

Venezuela

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1. Legal framework

Trademark matters in Venezuela are regulated by the following laws and international treaties:

- the Industrial Property Law (1956);
- Decision 486/2000 of the Andean Community;
- the Agreement on Trade-Related Aspects of Intellectual Property Rights;
- the Paris Convention for the Protection of Industrial Property;
- the Nice Agreement on the International Classification of Goods and Services (this was not adopted directly in Venezuela, but applies pursuant to Article 151 of Decision 486/2000); and
- the Cooperation Treaty to Create a Free Trade Area between Colombia, Mexico and Venezuela.

2. Unregistered marks

Protection

The rule in Venezuela is that the exclusive rights to a mark are acquired through registration with the local Trademark Office. Article 154 of Decision 486/2000 states that: “Registration of a trademark with the competent national office shall confer the exclusive right to its use.”

Consequently, the owner of an unregistered trademark has no legal rights until its mark is filed or registered with the Trademark Office. Prior use does not create trademark rights, but prior users do enjoy certain protection against subsequent applications or registrations, or third-party use of the mark.

The rule that rights are obtained through registration has two exceptions:

- Under Article 77 of the Industrial Property Law, the owner of an unregistered trademark can file an opposition for *‘mejor derecho’* (‘better right’) against a trademark

filed by another party. In such case the registrar will send the files to the judge of first instance, who has the legal authority to resolve the dispute. The opponent must prove that it used the mark in the market before the applicant and consequently has the ‘better right’ to register the mark.

- Article 229 of Decision 486/2000 provides: “The well-known nature of a mark shall not be denied solely because...it is not registered or is in the process of being registered in the member country concerned or in any other country.” This rule recognizes the right of the owner of an unregistered well-known mark to prevent third parties from filing or using its mark in Venezuela. The owner is thus entitled to:
 - file an administrative opposition against a mark that comprises a total or partial reproduction, imitation, translation, transliteration or transcription of its well-known sign, without regard to the type of goods or service for which registration is sought, if the use of that mark would likely lead to confusion or mistaken association, take unfair advantage of the sign’s prestige, or weaken its distinctive force or its use for commercial or advertising purposes; or
 - bring an action before the local civil courts against any persons infringing its rights or performing acts that are likely to result in such infringement.

In both instances above the owner of an unregistered well-known mark must prove that its mark is well known in the Andean Community.

Use requirements

For ‘better right’ opposition or prior use, the opponent must prove that it used the mark in the market before the applicant filed its mark with the Trademark Office. The requisite evidence would include commercial invoices, merchandise and testimonials. The rule does not indicate how

much use is required – only that the opponent must prove it used the mark before the applicant.

In the case of a well-known mark, the opponent or plaintiff must prove that its mark is well known and acquired such renown before the applicant filed its mark with the Trademark Office or before the unauthorized use on the market. In this regard, Article 234 of Decision 486/2000 states that a ‘well-known mark’ is a sign that is recognized as such by the pertinent sector in any member country, irrespective of the way in which it acquired renown.

Prior use or intent to use is not required in order to file or register a mark.

3. Registered marks

Ownership

Any person – whether legal or natural, public or private – that is resident or domiciled in Venezuela or another Paris Convention country can apply for or own a trademark. No special limitations apply. However, both legal and natural persons must have legal capacity.

Scope of protection

According to Decision 486/2000, any perceptible sign that is distinctive and capable of graphical representation can be registered as a trademark. Consequently, a trademark may be comprised of the following signs:

- words or a combination of words;
- pictures, figures, symbols, graphic elements, logos, monograms, portraits, labels and emblems;
- sounds and smells;
- letters and numbers;
- a colour demarcated to give it a specific shape or a combination of colours;
- the shape of goods or their packaging; or
- any combination of the above.

