

#WHYPORTUGAL 2021

## WHY YOUR IP IS IN SAFE HANDS IN PORTUGAL

### QUICK AND SIMPLE REGISTRATION SYSTEMS CAN SAVE YOUR IP FROM FALLING INTO THE WRONG HANDS AND ENSURE YOUR BUSINESS AND YOUR BRAND ARE PROTECTED

In today's world a business' brand is as important as its product or services. And the intellectual creations behind it are what gives a business its unique competitive edge. The importance of protecting your Intellectual Property (IP) assets cannot be undervalued. Neglecting to do so can put your business at risk, affecting essential core services and your long-term viability.

### ARE MY IP RIGHTS COVERED IN PORTUGAL?

Yes, it has never been quicker or easier to ensure your IP rights are protected along with other EU Member States and in line with EU directives. Portugal is also member of the World Intellectual Property Organization (WIPO) and party in a number of international agreements, including the Berne Convention, the Universal Copyright Convention, the European Patent Convention and the Patent Cooperation Treaty.

The law covers your industrial property rights – trademarks, patents and designs – and your copyright, which protects literary, artistic and musical works, multimedia creations, videograms and phonograms, computer programs and databases.

To note, while IP rights are territorial, many can be registered at the [Portuguese Institute of Industrial Property \(INPI\)](#) for both national and EU protection, while other EU rights must be arranged direct with the relevant [EU European Patent](#) or IP Office. International rights must be handled with the [WIPO](#).

### WHAT FALLS WITHIN THE CATEGORY OF 'TRADEMARKS'?

From non-generic words, logos, slogans, sounds, etc., your trademarks are your brand – think McDonald's golden arches or Nike's "Just do it". These important business assets distinguish a business, its products and services within the relevant market. We cannot put enough emphasis on the importance of securing your right to trademark your products, etc., as yours and yours alone.

Registration protects your rights for 10-year periods, without limits on renewal, but to be eligible, signs have to be unique or distinctive, such that they could be easily identified by a third party. 'Signs' can be represented graphically, by words, people's names, drawings, letters, numbers and sounds, for example, as well as the form of the product or respective packaging and even your advertising slogans. What 'signs' cannot be is descriptive or just the name of your product or service.

To note, well-known or prestigious trademarks are given a special degree of protection, even if they have not been registered.

## HOW ARE TRADEMARKS REGISTERED AND WHERE WILL THEY BE PROTECTED?

Any person or legal entity from any country in the world can apply for the registration in Portugal, and you can do it online at <https://inpi.justica.gov.pt/>, but for entities, all stakeholders must take part.

Trademarks registered at the INPI are only protected within Portugal, so if you are looking for EU-wide protection you must register at the EU IP Office.

For international protection in over 100 countries, you have to register with the WIPO. You must have a business, be a national or domiciled in a member country of the Madrid System (International Trademark Registration Treaty). But be aware that each country's national law governs the registration so your application could be accepted in some and rejected in others.

Trademark applications in Portugal will be denied if they are a reproduction or imitation of a well-known Portuguese trademark, or if they apply to identical or similar products or services that could cause confusion with that well-known trademark. Applications will also be refused if the trademark is identical or similar to a prestigious Portuguese or EU trademark, even if related to different products or services, in a way that takes unfair advantage of the prestigious trademark or causes it injury.

To watch out for at both national and EU levels is the fact that trademarks need to be actively used for five consecutive years, otherwise the registration expires, and once your trademark products are in the EU market, your rights are considered exhausted and you cannot disallow the use of the trademark on the product.

## WHAT RIGHTS ARE PROTECTED BY A 'PATENT'?

If you have got a new invention, way of solving a technical issue or even a new way of doing something, protecting it with a patent is paramount. This ensures your right to exclusive use and that others cannot use your 'invention' without your express permission for 20 years from the date of application in Portugal.

You can also apply for a supplementary protection certificate that extends protection for a further if you are dealing in pharmaceutical and plant protection products.

