

# Chile

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## 1. Legal framework

Trademarks are governed in Chile by the Industrial Property Law (19.036), in force since September 30 1991. That statute was modified by Law 19.996, in force since December 14 2005, and Law 20.160, in force since January 2007, itself regulated by Decree 263, published on December 1 2005.

Chile has been a member of the Paris Convention for the Protection of Industrial Property (Stockholm Act) since 1991 and is a party to the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs). Other free trade agreements containing IP chapters, in particular with the United States and the European Union, also apply.

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## 2. Unregistered marks

Unregistered trademarks grant their holders only the right to oppose a trademark application by a third party or the right to apply for the invalidation of the trademark registration in the following cases:

- when the unregistered trademark has been actually and effectively used in Chile prior to the application for registration made by a third party for the same or similar trademark for identical or similar goods, services or establishments in the same class or related classes, and the coexistence may create confusion; and
- when the unregistered trademark is a famous or notorious and is registered abroad but not in Chile, and this trademark is identical or similar to a trademark requested in Chile to distinguish the same products, services and establishments – a situation that may create confusion; this claim must be supported by evidence of fame or notoriety among the relevant consumer public in Chile.

Moreover, the Industrial Chilean Institute of Industrial Property (INAPI) may reject an application on the basis of an unregistered prior mark, provided that the existence of the unregistered trademark is publicity known to the extent that its renown does not require evidence.

If the owner of an unregistered mark is successful in an opposition or cancellation action, it has 90 days from the date of the decision to apply to register the mark in its own name. Failure to do so entitles any third party to file an application for that mark, with priority being given to the party whose application for registration was rejected as a consequence of the opposition or invalidation action.

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## 3. Registered marks

### Ownership

Any person or legal entity, whether national or foreign, may apply for and own a trademark registration.

The representative requires a power of attorney, which must be signed before a notary public by the legal representative of the applicant's firm. When granted abroad, this document must be notarised and legalised before the Chilean consul. It can be credited up to 60 days after the application has been filed.

The Chilean Congress has approved the Trademark Law Treaty, but this has yet to be incorporated in the national legislation.

### Scope of protection

**Protected:** Any sign capable of graphic representation to distinguish products, services and industrial or commercial establishments. Such signs can consist of words, letters, numbers, drawings or colour combinations. Phrases related to publicity or advertising may also be registered, provided that they are associated with a registered trademark. Sound trademarks are allowed if they are represented graphically and are accompanied by the filing of a sound recording. Trademarks consisting of letters or numbers must be represented by a characteristic drawing that gives distinctiveness to the letter or number.

Geographical indications and appellations of origin, as well as certification and collective trademarks, are also protectable.

**Not protected:** The following may not be registered as trademarks:

- coats of arms, flags or any other symbols, names or initials of any state or international organisation, or of state public services;

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- technical or scientific denominations in respect of the object for which they are destined, plant variety denominations, common international denominations recommended by the World Health Organisation and those indicative of therapeutic action;
  - the name, pen name or picture of any natural person, except if consent is given by him or her, or his or her heirs if deceased. However, the name of a historical celebrity may be registered if at least 50 years have elapsed since his or her death and the registration does not affect the personality's honour. Names of persons cannot be registered when this constitutes an infringement of the signs described in the fifth, sixth and seventh points below;
  - reproductions or imitations of signs of official guarantee or control stamps adopted by a state without its authorisation, and reproductions or imitations of medals, diplomas or honours granted in national or foreign exhibitions whose registration is requested by someone other than the person who obtained them;
  - expressions or signs used to indicate the kind, nature, origin, nationality, source, destination, weight, value or quality of the products, services or establishments, those of general use in trade to name a certain kind of product, service or establishment, and those that exhibit no innovative feature or that describe the products, services or establishments to which they must be applied. However, signs that are not inherently distinctive may be registered if they have acquired distinctive character through their use in the country;
  - signs that may induce to error or deceit with regard to the source, quality or kind of the product, service or establishment;
  - signs that are identical to other marks, or that graphically or phonetically resemble other marks that have been registered abroad for the same products, services or commercial and/or industrial establishments in a manner likely to create confusion, provided that the prior marks enjoy fame and notoriety;
  - trademarks that are identical or similar to prior well-known Chilean registered trademarks, requested for different classes, however related, if the registration could affect the interests of the owner of the well-known trademark;
  - signs that are identical to, or that graphically or phonetically resemble in a confusing manner, other trademarks that are already registered or have validly been applied for earlier in the same class, or that have effectively been used in Chile prior to the application date. INAPI may allow coexistence agreements, provided that they do not affect the prior rights of third parties or cause consumer confusion;
  - the shape or colour of either products or containers, and colours themselves;
  - protected geographical indications and appellations of origin; and
  - signs that are contrary to public order, morality and good behaviour, and the principles of fair competition and business ethics comprised therein.
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- #### 4. Procedures
- ##### Examination
- Each application is subjected to an initial examination to determine whether it meets the formal requirements, including whether the application specifies the goods or services of the Nice Classification (Ninth Edition) for which registration is sought. INAPI notifies the applicant of any changes required. The applicant then has 30 working days to file the necessary corrections. Failure to do so means that the application will be deemed abandoned.
- Where there are no formal objections or where these objections have been timely and satisfactorily corrected, the application is accepted for further prosecution and published in the *Official Gazette* within 20 working days of acceptance for opposition purposes.
- ##### Opposition
- Any interested party may file an opposition within 30 working days of publication. The opponent may base its opposition on any of the grounds to reject an application provided by the law.

