

Portugal

Contributing firm
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Legal framework

National

The national law that applies to industrial property in Portugal, including trademarks, is the Industrial Property Code, which was approved by Decree Law 36/2003 and entered into force on July 1 2003.

Since then, the Industrial Property Code has been updated on several occasions, most notably by:

- Law 16/2008, which transposed the provisions of EU Directive 2004/48/EC into Portuguese law;
- Decree Law 143/2008; and
- Decree Law 360/2007, which inserted into Portuguese law the rules set out in EU Regulation 1383/2003.

The Industrial Property Code sets out rules on patents, trademarks, designs, utility models, geographical indications and unfair competition.

International

The following international conventions apply in Portugal:

- the Paris Convention for the Protection of Industrial Property;
- the Madrid Agreement on International Trademark Registrations;
- the Madrid Protocol;
- the Nice Agreement on the International Classification of Trademarks;
- the Lisbon Agreement on the International Protection and Registration of Appellations of Origin; and
- the World Trade Organisation Agreement on Trade-Related Aspects of Intellectual Property.

Border measures

Since both the Industrial Property Code and EU Regulation 1383/2003 contain legal measures to fight transnational counterfeiting, Portuguese Customs has been active both through *ex officio* actions and by following requests by rights holders.

According to the law, Customs is entitled

to take *ex officio* action if it suspects that certain infringing goods are being introduced into the country.

Should an *ex officio* action result in goods being seized, Customs must notify the rights holder immediately – in many cases within 24 hours – in order to allow it to inspect the goods and file a criminal complaint if necessary. Filing such a complaint – which must be done within 10 days of the rights holder receiving notification – has the effect of confirming the seizure and ensuring that the goods will not be released.

When launching *ex officio* actions, Customs follows a criterion based on goods being exported or imported from countries rated as being at a high risk of counterfeiting.

Customs will also act following complaints filed by the rights holder where it is suspicious about the arrival of certain shipments into Portuguese ports.

Criminal prosecution

Article 323 of the Industrial Property Law

“ Ultimately, the court must strike a balance between avoiding damages for the rights holder and causing loss to the suspected infringer ”

establishes that trademark counterfeiting is punishable by imprisonment for up to three years. Prosecution is conducted by the public prosecutor, assisted by the police.

The public prosecutor acts either *ex officio* or following a complaint filed by the rights holder. In the latter case, when a rights holder has knowledge of a specific ongoing counterfeiting action, it has six months in which to file a criminal complaint against the counterfeiter, counted as from the date of such counterfeiting acts. Failure to act within this timeframe could prevent the complaint from being accepted by the public prosecutor.

In criminal *ex officio* proceedings based on police investigations, the suspected counterfeit goods are seized by the police and normally confirmed by the public prosecutor.

A key point for the success of a complaint and subsequent sentencing is expert evidence. However, many criminal complaints regarding counterfeiting fail because of a lack of expert evidence or a lack of independent experts to conduct the audit.

Portuguese law sets out the following penalties for those found guilty of counterfeiting:

- imprisonment for up to three years;
- pecuniary damages;
- personal damages; and
- prohibitions addressed specifically at companies engaged in counterfeiting, including prohibitions against receiving tax bonuses and state allowances.

Civil enforcement

Lawsuits against trademark infringement may be brought before the commercial or civil courts. If the infringements occur in the metropolitan areas of Lisbon or Oporto, such lawsuits must be brought before either the Lisbon Commercial Court or the Gaia Commercial Court.

If infringements occur outside these metropolitan areas, the corresponding lawsuits should be filed at the civil court where the infringement takes place.

Both the Industrial Property Code and the Civil Procedure Code contain preliminary measures to support lawsuits on the merits.

Preliminary measures will be awarded by the courts where there is ongoing infringement or in the case of suspected infringements, provided that the rights holder demonstrates that there is *fumus boni iuris* (a presumption of sufficient legal basis) and *periculum in mora* (a risk of imminent and irreparable damage).

Nevertheless, in the case of ongoing infringement the legal solutions and procedural means available to rights holders differ slightly from those available where infringement is only suspected.

In the case of actual ongoing infringement the rights holder need only prove in court that it owns the trademark and that the mark is being infringed. This can be achieved through documents and testimonial evidence. However, in the case of mere suspected infringement, the rights holder must provide evidence of:

- the suspected infringement;
- the serious damages that would result if preliminary measures were not granted; and
- the difficulty that the infringer would face in paying damages if the measures were not granted.

Ultimately, the court must strike a balance between avoiding damages for the rights holder and causing loss to the suspected infringer when deciding whether to grant or refuse the preliminary measures.

Preliminary measures include the seizure of all infringing goods and an order refraining the defendant from launching the infringing goods on the market.

To obtain preliminary measures, evidence filed in court is key. Such evidence may include documents, testimonials, expert testimonial and surveys.

Should the rights holder succeed in a lawsuit on the merits, remedies can be allowed by the court, such as compensation for actual damages resulting from the infringement.

Anti-counterfeiting online

Portuguese law contains no specific rules or limitations for the use of trademarks over the Internet. Therefore, offline rules apply to all online uses of trademarks.

Preventive measures/strategies

The fight against counterfeiting and fakes cannot be carried out by one rights holder alone and it takes a long time to achieve positive results. Thus, cooperation with the authorities and with industry associations is essential. This includes education and using the media to create and develop a social environment that is favourable to the protection of trademarks.

Several companies in Portugal use the services of private investigators in anti-counterfeiting investigations. This is especially common in the fashion, clothing, perfume, watches, sunglasses and football/soccer memorabilia industries, where such investigation services are often successfully used.

Moreover, while Portuguese law allows for trademark licensing, licences must be registered at the Trademark Office to be effective against third parties. Local licensees can play an important role in the fight against counterfeiting, since they have a better knowledge of the local markets and close relations with the authorities, which can be used to set up anti-counterfeiting programmes. We have also knowledge of some national and foreign companies establishing and following educational programmes and cooperating with the local authorities. [WTR](#)

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Manuel Duraes Rocha is director of the Lisbon office of Herrero & Asociados, which was named Spanish Law Firm of the Year in 2007 and 2010 by *Managing Intellectual Property*. He holds a law degree from the University of Lisbon and has also completed a specialisation course in industrial property at the University of Strasbourg (France). Mr Duraes is an official industrial property agent in Portugal, as well as a European trademark and design attorney and a European patent attorney. He is a recognised leader in the areas of trademarks and patents, and a leading IP lawyer in Portugal. Mr Duraes has broad experience in dealing with patent litigation matters.