

**CHECKLIST OF ISSUES ON ENFORCEMENT<sup>1</sup>**

Responses from Brazil

**Civil and Administrative Procedures and Remedies**

(a) *Civil judicial procedure and remedies*

**1. Specify the courts which have jurisdiction over IPR infringement cases.**

Only State Courts have jurisdiction over intellectual property rights infringement cases, whereas for questions regarding the property title (nullity, forfeiture, etc.) the jurisdiction shall be exercised by Federal Courts.

**2. Which persons have standing to assert IPRs? How may they be represented? Are there requirements for mandatory personal appearances before the court by the right holder?**

Normally, only title holders are entitled to defend their rights (in Brazil, it is forbidden to litigate in one's own name based on the right of a third party), although in cases of voluntary licences of trademarks and patents there are special provisions that allow the licensee to defend the title.

Businesses and individuals are normally represented by lawyers.

Personal appearances (either of natural persons or the legal representative of a legal entity) before the Courts are not mandatory, except in very exceptional cases, when the other party requires such appearance in order to clarify a question.

**3. What authority do the judicial authorities have to order, at the request of an opposing party, a party to a proceeding to produce evidence that lies within its control?**

According to the Brazilian Civil Procedure Code, judges have the general authority to order a party to a civil proceeding, as well as third parties, to produce evidence (document or thing) which lies within its control. In case the party, or a third party, illegitimately refuses to present the aforementioned evidence within 5 days (the party) or 10 days (the third party), the facts which were to be proven by means of such document or thing ("res") will be considered as duly proven.

Furthermore, judicial authorities have the authority to order the apprehension of goods.

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<sup>1</sup> Document IP/C/5.

**4. What means exist to identify and protect confidential information brought forward as evidence?**

Under Brazilian Law there are no specific means to identify confidential information. Therefore, before presenting any information, the holder shall apply for its confidentiality and present evidence in this regard - which may be contested by the other party. The judge will decide about the requested confidential nature of the information.

If the decision is positive, the judge orders that the proceedings shall be held confidential and no third party may have access to it. Besides that, the other party may not use such information for other purposes. This situation, however is an exception to the general rule in Brazilian Law, according to which proceedings are public and any lawyer may have access to them.

**5. Describe the remedies that may be ordered by the judicial authorities and criteria, legislative or jurisprudential, for their use;**

- **injunctions;**
- **damages, including recovery of profits, and expenses, including attorney's fees;**
- **destruction or other disposal of infringing goods and materials/implements for their production;**
- **any other remedies.**

Injunctions

There is no such concept in Brazilian Law, but there are other legal instruments, such as provisional measures, writ of *mandamus* and anticipated protection, that may be applied for such purposes.

(Regarding criteria, please see answers to questions 10 to 13.)

Damages, including recovery of profits, and expenses, including attorney's fees

Under Brazilian Law, anyone who is held responsible for an unlawful act is to compensate the party suffering the resulting injury (either this injury consists of damages or/and recovery of profits).

Besides this general rule, there are some other specific rules related to this issue. As for industrial property cases, for instance, calculation of the compensation for loss of profits shall be, among three criteria, the most favorable to the title holder, following a decision by the magistrate. Another example, in the area of copyrights, it is determined that whenever it is impossible to establish the precise number of pirated copies of literary works, compensation is to be calculated on a 3000 infringing goods basis for each edition of a protected work. This rule is also applicable to reproducible artistic works.

As for judicial expenses incurred by the title holder in civil proceedings, those are to be reimbursed by the defendant when he is held responsible for the infringement. Title holder's lawyers are entitled to a fee varying from 5 to 20% of the value of the proceedings.

Destruction or other disposal of infringing goods and materials/implements for their production

There are no specific provisions in the Civil Law related to this issue, only within the ambit of criminal procedures (see answer to question 24).

Any other remedies

Among others, it can be mentioned that, in case of copyright infringement, seized goods will become the title holder's property; non-authorized broadcasting and communication to the public may give rise to a daily fine and in the case of re-occurrence such fine may be doubled.

- 6. In what circumstances, if any, do judicial authorities have the authority to order the infringer to inform the right holder of the identity of third persons involved in the production and distribution of the goods of services found to be infringing and of their channels of distribution?**

There is no such possibility under Brazilian Law.

