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## INTELLECTUAL PROPERTY

### THE PORTUGUESE IP CODE REVISION – DESIGNS AND MODELS | TRADEMARKS AND LOGOTYPES

The new Intellectual Property (IP) Code revision, approved by Decree-Law no. 110/2018 (DL 110/2018), was prepared following the consultation of several entities, *inter alia*, the Portuguese Intellectual Law Association, the Portuguese Group of AIPPI, the Portuguese Business Confederation and Portuguese Association of Intellectual Property Consultants.

The provisions of DL 110/2018 in respect of trade secrets, resulting notably from the transposition of Directive (EU) 2016/943 of the European Parliament and of the Council of 8 June 2016 on the protection of undisclosed know-how and business information (trade secrets) against their unlawful acquisition, use and disclosure, entered into force on 1 January 2019. The provisions of DL 110/2018 that amended the regime of enforcement of industrial property rights concerning medicines, enacted by Law no. 62/2011, already entered into force on 9 January 2019 (see the relevant summary in [here](#)). The remaining provisions of the IP Code approved by DL 110/2018, particularly those under analysis herein, will enter into force on 1 July 2019.

The most relevant revisions to the IP regime brought by DL 110/2018 concerning the legal protection of designs or models, trademarks – in this case as a result of the transposition of Directive (EU) 2015/2436 – and logotypes registration, as well as the respective procedural requirements, are highlight below. The most relevant revisions to the IP regime carried out by DL 110/2018 regarding the enforceability of European patents validated in Portugal and the application and enforceability of supplementary protection certificates (SPC), as well as the general provisions applicable thereto, have been addressed separately (the correspondent flash can be found in [here](#)). The remaining IP rights and the protection of trade secrets will be subject of separate flashes. The articles indicated in brackets refer to the new Code.

#### General Provisions

- The **date of the application** for a design or model, trademark or logotype registration is deemed to be the date on which the application was submitted with all the legally required elements (article 12). Thus, if the application is not immediately accompanied by all the legally required elements, the date on which the last of these elements is submitted shall be considered as the date of application. If the application is subject to an amendment of essential elements before the initial publication, the date on which the amendment is requested shall be considered as the date of application.
- Specific provision of the **impossibility of extending the term** (not exceeding 6 months) of the **suspension period of the case examination** (article 18, paragraph 1).
- Definition of aspects relating to **modification requests of INPI's decisions**: (i) possibility for the **parties to respond** to the decision's modification request within a period of one month, extendable once only for the same period (article 22, paragraph 3); (ii) possibility of accepting **additional submissions** whenever the order on the decision's modification request has not yet been carried out and this is necessary for further clarification of the procedure (article 22, paragraph 4).
- **The facts subject to annotation before the INPI** include, in addition to the filing of judicial proceedings for the declaration of nullity or annulment of IP rights, the filing of counterclaims for the same purpose (article 29, paragraph 1, item d)).
- The **declaration of nullity or annulment of designs or models, trademarks and logotypes'** registrations shall **result from a decision of the INPI**, except when it results from a counterclaim filed in the context of judicial proceedings (article 34, paragraph 2; see also articles 204, 207, 262 and 266). The INPI decisions referred to above may be **appealed to the Intellectual Property**

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**Court** (article 38, item b), and article 39, paragraph 1). The interested party with legal standing for the declaration of nullity or annulment procedure must be represented by an IP agent, lawyer or solicitor (article 10, paragraph 2).

- The **request for annulment** of designs or models, trademarks and logotypes' registrations, must now be filed within 5 years as from the decision of grant (article 34, paragraph 7).
- An IP right can be **revalidated** subject to the payment of three times the amount of unpaid due fees, within a period of one year from the publication date of the expiry notice in the Industrial Property Bulletin (article 369, paragraphs 1 and 2). Article 369, paragraph 3 clarifies that the proprietor cannot invoke its IP right against a third party that, in good faith, exploited or seriously prepared the exploitation of the IP right's object during the period between the loss of the right and its revalidation.

## Designs or Models

- Expressions used to identify the design or model or expressions that appear in its representations **do not determine the scope of protection granted** – article 183, paragraph 2.
- After publication of the request, the latter **may only be amended**, upon the applicant's demand, **to limit the number of products or to correct** errors in the request in question, provided that the amendments do not substantially affect the design or model or do not extend the scope of the products' indication in which it is intended to be applied or incorporated (article 189).
- New grounds for refusal of registration, namely the fact that the application was made in **bad faith** (article 192, paragraph 4, items f) and g)).
- New rules on the procedure for the declaration of nullity or annulment of design or model registrations, now before the INPI (articles 204 *et seq.*).
- Possibility of total or partial renewal (for periods of 5 years, and up to a limit of 25) of the design or model registration (article 195, paragraph 1).