Portuguese patents protect others from manufacturing, offering or storing an invention with an industrial use without your consent. This includes anything biological in nature or process that produces, treats or uses biological material but does not extend to: discoveries; scientific theories and mathematical methods; materials or substances already in existence; nuclear materials; aesthetic creations; schemes, rules and methods for performing mental acts, playing games or doing business, computer programs and informative presentations. If the commercial exploitation of an invention would be contrary to Portuguese law, public policy, public health and good practice then it is also excluded.

To be covered, your invention has to be novel, capable of industrial application, and it cannot be something that would be obvious to someone with average knowledge in the relevant technical field.

Once you have the patent you must exploit the invention within four years from the application date or three years from the date it was granted, whichever is longer, and you have to commercialise the results.

To note, a patent can be used by a third party if you enter into a license agreement or through its sale to a third party.

## HOW AND WHERE ARE PATENTS REGISTERED?

As with trademarks, registration is territorial. For protection valid in Portugal you must register at INPI, in person or online at <https://inpi.justica.gov.pt/> and for an EU-wide patent (not including Spain and Croatia) you can either do so at INPI or direct with the EU Patent Office but the application must be in either English, French or German. The patent will be automatically validated in all EU Member States and only subject to maintenance fees in one country but be aware that national laws govern registration in each country. Relevant fees apply and the protection period for both is 20 years.

Once the patented products are placed on the EU market, your rights as the patent-holder are considered exhausted and you cannot disallow acts related with the patented products.

International patents are dealt with by the WIPO, ensuring your patent is protected in over 150 countries with a single application and set of fees. The applicant must be a national or resident of a member country of the Patent Cooperation Treaty. However, it is the national laws that govern the registration in each country.

## WHEN DOES A 'UTILITY MODEL' APPLY?

If you don't meet the patent criteria, you can always try for a utility model with the INPI with applications in person or online at <https://inpi.justica.gov.pt/>. With less stringent requirements, a simplified approval process and lower fees, this applies to minor inventions – products or procedures with industrial application – that still require a level of protection.

Utility models, however, don't cover anything biological in nature and last only six years from the date of application. This can be extended, but only up to a maximum of 10 years.

## WHAT PROTECTION CAN SECURE 'DESIGN' RIGHTS?

Your business's designs need to be safeguarded, granting you exclusive rights and ensuring third parties can't copy or commercialise them. Design rights protect visual appearance, shape or configuration for unique two- or three-dimensional forms, and while they don't have to be 100% 'new' they have to include novel combinations or layouts of known elements with a distinctive character.

Once registered in Portugal, designs are protected for five years periods from the application date, renewable for up to a maximum of 25 years. Registered designs also benefit from automatic copyright protection applicable from the date of creation.

You can register for national protection at INPI and EU-wide at the EU IP Office with just a single set of fees to cover all Member States. WIPO registration grants protection in 65 countries, and to qualified you must be a business or be a national or domiciled in a country that is part of the Madrid System. Once again, it is national laws that govern registration in each country and your rights are considered exhausted once the products where the design was incorporated or applied are placed on the EU market.

To note, unregistered Community designs have an automatic three-year protection as from the date of their public disclosure within the EU. This prevents commercial use from any copy of the design by third parties.

## HOW CAN WORKS BE COPYRIGHTED?

Once an idea has been physically expressed, then copyright comes into play, protecting literary and artistic works, music, software, architectural works and even databases and computer programs, among others.

Copyright does not have to be officially registered to be protected – its automatic upon the creation of the work. It is highly advisable, however, to register with the relevant authorities worldwide to ensure that you control whether, or under what circumstances, the work can be used by third parties, and gain recourse if used without permission

In Portugal, you may register with the [General Inspection of Cultural Activities \(IGAC\)](#), part of the Ministry of Culture, and you can even delegate the administration of your copyright to a collecting society, like the [Portuguese Society of Authors \(SPA\)](#) or [ASSOFT - Portuguese Association of Software](#). Portugal also is party to international treaties and conventions (such as the Berne Convention) that allows for protection in numerous countries.

