

Trademarks 2022

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Published by

Law Business Research Ltd

Meridian House, 34-35 Farringdon Street

London, EC4A 4HL, UK

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First published 2005

Eighteenth edition

ISBN 978-1-83862-730-0

Printed and distributed by

Encompass Print Solutions

Tel: 0844 2480 112



Trademarks

2022

Contributing editors**Theodore H Davis Jr and Olivia Maria Baratta**

Kilpatrick Townsend & Stockton LLP

Lexology Getting The Deal Through is delighted to publish the eighteenth edition of *Trademarks*, which is available in print and online at www.lexology.com/gtdt.

Lexology Getting The Deal Through provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique Lexology Getting The Deal Through format, the same key questions are answered by leading practitioners in each of the jurisdictions featured. Our coverage this year includes a new chapter on the United Kingdom.

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Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

Lexology Getting The Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing editors, Theodore H Davis Jr and Olivia Maria Baratta of Kilpatrick Townsend & Stockton LLP for their continued assistance with this volume.



London

September 2021

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This article was first published in September 2021

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LEGAL FRAMEWORK

Domestic law

1 | What is the primary legislation governing trademarks in your jurisdiction?

The primary legislation governing trademarks in Colombia is Andean Decision 486/2000, which is a regional law that has been in force since 14 September 2000 and applies to all Andean Community member states (ie, Bolivia, Colombia, Ecuador and Peru). This law has been adopted through local legislation in each country and regulates the protection and enforcement of IP rights across the Andean Community. Secondary legislation concerning trademark licensing and technology transfer are Andean Decisions 291 and 689. Finally, local registration procedures are governed by the Unified Circular of the Superintendency of Industry and Commerce.

International law

2 | Which international trademark agreements has your jurisdiction signed?

Colombia has signed the following international trademark agreements:

- the Paris Convention for the Protection of Industrial Property 1883;
- the Colombia–France Convention 1901, ratified by Colombia in 1904;
- the Madrid system for the international registration of marks;
- the Trademark Law Treaty;
- the Agreement on Trade-Related Aspects of IP Rights; and
- the General Inter-American Convention for Trademark and Commercial Protection 1929.

Regulators

3 | Which government bodies regulate trademark law?

The highest authority in Colombia regarding the protection of industrial property rights (ie, trademarks, industrial designs and patents) is the Superintendency of Industry and Commerce, which is a government agency that operates the Colombia Trademark Office (CTO). In addition to its administrative functions, which include the protection and management of trademark rights, the CTO has jurisdictional functions; thus, it also issues decisions in trademark infringement cases.

REGISTRATION AND USE

Ownership of marks

4 | Who may apply for registration?

Any interested person of national or foreign origin (both individuals and legal entities) may file a trademark application before the Colombia Trademark Office (CTO) for registration.

Scope of trademark

5 | What may and may not be protected and registered as a trademark?

In Colombia, there are no rights under the common law. Under article 134 of Andean Decision 486/2000, the following signs, among others, may constitute marks under a registration:

- words or word combination images;
- pictures, figures, symbols, graphic elements, logotypes, monograms, portraits, labels and emblems;
- sounds and smells;
- letters and numbers;
- a colour within an outline or a combination of colours;
- the shape of a product, its packaging or wrapping; and
- any combination of the signs or elements specified above.

Collective and certification marks may be registered in Colombia. Legally established associations of producers, manufacturers, service providers, organisations or groups of persons may apply for the registration of a collective mark to identify the goods or services of their members in the market. The registration application must specify that the application has been filed for a collective mark and be accompanied by:

- a copy of the articles of association of the organisation, association or group of persons applying for the collective trademark's registration;
- a list of the members; and
- a statement of the conditions and form in which the collective mark will be used in connection with the goods or services.

Once a collective mark's registration has been secured, the association, organisation or group will inform the CTO of any changes that may occur to any of the documents listed above.

