

Intellectual Property Protection



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Morgan & Morgan Attorneys at Law

The origins of Morgan & Morgan date back to 1923, when Dr. Eduardo Morgan Sr. (1902-1988) began his law practice in the Republic of Panama. In the early sixties, Eduardo Morgan, Jr. and Juan David Morgan joined their father, giving the firm its present name: Morgan & Morgan.

Today Morgan & Morgan is one of Panama's largest and leading law firms with a well-integrated team of over 40 attorneys and more than 300 supporting staff. The firm has all the necessary resources to provide a wide array of services in the areas of Intellectual Property, Litigation, Insurance, Maritime Affairs, Banking and Securities, Tax, Labor, Immigration, Government Contracts and Administrative Procedures, Natural Resources and Environmental Law, Corporate and Commercial Law, and Estate Planning.

Intellectual Property at Morgan & Morgan

The firm offers expertise in a broad range of Intellectual Property law fields for the registration and protection of trademarks, service marks, slogans, trade names, patents of invention, utility models, industrial designs, plant varieties and copyrights. Our attorneys also specialize in licensing, franchising, technology transfer, as well as litigation in connection with opposition claims against trademark registrations, cancellation actions, and judicial proceedings against infringements of all sorts of Intellectual Property rights.



Panama and International Conventions

The Republic of Panama is signatory to international IP agreements, as follows: The Paris Convention for the Protection of Industrial Property, The Inter-American Convention of Commerce and Trademark, The Bern Convention for the Protection of Literacy and Artistic Works, The International Convention of Classifications of Goods and Services, Trips Agreement (The Marrakech Agreement), International Union for the Protection of New Varieties of Plants (UPOV),

The firm is a member of the American Bar Association (ABA), the American Intellectual Property Law Association (AIPLA), the Inter-American Bar Association (IABA), the Inter-American Association of Intellectual Property (ASIPI), the Computer Law Association (CLA), the International Trademark Association (INTA), the Panamanian Association of Intellectual Property (APADEPI), the Pharmaceutical Trademarks Group, Marques Limited and the ICC Counterfeiting Intelligence Bureau.



Convention of Biological Diversity, WIPO Copyright Treaty, WIPO Performances and Phonograms Treaty (WPPT), Brussel's Convention relating to the Distribution of Programme-Signals Transmitted by Satellite, Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organizations, Geneva Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of their Phonograms.



Trademarks

What can be Registered?

As a general rule, trademarks can be: words or combination of words, including those used to identify persons; images, symbols and graphics; letters, figures and combinations thereof, if made up of distinctive elements; three-dimensional forms, including wrappings, containers, shape of a product or presentation thereof and holograms; colors and combinations thereof, or any other presentation and/or form which, by its very nature, can be used to identify a product or service in the market.

Service Marks, trade dresses, slogans, trade names, collective marks, denominations of origin, guaranty marks are also subject to registration as trademarks under Panamanian Law.

Who may Apply for Trademark Registration in Panama?

Any juridical or natural person who complies with the following principles and rules, can file for trademark registration in Panama.

The principle that governs the trademark registration in Panama is: "The right to register a trademark is obtained by its use. The exclusive right to use it is acquired by its registry." The right to obtain trademark registrations is governed by the following rules:

- The person using the trademark in the market from the oldest date has the right to apply for registration.

- If the trademark is not in use, the right shall be granted to the first person to file the relevant application or having the priority date under the Paris Convention.

A trademark may be licensed to one or more persons for all or part of the products or services protected by the registration.

The Intellectual Property Law grants franchise protection in regards to technical know-how and assistance. For such purpose both the license and the trademark must be registered in the Republic of Panama.

What is the Period of Protection of a Trademark?

A trademark is protected for a period of ten (10) years as of its filing date, and may be renewed for equal periods of time. For renewal purposes, an extension request must be filed within one (1) year before or six (6) months after the expiration date.

What are the Requirements for Trademark Registrations in Panama?

Trademarks are filed individually and each application covers only one class.

The applicant must provide the following information:

- Applicant's name and domicile.



- Trademark name and/or design, as used in the market.
- Specification of products or services on which said mark is being or shall be used, under the International Convention for the Classification of Goods and Services, valid and in force in the Republic of Panama.

