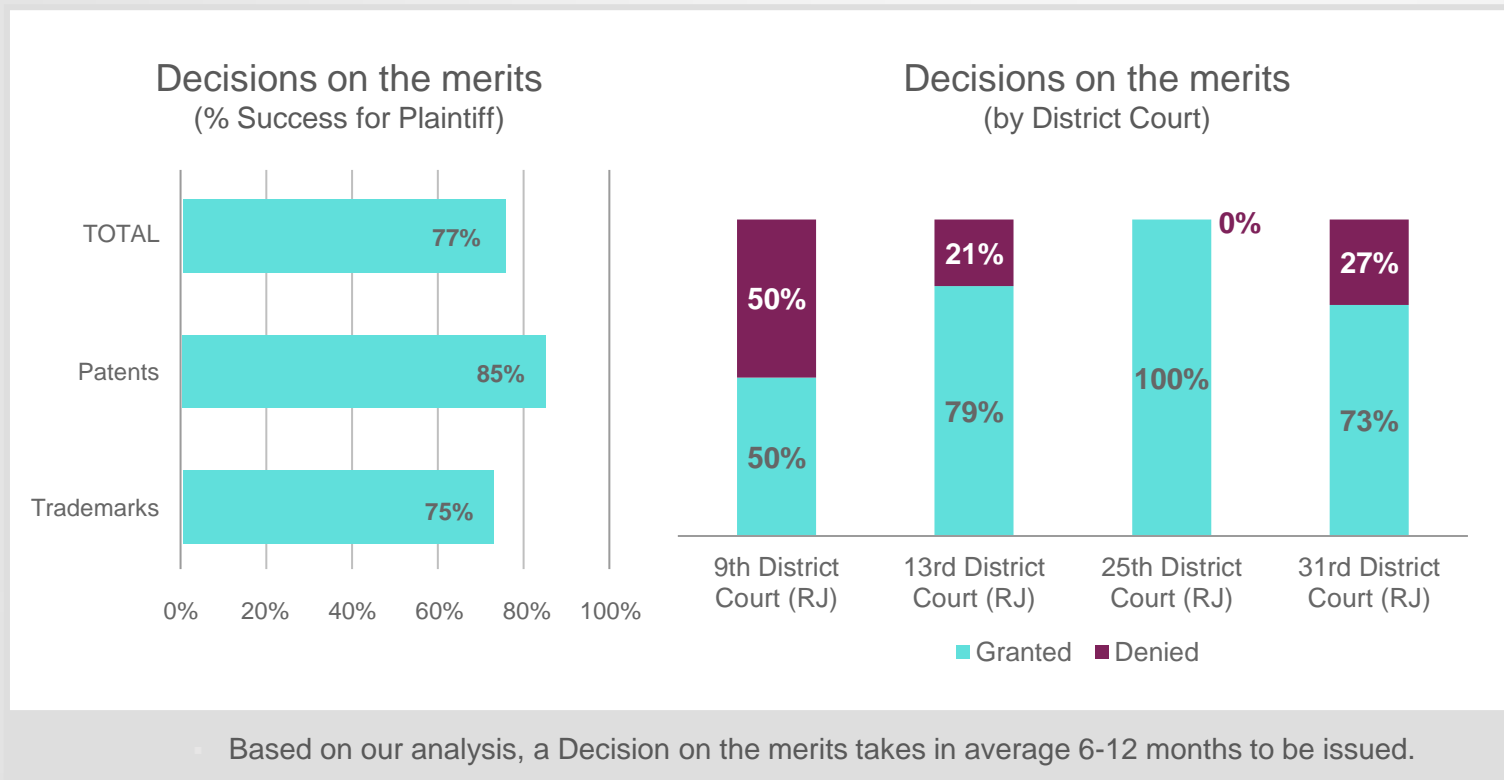
Decided Shelved
Examination underway Waiting examination



