

15. AN APPROACH TO COMPREHEND THE ACTUAL VENEZUELAN TRADEMARK SYSTEM

Leonel Salazar Reyes-Zumeta^{1*}

ABSTRACT

Since 2008, the Industrial Property Registry Office (IPRO) of Venezuela decided to fully implement the Industrial Property Law (IPL) 1955, due to Venezuela's exit from the Andean Community of Nations (CAN) on 19 April 2006 under the Hugo Chavez Administration.² The IPL 1955 established an old-fashioned trademark system. Non-traditional trademarks (olfactory, tactile and taste marks) are not protected, as well as three-dimensional marks. The protection of well-known trademarks is limited, besides their exceptional recognition by courts (*Galleries Lafayette* 1993). Notwithstanding, while Venezuela was an active member of CAN, such form of protections were protected under Decision 486 of the Andean supranational communitarian law, except gustative and tactile marks. The procedure for registration is also obsolete. The assignment of a trademark application is permitted once granted. The enforcement of unregistered trademarks is based on previous use and sustained under the principle *in dubio pro signo prior in tempore*. The protection of geographical indications (GIs)

* LLB (Universidad Central de Venezuela, 1985). MSc. in Technological Innovation Management and Public Policies (Universidad Central de Venezuela, 2001). LLM in Commercial Law (Universidad Central de Venezuela, 2013). Doctoral Candidate in Law (Universidad Central de Venezuela, 2019). Assistant Professor in Universidad Central de Venezuela. Professor of Intellectual Property Law and Commercial Law at the Faculty of Juridical and Political Sciences in Universidad Central de Venezuela (Caracas, Venezuela), and Universidad Católica Andrés Bello (Caracas, Venezuela) and Visiting Professor at the Intellectual Property Postgraduate Program in Universidad de Los Andes (Mérida, Venezuela). Coordinator of the Cathedra of Intellectual Property "Carlos del Pozo y Sucre" Faculty of Juridical and Political Sciences Universidad Central de Venezuela 2018-2022 (Caracas, Venezuela). E-mail:

and collective marks is an administrative practice. This paper aims to update the trends in the Venezuelan trademark protection system in accordance with the IPL 1955, the international industrial property treaties adhered to by Venezuela, and recent decisions taken by the local IPRO and courts in Venezuela, particularly the Supreme Court of Justice.

Keywords: *Venezuela, industrial property, trademark system, trademark protection, trademark enforcement*

1. INTRODUCTION

To comprehend the actual Venezuelan trademark system, requires an understanding of its legal system. Venezuela is a civil law country as a result of its colonization by the Spanish kingdom from 2 August 1498 (date of its discovery by Christopher Columbus) to 5 July 1811 (date of its independence).

The newly born Republic of Venezuela passed a Constitution on 5 July 1811, which established that the ruling laws of the Spanish monarchy up to 17 March 1808, the date of the Mutiny of Aranjuez,³ would apply in the newly- independent country, while the legislative branch approved new legislation. This was established to

lesarezu@gmail.com, leonel.salazar@ucv.ve_Mobile: +58 414 2108904.

² Industrial Property Law (2 September 1955) [hereinafter IPL], *Official Gazette of the Republic of Venezuela*, 24.873, 14 October 1955. Reprinted *Official Gazette of the Republic of Venezuela*, 25.227, 10 December 1956.

³ This decision relied on the fact that in 1808 the French invaded Spain and Napoleon Bonaparte in Bayonne 5 May 1808 forced to abdicate the Spanish kings Carlos IV and Fernando VII on behalf of him, and designated his brother Jose Bonaparte as King of Spain. The Venezuelan and other Latin-Americans Creole whites as well as local Spaniards authorities did not accept the French invasion and rejected the application of their legislation in support of the Kingdom of Spain. (cf. Lucas Morán (ed), *Enciclopedia de Venezuela* (Editorial Bello, 1973) vol VII, 6-7).

prevent the application of the provisions passed in Spain during the French domination (1808-13).

The Venezuelan Constitution passed in Angostura on 15 August 1819, ratified the application of the governing laws of the Spanish monarchy until 1808.

In 1821, the Republic of Colombia was created and integrated by the actual Colombia (Viceroyalty of Nueva Granada), Ecuador and Venezuela. The Constitution signed in Villa del Rosario de Cucuta 25 September 1821, kept the application of Spanish monarchy legislation up to 17 March 1808.⁴

The Congress of Venezuela passed a new Constitution 22 September 1830, after its secession from Colombia in 1830 and before Simon Bolivar's death 17 December 1830.⁵ This Constitution did not establish the application of the Spanish legal framework applicable until 1808. Nevertheless, the legal framework of Venezuela was mostly compounded by the legislation of Colombia passed up until 1827 and the Spanish Royal Decrees valid up to 1808, which were legally applied by Venezuelan courts and several Administrations during the second half of 19th century. A new legislation would be approved that repealed the old legal provisions, as it would be referred in this paper.⁶

During the period (1830-77), the entire Venezuelan trademark legal framework was compounded by the Spanish colonial legislation;⁷ therefore the trademark system was not influenced by the Spanish Trademark Law of 20 November 1850,⁸ which never became valid neither in the Republic of Colombia (Gran Colombia) nor in Venezuela.

⁴ Leonel Salazar, *El Circuito Jurídico-Económico de la Propiedad Intelectual* (Universidad Central de Venezuela, 2010) 97-98.

⁵ Allan Brewer-Carias, *Las Constituciones de Venezuela* (Editorial Jurídica Venezolana, 1985) 333; cf Salazar (n 4) 100.

⁶ Ignacio Oropeza, *Registro de Legislación: Colombiana hasta 1827, Venezolana hasta 1843 y de varias Reales Cédulas hasta 1808* (El Venezolano, 1844).

In this context, this research aims to: 1) provide a historical background of the Venezuelan trademark system up until today; 2) give an approach to comprehend the actual Venezuelan trademark system in accordance with the Industrial Property Law (1955) and international industrial property treaties adhered to by Venezuela, such as the Paris Convention for the Protection of Industrial Property, the WTO TRIPS Agreement and MERCOSUR's Protocol on Harmonization of Intellectual Property Norms in the Field of Trademarks, and Indications of Source and Appellations of Origin 1995; and 3) to show the most significant criterion applied by the Administration and the relevant jurisprudence passed by the Supreme Court of Justice related to trademarks.

2. AN OVERVIEW OF THE HISTORICAL BACKGROUND OF THE VENEZUELAN TRADEMARK SYSTEM

A. BEFORE 1955

(i) THE COLONIAL PERIOD (1498-1811)

During the colonial period, some regulations were approved by different Spanish monarchs. However, those provisions were not fully applied in Spanish colonies due to the existence of the Indian law (*derecho indiano*) administered by the Council of the Indies (Consejo de Indias), while regulations related to intellectual property rights were administered by Council of Castilla (Consejo de Castilla).⁹

Some relevant facts related to this period that should be mentioned are: (i) the Governor of the Province of Venezuela, Guillelmi (1787), ordered the use of marks to

⁷ Salazar (n 4) 98.

⁸ Hermenegildo Baylos, *Tratado de Derecho Industrial*, (3rd edn, CIVITAS-Thomson Reuters, 2009) 273-274.

⁹ Salazar (n 4) 96.

distinguish bakers and bakeries in Caracas; (ii) The Royal Consulate, created on 3 July 1793, established the Commercial Registry Office where businessmen and their companies were obliged to record their names and trade names, and (iii) the Royal Decrees on Trademarks of 21 September 1789¹⁰ and on the right to Industrial Property of 29 November 1796¹¹ dictated by King Charles IV. Generally, trademarks were granted as a royal concession to prevent counterfeiting of goods and to identify the producers of those goods. Once the Venezuelan Republic was created, a formal process for the granting of trademarks would be implemented only in the second half of 19th century.

(ii) THE INDEPENDENCE PROCESS (1810-30)

Venezuela initiated its emancipation process from Spain on 19 April 1810; when the civilians of Caracas did not recognize the abdication of King Fernando VII on behalf of Jose Bonaparte, removed of office the Major of Caracas Colonel Vicente Emparam, and created a Board for the Protection of the Rights of King Fernando VII. The process of independence formally began on 5 July 1811 with the signing of the Declaration of Independence and the approval of the Constitution of 1811.

¹⁰ Baylos (n 8) 273.

¹¹ Leopoldo Palacios, *Las Marcas Comerciales en Venezuela* (Universidad Central de Venezuela, 1965) 18.

¹² For the purpose of this paper, the concepts of citizen's rights, human rights and constitutional fundamental rights are handled quite differently. For citizen's rights, also known as civil rights, are understood those rights inherent to any national or citizen from any country since 1787, as established in the USA Constitution 11 September 1877 and the French Constitution 1789, when notion of subject to a Monarchy was abolished. Notwithstanding, this concept has evolved to actual constitutional fundamental rights since the first half of 19th century, when constitutions have recognised them either as human rights or constitutional fundamental rights, as it has been observed in recent studies (cf. Astrid Uzcategui, *Derechos de*

The Constitutions of 1811 and 1819 recognised the citizen's right to intellectual property as a freedom for work, culture and commerce. Starting with the Constitution of 1821 (the Colombian Constitution), all subsequent Venezuelan constitutions began to recognise freedom for work, culture and commerce as human rights rather than constitutional fundamental rights.¹² This principle is shown in the Declaration of the Rights of the People (adopted in Caracas on 1 July 1811)¹³ and was inspired by the Déclaration des Droits de l'Homme et du Citoyen (France, 26 August 1789), which recognises the rights of man in society, specifically that all citizens have the right to property, work, culture, industry and commerce.¹⁴

Therefore, in Venezuela, intellectual property rights have been considered as human rights since 1810 and recognised as such in the actual Constitution that was approved by the Constituent Assembly in 17 November 1999.

This period is characterized by the absence of a formal regulation on trademarks, because of the war of independence that devastated the country as well as its economy. It was not until 1877 that a Trademark Law was passed by Congress.

Propiedad Intelectual y Derechos Fundamentales (Universidad de Los Andes, 2015), Gileni Gomez, *El Derecho de Autor en el marco de los Derechos Humanos. Su consagración constitucional en España y demás países iberoamericanos* (Editorial Jurídica Venezolana, 2016)). Human rights are those inherent to any human being recognised or not by any State or its constitutions, determined by the progressiveness of human rights, whether they are recognised or not in an international treaty. Whilst, constitutional fundamental rights are human rights recognised by any constitution.

¹³ Brewer-Carias (n 5) 175-77.

¹⁴ Archives parlementaires, 1^{re} série, t. VIII (France) <<https://gallica.bnf.fr/ark:/12148/bpt6k495230.image.f557.lan.gFR>> accessed 1 November 2018.

