News

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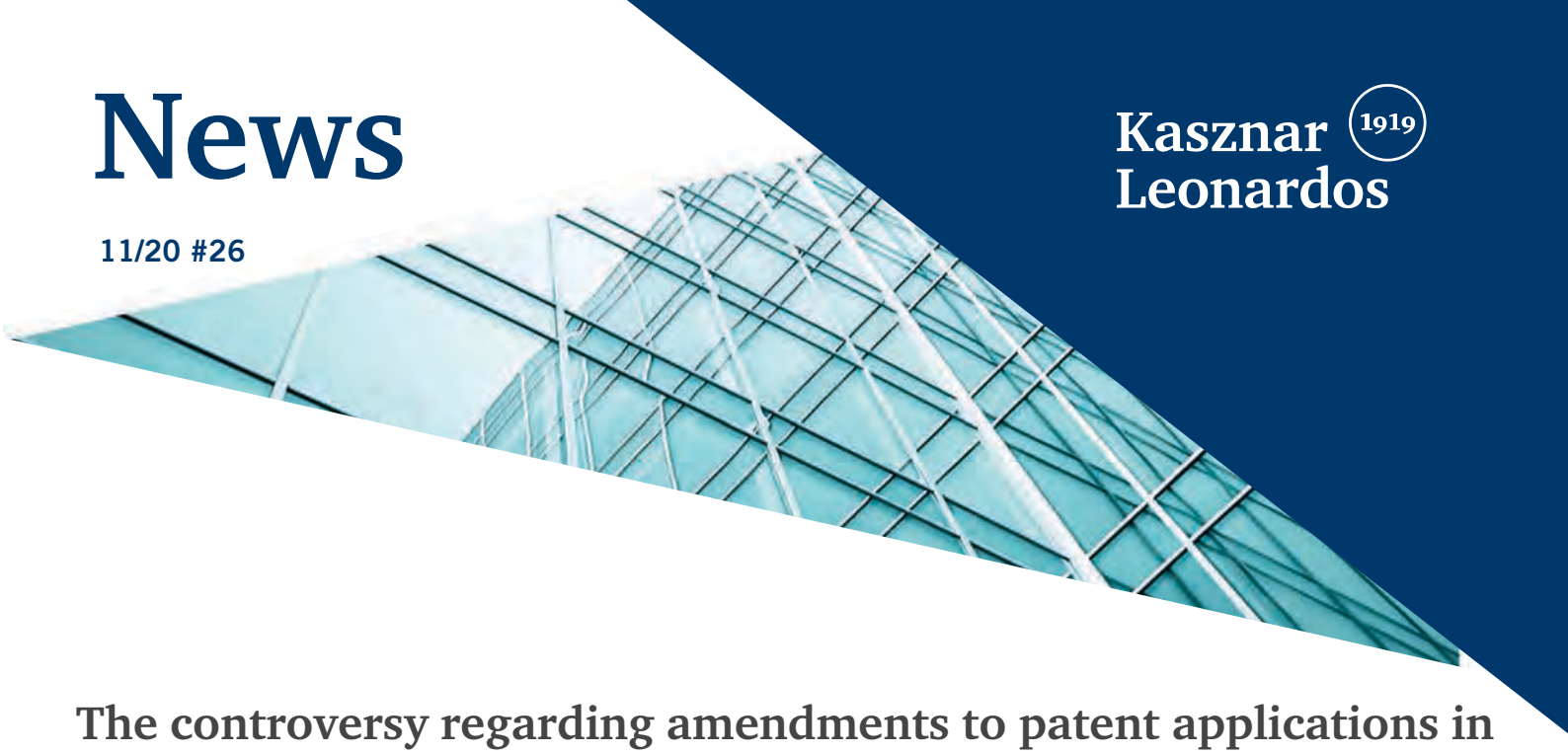
Kasznar Leonardos 1919



The controversy regarding amendments to patent applications in Brazil – A new chapter begins

By Gabriel Leonardos, Rafael Fonseca de Pinho and Lucas Rezende

I. An overview of the Controversy

As reported in our Newsletter #06, sent in March 2019, the Public Civil Action filed in 2002 by the Federal Public Prosecution Office (PPO) generated heated debates around the interpretation of section 32 of the Industrial Property Act (IPA – Law #9,279/1996) concerning the examination of patent applications.

In summary, the PPO argued that voluntary changes to the scope of the claims of a patent application, by (restrict) interpretation of section 32 of the IPA, could only be submitted until the examination request. Even so, this amendment request should be limited to the matter initially revealed in the application.

