

Intellectual property right assignments Q&A: Brazil

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Country Q&A | Law stated as at 31-Jul-2021 | Brazil

This Q&A provides country-specific commentary on the following standard documents:

Assignment of intellectual property rights: Cross-border.

Assignment of trade marks: Cross-border.

Assignment of copyright: Cross-border.

Assignment of patents: Cross-border.

Assignment of industrial designs: Cross-border.

Waiver of moral rights: Cross-border.

Letter confirming assignment of intellectual property rights: Cross-border.

Key aspects of intellectual property right assignments

Definition of IP Rights

1. Does the definition of "Intellectual Property Rights" in *Standard document, Assignment of intellectual property rights: Cross-border: clause 1.1* include any rights that are not recognised in your jurisdiction? If yes, what are those rights?

All rights mentioned in this clause are recognised in Brazil.

2. Should this definition be amended to include any additional rights that are recognised in your jurisdiction? If yes, what are those rights?

This definition is complete and accurate, and does not need to be amended.

Assigning the benefit of licences to use IP rights

3. Subject to any restrictions in the terms of the relevant licence, is it possible to assign the benefit of a licence to use intellectual property (IP) rights? If yes:

- Are there any restrictions on this (such as on the identity of the assignee or the price of the assignment)?
- Does the assignment have to comply with any particular formalities to be valid and enforceable?
- Does the burden of the licence automatically pass to the assignee along with the benefit?

It is possible to assign the benefit of a licence to use intellectual property (IP) rights, provided that the licensor (that is, the original owner of the licensed IP rights) has expressly agreed to the assignment/sub-licence to a third party. The licensor can impose conditions to any such assignment/sub-licence (for example, an obligation on the licensee (assignor) to request the licensor's express consent before effecting any such assignment/sub-licence).

Brazilian law does not impose any restrictions on the assignment of IP licences.

No formalities are required for the assignment to be valid and enforceable, except if any particular formalities are required by the terms of the original licence agreement between the licensor and licensee (assignor).

The burden of the licence does not automatically pass to the assignee along with the benefit. The burden relating to the licensed IP rights (such as the obligation to protect and enforce the IP rights) will only pass to the assignee (sub-licensee) if the agreement expressly provides for this.

Assigning future intellectual property rights

4. Is it possible to assign future IP rights? If yes, does an assignment have to comply with any formalities additional to the existing assignment, or do any additional documents need to be entered into, for that future assignment to be valid and enforceable?

It is possible to assign future IP rights if this is clearly provided for in the relevant agreement. However, the assignment of future copyright works is limited to works created within five years from the execution of the agreement (*Article 51, Law no. 9,610/98*). The parties can specify that if any other works are created during the relationship of the parties (even beyond the five-year term), the rights in these works will also be assigned to the assignee. Alternatively, individual copyright assignment agreements can be executed for each of the works created after the five-year term.

Assignment of future IP rights are not subject to specific formalities.

Implied covenants

5. Do any of the laws applicable to IP assignments in your jurisdiction imply covenants relating to title?

Brazilian law does not imply covenants relating to title in IP assignments. However, title covenants are usually included in assignment agreements. Usually, a party assigning an IP right gives specific representations and warranties that:

- It is the sole and exclusive owner of the relevant IP right.
- The assignment is not subject to approval by any third party.
- The assignment does not infringe the rights of third parties.

Right to sue for past infringements

6. Is it possible to assign the right to sue for past infringement or misuse of IP rights? If yes, is this right automatically transferred to an assignee on an assignment of the relevant IP rights, or must it be expressly included in the terms of the assignment?

It is possible to assign the right to sue for past infringement or misuse of IP rights. This right does not need to be expressly included in the terms of the assignment. However, to enforce its IP rights against third parties, the assignee must in the case of industrial property rights (that is trade marks, patents, utility models, industrial designs and geographical indications) record the change in ownership of the assigned rights with the Brazilian Patent and Trademark Office (*Instituto Nacional da Propriedade Industrial*) (INPI). Recordal with the INPI (after analysis of the assignee's request) is required for the assignee to be a legitimate claimant.