(iii) THE REPUBLICAN LONG WAVE (1830 – 1953)

This period covers part of the Fourth Republic (1830-1998).¹⁵ In 1877, the national trademark legal system was established with the approval of the Trademark Law of 24 May 1877, which was completed with the approval of the Trademark Law of 1930.

During this period, Venezuela signed various bilateral trade agreements with countries such as France in 1879, Denmark in 1879, Spain in 1882, Belgium in 1882, Germany in 1883 and El Salvador in 1883. Some of these bilateral trade agreements recognized the protection of marks of their citizens on the basis of reciprocity.¹⁶

Venezuela became part of the Paris Convention in late 20th century (1995). By 1883, Venezuela did not attend the International Diplomatic Conference that adopted the Paris Convention for the Protection of Industrial Property on 20 March 1883, due to the rupture of diplomatic relations between the Republic of France and the Government of President Guzman Blanco in 1882.¹⁷ Besides that, Venezuela participated in the Diplomatic Conference celebrated in Paris on 4 November 1880.¹⁸

(a) CONSTITUTIONS 1830 – 1953

Venezuelan constitutions adopted during this period regulate intellectual property right most commonly either as a right of citizens, a fundamental right, or a human right.¹⁹ Exceptionally, the Constitutions of 1821

and 1953 established that intellectual property right could only be regulated by special law dictated by Congress, on the basis, that it was within the exclusive powers of the Congress of the Republic of Venezuela to legislate to protect people's right to intellectual property (industrial property and author's right).²⁰ The Constitutions of 1864, 1874, 1881, 1891, 1893, 1904, 1909, 1914 and 1922 regulated trademarks under the human right category. Finally, the Constitutions of 1830, 1857, 1858, 1901, 1925, 1928, 1929, 1931, 1936 and 1947 established intellectual property as a right of citizens, a fundamental right or a human right, and at the same time established that its regulation is of the exclusive power of the legislative branch. Importantly, since the approval of the Universal Declaration of Human Rights by United Nations in 1948, it has been assumed that intellectual property right is a human right, a debate that will be argued later in this research.²¹

(b) TRADEMARK LAWS: 1877, 1927 AND 1930

(1) Trademark Law 24 May 1877:²²

The first Venezuelan trademark law of 24 May 1877 substituted all Spanish legislation valid at that point and was a compilation of sixteen rules. It recognized the protection of marks of fabrics and commerce and created equivalents to marks of goods and services. Further, it established a process for the registration of marks of foreign applicants, subject to reciprocity established by treaties between Venezuela and other countries.²³

¹⁵ The Fourth Republic (1830-1998) ends with the instalment of the Fifth Republic (1998), the beginning of the Hugo Chavez's Administration (1998-2013) and its continuity in Nicolas Maduro's Administration (2013-2019).

¹⁶ Mariano Uzcátegui, *Recopilación de Leyes y Jurisprudencia en Materia de Propiedad Industrial* (Universidad de Los Andes, 1960) 32-53.

¹⁷ Morán (n 3) 120.

¹⁸ Salazar (n 4)127-128.

¹⁹ See n 12.

²⁰ Salazar (n 4) 250-251.

²¹ See n 12.

²² Uzcátegui (n16) 22-25.

²³ Trademark Law 1877, art 1 (Venez): 'Any person or company domiciled in the Republic, and any corporation created by national authority, of the States and of the Territories, as well as any person, society or corporation resident in a foreign country in which by treaty or agreement the Venezuelan citizens are agreed upon same or similar rights to those granted by this Law, may obtain the protection or guarantee of any legitimate trademark for whose use have an exclusive privilege, or to be

Regardless, marks registered in other countries with which Venezuela had not signed trade agreements should still be registered.²⁴

This trademark law recognized counterfeiting as a criminal offence and offender became subject to repair damages caused to legitimate owner.²⁵ It additionally prohibited registration of marks belonging to third parties, because they may cause likelihood of confusion with marks registered or applied for registration and mislead the public.²⁶ Under this law, the exclusive right to use a registered trademark shall remain in force for a period of thirty years, counted from the date of registration²⁷ and subject to renewal for the same period if it is renewed within six months prior to the expiration of each period.²⁸

adopted and used with such character, if it meets the requirements contained in this Law’.

²⁴ *ibid* art 16: ‘Trademarks of foreign products or merchandise registered outside the Republic, may also be registered by the Ministry of Development even if no international treaties or agreements have been concluded on the matter, with respect to the products or merchandise that have accredited their utility in the Republic, according to the Executive Branch’.

²⁵ *ibid* art 12: ‘Any person who reproduces, falsifies, copies or imitates any registered trademark, or fixes it in merchandise of the same descriptive properties and qualities as those referred to in the registry, shall be liable in a civil court by the registrant, for the damages caused for the illegitimate use of such brand, without prejudice, in case of fraud, of suffering the penalties established by the Criminal Code’.

²⁶ *ibid* art 4: ‘The Ministry of Development will not receive or register any trademark that is not or cannot become a legitimate brand, or that is merely the name of a person, society or corporation, not sufficiently distinguishable from that mark when used by other persons, or that the mark is identical to another already appropriate to the same class of products and belonging to a different owner and that is registered or presented to be, or that resembles both the brand mentioned above, that in all probability has to deceive the public’.

²⁷ *ibid* art 7: ‘The right to use exclusively all trademarks registered and certified in the prescribed manner shall remain in

(2) Trademark Law 9 July 1927:²⁹

This version of the trademark law, enacted in 1927, recognized the protection of marks of fabrics and commerce as equivalents to marks of products, services and trade names.³⁰ It introduced the types of signs that constitute marks, aside from the traditional visual perception of marks and its graphical representation as a requisite for registration. It recognised the relief marks (actually, tactile marks) and the three-dimensional marks, which subsequently allowed the registration of wrappers, packages and containers of products. This legislation showed innovation in trademark protection even though it did not yet recognize the registration of sound, olfactory, and taste distinctive signs.³¹

force for a term of thirty years, counted from the date of registration...’

²⁸ *ibid* art 9: ‘During the six months prior to the expiration of the thirty-year term, the renewal of the registration of any trademark may be requested, which will be granted under the terms of the primitive registration, in a sealed Certificate of Renewal. The registration renewal will have the same duration of thirty years as the original registration’.

²⁹ Trademark Law (9 July 1927) *Official Gazette of the Republic of Venezuela*, 16.255, 22 July 1927.

³⁰ *ibid* art 1: ‘Any natural or legal person may obtain the registration of any trademark or industry brand in general, as well as the commercial name that has adopted, complying with the requirements established in this Law’.

³¹ *ibid* art 2: ‘May be used as trademark and agriculture brand, the names of products or names of persons in particular form, emblems, initials and monograms, coat of arms, prints, drawings, prints, vignettes, labels, stamps, bells, reliefs, stripes, girdles, figures, fantasy names, numbers, letters, words, signs, phrases with special drawings, alone or formed in combination or whimsical type, wrappers, packaging, packaging of objects and any other sign that is new and with which distinguish the manufacture of a factory or industry, the objects of a trade or the natural products of the agricultural or extractive industries. May not be registered any trademark that suggests

The law mandated the exclusive right to use a registered trademark shall remain in force for a period of ten years, counted from the date of registration,³² and subject to renewal for the same period if it is renewed within six months prior to the expiration of each period.³³ It established that the transfer of a mark must be registered before the local IPRO.³⁴ Trade names should not be transferred without the transferral of the company whose establishment serves to distinguish and the

immoral ideas or serves to distinguish immoral and scandalous objects; nor to distinguish goods that are not produced or traded with them; that is used in illicit business or on a harmful item; consisting of the flag or coat of arms or other insignia of the Republic, State or Municipality or comprising these elements or a simulation of them; in the emblem or figure of any religious association or charity that by its Statutes or otherwise allowed its use; geographical names, flags, pennants, shields, official badges of legally recognized nations; the shape and colour given to the items or products by the manufacturer; the colours or colour combinations alone; the terms and phrases that have gone into general use and the signs that do not present specialty characters; the designations usually used to indicate the nature of the products or the classes to which they belong; that it is merely the name of a natural or legal person, if it is not presented in a peculiar and distinctive form sufficient to distinguish it from the same name when used by other persons; the trademark already registered for similar products, or that resemble another graphic or phonetically, that already is and may be confusing or misleading, or deceiving; which consists of private domain locations, to which only their owners are entitled unless said names have entered into general use and suitable specifications are adopted to avoid confusion’.

³² *ibid* art 5: ‘The right to exclusively use a legally registered trademark will remain in force for a period of ten years; expired the term the mark will be declared void if not renewed’.

³³ *ibid* art 6: ‘Any trademark may be renewed, provided that it is requested by the interested party or by his legitimate successors during the six months prior to the expiration of the ten year term, verifying that the trademark has been in use and that has been paid the right to renewal. The renewal of the registration will have the same duration of ten years and will be granted in the terms of the primitive registration’.

³⁴ *ibid* art 8: ‘The trademarks may be assigned under the terms prescribed in the Civil Code, but the assignment or sale will not

Ministry of Commerce used to have a special registry for trade names.³⁵ Further, the law established that opposition based on the opponent’s prior right to the mark has to be filed once the mark has been published and the Ministry of Commerce should decide it in fifteen working days.³⁶

This version of the law established that fraud in the registration of a mark³⁷ and counterfeiting of goods are

take effect with respect to the third parties until the corresponding annotation has been made in the corresponding Trademark Registry. For which purpose the interested parties will request it in writing authorized by the transferor and the assignee, accompanying the transfer document and verifying that have been satisfied the transfer rights’.

³⁵ *ibid* art 19: ‘Any natural or legal person may register, by filling out the same formalities and paying the same registration fees for a brand, the word or phrase that uses as business emblem. The Ministry of Development will keep a record for trade names. Commercial names cannot be assigned except with the company whose establishment serves to distinguish’.

³⁶ *ibid* art 13: ‘During the period of the publications, any person who considers to possess a better right to a trademark whose registration has been requested by another, may oppose the registration by means of formal writing, clearly stating the reasons and grounds on which the opposition is based and accompany the supporting evidence. The opposition will be notified to the applicant, in a fifteen days term the applicant must adduce those conducive reasons to its rights, under penalty of having the mark abandoned. Once the opposition is answered, the Minister of Development will decide it by means of a Resolution, in which it will provide the registration or the refusal according to the case; before being able to request *ex officio* or ask the parties for the information they deem necessary. In the decision may impose on the party that appears manifestly reckless, fine from fifty to two hundred bolivars’.