Article 135 of Decision 486/2000 states that a sign may not be registered as a trademark if it:

- is not perceptible, distinctive or capable of graphical representation;
- consists solely of the everyday shape of goods or their packaging, or of shapes or characteristics dictated by the nature or particular function of the goods or services in question;
- consists exclusively of shapes or other elements that attribute a functional or technical advantage to the goods or services to which they are applied;
- consists solely of a sign or statement that may serve in commerce to designate or describe, in respect of the goods or services for which it is to be used, their quality, quantity, purpose, value, geographical origin or time of production, or that impart other details, characteristics or information, including expressions of praise, for those goods or services;
- consists exclusively of a sign or statement that is the common or technical name of the goods or services concerned;
- consists solely of, or has become, a sign or statement which is the common or usual designation for the goods or services in question;
- consists of a colour in isolation, without any demarcation to give it a specific shape;
- is liable to create confusion in business circles or the public, in particular as to the geographical origin, nature, manufacturing methods, characteristics or qualities of the goods or services concerned, or their suitability for use;
- reproduces, imitates or contains a protected indication of origin that is liable to create confusion or a mistaken association with the indication in relation to the goods themselves or different goods, or that would take unfair advantage of the well-known character of that appellation among the public;

- contains a protected appellation of origin for wines and spirits;
- consists of a national or foreign geographical reference that is liable to create confusion in respect of its application to goods or services;
- reproduces or imitates, without permission, heraldic elements, such as coats of arms, flags, emblems or official signs and stamps used for the purposes of government control and guarantee, or the coats of arms, flags and other emblems, initials or designations of any international organization;
- reproduces or imitates signs denoting conformity with technical standards, except where the registration is applied for by the national body responsible for standards and quality requirements in member countries;
- reproduces, imitates or includes the indication of a plant species protected in a member country or any other country, where the sign is to be applied to goods or services relating to that species, or if its use is likely to cause confusion or a mistaken association with that variety; or
- is contrary to law, morality, public order or good manners.

This notwithstanding, a sign that was previously unregistrable because it was descriptive, generic, the usual term for the relevant goods or services or a specific colour without demarcation may be registered as a trademark if its continued use in a member country has endowed it with distinctiveness in respect of the goods or services concerned (ie, if it has acquired secondary meaning).

4. Procedures

Examination

The trademark application procedure begins with the filing of the application with the Trademark Office. The mark must cover a single category of

goods or services, and the following information should be included in the application:

- the applicant's name, address and nationality or place of incorporation;
- a reproduction of the mark where it comprises graphic elements, shape or colour, or is a figurative, mixed or three-dimensional trademark with or without the use of colour;
- a notarized and legalized (by apostille) power of attorney;
- a certified copy of the priority mark, where the applicant claims foreign priority under the Paris Convention;
- a list of the specific goods or services for which registration is sought, or the international class; and
- proof of payment of the filing fees.

If the application does not include, at a minimum, the applicant's details, a representation of the mark, an indication of the goods and services to be covered and evidence of payment of the filing fees, it cannot proceed and no filing date will be assigned to it.

The examiner will check the application for compliance with the formal requirements within 15 days of filing. If the application does not comply with the formal requirements, the Trademark Office will issue an official action, published in the *Official Bulletin*, requesting that the applicant remedy the defects within 60 working days. If the applicant fails to do so within this period, the application will be rejected.

If the application meets the formal requirement or the applicant amends its application accordingly, the Trademark Office will order its publication for opposition purposes in the *Official Bulletin*. The opposition term is 30 working days; if no oppositions are filed within this period, the Trademark Office will proceed with the examination of the mark to ensure it satisfies the registration requirements. If an opposition is filed, the registrar must decide on

the merits of the opposition and order that the application be granted or rejected, informing the parties of its decision through publication in the *Official Bulletin*.

Opposition

Within 30 working days of the mark's publication, any person with a legitimate interest has a single opportunity to file a valid opposition. There are two possible grounds on which to base an opposition.

