

Total provisional refusal
Office of Origin: BRAZIL



IRN nº: 1 500 529
Application nº 501500529
Holder: SCALE AVIATION MANAGEMENT DESIGNATED ACTIVITY COMPANY
Mark: STRATEGIC COMMERCIAL AIRCRAFT LIQUIDITY ENTERPRISE
Time Limit: 22 March 2021

Dear Madam/Sir,

Notification of Total Provisional Refusal according to Rule 17(2)

We would like to inform you that your trademark has been provisionally refused in Brazil. Please find enclosed our report on the examination of your trademark.

Your further action

If you want to appeal against the decision, reasons and any documents must be submitted to the Coordination of Appeals and Administrative Nullities of INPI by 22 March 2021.

In order to do so you must:

- a) Access the e-Marcas system on the INPI website (www.inpi.gov.br);
- b) Issue a “ Guia de Recolhimento da União (GRU)” for the “Recurso contra indeferimento do pedido de registro de marca” (code 3000) regarding the application;
- c) Make the payment; and
- d) Complete and submit the electronic form corresponding to the option indicated in the issuance of the GRU, accompanied by the appropriate clarifications, arguments, evidence or documents.

What happens if we do not hear from you?

Failure to file a proper response implies in the confirmation of the total provisional refusal, in accordance with Rule 18ter(3) and Resolução 247/2019 article 21, §1, I.

Important!!

When performing acts directly at the INPI, the holder of an international registration domiciled abroad shall constitute and maintain a duly qualified attorney domiciled in Brazil. The power of attorney shall be presented within 60 (sixty) continuous days from the practice of the act, regardless of notification or requirement, under penalty of **definitive dismissal** of the petition or application.

All documents concerning Brazilian designations submitted directly to the INPI must be written in Portuguese. Documents submitted in a foreign language must be accompanied by simple translation.

Chapter 3¹ of the Trademark Manual contains information on all services relating to a trademark application or registration. The provisions of this chapter regarding the service to be filed with the INPI must be observed.

We emphasize that, according to the sole paragraph of art. 1 of Res. 247/2019, petitions concerning the registration of trademarks under the Madrid Protocol shall be carried out exclusively by electronic means, except when the prolonged unavailability of the system may cause material damage to the preservation of rights.

Best regards,

Silvia Rodrigues de Freitas
Industrial Property Technologist
Madrid Protocol Division - Trademarks Directorate – INPI Brazil

¹ **3 Como formular pedido de registro ou petição de marca**

EXAMINATION REPORT

The lawfulness, distinctiveness, veracity and availability of the sign required as a trademark were analyzed as part of the examination of the trademark application, including searches of previous third party rights and the examination of possible oppositions and other submitted documents.

Grounds for refusal

Upon completion of the examination, the application for registration is provisionally refused for all classes based on the following legal grounds. Find attached an extract of the Brazilian Industrial Property concerning Trademarks.

In our examination, we have found that your trademark infringes the Brazilian Industrial Property Law, article 124 (VI) because it consists of **STRATEGIC COMMERCIAL AIRCRAFT LIQUIDITY ENTERPRISE** and lacks distinctive character.

The word element is considered descriptive for the specified services (aircraft financing and leasing). “ENTERPRISE” is the type of establishment, “commercial aircraft” is the market segment, “strategic” is qualifying of the services and “liquidity” is also related to the services because it “refers to the ease with which an asset, or security, can be converted into ready cash without affecting its market price” (source: Investopedia.com). In addition, the sign was presented in a nominative form, without any graphic elements that could provide distinctiveness, necessary for registration.

For your prompt reference we attached the Trademark title of the Brazilian Industrial Property Law in English. You can also access the English and Spanish versions of Brazilian Industrial Property Law through the links below:

English:

<https://www.gov.br/inpi/pt-br/servicos/marcas/arquivos/protocolo-de-madri/lpi-trad-pms-rev-pms.pdf>

Spanish:

<https://www.gov.br/inpi/pt-br/servicos/marcas/arquivos/protocolo-de-madri/lpi-espanhol-trad-pms-revisoes-rev-pms.pdf>

EXTRACT FROM THE BRAZILIAN INDUSTRIAL PROPERTY LAW (LPI)

TITLE III TRADEMARKS

CHAPTER I ELIGIBILITY FOR REGISTRATION

Section I - Signs Eligible for Registration as Trademark

Article 122. Are considered eligible for registration as trademarks visually perceptible distinctive signs which do not fall under any legal prohibitions.