Authors or copyright owners of any works covered by copyright have the right to assign or licence their economic exploitation. Protection generally runs for 70 years following the death of the author or from posthumous publication, after which the works enter the public domain and can be used freely. This does not, however, apply to what is known as the ‘moral’ rights to the work. As an author this means you have the right to be recognised as the author of the work and to protect it. ‘Moral’ rights are not assignable, cannot be sold, allocated or waived – even if the author authorises its exploitation – and they continue indefinitely.

## WHAT PROTECTION IS AFFORDED TO DATABASES AND COMPUTER PROGRAMS?

Databases are covered by copyright if considered an ‘intellectual creation’ under the Portuguese Protection of Databases Law. This lasts 15 years from the end of the calendar year in which the database was created. And there is even implied protection for unregistered databases where substantial investment is involved in obtaining, verifying or presenting its contents.

Computer programs can get the same level of protection as literary works if they fall within the legal criteria of being ‘creative’, as defined in the Portuguese Computer Program Rights Law and you can register the program on the IGAC or ASSOFT. Any unauthorised economic exploitation is considered a violation of the Portuguese Computer Program Rights Law and deemed a criminal offence under the Portuguese Cybercrime Law.

As the program author, you have ‘personal’ rights, meaning you have the right to be recognised as the author of the work and can mention the program’s name. As owner of a program, you have the right to economic exploitation including permanent or temporary reproduction by any means and in any form, make changes and any other modifications as well as reproducing the results and distribution to the public. In addition, you can put originals or copies into circulation and to rent out those copies. Also, a program created by an employee in the execution of their duties or following instructions given by their employer, is considered a ‘collective work’ owned by the company.

To note, anyone with the right to use a copy of the program can, without the authorisation, make a backup or observe, study or test its functioning, and a licensee or anyone with the right to use it (or on behalf of someone authorized to do so) can perform a decompilation of the parts necessary for interoperability with other programs. This is only legal if obtaining the information is intrinsic to achieving interoperability and if the information is not easily accessible.

## CAN 'TRADE SECRETS' BE PROTECTED AND WHAT CIRCUMSTANCES DO THAT COVER?

Any confidential business information giving competitive advantage to others can be considered a trade secret, and it is your business's most valuable asset. This includes information obtained from business plans, customer data, recipes and manufacturing processes through to know-how and technical knowledge (potentially patentable). Trade secrets don't require registration to be protected, it is automatic, but there are certain conditions that need to be met.

The disclosure, acquisition or use of your trade secrets without your consent is illegal if the information is secret, has commercial value due to being secret and has been subject to considerable diligence by the person responsible for the information in order to keep it in secret. It is also illegal if someone, at the time of obtaining, using or disclosing a trade secret, had or should have known that the secret had been obtained directly or indirectly from another person who was using or disclosing it illegally.

It is not illegal however if someone gets your trade secrets through independent discovery or creation, due to the employee's (or their representative's) right to the information, through consultation in accordance with national practice or the law or in other circumstances that are considered to be in line with honest commercial practices.

If there has been a breach or well-founded fear that others could cause serious and irreparable damage to your trade secret, the court may, at your request, order the appropriate precautionary measures. The court can also order the prohibition of the use or disclosure of the trade secret, the production, offering, placing on the market or use of the infringing goods, as well as the import, export or storing of the infringing goods for those purposes.

We also advise that whenever you are dealing with the exchange of confidential and sensitive information to business partners, shareholders, employees, suppliers and customers, you enter into a non-disclosure agreement in case unfair competition, abuse of right and other legal rules protecting business secrets do not apply or offer sufficient protection.

For help with this and all your IP rights, as well as how we can help ease the process, read our Guide '[Why Portugal?](#)'.