- 7. Describe provisions relating to the indemnification of defendants wrongfully enjoined. To what extent are public authorities and/or officials liable in such a situation and what "remedial measures" are applicable to them?**

Based on the same general rule that anyone who is held responsible for an unlawful act is to compensate the party suffering the resulting injury, a defendant may require the payment of a compensation.

Public authorities and officials acting unlawfully, intentionally or taking the risk of injuring third parties, may cause the Union or the State to have to compensate such private party. To prevent public authorities or officials from acting, or to suspend the effects of their acts, the remedies are certain judicial procedures such as writ of *mandamus*, *habeas corpus*, popular action and some provisional measures.

- 8. Describe provisions governing the length and cost of proceedings. Provide any available data on the actual duration of proceedings and their cost.**

There are no data available on this topic.

(b) *Administrative procedures and remedies*

- 9. Reply to the above questions in relation to any administrative procedures on the merits and remedies that may result from these procedures.**

There are no administrative procedures available for infringement of intellectual property rights.

### **Provisional Measures**

(a) *Judicial measures*

**10. Describe the types of provisional measures that judicial authorities may order, and the legal basis for such authority.**

Besides the possibility judges have to order the search and seizure of the infringing goods, the anticipated production of evidences and the suspension of the validity of certain administrative acts (such as the granting of a patent or a trademark, for instance), judges have also a broad and general authority to order the defendant to refrain from performing certain acts (such as selling, putting in the channels of commerce, offering to the public, manufacturing, etc.).

**11. In what circumstances may such measures be ordered *inaudita altera parte*?**

Whenever there is the risk of evidence disappearing, or the order being ineffective, provided *fumus bonus juris* and *periculum in mora* are present, judges may give a preliminary order *inaudita altera parte*.

**12. Describe the main procedures for the initiation, ordering and maintenance in force of provisional measures, in particular relevant time-limits and safeguards to protect the legitimate interests of the defendant.**

Provisional measures related to intellectual property rights fall under the general provisions of the Brazilian Civil Procedure Code.

The title holder must apply for the measure, showing his evidences, and, when necessary, also apply for a liminar order (which may be *inaudita altera parte*). If such liminar order is obtained or upon final decision, if positive, the plaintiff will have thirty (30) days to start an "ordinary proceeding" against the infringer.

**13. Describe provisions governing the length and cost of proceedings. Provide any available data on the actual duration of proceedings and their cost.**

There is no data available on this topic.

**14. Reply to the above questions in relation to any administrative provisional measures.**

As provisional measures are an accessory part of judicial measures in infringement cases, there are no administrative procedures for such situations.

### **Special Requirements Related to Border Measures**

**15. Indicate for which goods it is possible to apply for the suspension by the customs authorities of the release into free circulation, in particular whether these procedures are available also in respect of goods which involve infringements of intellectual property rights other than counterfeit trademark or pirated copyright goods as defined in the TRIPS Agreement (footnote to Article 51). Specify, together with relevant criteria, any imports excluded from the application of such procedures (such as goods from another member of a customs union, goods in transit or *de minimis imports*). Do the procedures apply to imports of goods put on the market in another country by or with the consent of the right holder and to goods destined for exportation?**

Indicate for which goods it is possible to apply for the suspension by the customs authorities of the release into free circulation, in particular whether these procedures are available also in respect of goods which involve infringements of IPRs other than counterfeit trademark or pirated copyright goods as defined in the TRIPs Agreement (footnote to Article 51)

Whenever a good presents its characteristics altered in such a way as to jeopardize or to make impossible its identification, such good is to be seized *ex officio* by customs authorities, both in case of importation or exportation.

As for the judicial application by the holder of the intellectual property rights for the suspension by the customs authorities of the release into free circulation of goods, this procedure can be applicable to any intellectual property rights category.

Specify, together with relevant criteria, any imports excluded from the application of such procedures (such as goods from another member of a customs union, goods in transit or *de minimis* imports). Do the procedures apply to imports of goods put on the market in another country by or with the consent of the right holder and to goods destined for exportation?

If there is a judicial order, the application of such procedures is mandatory irrespective of the origin of the goods or of its quantity. Goods in transit are excluded from this provision.