7. If it must be expressly included, comment on whether the clauses below are effective to assign the right and, if not, set out below any necessary amendments to make them so:

- *Standard document, Assignment of intellectual property rights: Cross-border: clause 2(c).*
- *Standard document, Assignment of trade marks: Cross-border: clause 2(c).*
- *Standard document, Assignment of copyright: Cross-border: clause 2.*
- *Standard document, Assignment of patents: Cross-border: clause 2(e).*
- *Standard document, Assignment of industrial designs: Cross-border: clause 2.*

No amendments are necessary to the above clauses.

Right of priority

8. Do applicants for registered IP rights have the right to seek a priority date for their applications? If yes, is it possible to assign that right of priority along with the IP right to which it relates? Are there any formal requirements for a valid and enforceable assignment of the right of priority?

The right of priority is automatically assigned along with the IP right. There is no need to include an express provision to that end in the assignment agreement. Alternatively, the owner of a foreign IP right can choose to only assign the priority right to a third party, so that such third party can claim priority in Brazil (*Article 16 section 6, Law no. 9,279/96*). In this case, an agreement expressly detailing the assignment of the priority right is required.

Tax considerations

9. What tax charges and tax considerations typically arise on an assignment of IP rights? Do these vary depending upon:

- The type of IP right being assigned;
- Whether the assignor or assignee is an individual or corporation; and/or
- Whether the assignor or assignee is tax-resident?
- If yes, explain those variations.

The assignment of IP rights may generate capital gains or ordinary income depending on the nature of this IP right for the assignor. Taxation may vary if the assignor or assignee is a legal entity or individual, local resident or foreign, and according to the type of IP.

Normally an assignment of IP rights will generate capital gains. Brazilian individuals, as well as foreign residents (individuals or legal entities), are taxed on their capital gains according to the following schedule:

- 15% on gains up to BRL5 million.
- 17.5% on gains higher than BRL5 million and up to BRL10 million.
- 20% on gains higher than BRL10 million and up to BRL30 million.
- 22.5% on gains exceeding BRL30 million.

Brazilian legal entities must include their capital gains in their general income tax (and social contribution on profits, which works like an additional income tax) assessment, subject to a 34% rate. There is no levy of turnover taxes in situations of capital gains.

If the Brazilian legal entity has as its operating purpose the assignment of IP rights, this IP may be treated as inventory, and the proceeds from the assignment are to be treated as ordinary income. In that case there are two regimes of taxation:

- In the real profits system these revenues will comprise the taxable income, subject to the same 34% income tax rate, and to turnover taxes (PIS and COFINS) at the combined rate of 9.25%, admitting input tax credits.
- In the presumed profit system (only available for companies with revenues below BRL78 million per year), the income tax is levied on a statutory percentage of the gross revenues (32% in the case of sales of intangibles), at the same 34% rate. Under this regime, however, PIS and COFINS are levied at the rate of 3.65%, without input tax credits.

For all companies, assignment of standard computer software (off-the-shelf) used to be subject to state VAT (ICMS) of up to 18%, depending on local legislation. However, the Brazilian Supreme Court has recently ruled that software in general is only subject to the municipal service tax (ISS) and not ICMS. For customised software and software as a service, the assignment has always been and continues to be subject to the tax on services (ISS) at a rate of up to 5%, depending on local legislation. The presumed profits statutory margins for standard software are lower than for intangibles.

If the assignee is a company subject to the real profit regime, the assigned IP right may be considered as an intangible asset and be amortised over time (provided its lifespan is quantifiable).

In cross-border transactions, the assignor is liable to withholding income tax at a rate ranging from 15% to 22.5%. If the assignee is located in a tax haven, a 25% income tax applies. International double tax treaties may provide for lower rates (normally 10% for royalties). If the relevant assignment is characterised as a licence, rather than a true disposition of the IP, the taxes applicable are the withholding income tax 15% and the ISS (if there is transfer of technology there would also be a 10% CIDE).

10. Set out any amendments necessary to the standard documents below to reflect tax charges and considerations arising in your jurisdiction:

- *Standard document, Assignment of intellectual property rights: Cross-border.*
- *Standard document, Assignment of trade marks: Cross-border.*
- *Standard document, Assignment of copyright: Cross-border.*
- *Standard document, Assignment of patents: Cross-border.*
- *Standard document, Assignment of industrial designs: Cross-border.*

No amendments are necessary to the standard documents.