Article 123. For the purposes of this code, the following definitions shall apply:

I – product or service trademark: that which is used to distinguish goods or services from others that are identical or similar, from a different origin;

II – certification mark: that which is used for certifying a product or a service meets certain standards or technical specifications, especially as to their quality, nature, and material and methodology used; and

III – collective mark: that which is used to identify products or services provide by members of certain entity.

Section II - Signs not Eligible for Registration as Trademark

Article 124. The following are not subject to trademark registration:

I – official, public, national, foreign, or international coats of arms, medals, flags, emblems, badges, and monuments, as well as their respective designation, image, or imitation;

II – single letters, numbers, and dates, except when represented in a sufficiently distinctive manner;

III – expressions, images, drawings, or any other signs which are contrary to morals and good customs or which offends the honor or image of people or which attacks the freedom of conscience, belief, worship or ideas and feelings which are deemed worthy of respect and veneration;

IV – title or acronym of a public entity or agency, if registration is not sought by that entity or agency;

V – reproduction or imitation of a characteristic or differentiating element of a trade name or a third-party's company name, which may cause confusion or association with these distinctive signs;

VI – Generic, necessary, common, ordinary, or simply descriptive signs, which are related to the products or services to be distinguished, or those commonly employed to identify a characteristic of the products or services, as to their nature, national origin, weight, value, quality, and time of production or service provision, except when represented in a sufficiently distinctive manner;

VII – signs or slogans used only as a mean of advertising;

VIII – colors and their names, unless arranged or combined in a peculiar and distinctive way;

IX – geographic indications, their imitations which may cause confusion, or signs that could falsely induce geographical indication;

X – signs which induce a false indication as to the origin, source, nature, quality, or usefulness of the products or services to which the trademark is intended;

XI – reproduction or imitation of official signs regularly adopted to guarantee standards of any kind or nature;

XII – reproduction or imitation of signs that have been registered as collective or certification marks by third parties, pursuant to the provisions established in article 154;

XIII – title, award, or symbol of sporting, artistic, cultural, social, political, economic, or technical events, official or officially recognized, as well as imitations which may cause confusion with the former, except when authorized by the competent authority or entity promoting the event;

XIV – reproduction or imitation of title, policy, currency, and banknote of the Federal Government, States, Federal District, Territories, Municipalities, or countries;

XV – birth name or signature, family name or patronymic, and image of third parties, except with the consent of the owner, heirs, or successors;

XVI – well-known pseudonym or nickname, singular or collective artistic name, except with the consent of the owner, heirs, or successors;

XVII – literary, artistic, or scientific work, as well as titles protected by copyright and likely to cause confusion or association, except with the consent of the author or the right's owner;

XVIII – technical terms used in the industry, science and art, which are related to the products or services to be distinguished;

XIX – reproduction or imitation, in whole or in part, even if with addition, of other persons' registered trademark to distinguish or certify an identical, similar, or related product or service, which is liable to cause confusion or association with the trademark of others.

XX – duality of trademarks by a single owner for the same products or services, except when, in the case of trademarks of the same nature, they are sufficiently distinctive;

XXI – the necessary, common, or ordinary shape of the product or packaging or, also, one that cannot be dissociated from a technical effect;

XXII – objects which are protected by a third party's industrial design registration; and

XXIII – sign that imitates or reproduces, in whole or in part, a trademark that the applicant evidently knows as a result of its activity, in which its owner is based or domiciled in national territory or in a country with which Brazil has an agreement or ensures reciprocal treatment, if that trademark distinguishes or certifies identical, similar, or related products or services which are liable to cause confusion or association with such trademark.

Section III - Highly-Renowned Mark

Article 125. The registered trademark in Brazil regarded as highly renowned shall be ensured special protection in all commercial activity fields.

Section IV- Well-Known Mark

Article 126. The trademark well-known in its field of commercial activity is especially protected pursuant to art. 6 *bis* (I) of the Paris Union Convention for the Protection of Industrial Property, regardless of being previously filed or registered in Brazil.

Paragraph 1. The protection referred to in this article is also applicable to service marks.

Paragraph 2. INPI may, on its own volition, deny the application for registration of trademark that reproduces or imitates, in whole or in part, a well-known mark.

