

PORTUGAL

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Q IN YOUR EXPERIENCE, ARE COMPANIES DOING ENOUGH TO MANAGE THEIR PATENTS AND TRADEMARKS EFFECTIVELY? WHAT KEY CONSIDERATIONS DO THEY NEED TO MAKE?

RIBEIRO: Companies should proactively manage their patents and trademarks, and not let these matters fall under a secondary marketing role. They should draw up a strategy for the use of any IP rights over the short, medium and long term, as well as for future projects, in order to adequately protect the identity of products and services, such as applying for new trademarks when undertaking any restyle or rebranding. Companies with patent rights should have a parallel strategy for trademarks, taking advantage of the years of exclusivity, in order to assure that after the patent lapses, the commercial advantage is in the registered trademark. Of paramount importance is effective surveillance of any IP rights for possible infringement, so the company can initiate a timely and adequate response.

Q HAVE THERE BEEN ANY RECENT LEGISLATIVE OR REGULATORY DEVELOPMENTS IN PORTUGAL THAT WILL AFFECT PATENTS AND TRADEMARKS GOING FORWARD?

RIBEIRO: As a member of the EU, Portugal will be affected by the entry into force of Regulation (EU) No 2015/2424 of the European Parliament and the Council amending the Community trademark regulation. The most noticeable changes are a name change from the Office for Harmonization in the Internal Market to the European Union Intellectual Property Office. Also, the old Community trademark will now be called the European Union trademark. Both colours and sounds were included in the list of signs which may constitute an EU trademark, if they are distinctive and duly identified. Even though there are changes in the grounds for refusing applications, the process of dealing with the Office will remain the same and registered community trademarks will automatically become European Union trademarks.



Q COULD YOU OUTLINE ANY HIGH-PROFILE COURT CASES THAT HAVE SURFACED IN PORTUGAL OVER THE LAST 12 MONTHS? WHAT IMPACT COULD THEY HAVE ON PATENTS AND TRADEMARKS?

RIBEIRO: In recent years, court cases in Portugal which generated the most buzz among IP professionals were related to patent litigation between generics and brand name pharmaceuticals. This litigation passed through the judicial common courts to IP court, then to administrative courts. Since 2011, it has been necessary to submit any disputes on this issue to arbitration. Decisions from the higher courts even confirm the possibility for the arbitration centre to consider a patent null or void, but the decision is only enforceable to the specific case for which it was rendered. This is a unique issue in Portugal which is still being challenged, and a very interesting question to follow.

Q WHAT ADVICE WOULD YOU GIVE TO COMPANIES ON PATENT PROTECTION AND ENFORCEMENT? HOW IMPORTANT IS IT TO POLICE AND MONITOR IP RIGHTS IN TODAY'S GLOBAL MARKETPLACE?

RIBEIRO: The internet has put the global marketplace 'a click away'. Any company has the opportunity to sell its products or services worldwide, even if has only a small, local business platform. As a result, policing and monitoring IP rights worldwide is increasingly important. Also, it is cheaper and easier for companies to do so. Most IP institutes and attorneys are networking as more international associations for IP protection are being created for the sake of international commerce. Even if it is simple to apply directly for any IP rights, companies should always consult IP professional to assure the best protection is obtained for these rights.

Q IN YOUR OPINION, SHOULD DUE DILIGENCE COVERING PATENTS AND TRADEMARKS FORM AN ESSENTIAL PART OF M&A TRANSACTIONS? WHAT ARE THE MAIN AREAS THAT ACQUIRERS NEED TO ADDRESS?

RIBEIRO: Ever since the infamous 'Rolls Royce Case', due diligence covering IP started to be looked at in a different way. In fact, IP rights are one of the most valuable, and treasured, assets of today's companies. As such, any M&A process must secure not only the change of control of the company, but also the assignment of any IP rights. An acquirer should access the IP portfolio of its target, especially in the countries where it operates. It should also check all registered trademarks and designs, and their status, as well as any unregistered signs in use, which may be found to be confusingly similar with existing registered rights. The acquirer must also check all the inventions of the company, in order to decide on the filing patents or utility models, for better protection.

Q ARE YOU SEEING ANY RECURRING THEMES IN DISPUTES ARISING FROM PATENTS AND TRADEMARKS? WHAT STEPS SHOULD COMPANIES TAKE AS SOON AS A DISPUTE SURFACES?

RIBEIRO: In Portugal, disputes regarding trademarks or patents usually involve assessing any confusion between signs or any illegal use of trademarks or patents. Whenever a dispute arises, the first step is to check the status of the registrations of the counterparty. Also, bear in mind that the appeal of any decision handed down by the Portuguese Patent and Trademark Office to IP Court is called a 'full jurisdiction appeal', where the court may not only confirm or dismiss the appealed decision, but also decide on the jurisdiction of the PTO. Finally, Portuguese courts tend to be slow when rendering a decision, so early negotiation is a better option in most cases.

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Q WHAT ADVICE WOULD YOU GIVE TO COMPANIES ON CONTRACTUAL ISSUES SURROUNDING PATENTS AND TRADEMARKS? WHAT KEY CLAUSES SHOULD BE INCLUDED IN CONTRACTS TO ACCOUNT FOR THE POSSIBILITY OF FUTURE DISPUTES ARISING FROM AN AGREEMENT?

RIBEIRO: When drafting any agreement it must be clear who the owner of the IP is, and who is responsible in the event of any contract clashes with third-party IP. Furthermore, it is advisable to outline in advance what happens to IP rights and licences if a contract is breached.

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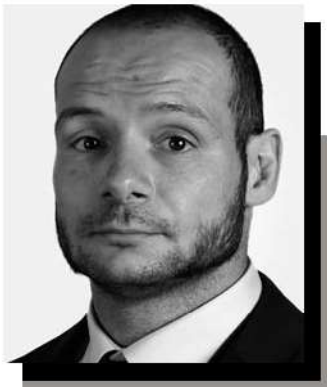

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