Power of Attorney

11. Is it common practice for an assignee to seek to include a power of attorney in an assignment of IP rights? If yes, comment on whether *Standard document, Assignment of intellectual property rights: Cross-border: clause 7.2* is sufficient to grant a valid and enforceable power of attorney. If not, set out below any necessary amendments to make it so.

This is not common practice in Brazil. Usually, the assignor undertakes to sign and execute all necessary documents to effect and record the assignment, but the assignee is not granted powers to act on behalf of the assignor. There is no express prohibition under Brazilian law on granting a power of attorney in an IP assignment agreement.

Assistance with future proceedings

12. Is it usual for an assignor to be obliged to assist the assignee in obtaining, defending and enforcing the assigned rights, and to assist with any proceedings that relate to them after completion of an assignment (see for example *Standard document, Assignment of intellectual property rights: Cross-border: clause 7.1(b)*)?

This is usual. This is mainly because, in certain cases, only the assignor will have complete and accurate records and files relating to possible infringements.

Perfecting the assignment

13. Does either party have to take any additional steps after execution of an assignment for an assignee to receive and enjoy the full benefit of an assignment? If yes, briefly describe those additional steps, and whether they vary depending on the IP right being assigned.

An agreement for the assignment of IP rights must be in writing and signed by both the assignee and the assignor. To be considered an executive title in Brazil, the assignment must also be signed by two witnesses. In addition, to be enforceable against third parties, the agreement must be recorded with the INPI. To be recorded, an assignment drafted in a foreign language must be translated.

Liability

14. Is it possible for an assignor to seek to limit or exclude all liability that might arise after execution of an assignment in relation to the assigned rights (see for example *Standard document, Assignment of intellectual property rights: Cross-border: clause 9*)?

While a limitation or exclusion clause may be included in an assignment of IP rights, any such limitation or exclusion is unlikely to be enforceable, as liability in relation to the assigned IP rights is likely to arise from infringement by third parties, the liability of which cannot be limited by agreement between the assignor and assignee. In addition, the assignor is not entitled to limit or exclude its own liability under an assignment agreement, as it may still be held liable for any infringement (past or future) of third parties' rights that is based solely on the regular use and exploitation of the assigned IP right by the assignee.

15. Is it possible to limit or exclude liability for death and personal injury under particular circumstances?

Any exclusion or limitation of liability for death or personal injury is not enforceable in an IP assignment agreement.

Guarantor

16. Is it possible for a third party to guarantee the obligations of an assignor in an assignment of IP rights? If yes, is it usual for the guarantor to be made a party to the assignment and/or does a separate guarantee agreement need to be entered into by the parties?

A third party cannot guarantee performance of the agreement on behalf of the assignor. It is not usual to include third-party guarantees in IP right assignments. Only the assignor itself, as exclusive owner of the assigned IP rights, can fulfil its obligations.

Formalities for assignment

17. Does an assignment of IP rights have to comply with any particular formalities to be valid and enforceable (including in relation to format, language and execution)? If yes, describe briefly what these are for each type of IP right.

Trade marks

A trade mark assignment must be in writing and signed before two witnesses by the assignor's and assignee's respective authorised representatives.

To be enforceable against third parties, the assignment must be recorded with the INPI. For recordal purposes, a Brazilian translation of the agreement must be submitted to the INPI (either as a bilingual version or simple translation).

Copyright

A copyright assignment must be in writing and signed before two witnesses by the assignor's and assignee's respective authorised representatives.

A copyright assignment need not be recorded with the INPI.

Patents

A patent assignment must be in writing and signed before two witnesses by the assignor's and assignee's respective authorised representatives.

To be enforceable against third parties, the assignment must be recorded with the INPI. For recordal purposes, a Brazilian translation of the agreement must be submitted to the INPI (either as a bilingual version or simple translation). In addition, a foreign assignment must be apostilled, notarised, or legalised (as applicable).

Know-how

A know-how assignment must be in writing and signed before two witnesses by the assignor's and assignee's respective authorised representatives.

Recordal with the INPI is not required.

Industrial design right

An assignment of industrial design right must be in writing and signed before two witnesses by the assignor's and assignee's respective authorised representatives.