³⁷ *ibid* art 22: ‘Any person who seeks the registration of a trademark by himself or on behalf of another, or who requests from the Ministry of Development any other act related to this matter, making false or fraudulent representations or declarations, in word or in writing or by any other means, will be subject to the penalties established by the Criminal Code, for

criminal offenses punished according to the Penal Code and offenders are subject to damages.³⁸ It also determined, the Minister of Commerce can declare to nullity *ex officio* of the mark on the basis of illegality in the granting of the registration of a trademark.³⁹ Furthermore, any civil action or remedy should be claimed before civil courts, particularly the priority right for the registration of the mark, this is the precedent of the action based on the principle of first-to-use or *in dubio pro signo prior in tempore*.⁴⁰ Finally, the classification of goods was established by the Ministry of Commerce.⁴¹

counterfeiters or scammers as the case may be, without prejudice to the civil liability regarding third parties’.

³⁸ *ibid* art 24: ‘Any person who reproduces, falsifies, copies or imitates any registered trademark for use in merchandise included in the same class as that, will be subject to answer in court for damages caused by the illegitimate use of such brand, without prejudice to suffer the penalties that set the Criminal Code’.

³⁹ *ibid* art 23: ‘Within two years after the registration of any trademark, the Ministry of Development may, in a reasoned Resolution, cancel the registration obtained in contravention of this Law. The interested party shall have a period of three months, counted from its publication in the Official Gazette, to file an appeal before the Federal Court and Appeal’.

⁴⁰ *ibid* art 25: ‘The action on the right of priority of the brand or any other related to this matter, of a civil nature, will be brought before the competent Court. For investigation of the crime in cases of forgery or fraud related to a legitimate trademark or trade name, the denunciation may be made by any person and by the same privileged, if the role of accuser is not assumed, in accordance with the Law’.

⁴¹ *ibid* art 26: ‘The Ministry of Development will establish the classification of products, determining the particular description included in each class’.

⁴² Uzcátegui (n 16) 94-99.

⁴³ Trademark Law (28 June 1930) *Official Gazette of the Republic of Venezuela*, art 1. ‘Any natural or legal person may obtain the

(3) Trademark Law 28 June 1930:⁴²

Under the 1930 law, (1) trade names are protected as commercial designations (this term remains valid at the present time);⁴³ (2) relief marks (actually, tactile marks) and three-dimensional marks remain valid, and visually perceived marks were protected as well as goods and services marks;⁴⁴ and (3) the exclusive right to use a mark is acquired only in relation to the class of products, activities or companies for which it has been registered according to the official classification.⁴⁵

Further, the exclusive right to use a registered trademark shall remain in force for a period of fifteen years, counted from the date of registration,⁴⁶ and subject to renewal for the same period if it is renewed within six months prior

registration of any trademark, trade brand or agriculture brand, as well as the commercial name that has adopted, according to the requirements established in this Law’.

⁴⁴ *ibid* art 2: ‘May be used as trademarks and agricultural brands the names of products, names of persons in particular form, emblems, initials and monograms, coat of arms, prints, drawings, prints, vignettes, labels, stamps, bells, **reliefs**, stripes, figures, fantasy names, numbers, letters, words, signs, phrases with special drawings, alone or formed in combination or whimsical type, wraps, packaging, containers of objects and any other sign with novelty and to distinguish the manufacture of a factory or industry, the goods of a trade or agricultural natural products’.

⁴⁵ *ibid* art 4: ‘The exclusive property of the brand corresponds to the industrialist, merchant or farmer who has obtained the respective Certificate of registration in accordance with this Law; and is only acquired in relation to the goods and merchandise for which it was requested, in accordance with the official classification; however, the industrialist, merchant or farmer who has used a trademark in Venezuela prior to the one that obtained the Registration Certificate may occur before the competent ordinary Courts requesting the annulment of it within two years from the date of the Certificate’.

⁴⁶ *ibid* art 5: ‘The right to use exclusively a legally registered trademark will remain in its force for a period of fifteen years, expired the term the mark will be declared void if not renewed’.

to the expiration of each period.⁴⁷ The law introduced opposition based on the principle of first-to-use or *in dubio pro signo prior in tempore* on behalf of the opponent's prior right on the ground of usage. This opposition is not decided by the local IPRO. Rather, the opposition filed suspends the administrative procedure and the administrative file is sent to a civil court of first instance, which will decide the better right opposition. Once a final resolution is taken either by the Court of Appeal or the Supreme Court of Justice, the case will be sent back to the local IPRO which will finally decide if the mark is subject to registration.⁴⁸

Lastly, the transfer of a mark must be registered before the local IPRO.⁴⁹ However, commercial designations should not be transferred without the transferral of the company whose establishment serves to distinguish.⁵⁰

⁴⁷ *ibid* art 6: 'Any trademark may be renewed, provided that it is requested by the interested party or by his legitimate successors during the six months prior to the expiration of the fifteen-year term, verifying that the trademark is in force and the right of renewal has been paid. The renewal will have the same duration of fifteen years and will be granted in the terms of the primitive registration'.

⁴⁸ *ibid* art 13: 'During the period of the publications, any person who considers to possess a better right to a trademark whose registration has been requested by another, may oppose the registration by means of formal writing, clearly stating the reasons and grounds on which the opposition is based and accompany the supporting evidence. The opposition will be notified to the applicant, in a fifteen days term the applicant must adduce those conducive reasons to its rights, under penalty of having the mark abandoned. In addition to the action that corresponds to the one who used a trademark first, in accordance with article 4 may also oppose the registration of the trademark, claiming priority in the use in Venezuela. For this opposition to be admitted, the opponent must immediately request the registration of his trademark. Once the opposition is answered, the Minister of Development will decide it by means of a Resolution, in which it will provide the registration or the refusal according to the case; before being able to request *ex*

The Ministry of Commerce used to have a special registry for commercial designations.⁵¹

B. FROM 1955 TO 2006

In 1955 a new Industrial Property Law was passed by the Venezuelan National Congress.⁵² This law merged the Invention Patent Law 1927 and the Trademark Law 1930. The new law was approved under the rule of the Constitution 1953, which did not have a special rule for the protection of intellectual property right as a human right or a fundamental right. However, it did establish that the National Congress has the power to dictate laws on patents and trademarks as well as for literary, artistic and industrial property.

When General Marcos Perez Jimenez was overthrown on 23 January 1958 in a civil-military movement, a new Constitution was passed on 23 January 1961 by the

officio or ask the parties for the information they deem necessary. In the decision may impose on the party that appears manifestly reckless, fine from fifty to two hundred bolivars. When the opposition will see the priority of the use of the trademark in Venezuela, upon receipt of the respective document, the file will be passed to the Federal Court of First Instance of the Federal District, in its federal character, and the procedure will be followed by the ordinary proceedings'.

⁴⁹ *ibid* art 8: 'Trademarks may be assigned under the terms prescribed in the Civil Code, but the assignment or sale will not take effect *ergo omnes* until the corresponding annotation has been made in the corresponding Trademark Registry. For this purpose, the transferor and the assignee shall request it in writing, and shall pay the transfer tax in accordance with article 19'.

⁵⁰ *ibid* art 18: 'Any natural or legal person may register, by filling out the same formalities and paying the same registration fees for a brand, the word or phrase that uses as business emblem. The Ministry of Development will keep a record for trade names. Commercial names cannot be assigned except with the company whose establishment serves to distinguish'.

⁵¹ *ibid*.

⁵² IPL (n 2) 1955.

Congress of the Republic of Venezuela. Afterwards, in 1999, the Constitution that is currently in force was approved by a people's referendum and passed by the Venezuelan Constituent Assembly.

Both, the Constitutions of 1961 and 1999,⁵³ instituted intellectual property rights (IPRs) as a human right, and finally established that regulation is the exclusively within the power of the legislative branch.

(i) Regulations

(a) The Constitutional Debate Amongst Human Right V. Constitutional Fundamental Right

A formal debate about the classification of IPRs as an economic human right, as established in the Constitution 1961⁵⁴ (Article 100⁵⁵) or as cultural and educational human right as recognized in the Constitution of 1999⁵⁶ (Article 98⁵⁷) has not been fully resolved in Venezuelan academia. However, this debate is held more as an ideological issue rather than a juridical position, as it has been argued before. IPRs are a universal human right more than a constitutional fundamental right. The classification of human rights as social, cultural, educational, health, political, environmental and economic rights is a disservice to IPRs and causes an imbalance among these human rights.

The hierarchy of human rights should be abolished from our courts and policymakers and jurists should work on

the equilibrium of its protection. No one category of universal human rights is more important than others. For example, IPR is not more important than public health and vice versa. The right of an author or inventor is as important as the right of the community to access and benefit from the literary, artistic and scientific work or an invention, as well as the right holder of any IPR. As far as trademarks are concerned the protection of the right holder is not stronger than the protection of the consumers to access and benefit from the original product or service distinguished by the mark. A natural equilibrium must be construed to balance the protection of IPRs and the people's right to access and benefit from new technologies, represented in innovative products and services.

In a trademark system, the protection of consumers to access original products could contribute to guaranteeing their health, or at least at providing accurate information about the products the lack of which could impact the health of consumers. In turn, this justifies protection for trademark owners so that the legitimate trademark owners would not suffer harm due to (possibly low-costs) counterfeited products, consumers will be satisfied with control quality products and services and there will not be unpunished counterfeiters.

(b) Industrial Property Law of 1955

As was previously mentioned, the Industrial Property Law of 1955 merged the Patent Law of 1927 with the

⁵³ See n 54, 55, 56 and 57.

⁵⁴ Constitution of the Republic of Venezuela (23 Jan. 1961) *Official Gazette of the Republic of Venezuela*, 662, 23 Jan. 1961.

⁵⁵ The rights over scientific, literary and artistic works, inventions, denominations, trademarks and commercial slogans will be protected by time and under the conditions established by law.

⁵⁶ Constitution of the Bolivarian Republic of Venezuela (17 Nov. 1999) *Official Gazette of the Bolivarian Republic of Venezuela*, 5.768, 24 Mar. 2000. Amendment No. 1 (15 Feb. 2009) *Official Gazette of the Bolivarian Republic of Venezuela*, 5.908, 15 Feb. 2009.

⁵⁷ 'Cultural creation is free. This freedom includes the right to investment, production and dissemination of the creative, scientific, technological and humanistic work, including the legal protection of the authors' rights over their works. The State shall recognize and protect intellectual property over scientific, literary and artistic works, inventions, innovations, denominations, patents, trademarks and commercial slogans in accordance with the conditions and exceptions established by law and international treaties signed and ratified by the Republic in this matter'.

Trademark Law of 1930. This had some worthwhile consequences, such as the opposition to better rights under the basis of the principle of *in dubio pro signo prior in tempore*. But the new law did not recognize the protection of some signs that are commonly used in trade; for example, well-known trademarks, service marks, collective marks, certification marks and geographical indications, amongst others, were not protected under the law 1955.