Conversely, certification mark applications require:

- the rules for using the mark, which must specify the goods or services that may be subject to certification by the title holder;
- a description of the characteristics guaranteed by the mark's presence; and
- a description of the type of control that will apply to the mark's characteristics before and after the mark's use has been authorised.

The owner of a certification mark may authorise any person to use it provided that their goods or services meet the conditions stated in the mark's rules of use.

Unregistered trademarks

6 | Can trademark rights be established without registration?

While unregistered trademarks have no direct legal protection, article 135 of Andean Decision 486/2000 confers protection on trademarks that

may be considered descriptive initially, but later acquire distinctiveness and become protectable. To obtain this status, the applicant must prove that the mark has acquired distinctiveness through robust evidence and request that the mark be considered distinctive and therefore able to be registered.

Conversely, while trademark protection can be acquired only through registration in Colombia, a person or entity whose trademarks are not registered and that is the victim of unlawful acts of unfair competition can take legal action under the Unfair Competition Law No. 256/96.

Exemptions to these rules are the well-known trademarks that are protected without registration.

The rights provided to users of trademarks under Andean Decision 486/2000 are acquired only through registration. However, prior use of a sign or a trade name in a certain economic sector may form the basis of an action against unfair competition and rights under Andean Decision 486/2000. The exclusive right to a trade name is acquired through its use by a legal person for the first time in commercial activities and ends when the use of the name – or activities of the business or establishment using that trade name – cease to exist. On the other hand, to apply the well-known trademark exemption, the plaintiff or opposing party must demonstrate that the mark that is supposedly well known was recognised as such by the pertinent or relevant market.

Famous foreign trademarks

7 | Is a famous foreign trademark afforded protection even if not used domestically? If so, must the foreign trademark be famous domestically? What proof is required? What protection is provided?

Foreign trademark registrations are not recognised in Colombia unless the mark is well known. For instance, taking into account not only Andean Decision 486/2000, but also article 6-bis of the Paris Convention, the registration of a mark should be refused in Colombia if the mark is identical or confusingly similar to a well-known mark protected in one of the Paris Convention member countries. The protection of well-known marks is regulated in Title XIII, articles 224 to 236 of Andean Decision 486/2000. Special protection is granted to such marks if their owner can prove the mark's alleged reputation in connection with certain or a wide range of goods or services. This special protection is granted even if the trademark is not registered in Colombia and its owner may file oppositions against any third party that attempts to register an identical or confusingly similar mark. Well-known marks also have special protection in non-use cancellation proceedings pursued against them, as the owner of a well-known mark may submit evidence of its well-known status as the basis of its defence.

Notwithstanding the above, owners of registered trademarks in another Andean Community member country (ie, Ecuador, Bolivia or Peru) may file an opposition against a trademark application in Colombia based on their prior rights. Further, according to article 7 of the General Inter-American Convention for Trademark and Commercial Protection 1929, the owner of a mark protected in one of the contracting states that has knowledge that a third party is applying to register an identical or similar mark in any of the other contracting states (eg, Colombia) may file an opposition on receiving proof that the applicant had knowledge of the existence and continuous use in any of the contracting states of the mark on which the opposition is based in connection with the goods or services of the same class. In addition, the opposer may claim the preferential right to use or register such a mark in the country (in this case, Colombia).

It is not required for well-known trademarks to be registered in Colombia to grant them protection. As to protecting a foreign famous mark as a well-known mark, it must be a well-known mark in Colombia.

It is difficult to prove that a foreign mark is well known if it is not used in Colombia.

The benefits of registration

8 | What are the benefits of registration?

Given that trademark rights in Colombia are acquired with the registration and not the use, the main benefit from registration is the granting of an IP right over the trademark. The most important right acquired on a successful registration is the exclusive right to use the mark in the country and the possibility to prevent third parties from using both confusingly similar and identical signs. The owner of the mark will also be granted the rights to:

- use the trademark as an intangible asset;
- license the trademark;
- file an opposition on the grounds of likelihood of confusion; and
- obtain border and customs protection for the trademark.