In case of prior use or 'better right', the registrar will transfer the trademark files to a civil court of first instance. Once the judge has received the files and the parties have been notified accordingly, the judge will open a 15-day evidentiary period for the submission of evidence, and 30 days for evaluation of the proofs. Both parties then file their briefs and the judge publishes a decision indicating which party has the better right to obtain registration of the disputed trademark. The decision can be appealed before the superior court within five working days. If an appeal is not filed or if the superior judge affirms the prior decision, the trademark files are returned to the Trademark Office for examination.

The opponent can also file an administrative opposition claiming that the mark is not registrable because:

- it cannot be considered a mark under Article 135 of Decision 486/2000 (see above);
- it may be confused with a prior trademark right (Article 136 of Decision 486/2000); and/or
- the opponent is the owner of a prior application or registration in an Andean Community country and bases its opposition on its prior Andean Community mark (Article 147 of Decision 486/2000).

In such cases the opposition will be decided by the Trademark Office. Once an opposition has been filed the Trademark Office may, upon

request, grant the opponent an additional 30-day period to provide evidence in support of its opposition. The Trademark Office will notify the applicant of the opposition so that it can defend its application. Upon notification, the applicant has 30 working days to respond with its counter-statement; again, the applicant can request an additional 30-day period to provide evidence in support of its response.

The Trademark Office will then decide on the merits of the opposition and order that the application be granted or rejected. The parties will be informed of the decision through publication in the *Official Bulletin*. In practice, the Trademark Office can take up to two years from filing of the opposition to publish its decision. The registrar's decision can be appealed within 15 working days of publication. If the appeal is refused, the unsuccessful party can file a further appeal with the minister of commerce and, ultimately, a lawsuit with the Administrative Division of the Supreme Court. If the appeal is unsuccessful, the registrar can order that the application be granted or rejected, as appropriate.

Registration

If the mark is not opposed, or once any pending oppositions/appeals have been resolved, the registrar will order that the application be granted. The applicant is notified accordingly through publication in the *Official Bulletin* and must pay the registration fees within 30 days of publication. Once the final fees have been paid, the mark is registered and becomes enforceable for a period of 10 years from the grant date; registration may subsequently be renewed for successive 10-year periods.

Cancellation/surrender

A registered mark will lapse if the owner, or a person with a legitimate interest, does not request its renewal within the specified term, including the grace period provided in Decision 486/2000. The mark is considered as abandoned

if the applicant does not pay the registration fees within the specified 30-day period.

Revocation

Article 165 of Decision 486/2000 indicates that the Trademark Office can cancel a registration for non-use, at the request of an interested party, if the mark was not used by the owner, a licensee or another authorized person for at least three years prior to the commencement of cancellation proceedings. The non-use cancellation action can affect only one or several of the goods and services in respect of which the mark was registered if partial cancellation is possible.

A non-use cancellation action cannot be initiated until three years after the mark was granted. Where the owner proves that the non-use is due to *force majeure*, the action will fail. A trademark will be considered to be in use where the goods or services it distinguishes have been placed in circulation or are available on the market in the normal form and quantities, given their nature and the methods used for their marketing. A trademark will also be considered to be in use if it distinguishes only goods that are intended for export from any of the Andean Community countries.

The burden of proving use of the mark rests with the owner. The requisite evidence would include invoices, accounting documents, auditing certificates and so on.

When a non-use cancellation action is filed, the Trademark Office will publish a notice of action in the *Official Bulletin*. The owner of a registered mark has 60 days from notification in which to file a response and submit evidence of use. Once the defence period has expired, the Trademark Office will decide whether to cancel the registration and

will inform the parties of its decision. The decision can be appealed within 15 working days of publication. If a registration is cancelled for non-use, the successful party will enjoy a preferential right to obtain registration of an identical or similar mark.

Under Article 169 of Decision 486/2000, a registered mark can also be cancelled if the owner has allowed the mark to become a common or generic sign to denote one or several goods or services for which it is registered. This cancellation action may be brought *ex officio* by the Trademark Office or at the request of a third party.