(ii) The Integration Process and the Supranational Provisions (1973-2006)

1973 was a remarkable year for Venezuela and its integration process in the Americas. This process started with the adherence of Venezuela to the Andean Pact, but unfortunately the Congress expressed an unusual reservation to the treaty. The Congress determined that provisions passed in the Andean Commission that would legislate special legal matters, such as IPRs, must be incorporated to national legislation through the process of approval of a new law. This reservation to the treaty was subject to annulment before the Supreme Court of Justice but they upheld the reservation of the Congress. For years, jurists have commented this was an unconstitutional reservation and created a barrier to the integration process. This would later become the reason Decision 85 on Common Provisions on Industrial Property was never applied in Venezuela.

Almost 20 years later, Venezuela initiated a major proactive process to consolidate its integration processes. By 1991, Venezuela participated in the approval of Decision 311 passed 12 December 1991 regulating common provisions on industrial property.

In 1993, the golden year for IPRs in the Andean region, the Perez's Administration fought for the application of Decision 313, of 6 February 1992, throughout the country by publishing it in the Official Gazette even against the resistance of the local pharmaceutical sector and some

other less relevant sectors. During that year, Decision 344 of 21 October 1993 (industrial property), Decision 345 of 21 October 1993 (plant varieties), and Decision 351 of 17 December 1993 (author's right) were passed. The Group of Three (G3), integrated by Colombia, Mexico and Venezuela, was created in Cartagena de Indias, Colombia 13 Junio 1994; under Chapter XVIII some provisions on IPRs were passed, except rules on patents due to incompatibility with NAFTA⁵⁸ and Andean Pact Provisions on that subject.

It was not until 1996, the same year the Andean Pact was transformed into the Andean Community of Nations (CAN), that Venezuela passed the new treaty without any changes. With that, all supranational provisions adopted inside the CAN were fully applied. The new Constitution, approved by referendum in 1999, recognized the supranationality of the legislative body of CAN and the direct and preferential application of its provisions in all Andean countries. Decision 486 (Industrial Property) approved 19 September 2000, came into force 1 December 2000, and is still valid in CAN.

During the Chavez's Administration other forms of integration were formed, particularly the Bolivarian Alternative for Latin America and the Caribbean Basin (ALBA) and UNASUR. Both models of integration were enacted against the Free Trade Agreement for the Americas (FTAA) and IPRs were not a relevant political issue, therefore there were not special provisions proposed.

On 18 July 2006, Venezuela signed its adherence to MERCOSUR, but it was not until 31 July 2012 that Venezuela became a full member state.

(iii) The Political Decisions: The Disintegration Process (2006)

The Chavez's Administration decided to exit CAN on 19 April 2006 at a meeting of MERCOSUR in Montevideo, Uruguay. This decision was made in response to the

⁵⁸ The North American Free Trade Agreement (NAFTA) a treaty signed by Canada, United States of America and Mexico.

bilateral trade agreements signed by Peru and Colombia with the United States, under prescriptions passed in Decision 598 of 2004.⁵⁹ The exit became effective since 22 April 2006. On 18 May 2006 the Chavez's Administration decided to exit G3, which became effective on 19 November 2006.

C. SINCE 2006 TO PRESENT

(i) Regulations

The current legal framework is based on the Venezuelan Constitution of 1999, the Industrial Property Law (1955) and the legal framework which is listed in the following tables:

Table 1. Venezuela: Trademark National Regulations

S. No.	Regulations
1.	Industrial Property Law 1955
2.	Commercial Code 1955
3.	Law of Chattel Mortgage and Pledge without Possession Displacement 1973
4.	Organic Law of Administrative Procedures 1981
5.	Civil Code 1982
6.	Civil Procedure Code 1986
7.	Regulation of Decision 313 of the Commission of the Cartagena Agreement on the Common Regime of Industrial Property 1993
8.	Regulations for Franchise Contracts 2000

9.	Penal Code 2005
10.	Administrative Providence on the Observance of the Rights of Intellectual Property in the Importation and Customs Transit of Goods 2005
11.	Regulation of the Organic Labour Law 2006
12.	Organic Law of Contentious-administrative Jurisdiction 2010
13.	Organic Labour Law for Workers and Women Workers 2012
14.	Organic Law of Science, Technology and Innovation 2014
15.	Law of income tax 2014
16.	Criminal Procedure Organic Code 2014
17.	Capital Market Law 2014
18.	Organic Law of Customs 2014
19.	Organic Law of Public Goods 2014
20.	Antimonopoly Law 2015, regulates unfair competition
21.	Organic Law of Fair Prices 2015
22.	Bank Law 2015
23.	Insurance Law 2017

⁵⁹ Decision 598 broadened the scope of negotiation to non-member countries of ALADI and expressly established the possibility of forming free trade areas. Also, in this case the possibility of holding non-community negotiations was

established, as long as the Andean legal system is preserved, and the rest of the Andean partners are kept sufficiently informed through the Commission.

Table 2. Venezuela: Trademark International treaties

S. No.	Treaties
1.	Treaty for the Creation of the World Intellectual Property Organization 1967
2.	Paris Convention for the protection of industrial property 1883-1971
3.	Agreement on Trade-Related Aspects of Intellectual Property Rights TRIPS-WTO 1994
4.	Protocol on Harmonization of Intellectual Property Norms in MERCOSUR in the Field of Trademarks, Indications of Source and Appellations of Origin 1995

(ii) The Integration Process (2012-18)

Venezuela became a full member State of MERCOSUR on 31 July 2012. But in 2017, Venezuela was suspended its membership due to lack of restitution of MERCOSUR’s democratic standards established in Ushuaia Protocol on Democratic Commitment of 1998. The decision acted to ‘Suspend the Bolivarian Republic of Venezuela in all rights and obligations inherent to its status as a State Party to MERCOSUR, in accordance with the provisions of the second paragraph of Article 5⁶⁰ of the Ushuaia Protocol on democratic commitment’, and was ruled in São Paulo, Brazil on 5 August 2017.

MERCOSUR’s Protocol on Harmonization of Intellectual Property Norms in the Field of Trademarks, Indications of Source and Appellations of Origin 5 August 1995 ought to have been fully applied in Venezuela prior to its suspension in accordance with its Article 27⁶¹ and the Asuncion Treaty that creates MERCOSUR. But, non-

⁶⁰ This provision is applied on the grounds of rupture of democratic order by a Member State and its resistance to restore and keep in force democratic institutions.

⁶¹ ‘The accession of a State Party to the Treaty of Asunción will imply *ipso iure* adherence to this Protocol’.

perception of its application either by Courts or the IPRO has been determined. Nowadays, due to the remaining suspension of Venezuela, MERCOSUR’s norms on IPRs should be applied as principles of law.

(iii) The Current Position

The actual Venezuelan IPR system should be perceived and construed from three perspectives: that of the Administration, the Courts and the doctrine.

(a) The Administration

The Intellectual Property Autonomous Service (SAPI) decision to fully reinstate the Industrial Property Law 1955 by a resolution published in a major newspaper on 17 September 2008 solved the legal industrial property regime in Venezuela to some extent. The later secession from CAN left this legal system with uncertainty. The IPRO had been applying the Andean Decision 486, as supranational common provisions, jointly with IPL 1955. The National Assembly should have approved a new industrial property law, but it did not do so. Therefore, this legal crisis continues to this day.

(b) The Courts

The Supreme Court of Justice determined ‘the rules adopted in the framework of integration agreements are considered an integral part of the legal system and of direct and preferential application to domestic legislation, while the treaty that gave rise to them is in force.’⁶²

That decision annulled the Andean supranational regulations in Venezuela to resolve intellectual property cases, despite having been applied by the Administration repeatedly from 2006 up to 2008. Some experts have

⁶² Supreme Court of Justice, Civil-Cassation Chamber, *Interpretation Action* (4 July 2012) (Venezuela) <<http://historico.tsj.gob.ve/decisiones/scon/julio/967-4712-2012-06-0823.HTML>> accessed 14 September 2018.

opined this decision ran afoul of the principle of legitimate expectation in administrative law. The Supreme Court of Justice has admitted this principle is a source of the law of obligations.⁶³

(c) Doctrine

Some jurists believe it is lawfully valid to apply the Andean community regulations as well as MERCOSUR's provisions as principles of law, since the National Assembly has not yet passed a new industrial property law. Others believe some provisions established in international treaties are self-executing, while others maintain it must be a matter of special legislation to be passed by the National Assembly. Still, others defend the idea that international conventions are not directly enforceable or applicable in any proceedings before Venezuelan courts because international conventions set only the foundation and minimum standards by which the national laws must be enacted.

3. THE ACTUAL VENEZUELAN TRADEMARK SYSTEM

A. THE PROTECTION OF TRADEMARKS

Besides substantive law, the local IPRO has implanted a *sui generis* mode of protection for the following marks:

(i) Class Of Marks Protected By Degree Of Protection

(a) FULLY PROTECTED

(1) Product and service marks

The usage of the Nice International Classification of Goods and Services remains a technical rule for the registration of marks as an administrative requirement. Therefore, applicants are to use both national and international classifications in their requests. However, service marks are classified in the national class 50 which distinguishes 'unclassified goods and commercial denominations.'⁶⁴

(2) Word marks, figurative marks and colour marks, if delimited in a word or figurative mark⁶⁵

(3) Trade name and commercial slogans⁶⁶

Exceptionally, any person may register as a trade name a mark or any sign whether has a commercial or non-commercial interest (Article 28⁶⁷).

(4) Collective marks

SAPI adopted the protection of collective marks to promote the production of goods by local communities and indigenous peoples, such as the case of the collective mark *FIEB*, petitioned by the *Federación de Indígenas del Estado Bolívar* [Federation of Indigenous Peoples of State of Bolivar, Venezuela] to distinguish products and

⁶³ Hildegard Sansó, *Dos Temas Innovadores: Confianza Legítima y el Principio de Precaución en el Derecho Administrativo* (Ex libris, 2006); Hildegard Sansó, *La Situación Actual de la Propiedad Industrial (Venezuela—noviembre 2008)* (Lito-Formas, 2008).

⁶⁴ IPL (n 2) 1955, art 106.50.

⁶⁵ *ibid* art 33.6. 'There may not be adopted or registered as trademarks:... 6) the shape and colour is given to articles or products by the manufacturer, or the colours or combination of colours per se'.

⁶⁶ *ibid* art 27. 'Trade name is mark to distinguish a commercial, industrial, agricultural or mining company, business, property or establishment. Commercial slogan is the mark which consists of a word or phrase used by a manufacturer, merchant or farmer, to complement a trademark or trade name'.

⁶⁷ 'By way of exception, be registered, like a trade name, any name or mark as a person who has an interest, but that interest is not commercial'.

services in international classes 3, 15, 18, 20, 21, 22, 24, 25, 28, 30, 31, 33, 35, 39, 40 and 43.⁶⁸

The concession was adopted on the grounds of various international treaties⁶⁹ and national legislation,⁷⁰ but omitted other equally important international provisions. For instance, Article 2.1⁷¹ of TRIPS, Article 7bis⁷² of the Paris Convention and Article 5.3⁷³ of the MERCOSUR's Protocol on Harmonization of Intellectual Property Norms in the Field of Trademarks, and Indications of Source and Appellations of Origin 1995 were all omitted.