CHAPTER II PRIORITY

Article 127. To the application for registration of a trademark filed in a country which maintains an agreement with Brazil, or in an international organization which produces the effect of a national application, the right to priority, within the terms established in that agreement, shall be ensured, and that application shall not be invalidated or impaired by facts occurred within these terms.

Paragraph 1. The priority claim of shall be made upon filing, and it may be supplemented within sixty (60) days by other priorities prior to the date of submission in Brazil.

Paragraph 2. The priority claim shall be supported through a proper document from the origin, containing the number, date, and reproduction of the application or the registration, accompanied by a simple translation, in which the content shall be the full responsibility of the applicant.

Paragraph 3. If the evidence is not submitted upon filing, it shall occur within four (4) months of the filing, under penalty of loss of the priority.

Paragraph 4. In case of a priority obtained through assignment, the relevant document shall be submitted in addition to the proper priority evidence.

CHAPTER III APPLICANTS

Article 128. Individuals or legal entities of public law or private law may apply for trademark registration.

Paragraph 1. Individuals or legal entities of private law may only apply for the registration of a trademark related to the activity effectively and legally carried out either directly or through companies direct or indirectly controlled, and such condition shall be declared in the trademark application, under penalty of law.

Paragraph 2. The registration of a collective mark may only be requested by a legal entity representing a party, which may carry out a different activity than its members.

Paragraph 3. The registration of a certification mark may only be requested by an individual or entity without any direct commercial or industrial interest in the certified product or service.

Paragraph 4. A priority claim does not exempt a trademark application from the enforcement of the provisions included in this Title.

CHAPTER IV TRADEMARK RIGHTS

Section I - Acquisition

Article 129. The ownership of the trademark is acquired through the validly issued registration, pursuant to the provisions of this Law, and its exclusive use throughout the national territory is ensured to its holder and, regarding collective and certification marks, the provisions in arts. 147 and 148 shall be complied with.

Paragraph 1. Every individual or entity who, on good faith, used within the country for at least six (6) months prior to the date of the priority or filing an identical or similar trademark to distinguish or certify an identical, similar, or related product or service, shall be entitled the right to take precedence in the registration.

Paragraph 2. The right to take precedence may only be assigned together with the company's business or portion thereof with direct relation to the use of the trademark, through disposal or lease.

Section II - Protection Granted by Registration

Article 130. The owner of the trademark or its applicant is also ensured the right to:

- I – assign its registration or application;
- II – license its use;
- III – protect its material integrity or reputation.

Article 131. The protection addressed in this Law encompasses the use of the trademark in papers, printed materials, advertisement, and documents related to the owner's activity.

Article 132. The trademark owner may not:

- I – prevent merchants or distributors from using distinctive signs owned thereby together with the product's trademark for its promotion and marketing;
- II – prevent manufacturers of accessories from using the trademark to indicate the product's purpose, as long as the fair competition practices are respected;
- III – prevent free circulation of products placed in the domestic market, by itself or third parties with consent, except for the provisions in paragraphs 3 and 4 of art. 68; and
- IV – prevent quoting of the trademark in a speech, scientific or literary work, or any other publication, as long as there is no commercial connotation or prejudice to its distinctive character.

CHAPTER V EFFECTIVE PERIOD, ASSIGNMENT, AND ANNOTATIONS

Section I - Effective Period

Article 133. The registration of the trademark shall be effective for ten (10) years from the date when the registration was granted, extendable for equal and consecutive periods.

Paragraph 1. The request for extension shall be filed within the last year of the term of the registration, accompanied by the proof of payment of the corresponding fee.

Paragraph 2. If the request for extension of the registration is not made until the end of its term, the owner may request it within the subsequent six (6) months, upon payment of an additional fee.

Paragraph 3. The extension shall not be granted if the provisions of art. 128 are not complied with.

Section II - Assignment

Article 134. The application for registration and the registration may be assigned, provided that the assignee meets the legal requirements in order to request such registration.

Article 135. The assignment shall include all registrations or applications, on behalf of the assignor, of equal or similar trademarks, related to an identical, similar, or related product or service, under penalty of cancellation of the registrations or dismissal of the applications that were not assigned.

Section III - Records

Article 136. INPI shall make the following records:

- I – the assignment, including the full identification of the assignee;
- II – any limitations or burdens that may be imposed upon the application or registration; and
- III – changes of name, principal place of business, or address of the applicant or owner.