The general rule for industrial property rights is the national exhaustion of rights; but it is to be noted that if a compulsory license has been granted, or if the title holder is importing to the Brazilian market, then the importation by the licensee or by third parties of goods released into the international market by the title holder or with his consent cannot be withheld on the basis of a trademark exclusive right, these being the only cases where international exhaustion applies.

- 16. Provide a description of the main elements of the procedures relating to the suspension of the release of goods by customs authorities, in particular the competent authorities (Article 51), the requirements for an application (Article 52) and various requirements related to the duration of suspension (Article 55). How have Articles 53 (security or equivalent assurance), 56 (indemnification of the importer and of the owner of the goods) and 57 (right of inspection and information) been implemented?**

Considering that all the referred articles of the TRIPs Agreement (as well as the preceding ones) are not mandatory ("may clauses") there are no special proceedings established for suspension of imports based on intellectual property rights; therefore they have to comply with the ordinary administrative requirements.

- 17. Describe provisions governing the length and cost of proceedings. Provide any available data on the actual duration of proceedings and their cost. How long is the validity of decisions by the competent authorities for the suspension of the release of goods into free circulation?**

There is no data available on this topic.

**18. Are competent authorities required to act upon their own initiative and, if so, in what circumstances? Are there any special provisions applicable to *ex officio* action?**

In the case of counterfeited, false or imitated trademarks, mentioned in question 15 above, customs authorities may act *ex officio*.

There are no other special provisions applicable to an *ex officio* action.

**19. Describe the remedies that the competent authorities have the authority to order and any criteria regulating their use.**

Seized goods shall be preferably destroyed. In some cases, when the infringement can be materially eliminated, they may be donated to non-profit institutions (e.g. charity) or sold in public auction.

**Criminal Procedures**

**20. Specify the courts which have jurisdiction over criminal acts of infringement of IPRs.**

Only State Courts have jurisdiction over criminal acts of infringement of intellectual property rights.

**21. In respect of which infringements of which intellectual property rights are criminal procedures and penalties available?**

Criminal procedures and penalties are available for infringements related to all categories of intellectual property rights, except plant varieties protection.

**22. Which public authorities are responsible for initiating criminal proceedings? Are they required to do this on their own initiative and/or in response to complaints?**

Whenever an industrial property right is violated, the right holder is entitled to present a complaint before a judge or the police.

As for copyright, in spite of the general rule being the same, if the illegal act is the reproduction, selling, offering to the market, it is only necessary to present a notice of the fact for the public prosecution service to act.

In the eventuality the prosecutor fails to act, private parties (title holders) may present the complaint.

**23. Do private persons have standing to initiate criminal proceedings and, if so, who?**

Please, see answer to question 22 above.

**24. Specify, by category of IPR and type of infringement where necessary, the penalties and other remedies that may be imposed:**

- **imprisonment;**
- **monetary fines;**
- **seizure, forfeiture and destruction of infringing goods and materials and implements for their production;**
- **other.**

Imprisonment and monetary fines

- Patents

The penalties are imprisonment, varying from 1 (one) month to 1 (one) year, or a fine (articles 183 to 186 of Law N° 9.279, dated 14 May 1996).

- Industrial designs

The penalties are imprisonment, varying from 1 (one) month to 1 (one) year, or a fine.

- Trademarks

The penalties are imprisonment, varying from 1 (one) month to 1 (one) year, or a fine.

- Geographical indications

The penalties are imprisonment, varying from 1 (one) to 3 (three) months, or a fine.

- Copyright

The penalties are imprisonment, varying from 3 (three) months to 4 (four) years, and/or a fine.

Regarding software, the penalties are imprisonment, varying from 6 (six) months to 4 (four) years, and/or a fine.

Note: The penalties described above may be aggravated in the presence of certain circumstances.

Seizure, forfeiture, and destruction of infringing goods and materials and implements for their production

In the case of criminal procedures, the plaintiff may request the destruction of a counterfeited trademark, even at the risk of destruction of the product or its packaging.

Also, by judicial decision, pirated goods, materials, equipment, moulds, negatives and other elements used for the infringement of the copyright may be destroyed.

Police officers must seize illegal goods upon receipt of the right holder's complaint and judges have the general power to order the seizure of illegal goods and their destruction, donation or auction.

- 25. Describe provisions governing the length and any cost of proceedings. Provide any available data on the actual duration of proceedings and their cost, if any.**

There is no data available on this topic.

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