To be enforceable against third parties, the assignment must be recorded with the INPI. For recordal purposes, a Brazilian translation of the agreement must be submitted to the INPI (either as a bilingual version or simple translation). In addition, a foreign agreement must be apostilled, notarised, or legalised (as applicable).

18. If some form of consideration has to be transferred between the parties for an assignment to be valid and enforceable, is a nominal sum acceptable, or must it be an amount that reflects the current market value of the IP rights being assigned, whether for tax reasons or otherwise?

IP rights can be assigned on a free basis, even if the parties are not at arm's length (for example, in intra-group assignments).

Compliance with local law and practice

19. Are any of the terms in the standard documents below invalid, unenforceable or contrary to standard practice in your jurisdiction? If yes, set out below any necessary amendments to make those terms valid, enforceable and reflective of standard practice.

- *Standard document, Assignment of intellectual property rights: Cross-border:*
No amendments.
- *Standard document, Assignment of trade marks: Cross-border:*
No amendments.
- *Standard document, Assignment of copyright: Cross-border:*
Moral rights cannot be waived. Therefore, only the third option in clause 6 will be valid in Brazil.
Brazilian law also limits the assignment of future copyright works (see [Question 4](#)). Therefore, the definition of future works in the agreement should be amended accordingly.
- *Standard document, Assignment of patents: Cross-border:*
No amendments.
- *Standard document, Assignment of industrial designs: Cross-border:*
No amendments.

Brexit

20. Are any amendments required to the standard documents below to reflect the fact that the UK left the EU on 31 January 2020, and a transition period ended on 31 December 2020?

- If yes, set the amendments out below and, if necessary, briefly explain them.
- If amendments are required but will depend upon the terms agreed between the UK and the EU in the trade and co-operation agreement governing their future relationship, set out the amendments for each scenario below.
- If no amendments are necessary, insert "no amendments".

No amendments are necessary to the following standard documents:

- *Standard document, Assignment of intellectual property rights: Cross-border.*
- *Standard document, Assignment of trade marks: Cross-border.*
- *Standard document, Assignment of copyright: Cross-border.*
- *Standard document, Assignment of patents: Cross-border.*
- *Standard document, Assignment of industrial designs: Cross-border.*

Registration and recordal aspects of intellectual property right assignments

Registrable intellectual property rights

21. Which IP rights are registrable in your jurisdiction? Provide a link to the website of the relevant registry in each case.

Trade marks, patents, utility models, industrial designs and software are registrable with the INPI (www.inpi.gov.br).

Copyright can be registered with the National Library (www.bn.gov.br), but registration is not required for enforcement.

Assignment recordal / registration

22. Can an IP assignment be recorded at the IP registry in your jurisdiction? If yes, is this optional or a statutory requirement? If the position varies depending on the IP right being assigned, explain those variations.

Trade marks, patents and industrial designs

Recordal is optional for enforceability of the agreement between the assignor and assignee. However, recordal with the INPI is mandatory for enforcement of the assigned IP rights against third parties. There is no specific time frame for recording an assignment agreement. Typically, the assignee bears the costs of the recordal, unless the parties agree otherwise.

Copyright

Recordal is optional. To be enforceable against third parties, software assignments must be recorded, but other types of copyright assignments need not be, as protection of copyright works in Brazil does not depend on registration. There is no specific time frame for recording an assignment agreement. Typically, the assignee bears the costs of the recordal, unless the parties agree otherwise.

Know-how

Know-how is not recognised as a registrable IP right in Brazil.

23. Is it usual to include a mechanism in the terms of an assignment to ensure that the assignor satisfies its obligation to record the assignment, or that the assignee is able to take action if the assignor fails to do so?

This is not usual. The assignee usually bears the obligation to submit the assignment documents for recordal. In practice, although there is no legal provision regulating the matter, the INPI only accepts recordal requests filed by assignees.

Warranties and indemnities in intellectual property right assignments

Express warranties from assignor

24. Is it usual for an assignee to seek certain express warranties from an assignor in an IP assignment? If yes, comment on whether the clauses below reflect the scope of express warranties typically given by an assignor and, if not, set out below any necessary amendments so that they do (where no amendments are necessary, insert "no amendments").