(5) Geographical Indications of origin

The protection of appellation of origins has been adopted according to international provisions and sustained on the basis of the protection of some products, especially

rum (*Ron de Venezuela*), cocoa (*Cacao de Chuao*) and cocuy (*Cocuy de Pecaya*).⁷⁴

(b) EXCEPTIONALLY PROTECTED

Three-dimensional marks are very well protected in Venezuela. The local IPRO has granted protection for the shape of a product in cases such as the bottles of *Something Special* and *Old Parr*. More recently, they have also granted protection for the image of a bottle in the case of *Artisart* in international class 3.⁷⁵

(c) NON-PROTECTED

(1) Sound, olfactory, tactile and taste marks

These distinctive marks or non-traditional marks are not protected. However, sound marks can be protected as musical works under Author's Rights Law 1993.

⁶⁸ Servicio Autónomo de la Propiedad Intelectual, *Industrial Property Bulletin* [2018] 587; Res No 575 [11 September 2018] X, 65-79.

⁶⁹ Universal Declaration of Human Rights (adopted 10 December 1948) UNGA Res 217 A(III) art 27; United Nations the International Covenant on Economic, Social and Cultural Rights (adopted 16 December 1966) UNGA Res 2200A (XXI); ILO Convention No 169: Convention Concerning Indigenous and Tribal Peoples in Independent Countries (76th ILC Session Geneva 27 Jun 1989); Andean Common Provision on Industrial Property Decision 486 (adopted 14 September 2000) arts 139 & 182; United Nations Declaration on the Rights of the Indigenous Peoples (adopted 13 September 2007) UNGA arts 20.1, 26.1, 30.1.

⁷⁰ IPL (n 2) 1955, arts 27, 34, 35, 42, 47, 71, 76, 83; The Constitution of Venezuela, 1999, arts 7, 19, 23, 98, 123, 124, 153; The Organic Law of Indigenous Peoples and Communities, 2005, arts 87.101 and 103; Law for Development of Artisanal Creation, 2015, art 2.

⁷¹ 'Members shall give effect to the provisions of this Agreement. Members may, but shall not be obliged to, implement in their law more extensive protection than is required by this Agreement, provided that such protection does not contravene the provisions of this Agreement. Members shall be free to determine the appropriate method of implementing the

provisions of this Agreement within their own legal system and practice'.

⁷² '(1) The countries of the Union undertake to accept for filing and to protect collective marks belonging to associations the existence of which is not contrary to the law of the country of origin, even if such associations do not possess an industrial or commercial establishment. (2) Each country shall be the judge of the particular conditions under which a collective mark shall be protected and may refuse protection if the mark is contrary to the public interest. (3) Nevertheless, the protection of these marks shall not be refused to any association the existence of which is not contrary to the law of the country of origin, on the ground that such association is not established in the country where protection is sought or is not constituted according to the law of the latter country'.

⁷³ 'States Parties shall protect service marks and collective marks and may also provide protection for certification marks'.

⁷⁴ *Cocuy* is a spiritual beverage made out of *Agave cocui* grown in the states of Lara and Falcon in Venezuela, particularly in the parish of Santa Cruz de Pecaya in the State of Falcon.

⁷⁵ Servicio Autónomo de la Propiedad Intelectual, *Industrial Property Bulletin* [2018] 582.

(2) Well-known trademarks

Well-known trademarks are not protected either, besides the Supreme Court decision that recognized their protection, as stated in *Galleries Lafayette* in 1993, where the protection of non-registered well-known marks and the reception of the extraterritorial protection of them

⁷⁶ 'Signs may not be registered as trademarks when they... j) reproduce, imitate, or contain a protected indication of origin that is liable to create confusion or a mistaken association with the indication in relation to the goods themselves or different goods, or that involve taking unfair advantage of the well-known character of that appellation among the public'.

⁷⁷ 'Those signs the use of which in commerce may constitute an impediment to the rights of third parties, may likewise not be registered as trademarks, in particular where:... h) consist of a total or partial reproduction, imitation, translation, transliteration, or transcription of a well-known sign belonging to a third party without regard to the type of product or service to which it shall be applied, the use of which would lead to a likelihood of confusion or mistaken association with that party;; taking unfair advantage of the prestige of the sign; or weakening its distinctive force or its use for commercial or advertising purposes'.

⁷⁸ 'The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from engaging in the following acts:... e) using in the course of trade identical or similar signs to a well-known trademark with respect to any goods or services, where such use, by weakening the distinctive force or the value of that trademark for commercial or advertising purposes or by taking unfair advantage of the prestige of the trademark or of its owner, could unjustly damage the registration owner's economic or commercial interests'.

⁷⁹ 'The owner of a registered trademark shall have the exclusive right to prevent all third parties not having the owner's consent from engaging in the following acts:... f) making public use of identical or similar signs to a well-known trademark, even for purposes that are non-commercial, where such use could weaken the distinctive force or value of that trademark for commercial or advertising purposes or take unfair advantage of its prestige'.

⁸⁰ 'The owner of a trade name may prevent the use in commercial activity by third parties of an identical or similar distinctive sign, where such use would result in a likelihood of confusion or the risk of association of that sign with the owner

was settled. While Venezuela was a full member of CAN, the Andean supranational communitarian provisions establishing the protection of well-known trademarks were broadly applied, in accordance with Articles 135.j⁷⁶, 136.h⁷⁷, 155.e⁷⁸, 155.f⁷⁹, 192⁸⁰ and 224-36⁸¹ of Decision 486 Common Provision on Industrial Property of 2000,

or the products or services belonging to that owner; in the case of well-known trade names, where such use could produce unjust economic or commercial injury to the owner or involve taking unfair advantage of the prestige of the owner's name or business. The provisions contained in articles 155, 156, 157, and 158 shall be applicable to trade names, as relevant'.

⁸¹ 'Title XIII. Well-Known Distinctive Signs. Article 224. A well-known distinctive sign is understood to mean a sign that is recognized as such in any Member Country by the pertinent sector, independently of the way or means by which it was made known. Article 225. A well-known distinctive sign shall be protected from use or registration that is not authorized pursuant to the stipulations of this Title, without prejudice to such other provisions of this Decision as may be applicable and to the provisions of the Member Country in respect of protection against unfair competition. Article 226. Use of all or a part of a well-known distinctive sign or the reproduction, imitation, translation, or transliteration thereof, that may create confusion in respect of identical or similar businesses, activities, products or services to those to which it is applied, shall constitute unauthorized use of that distinctive sign. Also constituting unauthorized use of a well-known distinctive sign is the use of all or of an essential part of that sign, or the reproduction, imitation, translation, or transliteration thereof, even if in respect of businesses, activities, goods, or services other than those to which that well-known distinctive sign is applied, or its use for non-commercial purposes, where such use could be liable to produce any of the following effects: a) the risk of confusion or of association with the owner of the sign, or with the businesses, activities, goods, or services belonging to that owner; b) unjust economic or commercial injury to the owner of the sign by reason of the weakening of the distinctive force or commercial or advertising value of that sign; or, c) unfair exploitation of the sign's prestige or fame. Use of a distinctive sign may be verified by any means of communication, including electronic media. Article 227. The provisions contained in articles 136 h) and 155 e) and f) shall be applicable to this Title.

Article 228. In order to determine whether a distinctive sign is well-known, due account shall be taken of the following criteria among a thing : a) the extent to which it is known in the relevant sector of the public in any Member Country; b) the age of the distinctive sign and the size of the geographical area where it is used in and outside any Member Country; c) the age and the size of the geographical area where the distinctive sign is promoted, in or outside any Member Country, including its advertising and presentation at fairs, exhibitions, or other events in connection with the goods or services, the establishment, or the activity to which it is applied; d) the value of all investments made in promoting the distinctive sign or the establishment, activity, goods or services to which it is applied; e) figures for the sales and income of the owner, both at the international level and in the Member Country where protection is being sought, in respect of the distinctive sign whose well-known character is alleged; f) the extent of the inherent or acquired distinctiveness of the sign; g) the book value of the sign as a corporate asset; h) the volume of orders from persons interested in obtaining a franchise or license to the sign in a specific territory; or, i) the existence of significant manufacturing, purchasing, or storage activities by the owner of the sign in the Member Country where protection is being sought; j) the international trade-related aspects; or, k) the existence or age of any registration or application for registration of the distinctive sign in the Member Country concerned or in any other country. Article 229. The well-known nature of a sign shall not be denied solely because: a) it is not registered or in the process of being registered in the Member Country concerned or in any other country; b) it has not been nor is it being used to distinguish goods or services or to identify activities or businesses in the Member Country concerned; or, c) it is not well-known abroad. Article 230. The following, among others, shall be considered pertinent sectors of reference for purposes of determining whether a sign is well-known: a) the real or potential consumers of the type of goods and services to which the sign shall be applied; b) the persons involved in the channels of distribution or marketing of the kinds of goods or services to which the sign shall be applied; or, c) the commercial circles operating in lines of business connected with the kind of establishment, activity, goods, or services to which

the sign applies. It shall be sufficient, for the purpose of recognizing the well-known character of a sign, for it to be known within any of the sectors referred in the previous paragraphs. Article 231. The owner of a well-known distinctive sign may take action to prevent its use by third parties and may bring such action and take such measures as may be appropriate with the competent national authority. That owner may also prevent a third party from engaging in such acts in respect of the sign as are stipulated in article 155, the limitations established in articles 157 and 158 being applicable. Article 232. The right to action against unauthorized use of a well-known distinctive sign shall lapse five years counted from the date on which the owner was informed of that use, except where such use was started in bad faith, in which case that right to action shall not lapse. Such action shall not affect any action for damages that may be brought pursuant to domestic law. Article 233. The competent national authority shall, at the request of the owner or lawful right holder in respect of a well-known distinctive sign, where the said sign has been unlawfully registered by an unauthorized third party in a Member Country as part of a dominion name or electronic mailing address, order the cancellation or amendment of that registration of dominion or electronic mailing address, provided that use of that name or address is likely to have one of the effects cited in the first and second paragraphs of article 226. Article 234. A competent national authority shall, in making a decision on an action for unauthorized use of a well-known distinctive sign, bear in mind the good or bath faith displayed by the parties in the adoption and use of that sign. Article 235. Without prejudice to any action that may be taken in regard to the grounds for cancellation stipulated in articles 165 and 169, if permitted by domestic legislation, a competent national office shall cancel the registration of a trademark at the petition of the legitimate owner of that trademark where it is identical or similar to one that was well-known, according to the legislation in force, at the time registration was applied for. Article 236. The pertinent provisions contained in this Decision shall be applicable to this Part'.