According to Presidential Decree 2264 of 2014, the owner of a registered trademark must demonstrate damage but not its amount. The owner of a trademark may, therefore, apply for the statutory damages established in this decree. The amount of the compensation is approximately between 2,100,000 and 90,000,000 Colombian pesos for each registration infringed. The compensation can be increased to up to approximately 190,000,000 Colombian pesos for the infringement of well-known trademarks and uses that imply other risks.

Filing procedure and documentation

9 | What documentation is needed to file a trademark application? What rules govern the representation of the mark in the application? Is electronic filing available? Are trademark searches available or required before filing? If so, what procedures and fees apply?

A trademark application must include the following information and documents:

- the CTO filing form, which must include:
 - the applicant's name, address and nationality or domicile;
 - an indication of the mark to be protected;
 - the mark's type; and
 - a description of the goods or services and the corresponding class of the Nice Classification (NCL) of goods and services;
 - a reproduction of the mark if it is:
 - a word mark featuring graphic elements, shapes or colours;
 - a figurative or design mark; or
 - a composite or three-dimensional mark with or without colour;
- a power of attorney signed by the applicant. Neither notarisation nor legalisation is required (unless the document's validity is questioned by the CTO, in which case these formalities may be required). The filing of a scanned copy of a signed power of attorney will suffice;
- proof of payment of the official fees; and
- where priority is claimed, the registration certificate of the country of origin (issued by the authority that granted it) or a certified copy of the trademark registration on which the priority claim is based.

The main rules that govern the representation of marks in Colombia are as follows.

- The standard typographical font characters used by the CTO, for the registration and publication of distinctive signs, are Arial, Arial Narrow and Times New Roman.
- Where a mark includes graphic elements (ie, marks with a design), the application must include one reproduction of the mark in .jpeg

format (maximum size of 450 x 450 pixels and 2 megabits) in colour (if colours are claimed) or black and white.

- Where the applicant of a composite, figurative, design or three-dimensional mark wishes to claim the colour as a distinctive characteristic of the mark, it must declare it and indicate the colour or colours to be claimed and their location within the sign, describing the colour or using a colour code system (eg, noting the corresponding Pantone colour number).
- For three-dimensional marks, the mark's reproduction must consist of a two-dimensional graphic or photographic reproduction, provided that it can sufficiently show the details of the mark. This must be provided in .jpeg format (maximum size of 450 x 450 pixels and 2 megabits). If the graphic reproduction does not meet this requirement, the applicant must provide up to six different views of the mark and a written description of the same.
- Where a mark consists totally or partially of non-Latin characters or non-Arabic or Roman numerals, the applicant must indicate whether the trademark is figurative or a word mark. If it indicates that it is a word mark, a transliteration or translation of that content must be submitted in Latin characters or Arabic numerals.

Electronic filing is available in Colombia. The CTO encourages applicants to use this service by offering a lower official fee for procedures filed online.

Trademark searches are available but not required before filing with the CTO. It is possible to request an availability search online before the CTO, the fees for which are US\$12 for one mark in one class and US\$6.66 for one mark in each additional class. The CTO offers official results without any legal opinion.

Registration time frame and cost

10 How long does it typically take, and how much does it typically cost, to obtain a trademark registration? When does registration formally come into effect? What circumstances would increase the estimated time and cost of filing a trademark application and receiving a registration?

The CTO can take between seven and nine months to review and decide a trademark application if there are no obstacles during the procedure; however, proceedings may take up to 18 months if obstacles such as office actions or oppositions are raised.

Trademark registrations come into effect once the granting decision is final.

The official fees for an online trademark application in Colombia in 2021 are:

- an application for one mark or slogan in one class: 969,860 Colombian pesos; and
- an application for one mark or slogan in each additional class: 484,680 Colombian pesos.

The CTO increases these fees annually. There are no registration fees once the application has been accepted for registration.