Invalidation

A registered mark can be invalidated if the sign cannot be considered as a mark under Articles 134 and 135 of Decision 486/2000 and registration was granted erroneously. The invalidation can be ordered *ex officio* by the Trademark Office or at the request of a third party, at any time.

A registered mark can also be cancelled if registration was granted in contravention of Article 136 of Decision 486/2000 or obtained in bad faith (eg, the granted mark is identical to a prior registration or a well-known mark, or the application was filed by a former licensee of the owner of a prior mark). The cancellation action can be brought *ex officio* by the Trademark Office or at the request of a third party. However, the right to bring such an action expires once five years have elapsed since registration of the mark.

When a third party files for cancellation of a registered mark, the Trademark Office will notify the owner accordingly through publication in the *Official Bulletin*. The owner can file a response and defend its registration within two months of notification; this period may be extended by a further two months upon request. Once the defence

period has expired, the Trademark Office will decide whether to cancel the registration and must inform the parties of its decision through publication in the *Official Bulletin*. The decision can be appealed within 15 working days of publication.

5. Enforcement

Complexity

The exclusive rights to a trademark are acquired through its registration with the Trademark Office. Consequently, the essential condition for enforcement of a registered right is that the mark is duly registered with the competent authority (the sole exception is the special case of well-known marks).

The owner of a registered mark or an unregistered well-known mark has the exclusive right to prevent third parties from engaging in the following acts without authorization:

- using or affixing the trademark, or a similar or identical distinguishing sign, to goods in respect of which the trademark is registered or goods connected with the services for which the trademark is registered, or to the packaging of such goods;
- removing or altering the trademark, once it has been placed on or affixed to goods in respect of which it is registered, for commercial purposes, or goods connected with the services for which it is registered, or to the packaging of such goods;
- manufacturing labels, packaging or such other materials as may reproduce or contain the trademark, and selling or storing such materials;
- using in the course of trade identical or similar signs to the trademark, where such use would result in a likelihood of confusion or mistaken association with the registered trademark owner. In case of use of an

- identical sign for identical goods or services, a likelihood of confusion will be presumed;
- using in the course of trade signs identical or similar to a well-known trademark with respect to any goods or services, where such use – by weakening the trademark’s distinctive force or value for commercial or advertising purposes, or by taking unfair advantage of the prestige of the trademark or its owner – could unjustly damage the owner’s economic or commercial interests; or
- making public use of signs identical or similar to a well-known trademark, even for non-commercial purposes, where such use could weaken the distinctive force or value of that trademark for commercial or advertising purposes, or take unfair advantage of its prestige.

If a registered or well-known mark is infringed, the owner can file suit before a civil court of first instance and may request the competent judge to order one or more of the following measures, among others:

- cessation of all acts that constitute the infringement;
- compensation for damages;
- withdrawal from commercial channels of all products resulting from the infringement, including packaging, printed materials or advertising, and other materials and implements predominantly used to commit the infringement;
- prohibition against the import or export of such products, materials and implements;
- adjudication of the ownership of such products, materials and implements, in which case the value of such goods will be charged to the amount of compensation due for damages;
- adoption of the necessary measures to avoid continuation or repetition of the infringement, including destruction of the above products, materials and implements, or the temporary or definitive closure of the infringer’s business; and

- publication of the verdict and notification of interested parties at the infringer's expense.

The owner of a registered or well-known mark may also request the judge to order immediate injunctive relief in order to:

- prevent infringement from occurring;
- avoid its consequences;
- obtain or preserve evidence; or
- ensure the effectiveness of the action or compensation for damages.

An injunction may be requested before commencing the action, alongside it, or after it has been initiated. The judge can order the following provisional measures, among others:

- immediate cessation of all acts constituting the alleged infringement;
- withdrawal from commercial channels of all products resulting from the alleged infringement, including packaging, printed materials or advertising, and other materials and implements predominantly used to commit the infringement;
- suspension of the import or export of such products, materials and implements;
- establishment by the alleged infringer of an adequate guarantee; and
- temporary closure of the alleged infringer's business, if necessary to avoid continuation or repetition of the alleged infringement.