Article 6bis⁸² of the Paris Convention 1883-1967, Articles 16.2⁸³ and 16.3⁸⁴ of TRIPS 1994 and Articles 9.5⁸⁵ of the MERCOSUR's Protocol on Harmonization of Intellectual Property Norms in the Field of Trademarks, and the Indications of Source and Appellations of Origin of 1995. The MERCOSUR's Protocol in Article 9.6⁸⁶ to some extent recognises the renowned or famous trademark.

Recent research has determined that during early years of application of IPL 1955, the IPRO and courts protected well-known trademarks in accord with articles 33.11⁸⁷

⁸² '(1) The countries of the Union undertake, ex officio if their legislation so permits, or at the request of an interested party, to refuse or to cancel the registration, and to prohibit the use, of a trademark which constitutes a reproduction, an imitation, or a translation, liable to create confusion, of a mark considered by the competent authority of the country of registration or use to be well known in that country as being already the mark of a person entitled to the benefits of this Convention and used for identical or similar goods. These provisions shall also apply when the essential part of the mark constitutes a reproduction of any such well-known mark or an imitation liable to create confusion therewith. (2) A period of at least five years from the date of registration shall be allowed for requesting the cancellation of such a mark. The countries of the Union may provide for a period within which the prohibition of use must be requested. (3) No time limit shall be fixed for requesting the cancellation or the prohibition of the use of marks registered or used in bad faith'.

⁸³ 'Article 6bis of the Paris Convention (1967) shall apply, *mutatis mutandis*, to services. In determining whether a trademark is well-known, Members shall take account of the knowledge of the trademark in the relevant sector of the public, including knowledge in the Member concerned which has been obtained as a result of the promotion of the trademark'.

⁸⁴ 'Article 6bis of the Paris Convention (1967) shall apply, *mutatis mutandis*, to goods or services which are not similar to those in respect of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark and provided that the interests of the owner of the registered trademark are likely to be damaged by such use'.

⁸⁵ 'Article 6 bis of the Paris Convention for the Protection of Industrial Property shall apply *mutatis mutandis*, to services. In

and 33.12⁸⁸ of the IPL 1955, which protected both registered and unregistered trademarks from those that might cause likelihood of confusion and mislead the public.⁸⁹

(ii) Duration of Protection:

The protection of a mark is 15 years from concession for registration,⁹⁰ subject to renewal for similar periods.⁹¹

order to determine the reputation of the trademark within the meaning of the aforementioned provision, knowledge of the sign in the relevant market sector shall be taken into account, including knowledge in the State Party in which the protection is claimed, acquired by the effect of a sign advertising'.

⁸⁶ 'The States Parties shall ensure in their territory the protection of the marks of the nationals of the States Parties that have achieved an exceptional degree of knowledge against their reproduction or imitation, in any branch of activity, provided there is a possibility of prejudice'.

⁸⁷ 'There may not be adopted or registered as trademark: 11) the brand that looks graphically or phonetically to one already registered for the same or similar goods'.

⁸⁸ 'There may not be adopted or registered as trademark: 12) a sign which can lead to confusion with another mark already registered or misleading to indicate a false origin or quality'.

⁸⁹ Leonel Salazar, 'Los Signos Distintivos Notoriamente Conocidos' (Assistant Professor Thesis, Universidad Central de Venezuela 2016).

⁹⁰ IPL (n 2), 1955, art 30: 'The exclusive right to use a registered trademark shall remain in force for a period of fifteen years, counted from the date of registration'.

⁹¹ *ibid*, art 87: 'The renewal of registration of a mark is made with the same original registration formalities except the following modifications: the publications are omitted, the entry in the record books is replaced by a note that the Registrar stamped on them, making state the renovation completed, and it will be certified by the Registrar in the original certificate of registration itself'.

(iii) Criteria for the Protection of Non-Registered Trademarks

(a) The presumption of ownership based on the first to file principle.⁹²

(b) The principle of *in dubio pro signo prior in tempore* based on the first to use principle.⁹³

B. THE ADMINISTRATION MANAGEMENT OF TRADEMARKS

(i) Administrative Procedure for Registration

The procedure for registration of a mark in Venezuela can be perceived in three phases.

(a) Examination of Form

In this phase, the application for registration of the mark is analysed by an examiner from the IPRO. The examiner then determines whether the requirements for presentation and conditions of form have been met. If the mark surpasses the formal examination, the application is ordered to be published in the Industrial Property Newspaper (an official news media which has

not been regulated by the IPL). The following might occur if the requirements for presentation and conditions of form have not been met:

(1) The applicant is notified the application has not complied to conditions of form, so the petitioner has 30 working days to remedy the defects. If the defects are not properly resolved within the period allowed, the application will be rejected.

(2) Second, the IPRO may deny *ex officio* the mark for contravention of law.⁹⁴ This new criterion sustained by the local IPRO, is based on the lack of novelty, distinctiveness or non-compliance of the mark with requisites for registration, such as applying for protection of a generic word, geographical indications and so forth. The IPRO has established this common motivation criterion for denial of marks in several decisions, as such: 'denied inasmuch as the requested sign does not comply with the ends of Article 27 of the Industrial Property

⁹² *ibid*, art 3: 'It is assumed that owns an invention, improvement or industrial model or drawing, or a brand, commercial slogan or trade name, or introducer of an invention or improvement, the person in whose favor has made the appropriate register'.

⁹³ *ibid*, arts 27, 29, 30, 32, 36. Article 27: Under the trademark designation shall mean any sign, figure, drawing, word or combination of words, legend and any other sign that new magazine, used by an individual or company to distinguish items that occurs, those with which trades or your company. The mark is to distinguish a company, business, farm or commercial property, industrial, agricultural or mining, trade name is called. Commercial slogan is the mark consists of a word or phrase used by a manufacturer, merchant or farmer, in addition to a brand or trade name. Article 29: Any brand may be used to distinguish more than one group of products that are determined in accordance with the classification set out in Article 106. For the purpose of registration of the mark in this case, the applicant must make separately, the corresponding registration for each

class. The trade name may only register for distinguishing the relevant firm or company in one or more branches of certain operations or activities. Article 30: The exclusive right to use a registered trademark shall remain in force for a period of fifteen years, counted from the date of registration. Article 32: The exclusive right to use a mark is acquired only in relation to the class of products, activities or companies for which he has been registered according to the official classification, under Article 106. Article 36: The registration of a trademark is void: a) per person concerned; b) when it has allowed the time referred to in Article 31 without a request for renewal; c) by competent court ruling declaring the annulment issued by prejudice best third party right, or, when promoted a question mark on the validity of a judgment declared that the mark should not have been granted, and, d) when it expires for failure to make use of the mark for two consecutive years.

⁹⁴ *Ibid*, art 27 (See n 93).

Law regarding the requirements to be considered as a mark'.⁹⁵

This denial *ex officio* does not act in accordance with the IPL but has become a common criterion and practice by the IPRO.

(b) Publication

Once the mark has been published in the Industrial Property Newspaper and thereafter in the Industrial Property Bulletin (the official publication), any person holding a legitimate interest may object to the request and oppose the granting of the trademark on grounds of:

(1) Prohibitions of Registration

This is established in Articles 33⁹⁶, 34⁹⁷ and 35⁹⁸ of the IPL 1955.

(2) The better right of the opponent over the applicant

This is on the basis of two principles.

⁹⁵ Servicio Autónomo de la Propiedad Intelectual, *Indus. Prop. Bull.* [2018] 583.

⁹⁶ 'There may not be adopted or registered as trademarks: 1) the words, phrases, figures or signs suggestive or immoral ideas serve to distinguish objects or goods production immoral or prohibited trade and business are used in illicit or harmful to an article; 2) The flag, coat of arms or other insignia of the Republic of the States or Municipalities and generally, Venezuelan any public entity; 3) signs, emblems and badges of the Red Cross and any other entity of similar nature; 4) The flag, coat of arms or other insignia of foreign nations unless its commercial use is properly authorized by a certificate issued by the appropriate office of the nation concerned; 5) geographical names, as an indication of the place of public or social, decree the expropriation of provenance; 6) the shape and colour is given to articles or products by the manufacturer, or the colours or combination of colours per se; 7) geometric figures that are not of novelty; 8) caricatures, portraits, drawings or expressions that tend to ridicule ideas, people or objects worthy of respect and consideration; 9) the terms and expressions that have passed into general use, and expressions commonly used to indicate the

(i) Opponent's better Right - Based on the Principle of First-to-Use or *in dubio pro signo prior in tempore*.

This opposition is not decided by the local IPRO. In this case, the opposition filed suspends the administrative procedure and the administrative file is sent to a civil court of first instance. This court will then resolve the better right opposition, once a final resolution is taken either by the Court of Appeal or The Supreme Court of Justice. The case is then sent back to the local IPRO which will determine if the mark is able to proceed to registration following the background examination phase.

(ii) Opponent's better Right to Opposition - Based on the Principle of First-to-File.

This opposition is decided by the local IPRO, jointly with any other opposition based on prohibitions of registration. This opposition is mainly used by registered trademark owners or applicants with a priority application.

genus, species, nature, origin, quality or form of products; 10) the full name or surname of a natural person, if not presented in a peculiar and distinct enough to differentiate the same name when used by other people, and even in this case, if this is the name of a third party, no show with his consent. 11) the brand that looks graphically or phonetically to one already registered for the same or similar goods, and, 12) which can lead to confusion with another mark already registered or misleading to indicate a false provenance or quality'.

⁹⁷ 'They may not be registered as trademarks: 1) The trade names merely descriptive of the company it is intended to distinguish, except that in addition to this narrative, contain a feature that serves to distinguish them. In this case the recording protect only the characteristic part, and, 2) commercial slogans that contain references to products or similar marks, or expressions that may harm these products or brands'.

⁹⁸ 'No marks may be stamped on mentions of diplomas, medals, prizes and other signs that suggest the existence of awards won at exhibitions or competitions, unless it can be established the veracity of such awards'.

(c) Examination of Registration Phase: Concession and Registration

The local IPRO determines whether the mark should be granted or not. To make its decision the local IPRO takes into account the background of the mark filed for registration by doing a comparison on similarity and identity of the mark with others registered or filed in the same or similar classes. If the mark passes the exam of concession, the mark is ordered to be registered by the petitioner within 30 working days after the resolution of registration has been published in the Industrial Property Bulletin. Within that time, the applicant must also pay the official taxes of registration. Once this occurs, the IPRO will issue the Certificate of Registration in digital print format with the electronic signature of the Industrial Property Registrar.

If the concession for registration of the trademark is denied, the applicant should file a reconsideration recourse before the IPRO. If the Registrar denies the reconsideration recourse filed, the applicant has the option to appeal before the Ministry of Commerce. In this case, if the Ministry decides against the petitioner, a nullity action has been established, which must be filed before the Political-Administrative Chamber of the Supreme Court of Justice to annul that decision. These subsequent recourses and actions have been established

to guarantee due process in the procedure for concession of registration of a mark in Venezuela.