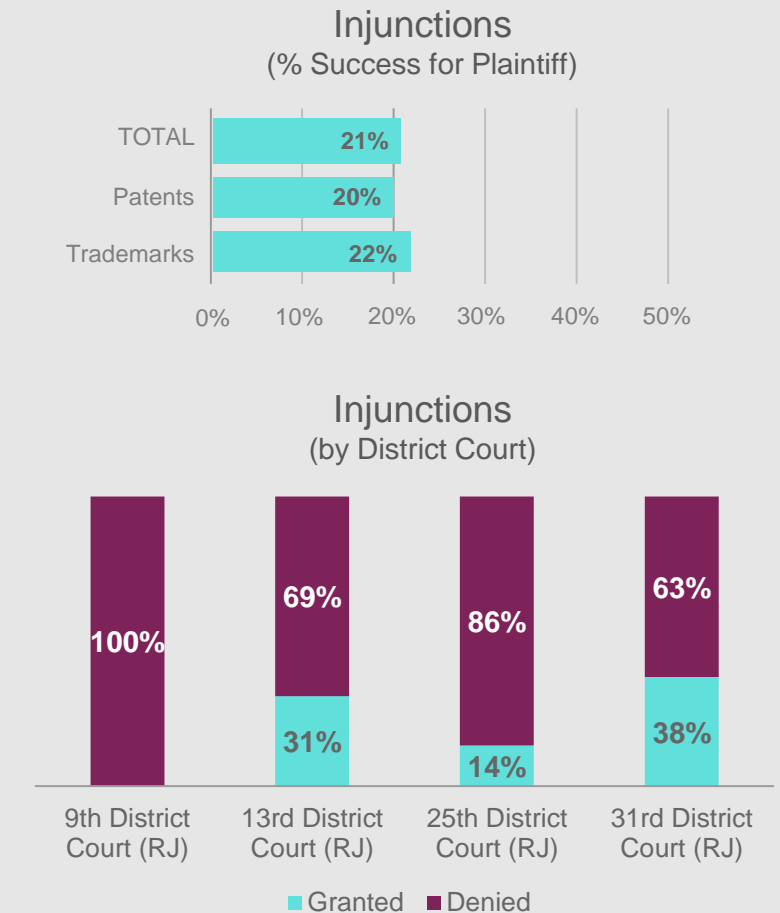
Suing the PTO to expedite examination

Lawsuits against the Brazilian PTO challenging unreasonable delays

So far more than 90 lawsuits were filed against the Brazilian PTO to expedite examination



Injunctions Analyses:



The Brazilian patent system: particularities on claim amendments

The image shows the logo of the Instituto Nacional de Propriedade Industrial (INPI) of Brazil. The logo consists of the letters 'INPI' in a bold, stylized, sans-serif font. The letters are white and are mounted on a dark, reflective glass surface, likely the exterior of a building. The glass reflects the surrounding environment, including other buildings and the sky. The lighting is bright, creating a high-contrast scene.

The patent system in Brazil

Limitation on claim amendments before and after request for examination

In Brazil, an applicant may be allowed to file amendments depending on the stage of the applications process.



* Dependent claims do not fall under this limitation.