Application must also be accompanied by the following documents:

- Power of Attorney (legalized by Apostille or Panamanian Consul). The application may be filed without the power of attorney by posting a \$100.00 dollar refundable bond to guarantee its presentation within two months following the application date.
- If the applicant is a corporation, a certificate of existence issued by competent authority of the country of origin (legalized by Apostille or Panamanian Consul).
- Affidavit (legalized by Apostille or Panamanian Consul).
- Nine (9) labels.
- Priority right claim must be submitted with the Panamanian application. In addition, the claimed right must be proven within six months after the application is filed in Panama. Applications based on priority must indicate the country or office where the application was submitted, as well as its date and number.

Requirements to file for a Trade Name Registration:

In addition to the requirements for trademark registration, applications for a trade name shall be accompanied by the following:

- Copy of the commercial license or permit issued by competent authority, stating that the applicant is conducting commercial activities under said trade name (legalized by Apostille or Panamanian Consul).
- A description of its line of business or commercial activities.

Must Changes Occurring in Trademark Registrations be Registered?

Any merger, change of name, assignment, change of domicile, limitation of products, variation of the trademark registration during its lifetime, must be recorded before the IP Office in Panama in order to become enforceable before third parties.



Patents and Utility Models

What is a Patent under Panamanian Law?

The patent of invention is defined as any idea applicable in practice to the solution of a particular technical problem. An invention may be a product and/or procedure or the special or non-evident use of a product. A product invention comprises, among other things, any substance, composition or material, and any article, apparatus, machine, equipment, mechanism, device or other object or tangible result, as well as any of its parts. A procedure of invention comprises, among other things, any method, system or sequence of stages conducive to the manufacture or obtainment of a product or result, as well as the use or application of a process or product for the purpose of obtaining a particular result.

What is the Duration of a Patent Protection?

In Panama, inventions are patentable for twenty (20) years, following which the invention becomes of public domain.

Patent invention rights shall expire in the following cases, a) upon expiration of patent period; or b) upon failure to pay any dues or fees required by Law. A grace period of six (6) months is granted for the payment of said dues.

What is a Utility Model?

According to the Industrial Property Law, utility models are defined as any form, configuration or disposition of elements of any artifact, tool, instrument, mechanism or other object, or any parts thereof, which permit an improved or different function, use or manufacture of the object into which it is incorporated, or which provide some measure of usefulness, advantage or technical effect, that it did not previously have.

Any Utility Models having an industrial application is subject to registration. However, only minor differences, such as

those which contribute with no discernible utilitarian characteristic in respect to previous inventions or utility models, may not be filed for registration.

What is the Duration of Protection for Utility Models?

Utility Models are protected for a non-renewable ten-year (10) period, counted as of the application date.

What are the Requirements for Patent or Utility Model Registration in Panama?

Requirements for the registration of Patents or Utility Models in Panama are as follows:

- Power of Attorney (legalized by Apostille or Panamanian Consul). The application may be filed without the power of attorney by posting a \$100.00 dollar refundable bond to guarantee its presentation within two (2) months following the application date.
- A complete and clear explanation of the invention, providing a thorough idea of what it is.
- A summary of the invention.
- A design of the invention.
- A document which, at first sight, shall contain one or more claims of the invention.
- Priority right claim must be submitted with the Panamanian application. In addition, the claimed right must be proven within twelve months after the application is filed in Panama. Applications based on priority must indicate the country or office where the application was submitted, as well as its date and number. If the applicant is a Corporation, a certificate of existence issued by competent authority is required.

Industrial Designs

What is an Industrial Design?

It is defined as any bi-dimensional or tri-dimensional form that, incorporated to a useful product, gives it a special appearance, and makes it fit to serve as a type or model for its manufacture.

As far as industrial property is concerned, protection of an industrial design does not comprise elements or characteristics of the model or drawing used only to obtain a technical effect, or that are suggested only for technical considerations.

What are the Requirements for Industrial Design Registration in Panama?

The requirements to register an Industrial Design in Panama are:

- Power of Attorney (legalized by Apostille or Panamanian Consul). The application may be filed without the power of attorney by posting a \$ 100.00 dollar refundable bond to guarantee its presentation within two (2) months following the application date.
- Kind or type of products to which they will be applied.
- Class or classes to which the products belong.
- Graphic representation of the Industrial Design.
- Priority right claim must be submitted with the Panamanian application. In addition, the claimed right must be proven within six (6) months after the application is filed in Panama. Applications based on priority must indicate the country or office where the application was submitted, as well as its date and number. If the applicant is a corporation, a certificate of existence issued by the competent authority is required.