The applicant can also file a lawsuit before the Contentious-Administrative Courts within a six month term if the local IPRO has not decided the reconsideration recourse in a period of 15 working days, because of the exhaustion of the administrative procedure has occurred due to the lack of decision of the IPRO. In such event, the court would revoke or confirm the decision taken by the IPRO. The plaintiff might appeal before the Political-Administrative Chamber of the Supreme Court of Justice. This decision would be final and the process might end with the revocation or confirmation of the decision taken by the lower court.

(ii) Administrative Practices form the Industrial Property Registry Office (IPRO)

(a) Order the publication of the application for registration of a trademark in a specified newspaper (*Ultimas Noticias, Vea, Diario SAPI*) rather than the legally established news media 'in a newspaper of daily circulation in the capital of the Republic' in accordance with Article 76⁹⁹ of the IPL.

(b) Begin all applications for registration with an official search. This is contrary to what is established in the law as prerequisites for the filing of a trademark application.¹⁰⁰

⁹⁹ 'If the application has been made in accordance with the Law, the Registrar shall order its publication, together with the corresponding printing plate, at the expense of the party concerned, inside a daily newspaper in the capital of the Republic, and later, in the Industrial Property Bulletin upon reception of the previous publication'.

¹⁰⁰ IPL (n 2), 1955, art 71: 'Anyone who claims to have the registration of a trademark must meet the following requirements: 1) submit the appropriate application and a certified copy thereof, to the Industrial Property Registry Office, by itself or through an Industrial Property Agent, which shall contain: a) name, address and nationality of the applicant and

the name and address of the agent if the request is made by proxy; b) a complete description of the mark, which clearly and precisely determine the essential or principal distinguishing and inserted translated into Spanish legends and references containing written in another language; c) goods, products, objects or items that distinguish the brand and the class to which they belong; d) if manufacturing, products, objects or items that distinguishes the brand are domestic or foreign, and whether, in this case, of a trademark in the country of origin; e) the time during which the mark has been in use, if any; f) if the mark is applied to products of a manufacturing or extraction, object of a

(c) Foreign applicants for registration of a trademark are compelled to pay the official taxes in foreign currency.

(ii) The Invalidation of a Trademark

(a) By the will of the interested party. This can occur either by abandoning the request, waiving registration¹⁰¹ or by the lack of renewal of the trade mark registration (Article 31¹⁰²).¹⁰³

(b) Annulment of the trade mark. By competent court ruling declaring the annulment issued by prejudicial best third-party right,¹⁰⁴ or, when there is a question on the validity of a trademark and a court has determined it should not have been granted¹⁰⁵.

(c) Cancellation for lack of use for two consecutive years.¹⁰⁶

B. ENFORCEMENT OF TRADEMARKS

(i) Out-of-Court Actions

(a) Cease and desist letter addressed to the infringer of a registered trademark.

This notification should be addressed to the infringer by post, courier, even by a public notary or a lower court. It can be effective proof of the bad faith on the part of the

trade or agricultural products and, g) that the mark applied for has no similarity to other registered and distinguishing similar items in the same or a similar class, so that might be confused with it and mislead the public. 2) Accompany the application: a) five facsimiles of the mark and the gravure printing plate or the same in dimensions not exceeding 8 x 10 cm. If the mark consists of a word or words, you will not need the cliché or gravure, unless the word or words are written in characteristic form. Facsimile shall not be necessary where the mark consists of a word or words regardless of size, shape, colour and style, and, b) the power legally granted, if the application is filed through an attorney, or indicate the date of submission and the corresponding number in the notebook powers, if it has been previously submitted to the Industrial Property Registry Office occasion of another application’.

¹⁰¹ *ibid*, art 36.a. (See n 93).

infringer and due diligence of the owner to protect the infringed trademark.

(b) Alternative Dispute Resolutions: Arbitration

The arbitration process might be conducted by independent arbitrators or institutional arbitration. In any option, parties must agree to go to arbitration either by signing a contract clause or an independent agreement. The arbitral verdict is subject to nullity before a Civil and Commercial High Court. Mediation is an alternative dispute resolution for IPRs conflicts.¹⁰⁷

(ii) Court Actions

(a) Non-Contentious Actions

As a preventive measure, a judicial notification might be filed before a lower court to persuade an infringer of a registered trademark to continue infringing the mark or refrain from counterfeiting it. This judicial pre-trial notification is used to protect any intellectual property assets.

¹⁰² *ibid*, art 31: ‘The registration of a trademark shall be renewable for successive periods of fifteen years, provided that the person seeking the renewal within six months prior to the expiration of each period. Each renewal period shall run from the date of expiry of the previous period’.

¹⁰³ *ibid*, art 36.b (See n 93).

¹⁰⁴ *ibid*, art 36.c (See n 90).

¹⁰⁵ *ibid*, art 84: ‘The invalidity of the registration of the mark has been granted to the detriment of third party right, may be requested before the competent court, if the person has not made opposition to that provided in Article 77 of this Law. This action can only be attempted in the term of two years, reckoned from the date of the certificate’.

¹⁰⁶ *ibid*, art 36.d (See n 90).

¹⁰⁷ Franklin Hoet, *La Mediación. Administración y Negociación de Justicia Alterna* (2nd edn, Legis 2007) 223-74.

(b) Contentious Actions

(1) Contentious-Administrative Action

The annulment action is filed against the act of concession of the mark and its certificate of registration, when a question arises over its legal validity as a mark. In this case, the annulment action should be brought against the IPRO and before the Contentious Administrative Court, in accordance with Article 76 of the Organic Law of the Contentious-Administrative Jurisdiction of 2010. The decision should be appealed before the Political-Administrative Chamber of the Supreme Court of Justice, if the Supreme Court of Justice decides to annul the act of concession and the certificate of registration, the IPRO will stamp the annulment in its records, but the plaintiff will not have the right to obtain the mark on his benefit.

(2) Civil and Commercial Actions

In Venezuela, Courts of First Instance have multiple competences to handle conflicts concerning both civil and commercial matters. Therefore, these courts are

judicially competent to deal with trademark infringement and/or unfair competition actions as well as pre-trial procedures to order provisional precautionary measures.

A pre-trial procedure (*sine litis* or *inaudita altera parte*) to order provisional precautionary measures has been implemented to assist with the production of the mandatory evidence of infringement. The court will order an immediate cease of infringement only if the plaintiff files a formal claim of infringement of a registered trademark in 30 working days before a First Instance Civil and Commercial Court, otherwise the action will be rejected and the negligent plaintiff will be subject to civil actions, criminal actions and remedies. This used to be a common action years ago, but since Venezuela exited the Andean Community, the Supreme Court of Justice has revoked *sine litis* procedures to order provisional precautionary measures to prevent and cease trademark infringement, while is fully applied in author's right infringement in accordance with the Author's Right Law of 1993¹⁰⁸ Articles 111¹⁰⁹ and 112.¹¹⁰

¹⁰⁸ Author's Right Law (16 Sep. 1993), *Official Gazette of the Republic of Venezuela*, 4.638, 1 Oct.1993.

¹⁰⁹ 'For the purposes of the exercise of the actions provided for in the foregoing Articles, the judge may order judicial inspections and expert opinion, and also any other form of evidence established in the Civil Procedure Code. The judge may order the sequestration of everything that constitutes an infringement to the exploitation right. The judge may likewise order the seizure of the revenue accruing to the owner of the disputed right of exploitation. Sequestration and seizure shall be ordered only if the request is accompanied by sufficient evidence constituting a serious presumption of the alleged infringement, or if such presumption emerges from the production of any of the evidence mentioned in the first paragraph of this Article'.

¹¹⁰ 'In the event of a dispute between the parties, the evidence and measures provided for in the foregoing Article shall be ordered by the judge hearing the case. However, should the urgency of the matter so dictate, they may be ordered by the parish or municipal judge of the place in which they are to be carried out, regardless of the amounts involved. In such a case, the defendant may protest against the measures to the judge

hearing the case, nevertheless the evidence and measures ordered would be executed prompt and effective. If there is no dispute between the parties, the evidence and the measures shall be ordered *inaudita altera parte* by the parish or municipal judge of the place in which they are to be implemented if the urgency thereof dictates; the owner, possessor, person in charge, administrator or occupant of the place in which they are to be implemented would not be able to oppose to the production or implementation of evidence and measures ordered. The same judge shall lift the measures at the request of the defendant on the expiration of 30 consecutive days after they were ordered if the main proceeding has not been initiated by the applicant. The evidence and measures shall be produced and implemented by the judge that ordered them, by its commissioned judge or by the police authority at his request, with the intervention where necessary of one or more experts designated in the order concerned or by order of the commissioned judge'.

(3) Labour Actions

Labour courts are competent to solve conflicts between employers and employees where a conflict that arises concerns the exploitation and commercialization of intellectual property assets created by workers, like inventions, utility models, industrial designs and trademarks in accordance with the Organic Labour Law for Workers and Women Workers of 2012¹¹¹ (Article 321¹¹²). Conflicts may arise if the employee has been hired to create intellectual property assets,¹¹³ when the creations were made during the workday but they were not specifically contracted to create intellectual property assets for the employer,¹¹⁴ or if the creations are made by the worker outside of their workday¹¹⁵ but the employer could be interested in its exploitation and

¹¹¹ Organic Labour Law for Workers and Women Workers (30 Apr. 2012) [hereinafter OLL], *Official Gazette of the Bolivarian Republic of Venezuela*, 6.076, 5 July 2012.

¹¹² 'Any intellectual production that is generated in the social work process will be governed by the laws that regulate the matter, whether they are: works of the intellect or related activities, inventions, industrial designs or brands. Said intellectual production must be based on solid ethical, scientific, technical and technological principles for the full development, sovereignty and independence of the country'.

¹¹³ OLL (N 111) 2012, art 323: 'Service inventions will be considered those inventions or innovations made by workers hired by the employer in order to research and developed different means, systems or procedures'.

¹¹⁴ *Ibid*, art 327: 'The ownership of the free or occasional inventions will correspond to the inventor. In the event that the invention or improvement made by the worker is related to the activity carried out by the employer, the latter will have the preferential right to acquire it within ninety days from the notification made by the employer to the worker through the Labour Inspector or a Labour Judge'.

¹¹⁵ *Ibid*, art 324: 'Free or occasional Inventions will be considered those inventions or innovations in which the effort and talent of the inventor not especially hired for such purpose predominates'.

