

CHECKLIST OF ISSUES ON ENFORCEMENT¹

Replies from Portugal²

Civil and administrative procedures and remedies

(a) *Civil judicial procedures and remedies*

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

The ordinary courts have jurisdiction over intellectual property right (IPR) infringement cases (Articles 2, 14, 46 and 56 JC).

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 rightholder?

- Concept of interest and capacity to bring legal proceedings (Articles 5, 26 and 26A CPC).
- Possibility of representation (attorney) (Articles 72, 73 and 74 CRRC and Article 35 CPC).
- Requirement to instruct counsel in most cases (Articles 32, 43 and 44 CPC).
- The rules of civil procedure permit the parties to be represented, which means that the personal appearance of the right holder before the court is not mandatory.

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 which lies within its control?

In the light of the principles applicable, on which several provisions of the CPC are based (Articles 3-A, 158, 266, 266A, 266B and 519), the judge has the authority to order the production of evidence deemed necessary for the proper conduct of the proceedings and the discovery of the truth.

¹ Document IP/C/5.

² List of abbreviations:

CPC	-	Civil Procedure Code
PPC	-	Penal Procedure Code
CCC	-	Court Costs Code
CRRC	-	Copyright and Related Rights Code
IPC	-	Intellectual Property Code
JC	-	Judicial Code

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

Under certain conditions, the judicial authority may restrict access to evidence submitted (CPC and Company Code).

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 are governed by Decree Law No. 409/93, 10.12, including those applicable to intellectual property rights.
- Damages (provisions of Articles 562 et seq. of the Civil Code).
- Damages do not include either procedural costs and expenses or attorney's fees.
- In general, as regards costs and expenses, it is the losing party that is ordered to pay them (Article 446 CPC and Articles 1 and 32 CCC), unless the court decides otherwise.
- Article 444 CPC provides for the recovery of attorney's fees.
- The CPC (Articles 178 and 186 No. 2) and the CRRC (Articles 201 and 202) both provide for the destruction of infringing goods and materials/implements for their production.
- The law (Decree Law No. 433/82, 27/10 as amended by Decree Law No. 244/95, 14/9 and Articles 204 and 205 CRRC) provides for fines, as an administrative penalty.

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 or distribution of the goods or services found to be infringing and of their channels of distribution?

Our legal system does not provide for this possibility.

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

Officials and employees of central and local government may be held liable for breach of duty, whether by action or omission (Decree Law No. 24/84, 16.1).

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 specific provisions governing the length and cost of proceedings, which vary, in particular, according to the complexity of the case and the number of parties involved.

(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.

The administrative decisions taken concern only the registration of the industrial property rights, which is why the Portuguese legislation does not provide for administrative procedures on the merits or remedies relating to the infringement of industrial 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.

The Civil Procedure Code (Article 381) authorizes the judicial authorities to order provisional measures at the request of the applicant. The provisional measures must be appropriate and adequate for the intended purpose, namely ensuring that during the main proceedings the party seeking redress does not suffer serious and irreparable harm.

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

Provisional measures may be ordered *inaudita altera parte* if this is necessary to ensure their efficacy (Article 385 No. 1 CPC).

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.

The urgent procedure relating to provisional measures runs in parallel with the main proceedings (Article 385 CPC).

Article 389 No. 1(a) CPC specifies a period of 30 days for commencement of the main proceedings from the time that the applicant is notified of the provisional measures ordered by the court. This period is reduced to ten days if the provisional measures have been ordered *inaudita altera parte*.

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

The urgent procedures relating to provisional measures have priority; the proceedings last a maximum of two months or two weeks, according to whether or not the other party is heard (Article 382 CPC). Moreover, Articles 313(d) CPC and 15 No. 1(m) CCC provide for the costs to be reduced.

(b) *Administrative measures*

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

Generally speaking, all provisional measures are ordered by the judicial authorities.

However, Article 274 IPC authorizes the customs authorities to seize any products or merchandise being imported or exported which directly or indirectly bear false indications or appellations of origin or trademarks or names that are illegally used or applied or display evidence of an offence stipulated in that Code.

With regard to situations of *flagrante delicto* involving the infringement of copyright and related rights, the administrative authorities and the police are authorized to seize objects connected with the offence (Article 201 No. 3 CRRC).

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?

It is possible to apply for the suspension of the customs clearance procedure in respect of counterfeit, pirated or comparable goods. The customs authorities may not intervene in the case of parallel sales or goods under the duty-free allowance procedure for travellers.

The procedures in question apply in both cases.

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?

The customs authorities may intervene *ex officio* - if they have good grounds for suspicion - or upon the submission of a written request by the right holder or his representative. The duration of the period during which the customs authorities may take measures is six months, renewable at the request of the holder or his representative.

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?

Reference should be made to Regulation EC No. 3295/94 which is directly applicable to Portugal. The customs authorities must rule on the request within a maximum of ten days. As regards the administrative costs, they vary according to the service provided.

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?