On the other hand, the Brazilian Patent and Trademark Office (BPTO) argued that section 32 of the IPA would not prevent from including additional matter into the scope of the claims of a patent application after the request for the technical examination, provided that it had already been disclosed in the original application. Rejected by the first instance Court, the PPO's request to limit the application of section 32 was granted by the Court of Appeals.

The Appellate Judges ordered the BPTO to refrain from allowing amendments to patent applications after the examination request (in the terms of section 32) except for the hypotheses set forth in section 70.7 of the TRIPS Agreement. The decision became final and unappealable in 2008. After almost ten years from the deliverance of such decision, the PPO filed a request for its enforcement against the BPTO. The PPO seeks the invalidation of the BPTO's Resolution #93 (published on June 10, 2013), which allows voluntary amendments to the patent application after the examination request only to reduce the scope of the set of claims originally filed.

The PPO argues that this resolution infringes section 32 as well as the aforementioned decision rendered by the Federal Court of Appeals in 2008.

On January 16, 2019 the 25th Federal Trial Court has finally rendered a decision in relation to the PPO's request for the enforcement of the 2008 decision.

The trial judge rejected it based on the understanding that BPTO's Resolution #93/2013 is legal and in accordance with the grounds of the 2008 decision. According to the judge the BPTO's new resolution is reasonable and faces a practical reality of the patent application prosecution before the Agency: the delay in the analysis of applications (i.e. the so-called backlog).

According to the decision, the BPTO – as the agency responsible for implementing, supervising and promoting industrial property matters in the form of section 174 of the Federal Constitution – has a more accurate view of the problems involving patent applications. In this regard, the BPTO – through the issuance of Resolution #93/2013 – decided that it was important to allow voluntary changes in patent applications as long as to reduce the scope of protection of the set of claims originally filed.

II – The recent decision rendered by the Federal Court of Appeals

In order to challenge the abovementioned decision, the PPO filed an Appeal before the Federal Court of Appeals seeking to revert the Trial Judge's decision. As stated before, the PPO understood that the BPTO's Resolution #93/2013 is illegal and not compatible with the grounds of the 2008 decision. In PPO's opinion, even amendments for reducing the scope of the protection of an application if applied after the request for examination are not allowed by Article 32.

The Federal Court of Appeals rendered a decision on the PPO's appeal during the trial session occurred yesterday, November 11th, 2020. Despite the important discussion related to the alleged illegalities of BPTO Resolution #93/2013, the outcome of the Federal Court of Appeals' decision was grounded in the fact that the PPO used an improper appeal to challenge the Trial Judge's decision, according to the Brazilian Civil Procedure Act.

After the PPO, EMS and ABIFINA[1] presented their oral argument before the Court, arguing that BPTO's Resolution #93/2013 was illegal, the Reporting Appellate Judge Fabio de Souza Silva, raised a preliminary question related to the nature of the appeal filed by the PPO. According to the Reporting Judge, the PPO should have filled an interlocutory appeal, since the appealed decision is considered as an interlocutory decision and not a final decision on the merits.

The Reporting Appellate Judge concluded that the PPO failed to present the proper appeal since the *enforcement was initiated and extinguished by a final decision on the merits that remained unappealable years ago. What the PPO intended in this case was to reopen the enforcement phase after more than ten years of the final decision on the merits, which was rejected by the Judge*.

This rejecting decision was not a final decision on the merits and the Brazilian Civil Procedure Act states that interlocutory decisions must be challenged by an interlocutory appeal. After that, the other two Appellate Judges (Abel Gomes and Andrea Barsotti) voted following the Reporting Judge's decision and thus the PPO's appeal was unanimously rejected.

The BPTO, INTERFARMA, ABPI and ABAPI[2] agreed with the Court's decision and refrained from presenting their oral arguments.

Therefore, with the PPO's appeal rejected, BPTO's Resolution #93/2013 remains in force allowing applicants to proceed with voluntary changes in patent applications after the request for examination, as long as to reduce the scope of protection of the set of claims originally filed.

PPO may file a Special Appeal to the Superior Court of Justice in order to challenge the decision rendered by the Federal Court. The PPO may also file a new Public Civil Action seeking to discuss the validity of Resolution #93/2013, since the merits were not analyzed in this appeal.

[1]EMS and ABIFINA (Brazilian Fine Chemistry Association), presented oral arguments during the trial session, respectively as PPO's Assistant and as amicus curiae – both parties understands that BPTO's Resolution #93/2013 is illegal

[2]INTERFARMA (Pharmaceutical Industries Association), ABPI (Brazilian Intellectual Property Association) and ABAPI (Brazilian Intellectual Property Agents Association), agreed with the Appellate Court's decision and abstained from presenting their oral arguments. These Associations are amicus curiae, defending BPTO's Resolution and presented their opinions seeking to maintain the Trial Judge's decision.

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