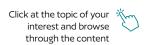
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BRAZILIAN CONTEXT

Advances in Brazilian biotechnology after Brazil adheres to the Budapest Treaty

The Senate approved, under Legislative Decree No. 174/25, Brazil's adhesion to the Budapest Treaty, which simplifies the filing procedure for biological materials required in patent applications involving live microorganisms, such as vaccines and medicines. The measure still depends on ratification by presidential order to come into effect.

BPTO's new Priority Trademark Procedure will be launched on August 7th

Please check out <u>here</u> who will be eligible to this procedure. The new procedure is part of BPTO's strategic plan and seeks to accelerate trademark protection demands, strengthening and optimizing the environment for innovation in Brazil.



Abifina study reveals that around a thousand drug patents will be extinguished by 2030

A study conducted by the Brazilian Association of Fine Chemical Industries (Abifina in Portuguese) indicates that about one thousand pharmaceutical patents will expire by 2030. These include medications, oncology treatments, painkillers, anti-inflammatories, and antibiotics, totaling 186 therapeutic indications. This change represents a significant opportunity to strengthen national production, especially by means of partnerships with the government.

Abifina emphasizes the importance of involving regulatory bodies from the beginning of negotiations. This ensures that public-private partnerships are structured in compliance with rules, avoiding rework and even project elimination. External dependence on inputs, which became evident during the COVID-19 pandemic, underscores the need for investments in infrastructure and innovation in the industry.

Although there is a prospect of a more accessible pharmaceutical market after the patents expire – which is a valuable opportunity for the national industry –, it is important for corporate patent-owners to also analyze potential strategies for protecting their interests in light of the substantial investments made by the industry in R&D.



ADMINISTRATIVE AND LEGAL DISPUTES

Decision of TJMT nullifies royalty charges for expired patents

Mato Grosso Court of Justice (TJMT in Portuguese) annulled royalty charges for the use of the "Intacta RR2 PRO" technology following the expiration of two patents associated with the product, confirming the partial nullity of the payment requirement. The lawsuit, brought by associations of soybean and corn producers, questioned the legality of full royalty charge, considering that patents had expired. The lower court had already determined the reduction of the amounts and the refund of the sums improperly paid by producers.

Monsanto, which appealed the decision, argued that the charges were based on a broad set of intellectual property rights, including patents still in force, and presented several procedural claims. However, the appellate judge rejected these arguments, stating that charging royalties for expired patents constitutes unjust enrichment.

The decision reinforces the importance of monitoring the time limits of patent effectiveness, not only from a legal standpoint but also as a strategic factor in commercial decision-making. For companies, producers, and other economic agents, understanding the lifecycle of patents can help avoid litigation, adjust pricing strategies, and ensure ethical and efficient market practices.

Case: No. 1011982-53.2021.8.11.0041, Second Chamber of Private Law of TJMT, Reporting Justice Maria Helena Gargaglione Povoas, 06/25/2025.



Trademark dispute between Ivete Sangalo and Grupo Clareou over samba tour "Ivete Clareou"

In June 2025, Brazilian singer Ivete Sangalo launched her new tour titled "Ivete Clareou," which uses the term "clareou" in tribute to samba artist Clara Nunes, a major influence on Ivete. To protect this association, the singer filed trademark applications for "Ivete Clareou," "Clareou Ivete," and "Clareou" with the BPTO. However, the following month, Grupo Clareou, a samba band from Rio de Janeiro, issued a statement on their social media claiming that Ivete used their trademark improperly, as they have had registrations for "Grupo Clareou" as both nominative and fixed trademarks since 2015 and have been known by this name since 2009.

The band has also taken administrative measures against the trademark applications

for "Clareou" and "Clareou Ivete" (case No. 939344670 and 939344858), which are still pending analysis by the BPTO. According to Super Sounds, the company responsible for Ivete's tour, there was an attempt to negotiate a settlement with the band, but discussions ended due to the proposal of excessive amounts proposed.

In this context, although the samba band clearly has priority over the trademark registration "Grupo Clareou," which identifies the same services that Ivete claims, the main element of Ivete's trademarks is her name, the logotypes used by both parties are distinct, and the term "clareou" (which means "brightened" in English) has a different meaning, as it pays a tribute to Clara Nunes.





IP ABROAD

Mercosur and EFTA sign free trade agreement

On July 2nd, 2025, Mercosur announced the conclusion of a trade agreement with the European Free Trade Association (EFTA), formed by Iceland, Liechtenstein, Norway and Switzerland. The new treaty has the potential to facilitate trade for approximately 97% of the goods already exported between the two blocks, creating a free-trade zone that will encompass nearly 300 million people and a combined GDP of more than US\$4.3 trillion. The effectiveness of the agreement still depends on a popular plebiscite in Switzerland.

The agreement covers several areas, including trade of goods, services, investments and intellectual property. The chapter on intellectual property establishes the mutual recognition of geographical indications, with 63 Brazilian geographical indications being protected in EFTA countries. Regarding patents, despite the pressure from Switzerland to include additional clauses related to intellectual property, Brazil has kept its position, not giving in to requests aimed at protecting the Swiss pharmaceutical industry against patent infringement.

The new agreement between Mercosur and EFTA represents an important opportunity to expand and diversify trade relations and strengthen the protection of intellectual property in the region. Brazil's resistance to giving in to external pressures regarding intellectual property clauses indicates a firm stance in defense of local interests, which can result in a more balanced and favorable environment for innovation and industrial development in the country.



Record labels, publishers, and property rights: contractual limits on managing artist's work

In May, Taylor Swift announced to have acquired property rights to the phonograms of her first six albums, bringing an end to a dispute that began in 2019 when her former record label was sold without her having the opportunity to negotiate the ownership of her recordings. The artist, who already held the copyright to the compositions, could not economically exploit her own original versions and, therefore, initiated a process for recording the albums again, to regain control over her work – culminating now with the acquisition of the rights to the original phonograms. This case underscores the strategic value of property rights in the music industry and the impact of contractual decisions made throughout an artist's career.

In Brazil, this issue has also gained relevance with the legal dispute brought by Roberto Carlos and Erasmo Carlos against a music publisher. The artists claimed that they had only authorized the editing of about 70 songs composed between the 1960s and 1980s, and not the definitive assignment of property rights. However, the Superior Court of Justice recognized the validity of the contracts and the publisher's right to continue commercially exploiting the works, including in the digital environment. The ruling highlighted that technological evolution does not invalidate previously established agreements, reinforcing the importance of contractual clarity.

These two cases, while distinct in context and outcome, demonstrate the importance of negotiating copyright conditions, particularly in the music industry. Clauses regarding assignment, licensing, and the duration of economic exploitation should be carefully evaluated, taking into account not only the current scenario but also future forms of distribution and monetization.





Partners responsible for the newsletter

- Marcela Waksman Ejnisman
- Carla do Couto Hellu Battilana
- Luiza Sato
- Stephanie Consonni de Schryver

Contributed to this newsletter

Bianca Patrinhani Okuma
Carolina Soares Franco
Igor Baden Powell
Isabella de Freitas Moraes Sampaio Pereira
Julie Lissa Kagawa
Maria Eugênia Geve de Moraes Lacerda
Miguel Lima Carneiro
Nathalia Yu Lin