The circumstances that would increase the estimated cost of filing a trademark application and receiving a registration would be either the filing of an opposition by a third party, or a registration refusal on first instance by the CTO that would lead to the submitting of an appeal. In the former situations, there are particular fees to be paid to the CTO, and the cost would also increase because of lawyer fees.

Classification system

11 What classification system is followed, and how does this system differ from the International Classification System as to the goods and services that can be claimed? Are multi-class applications available and what are the estimated cost savings?

The classification system followed is the NCL, established by the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks 1957. The CTO uses as a reference for the review of the description of goods and services the Madrid Goods and Services Manager, and TMclass only for the goods that are harmonised with the CTO. Multi-class applications are allowed in Colombia. An additional cost applies for each class included in an application.

Examination procedure

12 What procedure does the trademark office follow when determining whether to grant a registration? Are applications examined for potential conflicts with other trademarks? Are letters of consent accepted to overcome an objection based on a third-party mark? May applicants respond to rejections by the trademark office?

In a preliminary instance, a CTO officer will verify fulfilment of formal aspects of the application. After the application has been published for 30 working days, the CTO will conduct a substantial examination, verifying that the mark has no absolute grounds for refusal and that there is no likelihood of confusion with any prior trademark rights.

The CTO checks for both absolute and relative grounds and may refuse the registration of a trademark ex officio based on those grounds. The CTO searches its database to check that there are no prior rights for marks that may be identical or similar to an applied-for mark.

The CTO usually returns an initial application to the applicant, requesting it to complement or clarify sections that are unclear or incomplete. These corrections are covered by the initial fee paid and once they have been made, the application will be the subject of a substantive examination by the CTO.

Letters of consent could be accepted to overcome an objection based on a third-party mark, as long as the parties try to demonstrate that there would be no likelihood of confusion among consumers by the marks coexisting.

Rejected applications can be appealed. The procedure consists of filing a brief before the CTO within 10 working days from a decision's notification. Decisions are considered to have been notified one month after the email notifying the applicant is sent.

Use of a trademark and registration

13 Does use of a trademark or service mark have to be claimed before registration is granted or issued? Does proof of use have to be submitted? Are foreign registrations granted any rights of priority? If registration is granted without use, is there a time by which use must begin either to maintain the registration or to defeat a third-party challenge on grounds of non-use?

Neither claim nor proof of use are required before registration, or after a given period of time. The priority rule applied in Colombia is, as established in the Paris Convention, that six months after the submitting of an application the applicant has a priority right for the same trademark application over any other contracting party. Priority must be claimed in the trademark application filing form. Proof of payment of the corresponding official fee must be enclosed with the application, along with

the registration certificate on which the request for priority is based or a certified copy thereof. This document must be filed with the application or within three months of the application date.

After three years of registration, trademarks become vulnerable to cancellation actions based on non-use. Although no claim or proof of use is required after said period of time, in the event of a cancellation action, the holder of the mark would have to prove the use of the mark to defend him, her or itself. A third party wishing to cancel a mark must file a non-use cancellation action before the CTO. Marks are not cancelled on grounds of non-use *ex officio*. Once the CTO has accepted an action, the trademark holder will have 60 days to file evidence of use or a valid justification for the mark's lack of use in connection with the protected goods or services.

Markings

14 | What words or symbols can be used to indicate trademark use or registration? Is marking mandatory? What are the benefits of using and the risks of not using such words or symbols?

Marking is neither required nor foreseen by Colombian trademark law.

Appealing a denied application

15 | Is there an appeal process if the application is denied?

CTO first-instance decisions are subject to appeal by any of the involved parties. The appeal process is led before the CTO, and an appeal can be filed against a first-instance decision within a month and 10 working days after the resolution being issued. The appellant must file an appeal brief before the CTO within 10 working days from the decision's notification.