Article 137. The annotations shall take effect with respect to third parties from their publication date.

Article 138. The following decisions are appealable:

- I – denial of assignment annotation;
- II – cancellation of registration or dismissal of application, pursuant to art. 135.

Section IV - License to Use

Art. 139. The owner of a registration or the applicant thereof may sign a license agreement for the use of a trademark, without any prejudice to its right to exercise effective control over the specifications, nature, and quality of the respective products or services.

Sole paragraph. The licensee may be vested all powers to act in the defense of the trademarks, without prejudice to his/her own rights.

Article 140. The license agreement shall be recorded in INPI so that it has effects with respect to third parties.

Paragraph 1. The recording shall take effects with respect to third parties from its publication date.

Paragraph 2. For purposes of validity of proof of use, the license agreement does not have to be recorded in INPI.

Article 141. The decision that denies the recording of the license agreement is appealable.

CHAPTER VI FORFEITURE OF THE RIGHTS

Article 142. The registration of the trademark shall be extinguished:

- I – due to the expiry of its term;
- II – as a result of waiver, which may happen in whole or in part with respect to the products or services of the trademark;
- III – due to a revocation brought by lack of use; or
- IV – due to failure to comply with the provisions in article 217.

Article 143 – A trademark registration will be revoked upon request of any person with legitimate interest if, after five (5) years of its granting, on the date of such request:

- I – the trademark use has not been initiated in Brazil; or
- II – the trademark has ceased to be used for more than five (5) consecutive years or, within the same term, the trademark has been used with alterations which result in a modification of its original distinctive nature, as provided for in the registration certificate.

Paragraph 1. The registration shall not be revoked if the owner provides legitimate reasons for the disuse of the trademark.

Paragraph 2. The owner shall be summoned to respond within sixty (60) days, being responsible for evidencing the use of the trademark or providing legitimate reasons for its disuse for.

Article 144. The use of the trademark shall cover products or services included in the certificate, under penalty of causing the registration to be partially revoked in respect to those which are dissimilar and unrelated to the ones for which the trademark was provenly used.

Article 145. There shall be no request for revocation if the trademark is provenly used or its disuse has been justified in a previous proceeding, filed no more than five (5) years.

Article 146. A decision for revoking the registration or denying it shall be subject to appeal.

CHAPTER VII COLLECTIVE AND CERTIFICATION MARKS

Article 147. The collective mark application shall include its regulation of use, providing for conditions and prohibitions for using the trademark.

Sole paragraph. The regulation of use, if not annexed with the application, shall be filed within sixty (60) days of the submission, under penalty of final dismissal of the application.

Article 148. The certification mark application shall include:

- I – the characteristics of the product or service which are subject to certification; and
- II – the control measures to be adopted by the owner.

Sole paragraph. The documents specified on items I and II of this article, if not annexed with the application, shall be filed within sixty (60) days, under penalty of final dismissal of the application.

Article 149. Any changes to the regulation of use shall be informed to INPI, upon filed petition, including all conditions changed, under penalty of being disregarded.

Article 150. The trademark can be used regardless of license, and its authorization in the regulation of use shall be sufficient.

Article 151. In addition to the causes of extinguishment established in article 142, the collective and certification trademark registration are extinguished when:

- I – the owner ceases to exist; or
- II – the trademark is used under conditions other than those provided for in the regulation of use.

Article 152. A waiver to the collective mark registration shall only be accepted when required under the articles of association or bylaws of the entity itself or even pursuant to the regulation of use.

Article 153. A collective mark shall be liable to revocation if is not used by more than one authorized person, pursuant to the provisions in articles 143 to 146.

Article 154. The collective and certification marks that have already been used and which registrations have been extinguished may not be registered on behalf of third parties, before expiration of the five (5)-year term from the date of the extinguishment.

CHAPTER VIII SUBMISSION

Article 155. The application shall be made for a single distinctive sign and, under the conditions established by INPI, shall include:

- I – request;

II – images, when applicable; and

III – a proof of payment of the fee related to the submission.

Sole paragraph. The application and any document accompanying it shall be submitted in Portuguese and, in case of a foreign document, its simple translation shall be annexed upon submission or submitted within the subsequent sixty (60) days, under penalty of those documents being disregarded.

