



## Legislative Modification to the Costa Rican Trademark and Patent regime

On April 25 came into force Law 8632 in Costa Rica, by means of which required IP legislative changes are implemented, being some of them obligations assumed by the country in the framework of the IP chapter in the FTA subscribed with the United States.

This new legislation introduces modifications required in the trademark law and more in depth in the patent law, however, in some cases, with a confuse wording, that must be clarified through the necessary regulations and in light of its implementation by the National IP Registration Office.

The more relevant modifications are the following:

### **Powers of Attorney (POAs):**

The main innovation brought by law 8632, flexibilizes the requirements for a POA to the IP agent by foreign applicants. The modification eliminates the consular legalization requirement for foreign POAs, which not only implied a cost for the applicant but also a delay in prosecution, occasionally with damaging consequences. In view of this modification, now the notary public's authentication in the place of origin of the POA is enough to meet the requirements of the National IP Registration Office.

### **Trademarks and distinctive signs:**

- The payment of the filing fee was established as indispensable for obtaining a filing date and number for a trademark application
- Regarding trademark licenses, the registration requirement was eliminated as condition for its

validity in Costa Rica. From now on, the contract registration is discretionary for security, evidence or informative purposes.

- The scope of well-known trademarks is more adequately defined, following the definition contained in the Joint Recommendation No. 833, of September 1999 from the World Intellectual Property Organization.
- The modification establishes new official fees for oppositions, annulment and cancellation actions and a surcharge for trademark renewals within the grace period.
- Provisions concerning Geographical Indications and Denominations of Origin are adopted in order to define its scope and the protection parameters derived from these IP categories. Additionally, the modification included a better and broader definition of geographical indication which expressly establishes that reputation, quality, and other characteristics of the product must be, in essence, a consequence of its geographical origin.
- A modification to the Trademark Law made back in 2000 omitted basic aspects of the registration procedure for Geographical Indications and Denominations of Origin as well as the requirements for obtaining registration (obligation to submit the and the



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Regulations of use) which are now provided under this new law.

- The existence of previously registered, requested or used by a third party with better standing, Denominations of Origin and Geographical indications was not expressly established as ground for refusal of a trademark registration. The legislative modification corrects this oversight in order to avoid that the trademark system may eventually favor the infringement of the rights of the titleholders of Geographical Indications or Denominations of Origin.

### Patents:

- The modification clarifies that **patentability exclusions** in the patent law do not include microorganisms or microbiological or non-biological procedures for the production of plants and animals. Regarding this matter, and although it is not part of the commented legislative modification, it worth highlighting that, in compliance with the obligations derived from TRIPS article 27.3 and the IP chapter of the FTA with the U.S., Costa Rica recently approved the UPOV Convention for the protection of plant varieties, given that plants continue to be excluded from patentability under the current patent regime.
- The relevance of patent application publications as part of the **state of the art** is redefined, establishing that published patent applications are not part of the state of the art when they came from the applicant or when the application has been filed by a third party without the right to do so or when the publication has been improperly made. This is one of the issues that definitely requires clarification, since although intuitively one may conclude that the article is referring to counterpart applications, the provision is neither clear, nor establish mechanisms to discuss the improper publication or the fact that a patent application has been illegitimately filed, to avoid its cite as prior art.
- The modification includes a provision on the **minimum requirements** to obtain and filing date and number, establishing that at the filing time, the applicant must at least submit its complete name, the patent specification, claims and drawings; otherwise, the application date will only be assigned when these documents/information are completed.
- The modification makes clear that **amendments** to the patent application may include the originally filed claims.
- The term for patent **oppositions** is increased to 3 months, making clear that it is counted from the third publication of the application in the Official Gazette. Likewise, a new term, of two months counted from the filing date of the opposition, is established for the submission of evidence to support it.
- The law establishes that the health authorities and other authorities involved in granting marketing authorizations for pharmaceutical products must adopt measures within the marketing approval process to avoid the



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- commercialization of patented products, while protection is in force. This provision is a partial copy of the **linkage** mechanism established under the FTA with the U.S. However, given that currently it does not offer a substantive position on Linkage, it is uncertain what kind of benefits will it provide to patentholders.
- The modification establishes the conditions for **patent term restoration (PTR) for product patents**, due to unjustified delays of the patent office in granting the patent or the health authorities in granting a marketing approval for a pharmaceutical product. PTR applications must be filed within the non-extendable period of 3 months, counted from the granting date of the patent or the marketing authorization, as applicable. In the first case, PRT applies for delays of more than 5 years counted from the filing date, or 3 years counted from the substantive examination request of the patent application, whichever is later. In the second case, PTR applies for patents covering a pharmaceutical product which marketing approval takes more than 3 years, counted from the marketing authorization application, and as long as the patent term is not superior to 12 years. In both cases, the restoration will not exceed 18 months and, for delays of the patent office, the terms pertaining to applicant's actions will not be taken into account. Regarding this last point, clarification will be required as to what would be consider as "periods of time related to applicants actions", since a delay of more than 5 years is definitely taking into account ordinary terms and even normal extensions provided for under the current patent regime, in order for the applicant to submit responses to Office Actions.
  - The modification establishes a general **abandonment rule** of the application, for cases in which the applicant does not provide response to Office Action after a period of 3 months.
  - Official filing fees are increased 235% from 150 USD to 500 USD.  
  
Additionally, a new fee of 500USD for retrieval of the patent certificate is established.
  - Finally, this modification establishes annuities payments to maintain a patent in force. The law is not express in this point, but the use of the "patent" allows one to conclude that annuities will only be required for patents once effectively granted. Implementation of this provision will require additional regulation since it does not establish either what patents will be covered (particularly if patents already granted will have to pay annuities) or the payment deadlines and corresponding grace periods.