Third-party opposition

16 | Are applications published for opposition? May a third party oppose an application prior to registration, or seek cancellation of a trademark or service mark after registration? What are the primary bases of such challenges, and what are the procedures? May a brand owner oppose a bad-faith application for its mark in a jurisdiction in which it does not have protection? What is the typical range of costs associated with a third-party opposition or cancellation proceeding?

Yes, third parties can formally oppose any application on both absolute and relative grounds, and the primary bases of such challenges are usually relative grounds (similarity with trademark rights of third parties). Any third party wishing to file an opposition against an application must do so during the 30-working-day publication period. The CTO can take up to 18 months to resolve trademark applications against which an opposition has been filed.

To fight a bad-faith application for a brand owner's mark in a jurisdiction in which it does not have protection, unfair competition actions provided by Colombian legislation can be filed.

- The official fees for the filing of oppositions in 2021 are as follows:
- filing an opposition against a trademark application in each class: 443,020 Colombian pesos; and
 - filing an opposition based on notoriety or the well-known condition of the trademark (additional fee): 871,300 Colombian pesos.

Duration and maintenance of registration

17 | How long does a registration remain in effect and what is required to maintain a registration? Is use of the trademark required for its maintenance? If so, what proof of use is required?

The term of trademark protection in Colombia is 10 years from the day on which the granting decision is final. A renewal can be filed within the six months before its deadline or during the six-month grace period after the deadline. To maintain the registration, the holder does not have to demonstrate the use of the mark, although it could be cancelled on the grounds of non-use if a third party filed a cancellation action against the mark any time between the third year of registration and the deadline of the mark.

Surrender

18 | What is the procedure for surrendering a trademark registration?

The rights holder or attorney of record must file a request to surrender the right. If the request is made by the attorney of record, the power of attorney must expressly authorise the attorney to surrender the trademark registration. A request by an attorney must be certified by a notary and bear a notary seal.

Related IP rights

19 | Can trademarks be protected under other IP rights?

Yes, trademarks can be protected under other IP rights if they fulfil the requirements of the regulations applying to those other IP rights. For instance, for a design to be protected as an industrial design, it must fulfil the novelty requirement and have a particular aesthetic appearance. In the case of copyrights, the mark must be original. A person can protect their rights related to distinctive signs when they suffer unfair competition acts under the Unfair Competition Law No. 256/96, especially the acts of confusion and taking undue advantage of another's achievement (free-riding).

Trademarks online and domain names

20 | What regime governs the protection of trademarks online and domain names?

Domain names are regulated under the Internet Corporation for Assigned Names and Numbers provisions. There is no specific regime that regulates the registration of trademarks for online use.

LICENSING AND ASSIGNMENT

Licences

21 | May a licence be recorded against a mark in the jurisdiction? How? Are there any benefits to doing so or detriments to not doing so? What provisions are typically included in a licensing agreement?

Licence agreements are enforceable between the parties on execution. It is not mandatory to record a licence agreement before the Colombia Trademark Office (CTO); however, if the licensor is located abroad and the licensee wishes to benefit from tax regulations, the agreement must be registered with the tax authority.

Failure to register will render the licence invalid with respect to third parties. To be registered, licences must be made in writing. Any interested party may request the registration of a licence.

The following provisions are typically included in a licensing agreement:

- the right to manufacture goods and identify them with the registered mark;
- the right to use the mark in advertising materials; and
- quality control clauses.

Clauses regarding the enforceability of rights can also be included.

Assignment

22 | What can be assigned?

Any trademark rights can be assigned. Assignment agreements have effect on execution between the parties; however, they are enforceable only if recorded with the CTO (ie, failure to register will render the assignment or transfer invalid with respect to third parties). If the trademark being assigned is registered in more than one class, the assignment must include the registrations in every class, because there cannot be more than one registration of the same mark under different holders if the marks are registered for connected classes.

Assignment documentation

23 | What documents are required for assignment and what form must they take? What procedures apply?

