TozziniFreire.
ADVOGADOS

Intellectual Property.

Newsletter

30th Edition | 2024

This is an informative newsletter produced by the **Intellectual Property** practice of TozziniFreire Advogados.

INDEX

Click at the topic of your interest and browse through the content

BRAZILIAN CONTEXT

News from the Brazilian Patent and Trademark Office (BPTO)

- **Cooperation between BPTO and EUIPO:** on February 5, the BPTO and the European Union Intellectual Property Office (EUIPO) met to discuss the continuation of joint initiatives related to intellectual property. Please see more details here.

- **Studies on "IP Finance" in Brazil and the Impact of IP Rights on the Brazilian Economy:** the BPTO launched two relevant studies on intellectual property rights and their economic impact. The first study, "Unlocking IP Finance in Brazil: How the Experience of Relevant Markets Can Help Brazil Move Forward," investigates the use of intangible assets in financing in the United States, Canada, Asian nations, and Europe. The second study, "The Economic Contribution of IP-Intensive Industries in Brazil," identifies the industry sectors that heavily contribute with intellectual property in Brazil.

- **Approval of Resolution GIPI/MDIC No. 13/2025:** the Interministerial Group on Intellectual Property (GIPI in Portuguese) approved the revised Action Plan for 2023-2025 to implement and monitor the National Strategy on Intellectual Property. Please see more details about the Resolution here.

CASE LAW

TJSP authorizes Coco Bambu to use slogan "the best restaurant in Brazil" in dispute with Outback

In January 2025, the 1st Business and Arbitration Conflicts Court of São Paulo Court of Justice ruled in favor of Coco Bambu restaurant, allowing the chain to use the slogan "the best restaurant in Brazil," in the midst of a dispute with Outback. The decision recognized that the use of the slogan would not generate confusion among consumers, emphasizing that the public has enough discernment to interpret this statement critically, without seeing it as an absolute truth.

The lawsuit was motivated by a complaint made by Outback, which argued that the use of the slogan by Coco Bambu could mislead consumers and would constitute unfair competition. However, the court analyzed the evidence presented by Coco Bambu's defense, which demonstrated the recognition of the trademark and the public's preference, leading to the conclusion that the continued use of the slogan would not pose a risk to the image of the Australian chain.

The court decision highlights consumers' critical interpretation of advertising slogans and the necessary balance between protecting property rights and legitimate marketing practices. This decision also highlights the importance of trademark protection in Brazil – including the registration of slogans with BPTO – and reaffirms that, even in cases of dispute, the use of slogans and common terms must be assessed in the light of the specificities of each business.

Please access the full decision at the link. Case No. 1083308-68.2024.8.26.0100.

STJ determines that 'Chiquititas' trademark is not famous enough to guarantee imprescriptible right in an action against improper registration

The Third Panel of the Superior Court of Justice (STJ in Portuguese) decided that trademark "Chiquititas" is not sufficiently famous to guarantee that the Nullity Action of BPTO's decision is not subject to the statute of limitations. The decision overturned a ruling by the Federal Regional Court of the 2nd Region (TRF2) and considered the lawsuit filed by SBT and SS Comércio de Cosméticos against a company that used the trademark in beauty products to be time-barred.

Justice-rapporteur, Nancy Andrighi, pointed out that the special protection depends on the recognition of the BPTO, which did not occur in this case.

The justice also pointed out that the Paris Convention for the Protection of Industrial Property allows imprescriptible rights only for actions that involve bad faith or copying of well-known trademarks. In the case in question, SBT and SS Comércio did not present valid registrations abroad that would justify this protection. In addition, the Brazilian IP Law prohibits the registration of artistic works as trademark without the author's consent. Thus, any nullity action must be brought within five years, which the plaintiffs failed to do.

STJ's decision is an important precedent for cases involving well-known trademarks and highlights the importance of rights holders taking measures to preserve their interests. Besides, "notoriety," as a single aspect, does not ensure legal protection, and failure to register can result in the loss of fundamental rights.

Please see the ruling here.

Netflix keeps images of Edir Macedo in documentary after court decision in São Paulo

The 36th Civil Court of São Paulo rejected Bishop Edir Macedo's request for Netflix to remove his footage from the documentary "The Devil on Trial," under the claim that the reproduction of his image compromises his reputation, unduly associating him with exorcism practices in a sensationalist context.

The judge argued that there is no evidence of serious damage or irreparable risk. She pointed out that the images are of low quality and appear for a few seconds, making it difficult to clearly identify the bishops. The decision also considered that removing the scenes would imply a disproportionate burden on the streaming platform.

Netflix's defense, in turn, claimed that the images used are in the public domain and were used as examples, also pointing out that Edir Macedo had already released similar videos, which makes his exposure in the documentary less problematic.

The judge's decision highlights the importance of balancing the right to image with freedom of expression. Protecting freedom of expression is vital, and decisions like this help to ensure that the use of images in documentary productions is not unduly curtailed, as long as legal limits are respected.

Please access the full decision at the link. Case No. 1166991-03.2024.8.26.0100.

Court Decision restricts protection of “weak” trademarks: the case of Eurofarma and its brand “REHIDRAT”

The 2nd Business Court and Arbitration Conflicts of São Paulo Judicial District rejected Eurofarma Laboratórios S/A’s request for full exclusivity over trademark “REHIDRAT” (please check the full decision here). Judge Guilherme de Paula Nascente Nunes argued that trademarks that are deemed “weak,” for being descriptive or evocative of the product’s function, have limited legal protection. Company Eurofarma claimed unfair competition due to products sold by Guessy Industrial under the name “REYDRAT MAIS,” but the defense emphasized that the similarity between the trademarks does not violate any rights, as both refer to the function of rehydration.