- *Standard document, Assignment of intellectual property rights: Cross-border: clause 4.*
- *Standard document, Assignment of trade marks: Cross-border: clause 4.*
- *Standard document, Assignment of copyright: Cross-border: clause 4.*
- *Standard document, Assignment of patents: Cross-border: clause 5.*
- *Standard document, Assignment of industrial designs: Cross-border: clause 4.*

Yes, this is common and no amendments are necessary to the clauses above.

Implied warranties from assignor

25. Is it usual for certain warranties to be implied into the terms of an IP right assignment in your jurisdiction? If yes, briefly describe what those implied warranties are; which types of IP assignments they apply to (if not all); and whether their application can be excluded from the terms of an assignment. State any relevant legislation.

Although no specific law governs the matter, the only warranty that is implied in an IP rights assignment is that the assignor is the exclusive and legitimate owner of the assigned IP rights. Although there is no specific provision on IP rights assignments, the general principle in Article 447 of the Brazilian Civil Code can be applied by analogy. This Article provides that the assignor of any property is liable for any dispossession of rights.

Assignor indemnity

26. Is it usual for an assignee to seek an indemnity from an assignor? If yes, comment on whether the clauses below reflect standard practice in your jurisdiction and, if not, set out below any necessary amendments so that they do:

- *Standard document, Assignment of intellectual property rights: Cross-border: clause 5.*
- *Standard document, Assignment of trade marks: Cross-border: clause 5.*
- *Standard document, Assignment of copyright: Cross-border: clause 5.*
- *Standard document, Assignment of patents: Cross-border: clause 6.*
- *Standard document, Assignment of industrial designs: Cross-border: clause 5.*

It is common for an assignee to seek an indemnity from an assignor, usually related to the breach of any representation or warranty. No amendments are necessary to the following clauses above.

27. Does an assignee have a general obligation at law to mitigate any loss that it may suffer or incur as a result of an event that would give rise to a claim under an indemnity? State any relevant legislation.

Assignees do not have any such obligation under Brazilian law.

Assigning specific types of intellectual property rights

TRADE MARKS

Partial assignment

28. Is it possible to make a partial assignment of a registered trade mark?

This is not possible. A person who owns a trade mark can only assign the entire trade mark to a third party. Any other identical or similar trade marks used to identify related goods or services must be assigned to that same third party, under penalty of cancellation.

Article 135 of Law no. 9,279/96 provides that the assignment of a trade mark must include all registrations and applications for trade marks owned by the assignor that are identical or similar to the assigned trade mark and related to identical or similar goods or services identified by the assigned trade mark. If such additional trade mark registrations or applications are not assigned together, the registrations or applications that were not assigned will be automatically cancelled (for registrations) or removed (for applications) from the register.

Assignors do not have a duty at law to disclose any additional trade marks to potential assignees. In practice, this rule exists to prevent different parties from owning trade marks that are considered similar or related. Any failure from the assignee to obtain the rights to additional trade marks that are not assigned under the initial assignment agreement will lead to the automatic cancellation of these trade marks and the assignor will not be entitled to keep the additional trade marks for its own use.

Goodwill

29. What is understood by the term "goodwill" in your jurisdiction?

Goodwill is understood as the aggregate value that a specific sign (either a trade name or trade mark) may give to a business through its exploitation on a commercial scale.

30. Is goodwill automatically transferred to the assignee of a trade mark, or must it be expressly included in the terms of an assignment (see for example *Standard document, Assignment of intellectual property rights: Cross-border: clause 2(b)* and *Standard document, Assignment of trade marks: Cross-border: clause 2(b)*)? Does this depend upon whether the trade mark is registered or unregistered?

As there are no specific legal restrictions on the assignment of goodwill in connection with a trade mark, goodwill is deemed to be automatically assigned with the trade mark. The assignor should not be able to benefit from goodwill generated from the use of the trade mark after it is assigned to a third party.

Co-ownership

31. Is it possible to co-own trade marks? If yes, are co-ownership agreements used to formalise the terms upon which the parties agree to co-own trade marks?

Co-ownership of trade marks is possible in Brazil and the Brazilian Patent and Trademark Office is adjusting its system to allow for co-ownership.

Copyright in trade marks

32. Under what circumstances might a trade mark also be protected by copyright? Is there anything additional that an assignee must do to ensure that copyright in a trade mark is transferred to it by the terms of an assignment?

