

Brazilian PTO keeps on doing it right

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Despite all the challenges, the Brazilian Patent and Trademark Office (INPI - Instituto Nacional da Propriedade Industrial) continues at a brisk pace. Because of its powers to grant patents, register trademarks and industrial designs, and record franchise and technology transfer agreements, the INPI has a fundamental role in stimulating innovation and economic development in this country.

In 2019, among uncertainties as to whether policies and initiatives adopted in various areas by the previous government would be continued (in view of the change in government following Brazil's 2018 elections), the INPI maintained its main staff and it seems to have had "carte blanche" to pursue and even reinforce actions designed to create a more dynamic business environment in Brazil, making it more attractive to local and foreign investors.

Measures implemented by previous administrations to increase transparency and productivity support the recent positive results. In 2013, for example, the INPI revised and consolidated various regulatory instruments that governed its activities and processes. In 2017, in the midst of pressure to reduce government spending, the agency finally hired new examiners – who had been approved in a competitive selection process in 2014.

One of the INPI's biggest and oldest problems is its backlog of unexamined applications and the Institute has been working away at the problem. On the trademarks front, the INPI managed to reduce the number of pending applications by 60%,^[1] and the average length of time to a decision dropped from 2 ½ years in 2015 to 6 months by the end of 2019. On the patents front, the number of pending applications fell by 14.5%,^[2] and the number of final decisions issued increased by 162%.^[3]

An important measure introduced in July 2019 to fight the patent backlog was the entry into force, in its final form, of preliminary Office Action proceedings, taking into consideration, when available, examinations performed by foreign patent offices in corresponding applications. The measure seeks to improve the examination procedure by requiring the applicant to state, at an early stage, its position with respect to identified prior art, and to avoid spending time on technologies that have lost importance for their developers. The preliminary report mechanism by itself reduced the patent backlog by 24.3% in eight months and half of the remaining applications had their examination started.^[4]

It is worth mentioning that the INPI's measures to reduce its backlog contribute to reducing legal uncertainty and allow innovative players to obtain an effective return on their investment.

Another measure for optimizing patent granting procedures began on December 2019. A new pilot project related to the Patent Prosecution Highway (PPH) was designed to standardize requirements under existing

PPH agreements and facilitate cooperation with PTOs in other countries, currently amounting to 21 partner PTOs worldwide.

In the trademarks area, Brazil's accession to the Madrid Protocol is a recent highlight. The treaty facilitates registration of trademarks in as many as 120 countries around the world, and reduces bureaucracy and costs both for Brazilians that seek protection for their marks abroad, and for foreigners that seek to register their trademarks in Brazil.

To implement the Madrid Protocol, INPI will make significant changes in the processing of trademark applications. The most important are the possibility of filing multi-class applications (a single application covering more than one class of products or services) and filing applications in joint ownership (two or more parties registered as co-owners of a trademark with the INPI).

These sustained, focused efforts seem to show that Brazil has grasped the central importance of intellectual property to the economy – an importance that will only increase in the future. In this sense, the INPI has been a portrait of Brazil doing it right.

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NOTES:

[1] The number of pending applications dropped from 474,656 in 2015 to 191,535 in 2018, at the same time that the number of new applications grew considerably.

[2] The 242,820 pending applications in 2015 fell to 208,241 in 2018.

[3] Decisions increased from 15,842 in 2015 to 41,503 in 2018.

[4] The number of applications under the Program dropped from 149,940 as of 1 August 2018 to 113,480 as of 31 March 2020, of which 52,700 are currently under examination and 3,400 are discontinued with possible reinstatement.

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