Article 156. After submission of the application, it shall be subject to a preliminary formal examination and, if duly documented, it shall be recorded, and the date of application shall be the date of submission.

Article 157. The application that does not formally comply with the provisions in art. 155 but has enough data related to the applicant, the sign applied for, and its classification shall be accepted for admission, upon dated proof of submission, by INPI, which shall establish the requirements to be met by the applicant, within five (5) days, under penalty of dismissal.

Sole paragraph. Once the requirements are met, the application shall be deemed filed on the date of submission of the application.

CHAPTER IX EXAMINATION

Article 158. Once the application has been recorded, it shall be published for objections within sixty (60) days.

Paragraph 1. The applicant shall be notified of the objections, and it shall be allowed to present its arguments within sixty (60) days.

Paragraph 2. The objection, administrative invalidity, or invalidity action shall be disregarded if, based on item XXIII of art. 124 or art. 126, the submission of the application for registration of the trademark pursuant to this law is not evidenced within sixty (60) days after filing.

Article 159. Once the objection term has elapsed or, in case it is filed, once the term for submitting arguments, the examination shall be carried out, during which time additional requirements may be requested, which shall be answered within sixty (60) days.

Paragraph 1. Upon failure to answer the requirement, the application shall be finally dismissed.

Paragraph 2. Once the requirement has been answered, even if it has not been met, or once its request has been challenged, the examination shall continue.

Article 160. Once the examination is completed, a decision shall be rendered, accepting or denying the application for registration.

CHAPTER X ISSUANCE OF THE REGISTRATION CERTIFICATE

Article 161. The registration certificate shall be granted after the application has been accepted and the proof of payment of the corresponding fees has been submitted.

Article 162. The payment of the fees, and the proof of payment, related to the issuance of the registration certificate and to the first decade of its term, shall be made within sixty (60) days of acceptance.

Sole paragraph. The fee may also be paid, and the proof of payment submitted, within thirty (30) days from the end term set forth in this article, regardless of notice, through payment of a specific fee, under penalty of final dismissal of the application.

Article 163. The registration certificate is deemed to have been granted on the date of publication of the respective instrument.

Article 164. The certificate shall include the trademark, number, and date of registration, name, nationality, and domicile of the owner, the products or services, the characteristics of the registration, and the foreign priority.

CHAPTER XI INVALIDITY OF THE REGISTRATION

Section I - Miscellaneous

Article 165. Registrations granted contrary to the provisions of this Law are invalid.

Sole paragraph. The invalidity of the registration may be total or partial, and the condition for partial invalidity is that the remaining part may be considered eligible for registration.

Article 166. The owner of a registered trademark in a country that is a party to the Paris Union Convention for the Protection of Industrial Property may, alternatively, claim, through a lawsuit, the adjudication of the registration, pursuant to the terms set forth in art. 6 septies (1) of such Convention.

Article 167. The declaration of invalidity shall take effect as of the date when the application was submitted.

Section II - Administrative Invalidity Proceeding

Article 168. Invalidity of the registration shall be administratively declared when it has been granted contrary to the provisions in this Law.

Article 169. The invalidity proceeding may be initiated by INPI's own volition or at the request of any person with a legitimate interest, within one hundred and eighty (180) days of the date of issuance of the registration certificate.

Article 170. The owner shall be summoned to present its arguments in up to sixty (60) days.

Article 171. Once the term established in the preceding article has elapsed, even if there is no response, the proceeding shall be decided upon by the President of INPI, and this shall constitute the conclusion of the proceeding at the administrative level.

Article 172. The invalidity proceeding shall continue even if the registration is extinguished.

Section III - Invalidity Action

Article 173. The invalidity action may be filed by INPI or by any person with legitimate interest.

Sole paragraph. The judge may, in the records of the invalidity action, determine, by an injunction, the discontinuation of the effects of the registration and the use of the trademark, provided that the specific procedural requirements are met.

Article 174. The term for filing an invalidity action expires after five (5) years counted from the date of granting.

Article 175. The registration invalidity action shall be filed in the jurisdiction of the Federal Courts and, whenever INPI is not the claimant, it shall intervene in the case.

Paragraph 1. The term for response of the respondent, the owner of the trademark, shall be of sixty (60) days.

Paragraph 2. Once the decision on the invalidity action becomes final and unappealable, INPI shall publish a note for third parties' knowledge.

Notice

Only the original portuguese text of the Law has legal effect.