For the recording of a change of holder or applicant, the CTO official form must be filled in and filed, or the process can be done online. The form must either be signed by all parties involved, or the following be provided, depending on the case:

- the written contract of the assignment signed by the parties;
- the contract fragment where the transfer is agreed;
- the court ruling that orders the change of holder; and
- in the case of a merger, the document where the merger is featured.

Validity of assignment

24 | Must the assignment be recorded for purposes of its validity?

Assignment agreements have effect on execution between the parties; however, they are enforceable only if recorded with the CTO (ie, failure to register will render the assignment or transfer invalid with respect to third parties).

Security interests

25 | Are security interests recognised and what form must they take? Must the security interest be recorded for purposes of its validity or enforceability?

Under Law No. 1676/2013, a security interest can be registered over a trademark. Security interests must be registered or recorded with the CTO and must take no special form.

ENFORCEMENT

Trademark enforcement proceedings

26 | What types of legal or administrative proceedings are available to enforce the rights of a trademark owner against an alleged infringer or dilutive use of a mark, apart from previously discussed opposition and cancellation actions? Are there specialised courts or other tribunals? Is there any provision in the criminal law regarding trademark infringement or an equivalent offence?

Trademark infringement is a crime if it is committed with intent. Victims may file a criminal notice before the General Prosecutor's Office or request the assistance of the judicial or customs police to bring an

action. Once a criminal notice has been filed, the victim may request that the public criminal action be converted into a private action, which will be handled similarly to a civil action. However, instead of ending with a simple cease-and-desist order or an order of damages, a private action may end with a conviction and a prison term for the infringer. Trademark infringements can also be challenged through a civil action before a civil circuit judge or the Superintendency of Industry and Commerce. Such civil actions involve two hearings:

- an initial hearing, in which mediation is sought, the facts are established and evidence to be gathered is ordered; and
- a trial hearing, in which the gathering of evidence, the presentation of closing arguments and the issuance of a decision may all occur.

Damages in trademark infringement actions may be estimated based on:

- royalties that could have been obtained by the owner;
- revenue that was obtained by the infringer;
- revenue that was not obtained by the victim or legitimate rights holder; or
- actual damages suffered.

Plaintiffs may also choose to obtain statutory damages ranging from three to 200 monthly minimum legal wages. Both pathways require evidence, a power of attorney and the registration certificate that proves the infringed right.

Civil circuit judges from any judicial district and the Superintendency of Industry and Commerce – a government agency that operates the Colombia Trademark Office – are empowered to hear trademark infringement cases. Criminal infringement cases are prosecuted before specialised criminal courts and prosecuted, normally, by the General Attorney's Office with the title holder acting as the victim during the process. Annulment actions are heard by the Supreme Court for Administrative Matters, called the Council of State.

Plaintiffs must pursue a criminal action within eight years of the infringement. With respect to civil remedies, the current position of the courts is that the statute of limitations period commences on the date on which the first infringement is committed. In relation to criminal remedies, the law establishes that the statute of limitations period commences on the date on which the infringement actually ceased. In any case, criminal actions are reserved for counterfeiting and piracy cases, where one must make contact first with the police, perform verifications and prepare raids against criminal organisations. Normally, the cases end in those raids, as merchandise is taken out of the market and any involved people usually accept the charges.

Procedural format and timing

27 | What is the format of the infringement proceeding?

The civil procedure of infringement is divided into two phases:

- a written initial phase in which the lawsuit is filed, and defences and answers are served; and
- an oral phase that includes two hearings:
 - the first resolves initial formal defences, a settlement conference takes place in which the judge decides the evidence they will gather or take into account during the trial hearing, and examination and cross examination are heard; and
 - during the second, testimonies, experts and closing arguments are attended to, and a final ruling rendered.

While testimonies and experts may attend the trial hearing online, the settlement conference, examination and cross-examination demand the presence of the parties themselves and their lawyers.