## Trademarks

- **Criterion of admissibility of the trademark**: representation of the signs (or set of signs) *in a way that allows determining, in a clear and precise manner, the scope of the protection granted to its owner* (article 208). The same imperative of *legal certainty* underlies the amendment of the rules on the indication of the goods or services for which the trademark is intended (article 222, paragraph 1, item b), and paragraph 2).
- Express provision for **colour** as a sign capable of being represented graphically, which may constitute a trademark (articles 208 and 209, paragraph 1), *a contrariu sensu*).
- The *association trademark* becomes a collective mark (art. 214) and the certification mark becomes a certification and guarantee mark (art. 215), providing new rules on the regulation of their use (art. 217) and additional grounds for refusal of registration (art. 218, no. 2), expiry (art. 219, no. 2) and invalidity (art. 220, no. 2) applicable exclusively to these marks.
- Express provision for **new types of trademarks** which may be registered: "multimedia, hologram, movement, *inter alia*" (article 222, paragraph 1, item d)).
- Possibility of dividing the application or registration into **divisional applications or registrations**, each of which retaining the date of the initial application and, where applicable, the benefit of the right of priority (article 225, paragraph 1), which **may not exceed the content of the initial application** (paragraph 2).
- Possibility of submitting **third parties' observations** (article 226), with the grounds of article 231 (objective grounds for refusal), within the same period provided for the complaint (article 17).
- Possibility that, in the reply to an opposition, in the reply to a provisional refusal, and in the reply to a request for the declaration of nullity or annulment, the applicant (or the owner, in the latter case) may request that the **claimant** or the **owner of the trademark registration that justifies the refusal or the request for the declaration of nullity or annulment**, respectively, provide evidence that the trademark that serves as the basis was subject to serious use during the period of five consecutive years prior to the date of the request or the priority claimed, in case it has been registered for at least five years (articles 227, 230 and 263, respectively).
- Refusal to register trademarks containing signs or indications contrary to the provisions of national and European legislation

or international agreements to which the EU is a party, which confer protection on (i) **designations of origin and geographical indications** and trademarks including signs or indications containing (ii) **traditional expressions in relation to wine** (iii) **traditional specialities guaranteed** and (iv) **names of plant varieties** protected by European Union legislation or international agreements to which the EU is a party – article 231, paragraph 3, item e) to h).

- **Duration of registration** remains **10 years**, but these are counted as from the date of application (article 247).
- A non-exhaustive list of infringing acts (article 249), as well as preparatory acts (article 250), whose prosecution may be prevented by the trademark owner, is provided for.
- The right of the registered owner to prevent third parties from introducing goods into the national territory if these goods bear, without consent, a trademark identical or similar to the registered trademark (article 251) is also provided for.
- The licensee may only bring an action alleging the infringement of a trademark right **with the consent of the respective owner** (article 258, paragraph 2);
- **Requests for the declaration of nullity or annulment of trademark registrations filed through counterclaims** are decided by the **court**, except when a request for the declaration of nullity or annulment has been filed at the INPI prior to the submission of the counterclaim, in which case the proceedings are suspended until the decision on the application filed at the INPI is definitive or the application has been withdrawn (article 266, paragraph 1).

## Logotypes

- **Logotype criterion of admissibility:** representation of the signs (or set of signs) *in such a way that the scope of protection granted to its owner can be clearly and precisely determined* (article 281).
- Possibility of submitting **third parties' observations** (article 286), based on the grounds of article 288 (objective grounds for refusal), within the same period provided for the complaint (article 17).
- **Refusal to register logotypes consisting of signs or indications** that contain, in all or some of their elements, (i) **designations of origin and geographical indications** (ii) **traditional expressions in relation to wine** (iii) **traditional specialities guaranteed** and (iv) **names of plant varieties** protected by European Union legislation or international agreements to which the European Union is a party – article 288, paragraph 3, items e) to h).
- **Duration of registration** remains **10 years**, but these are counted as from the date of application (article 291).

## Criminal and civil remedies

- The semi-public nature of the crimes foreseen in the Code is maintained, but it is foreseen that the **criminal police bodies or police entities must inform the holder of the complaint right and the licensee(s)** of any facts that may constitute crimes of which they are aware, within a period of 10 days (article 328, paragraphs 2 and 3).
- With regard to criminal offences (i) the wording of the rule incriminating counterfeiting, imitation and illegal use of trademarks has been amended in relation to the typical facts provided for therein (article 320); (ii) the maximum prison sentence applicable to the crime of selling or concealing goods has been increased from one year to 18 months (article 321); and (iii) the criminal type relating to the violation of the right of exclusive arising from a logotype registration (article 323) has been established.
- As regards misdemeanour offences, the maximum limit of the fine applicable to natural persons in the case of the use of illicit trademarks was increased from €3740 to €7500 (article 334).
- The express provision for accessory penalties for criminal and misdemeanour offences is now provided (article 317).
- The specific regime for the seizure and destruction of goods in which the illicit acts are substantiated is introduced (article 360, paragraphs 4 to 7, and article 361).
- In accordance with article 9, paragraph 7 of the Enforcement Directive (the **applicant's liability in provisional and precautionary measures**) it is now included, as a ground for possible damages, the measure being *"abusively applied for or in bad faith"*; it also provides that the damages can be claimed by the defendant as well as by *"any injured third party"* (article 343, paragraph 3).