What is the duration of an Industrial Design?

Industrial Designs are protected for a ten (10) year period, counted as of their application date. Registrations may be renewed for a period of five (5) additional years. In the case of renewals, extension applications must be filed six (6) months prior to expiration.

What is the Procedure for Granting IP Rights in Panama?

The procedures following application for the registration of Trademarks, Trade Names, Advertising Statements or Signs, Patents, Utility Models, Industrial Models or Drawings are as follows:

Once the application is filed, it will be identified by date and number. During the review process, the application will be verified by an examiner of the Industrial Property Office to establish if the application complies with the requirements of the Industrial Property Law. If so, it will be published in the Industrial Property Bulletin.

If the examiner rejects the application because of non-compliance with the law, it may be amended and then continue with the normal process. If no amendment is made, the application is rejected. The applicant can appeal against the rejection by administrative procedure before the Industrial Property Office.





Plant Varieties

What is Protected?

A plant variety is protected under Panamanian Law, if it fulfills the five (5) essential conditions, as follows:

Novelty:

Means that the variety has not been offered for sale or commercialized by the grower or authorized person in the territory of the Republic of Panama within one (1) year prior to the date of application, or in the territory of another state within four (4) years and, in the case of trees and grapevines, within six (6) years prior to such date.

Different:

A variety is considered different if, one or several important characteristics distinguish it from any other variety which, on the date of application, is well known.

Homogeneous:

Varieties shall be deemed to be homogeneous if their relevant characteristics are sufficiently uniform, despite foreseeable variations resulting from the peculiarities of its vegetable reproduction or multiplication.

Stability:

A condition which occurs after the reproduction or continuation process and which, regardless of the number of times the particular variety is reproduced or multiplied, retains the same essential characteristics of the plant corresponding to the variety presented by the applicant for protection.

Name:

Names are required to differentiate one variety from another, so that characteristics, value and identity of that variety shall not be liable to error or confusion.

What is the Period of Protection for Plant Varieties?

The grower's title is obtained when the applicant has complied with all the requirements of the law and its registration in the Industrial Property Bulletin is ordered. The grower's title shall have a duration of twenty (20) years starting on the date on which the protection title is granted. For Grapevines, fruit, forest and ornamental trees, it shall be twenty five (25) years.

What are the Requirements for Plant Variety Registrations in Panama?

The requirements to process Plant Variety applications in Panama are as follows:

- Grower's name and address, if other than the applicant.
- Assignment by grower, if other than the applicant (legalized by Apostille or Panamanian Consul).
- Power of Attorney, duly legalized by Apostille or Panamanian Consul.
- Identification of botanical name (Latin or common name).
- Proposed or provisional name for the variety.
- To claim priority right from previous application, indicate the State member of the International Agreement for the Protection of Vegetable Products which accepted said application, as well as application date.
- Technical description of the variety.
- If the applicant is a Corporation, Certificate evidencing the legal existence of the company, issued by competent authority at the country of origin (legalized by Apostille or by the Panamanian Consul).

Copyrights



What is Subject to Copyright Protection under Panamanian Law?

Under Panamanian Law, any work resulting from intellectual creation is subject to copyright protection, including, inter alia, written works, including software, conferences, speeches, lectures, or any other type of oral work, musical compositions, with or without words, dramatical works, including musical dramatizations, choreographic works, pantomimes, audiovisual works, photographs, artistic works, including paintings, drawings, sculptures, engravings, lithographs, architectural works, applied art works, illustrations, maps, blue prints, sketches, and works related to geography, topography, architecture or science, and any literary, artistic, didactic or scientific works, capable of being disclosed or published by any means or procedures.

What is the Period of Protection for Copyrights?

Authorship rights (moral rights) do not expire, even with the death of their author. In fact, the right to exploit any work deriving from copyright expires fifty (50) years after the death of the author.

What are the Requirements for Copyright Registration in Panama?