The decision highlights the importance of evocative trademarks coexisting in the market, preventing monopolies that could harm competition. Company Eurofarma was required to pay court costs and attorney fees but still has the option to appeal the decision.

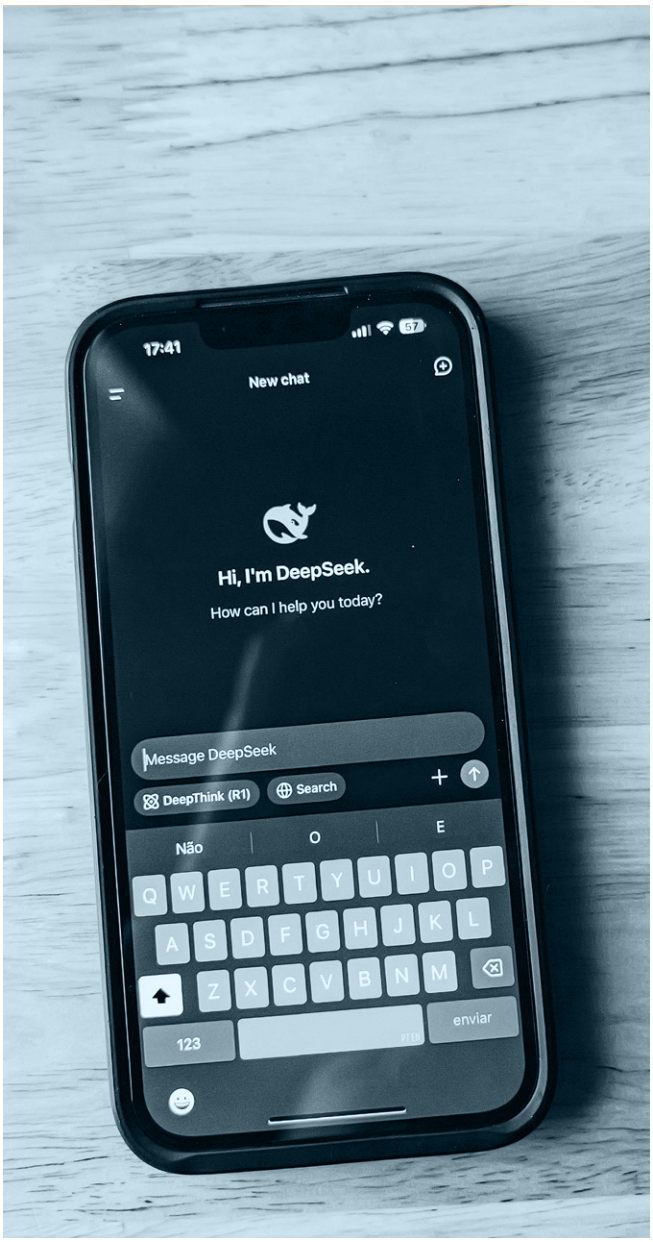
Case No. 1142370-3 9.2024.8.26.0100.

Eurofarma

IP ABROAD

OpenAI claims improper use of its AI models by startup DeepSeek

After ongoing concerns from OpenAI about a potential intellectual property violation by Chinese startup DeepSeek, the company revealed that it has evidence proving that the startup allegedly used OpenAI's AI models to train its own open-source version. This announcement has had a negative impact on the stock prices of technology companies in the U.S. and Europe, resulting in a market loss exceeding US$1 trillion up to this moment.



According to the company, startup DeepSeek exploited a technique called distillation, which involves learning a model from the outcomes of another, allowing companies to achieve similar results at reduced costs. The practice of distillation is common in the AI industry, but it should be exercised with caution, as it raises questions about the protection of intellectual property. OpenAI emphasized that it is taking steps to protect its innovations and will rely on the U.S. government to prevent competitors from appropriating its technologies.

Dior faces adult film star in a trademark dispute

Dior is once again in conflict with adult film star Stephanie Hodge, who is pursuing to register the name "Gigi Dior" for use in entertainment services, including personal appearances and adult content production. The French luxury brand filed a statement with the U.S. Trademark Trial and Appeal Board, arguing that its reputation associated with the Dior name is at risk. They claim that the use of the name "Gigi Dior" could confuse consumers, leading them to believe there is an association between the name being used for such purposes and Dior trademark.

The company emphasized its long history of promoting products through celebrity endorsements, which makes the use of its name in a contrasting context, such as the adult industry, even more problematic. Dior claims that "Gigi Dior" brand inappropriately incorporates its registered trademark and that Hodge's offering of adult entertainment services contradicts the luxury image of Dior, thereby damaging the brand's reputation among consumers. Dior's Chief Financial Officer, Hien Tran Trung, expressed concerns about granting trademark registration to Hodge, as it would interfere with the exclusive rights the brand has developed over the years and harm its future expansion into other service classes.

The misuse of registered trademarks, particularly in contexts that do not align with a brand's image, can lead to consumer confusion and permanent damage to the brand's value and reputation.

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
Igor Baden Powell
Isabella de Freitas Moraes Sampaio Pereira
Julie Lissa Kagawa
Maria Eugênia Geve de Moraes Lacerda
Miguel Lima Carneiro
Nathalia Yu Lin