An injunction will be granted only where the requesting party proves its lawful right to act and provides evidence allowing for a reasonable presumption of actual or imminent infringement. The judge may require the requesting party to post a bond or sufficient equivalent assurances before ordering such a measure.

The main problems with enforcement in Venezuela are the absence of specialized IP courts, poorly prepared judges and the sluggishness of the court procedure.

The procedure begins with the plaintiff filing an injunction request before a district court. If the judge agrees, the plaintiff has 10 days to file its case with a court of first instance, which has three days to accept the claim. Once the claim is accepted, the judge will order that the defendant be notified; the latter must respond to the claim within 20 working days. After the defendant files its response, the judge will open a 15-day evidentiary period for the submission of evidence, and 30 days for evaluation of the proofs. Both parties then file their briefs and the judge publishes his decision. The decision can be appealed before the Superior Court within five days.

Timeframe

Pirate registrations become uncontestable after five years. The right to take action against unauthorized use of a well-known mark expires five years after the date on which the owner was informed of such use, except in the case of bad-faith use, where the right to take action does not expire.

The right to sue for infringement expires two years after the date on which the owner learned of the infraction or, in any case, five years after the infringement was committed for the last time.

6. Ownership changes – legalization requirements

In order to record an ownership change (ie, assignment, merger, change of name or address), the documents evidencing the changes must be legalized by apostille or before the Trademark Office. The specific documents required depend on the type of change involved.

For example, for the assignment of one or more trademarks, a notarized and legalized assignment deed signed by both parties is required, as well as

a notarized and legalized power of attorney granted by the assignor and the assignee.

For a merger, a certified copy (duly legalized) of the merger document is required, as well as a notarized and legalized power of attorney from the surviving entity. These documents are also required to record a change of name.

To record a change of address, a certification issued by a company officer stating that the company has changed its address is required. This document must be notarized and legalized.

The Venezuelan system is very formalistic, and any requested documentation must always be legalized before the respective Venezuelan consulate or by apostille. The only exception is the certified copies of the priority documents where the applicant claims foreign priority.

7. Areas of overlap with related rights

There are areas of overlap between trademark rights and other rights, but to obtain additional protection the object must comply with all applicable requirements, as each form has its own scope. For example, a perfume bottle could be protected by a three-dimensional trademark if it is distinctive and capable of graphical representation, and by a design patent if it is new and not part of the public domain.

8. Online issues

In Venezuela, domain names are granted on a first come, first served basis. The local authority with responsibility for domain name registration is the *Centro de Información de Red de Venezuela* (CNTI), which has confirmed that the domain name applicant has sole liability for any IP

infringement. The CNTI rules also state that the domain name applicant is obliged to resolve any potential conflict with a trademark owner through the Uniform Dispute Resolution Policy of the Internet Corporation for Assigned Names and Numbers (ICANN). Consequently, if the owner of a registered or well-known mark considers that a domain name infringes its trademark rights, it can seek the transfer or cancellation of the domain name through the Uniform Dispute Resolution Policy. In order to proceed with the ICANN procedure, the trademark owner must prove that:

- the domain name is identical or confusingly similar to a trademark or service mark in which it has rights;
- the domain name applicant has no rights or legitimate interests in respect of the domain name; and
- the domain name has been registered and is being used in bad faith.

The CNTI rules state that the unsuccessful party can appeal the decision before the local courts within 10 days of notification. Otherwise, the decision is confirmed and the CNTI can enforce the decision.

Under Decision 486/2000, the local competent authority, at the request of the owner or lawful right holder of a well-known mark, will order the cancellation or amendment of a domain name or email address registration where the well-known mark has been unlawfully registered by an unauthorized third party in an Andean Community country as part of that domain name or email address, and this constitutes unauthorized use of the mark. However, this procedure is more complex, expensive and slower than the ICANN procedure. Moreover, the Venezuelan courts have not yet decided any cases based on this provision.