Cases are decided by civil courts or a specialised court that operates from the Colombian Trademark and Patent Office. Both courts are

part of the judicial branch for this purpose and can decide on damages, and their rulings are subject to appeal before the Superior Tribunal of Bogota (Court of Appeals). The appeals extend to factual discussions and points of law.

Civil cases before the court last a maximum period of 18 months. Appeals are resolved within one year. However, since Andean laws (laws applicable in the Andean Community) are to be applied, it is mandatory to wait for a pre-judicial interpretation from the Andean Court of Justice to render the decision on the appeal or appeals filed, so the final time frame will depend on how efficient the Andean Court is at the time. The current estimate is between one to one-and-a-half years for an opinion to be reached.

On the other hand, if the infringement is wilful and committed by a physical person, it may be prosecuted through criminal law procedures. The process requires an investigation by the prosecutor. If the officer finds evidence to prosecute the case, they will issue an indictment and will present it formally in writing or presented before the court. The defence will have the opportunity to defend itself and ask for full discovery. The trial is generally divided into various oral hearings if it entails a regular trial, similar to those involved in general common-law procedures. If the prosecutor chooses a fast-track procedure, the whole process will be conducted through a single concentrated or merged hearing. Victims (IP title holders) can actively participate during the investigation and trial phase, submitting evidence, filing motions, participating during the hearings and even appealing decisions. These processes are normally resolved in less than two years because infringers accept the charges or plead guilty during the initial stage. If a strong defence is present, the trial may last more than four years.

Owners are encouraged to work alongside the judicial police to catch criminals in the act because in such cases, the procedure may last between three and four months.

Due to the covid-19 pandemic, justice has become mostly virtual, powers of attorney may be issued without notarisation or apostille through email and hearings are held through Microsoft Teams, Meet or Zoom. Some appeal procedures have changed. Prior to the pandemic, the parties were cited before the Court of Appeals for an appeal hearing. Now, the parties must submit their arguments as written briefs and only by exemption are summoned to a hearing when there is evidence to be gathered before the Court of Appeals.

Burden of proof

28 | What is the burden of proof to establish infringement or dilution?

Title holders or IP owners have the burden of demonstrating the rights they own, the infringement or the potential infringement and the existence of damages in civil procedures. Trademarks are vested with the advantage of statutory damages. Bad faith or intent to infringe is not relevant to determine the existence of an infringement, but it is for the assessment of damages.

In criminal cases, bad faith and direct involvement must be proven.

Standing

29 | Who may seek a remedy for an alleged trademark violation and under what conditions? Who has standing to bring a criminal complaint?

Trademark infringement actions can be filed by:

- the owner of the trademark; and
- the authorised distributor or licensee, if he, she or it has been expressly empowered to do so by the owner.

If a distributor or licensee has not been expressly empowered or authorised to take action, the distributor or licensee may choose to pursue an unfair competition action. Criminal actions may be pursued by any party – including the government – and not only the rights holder.

Border enforcement and foreign activities

30 | What border enforcement measures are available to halt the import and export of infringing goods? Can activities that take place outside the country of registration support a charge of infringement or dilution?

Customs' measures are available. It is strongly recommended to record a trademark registration with the customs authorities to help them identify the goods that have been identified as having infringing trademarks. Once an infringement is detected, the customs authorities may stop the shipment and will likely contact the attorney of record or the legitimate owner of the mark. Customs may stop the customs procedure at the trademark owner's request. Once a border measure is executed (ie, the merchandise is held), the owner has 10 days to file a lawsuit against the infringer.

Discovery

31 | What discovery or disclosure devices are permitted for obtaining evidence from an adverse party, from third parties, or from parties outside the country?

Full discovery is allowed. Colombia is very open to discovery, granting full access to any party even before a lawsuit is filed to confirm or verify a fact that may serve as the basis for a lawsuit. Discovery is encouraged from experience, as the General Procedural Code applicable to civil cases obliges the courts to deny evidence that could have been obtained directly by the parties. Expert reports must be filed along with the lawsuit. It is often common for the parties to try to practice discovery and depositions through court orders before a lawsuit is filed. Such extra-procedural orders to gather evidence are thoroughly regulated and used because they allow the holder of the IP right to establish the existence of unauthorised use before filing the lawsuit.