A trade mark may also be protected by copyright if a specific drawing or figurative/design element that is part of the trade mark is a copyrightable work under the Brazilian Copyright Law (*Law no. 9,610/98*). To ensure that copyright in a trade mark is transferred to the assignee, the assignment agreement must expressly provide for the assignment of such copyright.

Acquiescence

33. If a registered trade mark owner has acquiesced in the use of a later trade mark whilst being aware of such use, is the owner prevented from applying for a declaration that the later trade mark is invalid, or from opposing the use of the later trade mark? If yes, how long must the period of acquiescence be before this rule applies, if at all? Are there any exceptions to this rule?

There is no such mechanism under Brazilian law. A registered trade mark owner can, regardless of being aware of any infringement or use of a later trade mark, enforce its own rights against an infringing third party at any time, provided that it does so within the statute of limitations (that is, five years from the last act of infringement (*Article 225, Law no. 9,279/96*)).

COPYRIGHT

First owner of copyright work

34. Is the general rule that the author of a copyright work (the person who creates it) is the first owner of that work? Are there any exceptions to this rule? If yes, briefly describe them.

This is the general rule. This rule can be expressly excluded by a services or employment agreement. However, copyright in software developed by an individual under a specific software development agreement or an employment agreement is deemed to be owned by the customer/employer, provided the employee has specific software development attributions (*Article 4, Law no. 9,609/98*).

Recognition of moral rights

35. Does your jurisdiction recognise moral rights, or any equivalent or similar rights that accrue to the author of a copyright work? If yes, provide a brief overview of those rights.

Moral rights are broadly recognised in Brazil (*Articles 24 to 27, Law no. 9,610/98*). Moral rights include (among others):

- The right to be identified as author.
- The right to integrity of the work.
- The right to modify the work.

36. Set out below any necessary amendments to clause 6 in each of the following standard documents to reflect the typical approach to moral rights (or the equivalent rights) in your jurisdiction:

- *Standard document, Assignment of intellectual property rights: Cross-border.*
- *Standard document, Assignment of copyright: Cross-border.*

No amendments are necessary. To comply with Brazilian law, the third option must be used.

Assertion of moral rights

37. Do some or all moral rights have to be asserted by the author before they apply, or do they take effect immediately upon creation of a copyright work?

Moral rights need not be asserted, as they take effect immediately upon creation of a copyright work.

Assignment and waiver of moral rights

38. Can moral (or similar) rights be assigned and/or waived? Is the author the only one entitled to assign and/or waive them, or can an assignee of the works to which they relate also assign and/or waive them?

Moral rights cannot be assigned or waived (*Article 27, Law no. 9,610/98*).

39. Comment on whether *Standard document, Waiver of moral rights: Cross-border* is valid and enforceable in your jurisdiction and, if not, set out below any necessary amendments to make it so, and briefly explain your reasons.

Moral rights cannot be waived under Brazilian law.

Exceptions to moral rights

40. Are there any particular types of works that moral rights do not apply to?

Moral rights do not apply to software (*Article 2 section 1, Law no. 9,609/98*). However, the author of software can:

- Claim authorship of the work at any time.
- Oppose any alterations of the software resulting in its deformation or mutilation, or other alterations that may harm the author's honour or reputation.

Database right

41. Under what circumstances might the subject matter comprised in a copyright work also be protected by database right? Is there anything additional that an assignee must do to ensure that rights to use the database are transferred to it by the terms of the assignment?

Brazilian law expressly recognises databases as copyright works when the selection, organisation or arrangement of data constitutes an intellectual creation (*Article 7, item XIII, Law no. 9,610/98*). Therefore, the assignment of a database is construed as a copyright assignment. If the assigned database contains personal data, the assignee should obtain from the assignor sufficient proof that the data subjects whose data is included in the assigned database have expressly consented to the assignment.

First owner of database

42. Is the general rule that the maker of a database (the person who creates it) is the first owner of the database right in it? Are there any exceptions to this rule? If yes, briefly describe them.

This is the general rule. This rule can be expressly excluded by a services or employment agreement.

PATENTS

First owner of invention

43. Is the general rule that the inventor is the first owner of an invention, and entitled to the rights in any patent granted in respect of that invention? Are there any exceptions to this general rule? If yes, briefly describe them.