Requirements for copyright registration are as follows:

- Power of Attorney executed by an officer of the applicant along with the Notarial Certificate issued by the Notary Public certifying the legal existence of the company, duly legalized with the Seal of Apostille or Panamanian Consul.

- Deed of Assignment (if applicable), duly legalized by Apostille or Panamanian Consul. The signature of the Assignor and the Assignee must be attested by Notary Public and then legalized (separately).
- Copy of passport or I.D. of the author(s).
- Title of the work and modifications, if available.
- Name, nationality, I.D. or passport number, address, date of birth (and death, if applicable, of the author(s).
- Dates of creation of the work.
- Dates of publication of the work (specify if it is a new or a derivative work).
- Place of origin.
- Name, nationality, I.D. or Passport number, and domicile of the producer.
- Two (2) samples of the copyrightable work.

In addition for software:

- Two (2) samples of the text for the computer program.
- Two (2) diskettes or CD's, containing the software.
- Two (2) samples of the instruction manual.
- Two (2) samples of the first five (5) pages and the last five (5) pages of the source code.
- Brief description of the functions (characteristics, main and basic functions of the computer program).

Intellectual Property Protection

Principles that Govern IP Protection in Panama

In order to oppose the use of a trademark by another party, the same must be registered. Nevertheless, in order to oppose a trademark application, it is not necessary to have the trademark registered as long as its previous use can be proven in court.

The person entitled to use a famous or a well-known trademark may oppose its unauthorized use and registration and demand cancellation of its registration, if any.



Opposition, Nullity and/or Cancellation Claims

When can an Opposition Claims be Filed?

For a period of two (2) months after the trademark application is published, any person who believes to have a better right can oppose the trademark application.

When can a Trademark Cancellation Occur?

Cancellations may occur as follows:

- By express disclaimer by the holder of the right.
- Due to lack of use of the trademark, trade name and slogan for five (5) consecutive years.
- Upon expiration of the period of validity without renewal.
- By ruling of the intellectual property court.

When is a Trademark Registration Null and Void?

A trademark registration is null and void in the following cases:

- Whenever it contravenes the dispositions of the industrial property law.
- If it is granted on the basis of false or inaccurate information provided in the application or documents filed with the application. In such case, the registration shall be construed to be granted in bad faith.
- Whenever the attorney, legal representative, user or distributor of a foreign trademark, on its own account or on behalf of a third party, shall request and obtain its registration or

the registration of another confusingly similar trademark, without the consent by the owner of the foreign trademark. In such case, the registration shall be construed to be granted in bad faith.

When can Nullity and/or Cancellation Claims be Filed?

Any person who considers himself entitled to request the nullity and/or cancellation of the trademark, trade name or slogan registration, may file a nullity and/or cancellation claim.

Nullity actions against trademark, trade name or slogan registrations can be filed for a ten (10) year period following the registration date. If the application for registration was made in bad faith, it may be filed at any time during its validity.

When can a Patent or Industrial Design be Annulled?

A patent of invention or a utility model registration will be annulled in the following cases:

- Whenever it is proven that the concession or registry was made in contravention of the dispositions of the industrial property law.
- When due to modification or division of the application, the patent issued has claims that are not sustained in the subject matter

Opposition, Nullity and/or Cancellation Procedure

The procedure to oppose, annul or order the cancellation of an IP right is very simple and begins with a claim filed before the IP courts in Panama. Once the claim is admitted, notice is served to the defendant, who will have five (5) days to answer the claim or file a counterclaim. Thereafter, the parties shall attend a hearing, where all evidence shall be produced and examined. Once all evidence has been submitted in court, the pleadings shall begin.

Usually, the parties can make their pleadings orally during the hearings. Notwithstanding, the judge can also set a date for such purpose after the hearings. Following the term to file allegations, the court shall rule on the case. In the event that a party does not agree with the court ruling, an appeal can be announced and sustained before a Higher Court, where a final ruling shall be issued.

contained in the original application.

- Whenever the same is granted to someone who is not entitled thereto under the industrial property law. In such case, nullity actions can only be filed by the person entitled thereto.

Nullity actions can be filed for a period of eight (8) years following the date of concession of the patent and five (5) years following its date of registration.

When Does an Industrial Design Registration Become Null and Void?

Industrial design registrations shall become null and void in the following cases:

- Whenever it is proven that the registry was made in contravention to the disposition of the industrial property law.