¹¹⁶ *Ibid*, art 326: 'The authors of service inventions will maintain their rights in an unlimited way and for their entire duration on each invention, innovation or improvement. The employer is authorized to exploit the invention only for the duration of the

commercialization. Participation has been recognized by the Labour Law in the form of a share in net profits, if remuneration is disproportionate to the profits gain by the employer.¹¹⁶ Unfortunately, all R&D obtained with public funding are considered in the public domain¹¹⁷ and author's will only be recognised its moral rights.¹¹⁸ This discouraged university and public institutions in their scientific and technological R&D projects, exposed public research to chaos and loss of opportunities for private funding for R&D programs as well as technology transfer and cooperation between universities and industry.

(4) Criminal Actions

The trade mark owner can enforce their rights through the criminal courts. The claimant will file the claim before

employment relationship or the license agreement granted by the worker to the employer, but the inventor or the inventors shall be entitled to an economic participation in its enjoyment when the remuneration of the work provided by it is disproportionate to the magnitude of the results of its invention, innovation or improvement. The amount of that participation will be set equitably by the parties with the approval of the Labour Inspector of the jurisdiction and in the absence of agreement will be fixed by the Labour Judge. At the end of the employment relationship, the employer will have the preferential right to acquire it within ninety days from the notification made by the worker or the worker through the Labour Inspector or a Labour Judge'.

¹¹⁷ *Ibid*, art 325: 'The intellectual production generated under a working relationship in the public sector, or financed through public funds that originate intellectual property rights, will be considered in the public domain, maintaining the rights to the public recognition of the author'.

¹¹⁸ *Ibid*, art. 328: 'The worker will always retain the moral rights over his works and inventions. This includes the right to recognition of the authorship of the work or invention and the right to preserve its integrity, that is, to prevent any deformation, mutilation or other modification or attack that causes damage to its honour or reputation. Therefore these rights will be inalienable, inalienable, non-subject to expropriation, not attachable and imprescriptible'.

the 18th Intellectual Property Prosecutor from the General Public Prosecutor Office to initiate an investigation with the cooperation of the Scientific, Penal and Criminal Investigations Police Corps (through the specialised anti-piracy command, *COMANPI*).

(5) Customs Measures on Intellectual Property

Border measures are applied by the National Integrated Customs and Tax Administration (*SENIAT*) in accordance with of the Organic Law of Customs 2014¹¹⁹ (Article 123¹²⁰) and Administrative Providence on the Observance of the Rights of Intellectual Property in the Importation and Customs Transit of Goods 2005.¹²¹

4. THE SUPREME COURT OF JUSTICE: JURISPRUDENCE

The Civil-Cassation Chamber of the Supreme Court of Justice in the case *Anchor Fasteners v Anclajes Powers*, 17 March 2011, established, in Venezuela, the non-application of pre-trial procedure to order provisional precautionary measures for the purpose of preventing or suspending the infringement of a registered trademark.¹²²

In *Vale Canjeable Ticketven v Todoticket and Visa International Service Association*,¹²³ dated 5 June 2013, the Civil-Cassation Chamber of the Supreme Court of

Justice, established some rules of interpretation for the laws of the Venezuelan intellectual property system: i) Fixed the exit date from CAN as of the 22 April 2006 and G3 the 19 November 2006, ii) determine a uniform concept of intellectual property, including both institutions, industrial property and author's right, iii) settle a definition of trademarks, their essential elements (graphic representation, distinctiveness and differentiating function) and the right to exclusive use, iv) agreed on the prohibition of registration of generic and descriptive trademarks, and v) cleared up that trademarks are not copyrighted works, without dismissing the possibility of cumulative protection of an intellectual property asset under trademark provisions and author's right.

In 2016, The Political-Administrative Chamber of the Supreme Court of Justice declared the nullity of the administrative decisions taken by the Ministry of Commerce and ordered the registration of the marks under the basis of non-likelihood with the registered marks, such were the cases: i) *Silikon App. No. 1997-19086 Class 5 v Siliconbond*, ii) *Cy°Zone App. No. 2002-8765 v Eyzone*, iii) *Fenovist App. No. 1997-16984 v Cenovis* and iv) *E Essence App. No.2011-581 v L'Essence*.

¹¹⁹ Organic Law of Customs (13 Nov. 2014), *Official Gazette of the Republic of Venezuela*, 6.155, 19 Nov. 2014.

¹²⁰ 'The customs authorities shall, at the request of the competent body in intellectual property matters, prevent the clearance of goods that allegedly violate intellectual property rights obtained in the country or derived from international agreements to which the Republic is a party. The competent body in the field of intellectual property may request the customs authority, through a reasoned act, to clear the merchandise at any time, after presenting sufficient guarantee to protect the right holder in any case of infringement, which must be fixed by the competent body. The customs authorities shall notify the owner, importer or consignee of the merchandise in question, the retention thereof.'

¹²¹ Administrative Providence on the Observance of the Rights of Intellectual Property in the Importation and Customs Transit of Goods (14 Oct. 2005), *Official Gazette of the Bolivarian Republic of Venezuela*, 38.314, 15 Nov. 2005.

¹²² Supreme Court of Justice, Civil-Cassation Chamber. *Anchor Fasteners v Anclajes Powers* (17 Mar. 2011) <<http://historico.tsj.gov.ve/decisiones/scc/marzo/rc.000092-17311-2011-10-465.html>> accessed 2 Aug. 2018.

¹²³ Supreme Court of Justice, Civil-Cassation Chamber. *Vale Canjeable Ticketven v Todoticket, 2004, C.A. and Visa International Service Association* (5 June 2013) <<http://historico.tsj.gov.ve/decisiones/scc/junio/rc.000292-5613-2013-12-124.html>> accessed 25 Aug. 2018.

5. CONCLUSIONS

A series of Venezuelan Constitutions have regulated intellectual property as a right of citizens, a fundamental right, or a human right until the present days. Some of these Constitutions have excluded the regulation of marks as a citizens' right or a fundamental right and took the position it was the exclusive power of the Congress of the Republic of Venezuela to legislate to protect people's right to intellectual property (industrial property and copyright), as in the Constitutions of 1821 and 1953. Finally, Venezuelan Constitutions have established IPRs as rights of citizens, a fundamental right or a human right, at the same time establishing that its regulation is of the exclusive power of the legislative branch (Congress of the Republic of Venezuela), as has happened with the Constitutions of 1830, 1857, 1858, 1901, 1925, 1928, 1929, 1931, 1936, 1947 and 1961, as well as in the actual Constitution passed 15 February 1999, where all legislative powers shall be vested in the National Assembly of the Bolivarian Republic of Venezuela.

Since the approval of the United Nations Universal Declaration of Human Rights 1948, it should be assumed that IPRs are now considered human rights.¹²⁴ The alleged hierarchy of human rights carried out by the Supreme Court of Justice by superimposing some human rights (health, culture, education) over the right of intellectual property should be abandoned. It is recommended that the Court should seek a just, equitable and rational balance in the protection of human rights, without undermining rights holders.

Venezuela has a deferred attributive system for the protection of marks, because the rights granted by the IPRO can be attacked by anyone claiming an earlier use of the distinctive sign on the grounds of the principle of *in dubio pro signo prior in tempore*, during the two years following that grant. The right of the owner is only consolidated after the expiration of a biennium from the

date on which the Certificate of Registration is issued by the local IPRO. The annulment action must be filed before the Contentious-administrative Court and appeal before the Political-Administrative Chamber of the Supreme Court of Justice. Nevertheless, if Paris Convention provisions should be applied as self-executing rules, the annulment of a mark granted in bad faith must be annulled in accordance with Article 6*bis*.3 and Article 16.3 TRIPS in case of a well-known trademark.

The IPRO, by an administrative practice, has recognized some types of sign even though the actual IPL does not specifically regulate them, such as:

- (i) Collective and service marks
- (ii) Appellations of origins and indications of source, i.e., *Ron de Venezuela*, *Cacao de Chuao* and *Cocuy de Pecaya*.
- (iii) The Nice International Classification of Marks for Goods and Services.

The denial *ex officio* of applications of trademarks on the basis of article 27 of IPL 1955 by a misinterpretation of the provision, which constitutes an abuse of law, contrary to the rule of law principle. A system of collective decisions to deny trademarks represents an abuse of law and contrary to the principle of legality due to the absence of motivation of the administrative act. Enforcement for the protection of a registered trademark has been established to some extent according to international treaties. Nevertheless, the Supreme Court of Justice has decided that international provisions are not self-executed, therefore they must not be applied by lower courts.

Venezuela has been a member of the OMC-TRIPS from 1994 and Paris Convention since 1995. During the years Venezuela was part of CAN (1973-2006), the Venezuelan Trademark system complied with the minimum

¹²⁴ See n 12.

obligations under the Paris Convention and TRIPS, particularly with the application of Decisions 344 (1993) and 486 (2000) which establish Common Provision on Industrial Property. But, since its secession from CAN on 22 April 2006 up until today, the trademark system has stepped backward more than 60 years (1955-2019).

Venezuela requires an urgent reform of its Industrial Property System, in order to comply with international standards, particularly, with regard to the application of the international treaties to which Venezuela has become a member State.

BIBLIOGRAPHY

- Baylos H, *Tratado de Derecho Industrial* (3rd edn, CIVITAS-Thomson Reuters 2009).
- Bentata V, *Propiedad Industrial: jurisprudencia venezolana con su estudio* (Universidad de Los Andes 1998).
- Brewer-Carias A, *Las Constituciones de Venezuela* (Editorial Jurídica Venezolana 1985).
- Gomez G, *El Derecho de Autor en el marco de los Derechos Humanos. Su consagración constitucional en España y demás países iberoamericanos* (Editorial Jurídica Venezolana, 2016).
- Hoet F, *La Mediación. Administración y Negociación de Justicia Alterna* (2nd edn, Legis 2007)
- Jordan T, *The U. S. Constitution and Fascinating Facts about it* (17th edn, Oak Hill 2008).
- Oropeza I, *Registro de Legislación: Colombiana hasta 1827, Venezolana hasta 1843 y de varias Reales Cédulas hasta 1808* (El Venezolano 1844).
- Morán, Lucas (ed), *Enciclopedia de Venezuela* (Editorial Bello, 1973).
- Palacios L, *Las Marcas Comerciales en Venezuela* (Universidad Central de Venezuela 1965).
- Salazar L, *El circuito jurídico-económico de la propiedad intelectual* (Universidad Central de Venezuela 2010).
- Salazar L, 'Los signos distintivos notoriamente conocidos' (Assistant Professor Thesis, Universidad Central de Venezuela 2016).
- Sansó H, *Dos temas innovadores: confianza legítima y el principio de precaución en el derecho administrativo* (Ex libris 2006).
- Sansó H, *La situación actual de la propiedad industrial. Venezuela, noviembre 2008* (Lito-Formas 2008).
- Uzcátegui A, *Derechos de Propiedad Intelectual y Derechos Fundamentales* (Universidad de Los Andes 2015).
- Uzcátegui M, *Recopilación de Leyes y Jurisprudencia en materia de propiedad industrial* (Universidad de Los Andes 1960).