~~Patent enforcement & invalidity lawsuits~~

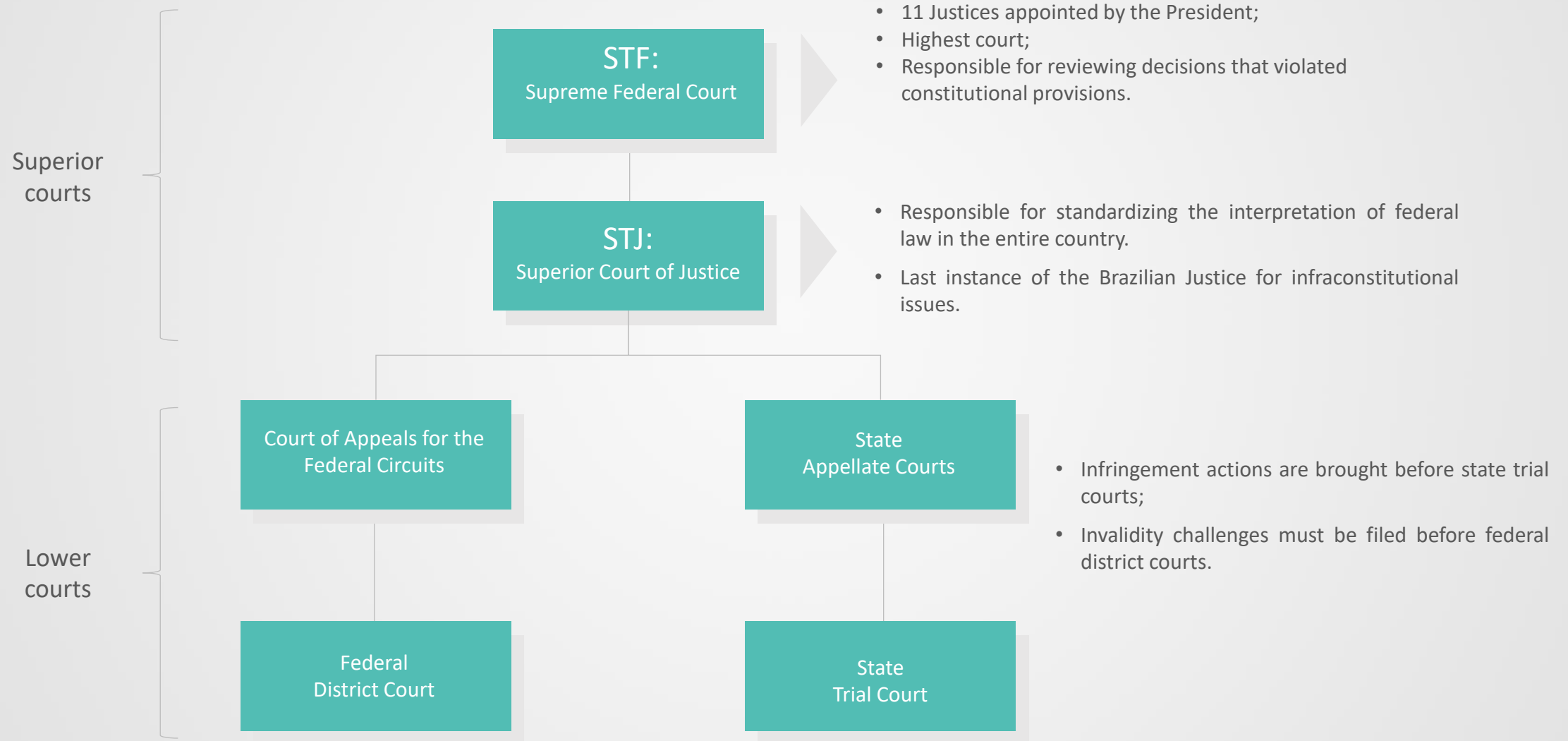


~~P~~atent enforcement & invalidity lawsuits

Introduction

- **Independent judiciary**
- **No bias** against foreign companies
- **Civil law** system (no binding precedents)