Nullity actions against industrial model or drawing registrations can be filed for a period of five (5) years following the registration date. If the application for registration was made in bad faith, they may be filed at any time during its validity.

What are the Requirements for Filing an Opposition, Nullity and/or Cancellation Claim?

Requirements for filing an opposition, nullity and/or cancellation claim in Panama are as follows:

- Power of attorney (Legalized by Apostille or Panamanian Consul). However, an opposition or cancellation may be filed

without the Power or Attorney by posting a bond. In such case, the Power of Attorney shall be filed within two (2) months after the claim is presented.

- Certificate of existence, in the case of juridical person (legalized by Apostille or Panamanian Consul).
- Evidence of better right.

Improper Use Claims

Claims against the improper use of a trademark, trade name, copyright, patent, utility model, industrial design, plant variety, or any other source of Intellectual Property rights may be filed in two different ways, as criminal actions or as civil actions.

Criminal Actions

Under the Criminal Code of Panama, any person that produces, sells, or introduces for trade any products identified by a trademark owned by a third party, or manufactures products under the patented invention of another person commits a felony.

The use, reproduction or public disclosure of any copyrightable matter is also considered a felony.

The most important fact to take into account when filing Criminal Action is that the intention to commit the felony must be proven in court.

How can Criminal Action be brought against the Infringement of an IP right?

Any person affected by a crime against their IP rights may take criminal action by denouncing the fact to the Attorney General's Office. As a result of the denunciation, the case will be designated to a District Attorney (DA) who must investigate the facts, and seize the fake goods and machinery involved in the criminal action. Private attorneys shall assist the DA in the investigation in order to build a case against the infringer. Once the DA office has concluded the investigation, if there is evidence of felony, it shall bring the responsible party to trial.

The second part of the action begins with the trial, in which the DA, with the help of private attorneys, shall prove in court that the responsible party committed the felony intentionally.

Civil Action for Infringement of IP Rights.

The procedure of civil actions for improper use of IP rights and the potential indemnization are similar to the procedures set forth for oppositions and/or cancellation actions. The court requests the seizure of goods and machinery involved in the improper use in order to secure the results of the action. In such case, the action must be filed within the next ten (10) days. Once the seizure is admitted and enforced by the Court, the claimant shall file a bond within three (3) days following the seizure. Said bond shall be for up to 50% of the total value of the seized goods.

Barrier Measures

Our country's Intellectual Property Law confers discretionary powers and faculties to Customs and The Colon Free Zone authorities to conduct investigations and retain any goods suspected of being imitations, or counterfeits including the confiscation of equipment used to manufacture the fake goods. The Attorney General's Office and the Customs Bureau are officially empowered to initiate investigations on Intellectual Property matters.

The Customs Bureau and the Free Zone Administration are duly empowered to keep

records of the Panamanian Intellectual Property Registrations for companies who wish to protect their intellectual property through barrier measures. Morgan & Morgan offers the service of registering your company's Panamanian Trademark Registration before the Customs Bureau and the Colon Free Zone.

What are the Requirements for the Registration of such Rights?

- Power of Attorney (legalized by Apostille or Panamanian Consul).
- If the applicant is a corporation, a certificate of existence issued by competent authority of the country of origin (legalized by Apostille or Panamanian Consul).
- Two (2) product samples
- Certified copy, issued by the Intellectual Property Office, of the Certificate of Registration and Renewal Resolutions of the trademark to be protected.

IP Portfolios

Our Intellectual Property Department may prepare and negotiate any agreements, mergers and acquisitions, as well as handle due diligence reviews of Intellectual Property portfolios, on your behalf.

Does Morgan & Morgan Offer Watch Report Services for IP rights?

Morgan & Morgan can maintain and watch your IP rights through watch reports of Intellectual Property Bulletins, and by informing you in due course of any similar trademarks being published.

We can also provide investigation services for counterfeits, imitations, or any person who violates the IP rights of our clients in any part of the country.

Licensing IP Rights

Morgan & Morgan is experienced in licensing and other transactions involving intellectual property rights and technology. Qualified attorneys will assist and counsel you on any issues concerning these matters, such as the negotiation of patents, copyright, trademarks, technology agreements and trade secrets.