The customs authorities may act ex officio to achieve the result sought by the request for intervention which, in this case, must be submitted a posteriori within the next three working days.

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

The customs authorities have the authority to retain the counterfeit goods pending a judgement on the merits or a decision concerning provisional measures.

Criminal procedures

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

The ordinary courts have jurisdiction in these matters also (Article 16 PPC and Articles 195, 196, 197, 198 and 199 CRRC and Articles 257 to 277 IPC).

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

Apart from civil proceedings, industrial property rights are also protected by criminal sanctions, in particular:

- Unfair competition (Article 260 IPC) punishable by up to three years' imprisonment or a fine accumulating for up to 360 days;
- infringement of the exclusive right to an invention (Article 261) punishable by up to three years' imprisonment or a fine accumulating for up to 360 days.
- patent obtained in bad faith (Article 262) punishable by up to one year's imprisonment or a fine accumulating for up to 120 days;
- infringement of the exclusive rights conferred by models and designs (Article 263) punishable by up to two years' imprisonment or a fine accumulating for up to 240 days;
- counterfeiting, imitation and illegal use of trademarks (Article 264) punishable by up to two years' imprisonment or a fine accumulating for up to 240 days;
- illegal reference to or use of awards (Article 267) punishable by up to one year's imprisonment or a fine accumulating for up to 120 days.
- infringement of rights conferred by names and emblems (Article 268) punishable by up to one year's imprisonment or a fine accumulating for up to 120 days.

As far as copyright and related rights are concerned, the CRRC establishes as offences usurpation (Article 195) and infringement (Article 196). The same Code also punishes the use of the infringed or usurped work (Article 199) and the infringement of non-pecuniary rights (Article 198). In all these cases the Code provides for up to three years' imprisonment and fines accumulating for from 150 to 250 days. Depending on the seriousness of the offence, the penalties may be doubled in

the case of a re-offender, if the act constituting the offence is not a crime to which a more serious penalty is applicable. These offences are also punishable on grounds of negligence.

The offences for which the CRRC provides are public offences which do not depend on the lodging of a complaint by the injured party, except when the offence relates exclusively to the infringement of non-pecuniary rights. Where works in the public domain are concerned, the complaint must be lodged by the Ministry of Culture.

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?

The initiative to prosecute may be taken ex officio through the Public Prosecutor's Office or upon a complaint being lodged by the injured party with the judicial authorities, the criminal investigation department or some other police department.

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

See the reply to question 22.

Articles 284 and 285 of the PPC, Article 273 of the IPC and Articles 198 (Infringement of non-pecuniary rights) and 200 of the CRRC also allow private persons to co-prosecute on the basis of facts which form part of the charge brought by the Public Prosecutor or other facts which do not substantially alter the former. However, this possibility is only available where the offence cannot be investigated on the basis of information laid by the injured party.

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.**

See the reply to question 21.

In the Portuguese legislation the production of unclassified videograms and non-authentic phonograms is considered to be an unlawful act punishable by a monetary fine (Decree 30/88 and Decree 227/89).

The following are also considered to be unlawful acts punishable by fines: the use of illicit trademarks (Article 269 IPC), failure to use compulsory trademarks (Article 270 IPC) unlawful use of a name or emblem (Article 271 IPC) and false reference to or undue use of private rights (Article 272 IPC).

The CRRC also provides for other offences, punishable by monetary fines (Articles 205 and 206).

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.

The costs and duration of the proceedings depend on several factors, such as the complexity of the case, the number and nature of the steps to be completed, the corresponding judicial procedures and any appeal. Criminal procedure involves three stages: investigation, examination and trial. The investigation may not take more than six or eight months, depending on whether or not someone is in prison (Article 276 PPC). It concludes with a final decision to commit to trial or to dismiss the case (Articles 277, 285 and 283 No. 1 PPC).

The examination phase is optional, is conducted by an examining judge and takes place only at the request of the accused and the co-prosecutor. The purpose of this phase is to verify the decision concerning whether or not to commit to trial (Articles 286, 288, 289, 268, 269 and 290 PPC).

The judge must conclude the examination and decide the question of committal to trial within two months, if there is someone in prison, or four months, if there is not (Article 307 PPC). If it is decided to commit the accused to trial, the case is referred to the competent court (Article 311 No. 1 PPC). There is an opportunity for a final appeal against this decision (Articles 399, 400, 427 and 432 PPC).

As regards the cost of the proceedings, criminal procedures are also subject to a court tax and charges (Article 374 PPC and Articles 74, 82, 83, 85, 86, 87 and 13 CCC).

A person found guilty is liable for the payment of court tax and costs (Articles 513, 514, 524 PPC and Article 96 No. 3 CCC).

The liability of the co-prosecutors and parties claiming damages with respect to court tax is determined by Articles 515, 518, 519 and 520 PPC.

Failure to pay costs gives rise to execution proceedings for which the Public Prosecutor's Office is competent (Articles 116, 117, 123 CCC and Articles 467 and 469 PPC).