- Judges have **no expertise in IP** law and no technical background
- Brazil is a **pro-plaintiff / pro-patentee** jurisdiction

Bifurcated system



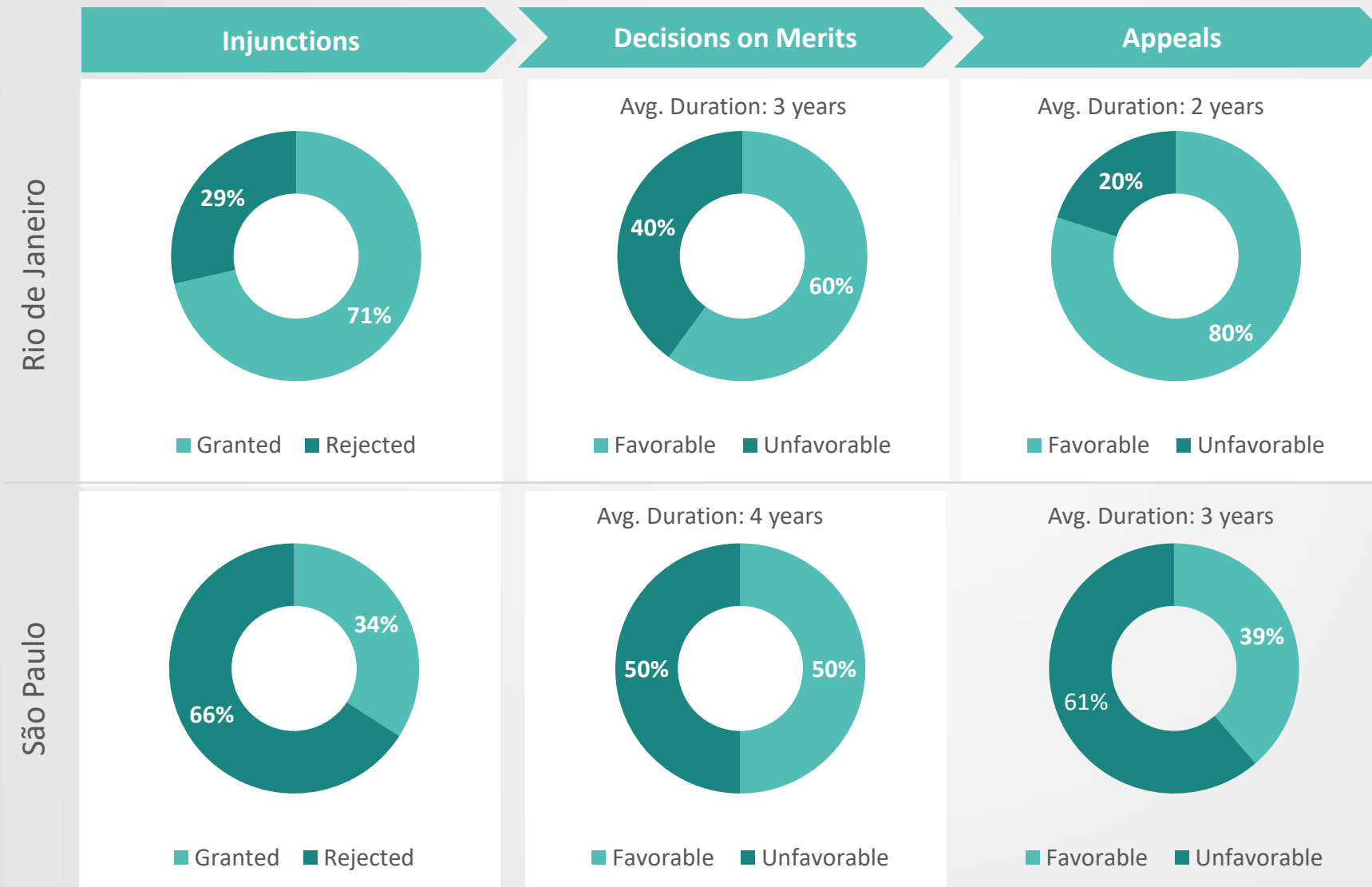
~~P~~reliminary injunctions are available