This is the general rule. This rule can be expressly excluded by a services or employment agreement. However, any invention or utility model developed by an individual under a specific employment or services agreement will be deemed to be owned by the employer or customer, provided that the employee or contractor has research or inventive activities as personal attributions/undertaking under the contract with the employer or customer, or where the invention naturally arises from the employee's or contractor's functions (*Articles 88 to 93, Law no. 9,279/96*).

Divisional applications

44. Do patent applicants have the right to file "divisional patent applications"? If yes, is it possible to assign that right, along with the patent to which it relates? Are there any formal requirements for a valid and enforceable assignment of the right to file divisional applications, other than listing it in the manner shown at *Standard document, Assignment of patents: Cross-border: clause 2(a)(ii)*?

Divisional patent applications are not recognised under Brazilian Law.

Improvements

45. Briefly describe any potential issues that the obligation in *Standard document, Assignment of patents: Cross-border: clause 3* might give rise to, including in relation to competition law, and set out below any necessary amendments to address them.

This obligation does not give rise to issues under competition law.

INDUSTRIAL DESIGNS

First owner of industrial design

46. Is the general rule that the designer is the first owner of any design right in a design? Are there any exceptions to this rule? If yes, briefly describe them.

This is the general rule. This rule can be expressly excluded by a services or employment agreement. However, as for patents, industrial designs created under a specific employment or services agreement are deemed to be owned by the employer or customer (*Articles 88 to 93, Law no. 9,279/96*) (see [Question 43](#)).

Registered and unregistered

47. Do both registered and unregistered design rights subsist in your jurisdiction? State any relevant legislation.

Industrial design rights must be registered (*Article 109, Law no. 9,279/96*). Brazilian law does not recognise unregistered design rights.

48. How is the territorial scope of each type of design right determined?

The territorial scope of registered industrial design rights is limited to Brazil.

As a general rule, unregistered industrial designs do not benefit from legal protection. There is no specific rule under Brazilian law relating to unregistered industrial designs, but an unregistered design may be deemed an "industrial secret" if it is treated as confidential by its owner. However, this protection can only be enforced against individuals that have effectively gained access to an unregistered design (that is, individuals subject to a non-disclosure agreement). Individuals who have in good faith never gained access to such unregistered design can apply for registration themselves, as the object of the design never became public.

If the owner of the unregistered design effectively exploits the design in good faith in the industry before the filing of a design application by a third-party applicant in good faith, the owner may be granted with the right to continue the exploitation of such unregistered design (*Article 110, Law no. 9,279/96*).

49. Do both types of design right protect the same aspects of a design? What are those aspects for the respective rights?

Brazilian law does not differentiate between registered and unregistered industrial designs. An unregistered design may be deemed an industrial secret (see [Question 48](#)).

A registered design right protects the ornamental form of an object or the combination of lines and colours that may be applied to a product.

50. Do both types of design right give the proprietor the same duration of protection, and scope of rights, for their design? What are the respective periods of protection and scope of the rights?

Brazilian law does not recognise unregistered industrial designs, but these may be protected as industrial secrets.

Registered industrial designs are protected for ten years from registration and for up to three additional periods of five years each (*Article 108, Law no. 9,279/96*).

51. Are any particular features or types of design excluded from protection under the registered and/or unregistered design right regimes?

Industrial designs that consist of purely artistic works are not protected by the industrial design rights regime (*Article 98, Law no. 9,279/96*).

Confirmatory assignments of intellectual property rights

52. Under what circumstances are confirmatory assignments of IP rights used in your jurisdiction, if at all (see *Standard document, Letter confirming assignment of intellectual property rights: Cross-border*)?

Confirmatory assignments are neither required nor usual in Brazil.

53. Does a confirmatory assignment of IP rights have to comply with any particular formalities to be valid and enforceable?

Not applicable. Confirmatory assignments are neither required nor usual in Brazil.

54. Set out below any necessary amendments to make *Standard document, Letter confirming assignment of intellectual property rights: Cross-border* valid and enforceable in your jurisdiction, and briefly explain your amendments.

Not applicable. Confirmatory assignments are neither required nor usual in Brazil.

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