In criminal cases, discovery is mandatory during the preparatory hearing or during the initial phase of the concentrated hearing in fast-track cases.

Timing

32 | What is the typical time frame for an infringement or dilution, or related action, at the preliminary injunction and trial levels, and on appeal?

The usual time frame for infringement actions is approximately three years in criminal proceedings and one-and-a-half-years in civil proceedings.

Limitation period

33 | What is the limitation period for filing an infringement action?

The statute of limitations for filing infringement actions is:

- two years from the date of the infringement for regular trademarks; and
- five years from the date of infringement for well-known trademarks.

Plaintiffs must pursue a criminal action within eight years of the infringement. With respect to civil remedies, the current position of the courts is that the statute of limitations period commences on the date on which the first infringement is committed. In relation to criminal remedies, the law establishes that the statute of limitations period commences on the date on which the infringement actually ceased.

Litigation costs

34 | What is the typical range of costs associated with an infringement or dilution action, including trial preparation, trial and appeal?

In criminal cases, law firms charge no more than between 12,000,000 and 20,000,000 Colombian pesos on average for the investigation and research phase. Once the case starts, incurred costs may be approximately between 16,000,000 and 160,000,000 depending on the complexity of the matter.

In civil cases, law firms charge per hour and optimistic budgets can be about US\$15,000 for the whole procedure, excluding appeals. If the case is relatively complex, charges may exceed US\$100,000.

Appeals

35 | What avenues of appeal are available?

An appeal may be filed at the end of the trial hearing and arguments must be presented during an oral hearing before the Court of Appeals. Currently, due to the covid-19 pandemic, the arguments must be submitted in writing and the court will not perform a hearing unless new evidence is presented.

Defences

36 | What defences are available to a charge of infringement or dilution, or any related action?

The following defences are available to infringers:

- the exhaustion of rights;
- fair use; and
- the non-existence of infringement.

Lack of use and invalidity may also be alleged through additional counter lawsuits or counter claims.

Remedies

37 | What remedies are available to a successful party in an action for infringement or dilution, etc? What criminal remedies exist?

Preliminary injunctions and final orders to cease or prevent infringement are available and successful plaintiffs may seek monetary relief on the grounds of statutory damages, actual damages, the infringer's revenue or a fictional royalty. Punitive damages are not available. Deterrence is not necessarily taken into account in civil cases, but is taken into account in criminal cases. Criminal cases may result in a defendant's imprisonment for more than eight years in extreme cases.

ADR

38 | Are ADR techniques available, commonly used and enforceable? What are the benefits and risks?

Amicable composition (a sort of mediation that results in a mandatory solution reached by a third party), conciliation (which may result in settlement guided by a mediator), and arbitration (which results in a final enforceable ruling) are available. Colombia is amenable to arbitration and is part of most international conventions or treaties on the matter.

Arbitration is used and advised in disputes arising from contracts such as licences and franchises.

Conciliation is widely used to solve infringements that are not seen as counterfeiting. Parties are encouraged to seek settlement considering the efficiencies involved.

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UPDATE AND TRENDS

Key developments of the past year

39 | Are there any emerging trends, notable court rulings, or hot topics in the law of trademark infringement or dilution in your jurisdiction?

Law No. 2080 of 25 January 2021 modified the code of administrative procedure and contentious administrative (Law No. 1437 of 2011). Nullity claims in industrial property went from being processed in a single instance before the Colombian Council of State to having two instances: the first before the Administrative Court of Cundinamarca and the second before the Council of State. This change in industrial property claims will come into force on 25 January 2022.

In addition, Resolution No. 59671 of 2020 modified the Sole Circular of the Superintendency of Industry and Commerce in relation to the registration process for distinctive signs.

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