- No need to give **notice to the defendant**
- No need to post a **bond** or give **security**
- No discussions regarding **balance of hardships** or **public interest**
- Plaintiffs allowed to have **ex parte in-chambers meetings** with judges

~~I~~njunctions available for NPE's and standard-essential patents

- Most recent precedents: **Vringo v. ZTE** and **Ericsson v. TCL**
- **Preliminary injunctions** available for patents covering standard-essential technologies
- Preliminary injunctions can be very broad

Forum-shopping strategy is key



Rio de Janeiro has a more favorable environment for patent holders.

~~P~~atent enforcement

Infringement topics

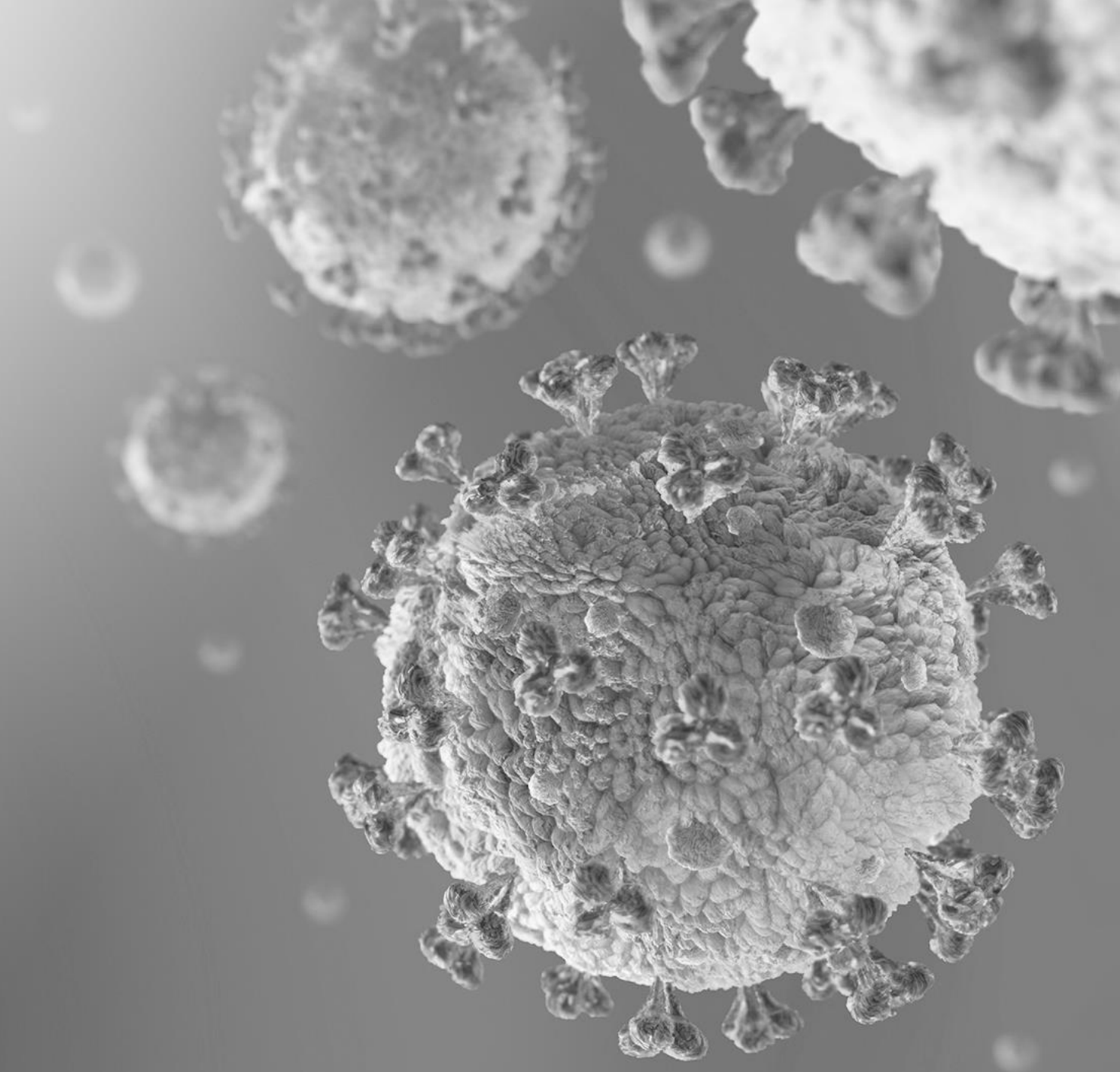
- **Doctrine of equivalence**, inducement and contributory infringement
- Shift in the **burden of proof** for process claims
- **Compensation** for loss profits (your losses or infringer's profits or reasonable royalties)
+ actual/consequential damages + moral damages
- **No Markman Hearings**
- **Permanent injunctions** are a very common remedy
- **Settlements** are less common, most cases go to trial

~~D~~efense strategies

Infringement topics

- **Preparing in advance + monitoring new filings**
- **Pre-grant oppositions** and **post-grant oppositions**
- **Declaratory judgment non-infringement lawsuits**
- **Invalidity lawsuits** + chance of staying the infringement lawsuit
 - Precedent from the Superior Court of Justice
 - BRPTO is a mandatory co-defendant
 - Federal Courts in Rio de Janeiro
 - Hard to get an injunction

~~COVID-19~~ situation



~~E~~mergency measures adopted due to COVID-19

- Judges are working, but all court deadlines were stayed until today, April 30. Now the clock will start ticking again, but just for cases **filed electronically**. Urgent hearings are being held online.
- The Brazilian PTO initially announced that all deadlines would be suspended from March 16 to April 14, and then extended the suspension until April 30, **and now until May 15**. Interviews are not being held.
- **PTO is fully functional** other than that, and examiners are working from home – **productivity was not impacted**, as most examiners we already used to telecommuting.

~~Compulsory License~~



~~C~~ompulsory License

Three bills of law (1184/20, 1320/20, and 1462/20) were proposed between March and April of this year, seeking approval of legal provisions facilitating compulsory licensing of pharmaceuticals, all grounded on either Brazil's current state of national emergency or public interest or both, in combination with measures to facilitate access to technologies and products needed to combat Covid-19;

The Brazilian Intellectual Property Association (ABPI) sent a letter to the President of the Lower House of Congress, Rodrigo Maia, opposing the bill of law 1462/20 stating that no new legislation is necessary to facilitate compulsory licensing of patents because the country already has the appropriate legal framework for this.

Brazilian Lawmakers Propose New Bills to Amend Compulsory Licensing Provisions

- This month Brazilian lawmakers introduced three bills to “automatically” grant compulsory licenses to patents and applications related to technologies for coping with international or national health emergencies.
- Compulsory licenses would be “automatic” as they would be immediately in force as soon as a health emergency is declared, regardless of market shortages or IP misuse, for example.
- According to one of the bills, the Brazilian PTO would be responsible for indicating patents relevant to responding to the emergency, and a fixed royalty rate of 1.5% on the government sales price would be established, and this would be applicable to the ongoing pandemic.
- The language used in the bills is broad and raises questions about how such legislation would be implemented.

Thank you!

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