### Further prosecution

Upon expiration of the 30-day opposition period, the head of INAPI shall conduct a substantive examination of the application. Any objection shall be notified to the applicant together with any opposition.

The applicant shall have a non-extendable term of 30 working days from notification to contest INAPI's objections and any opposition. The head of INAPI may request evidence supporting any factual claim by the applicant; the evidence must be filed within a 30-working day period, renewable once.

Thereafter, the head of INAPI shall issue a first instance resolution, which the applicant or the opponent may appeal before the Industrial Property Court within 15 working days.

Decisions of the Industrial Property Court may be appealed before the Supreme Court.

### Registration

Applications that have passed the formal and substantive examinations and are unopposed, or that have overcome any objections and/or opposition by a final decision, are accepted for registration. Mark owners have 60 working days from that date to pay the registration fees. The registration shall be for an initial period of 10 years, renewable indefinitely for consecutive periods of 10 years.

### Removal from register

**Cancellation actions:** Registration granted to signs deemed unprotectable by the Industrial Property Law may be cancelled on the basis that prohibitions for granting registration were ignored. Such actions must be filed within five years of the contested marks' registration date. However, there is no time limit to file a cancellation action against a mark registered in bad faith, as set forth in the Paris Convention. A cancellation action is heard at first instance by the head of INAPI and at second instance by the Industrial Property Court. Decisions of the Industrial Property Court may be appealed in some circumstances before the Supreme Court.

**Revocation:** Revocation on the basis of non-use is not available in Chile as the law does not make use a requirement to the maintenance of a mark's validity or renewal of a registration.

### Timeframe

From the time of filing, it takes approximately:

- four months for an unopposed application to proceed to registration;
- 12 months for an opposition procedure to reach a first instance decision (and a further 18 months for an appellate decision to issue);
- two weeks to record mergers and changes of name;
- two to three years for a cancellation action at first instance, six months to a year at second instance and about six months if a further recourse is filed before the Supreme Court; and
- three months for renewals.

### Searches

Searches for identical trademarks (registered or applied for) are available online and free of charge at [www.inapi.cl](http://www.inapi.cl). Free searches for previously requested trademarks or registered identical trademarks that coincide in their first part to, or contain, the trademark searched for are also available online for all classes.

Searches cover trade names and slogans, but only the verbal description of graphic marks.

The databases cover the past 30 years.

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## 5. Enforcement

### Complexity

The enforcement of a trademark requires that the trademark be registered in Chile. The actions available consist of border measures, criminal actions and civil actions.

**Border measures:** These are regulated by the principles of the TRIPs Agreement and must be followed by actions in the relevant courts.

When properly supported, border measures are effective in most of cases.

**Criminal actions:** Criminal actions are available before the ordinary criminal court that has jurisdiction over the area where the offence was committed. These actions are open mainly when an unauthorised third party is using in bad faith a trademark that is identical or similar to another that is already registered, for products, services or establishments that

are identical or related to those protected.

In order to be in a position to initiate criminal actions, it is necessary that the registered trademark bears in a visible form the words '*Marca Registrada*' ('Registered Trademark'), the initials 'MR' or the symbol ®.

The penalties consist of a fine and the confiscation of the products bearing the forged trademark. The court shall decide how to dispose of the tools and materials used to commit the infringement by ordering either their destruction or their distribution to charitable institutions.

**Civil actions:** Civil actions are prosecuted before the ordinary court that has jurisdiction over the defendants' address. Such actions are available against any kind of violation of a registered trademark. The object of civil actions is to put an end to the infringement, to obtain indemnification for damages and to adopt the necessary measures to prevent the infringement from continuing.

Compensation for damages may be established taking into account one of the following options in accordance with the trademark owner's choice:

- the profits that the owner failed to receive as a consequence of the infringement;
- the profits that the infringer would have received as a consequence of the violation; or
- the price of a licence, taking into account the value of the infringed rights and the contractual licences that may have already been granted.

As an alternative, and if the mark owner so desires, compensation for damages may be calculated according to the general rules of the Civil Code, which are much more complex.

Preliminary and precautionary measures are contemplated in the case of civil actions.

### **Timeframe**

The competent criminal court may order seizure of the products bearing the infringing sign and of the elements directly used to imitate the registered trademark immediately after filing the complaint. The time to obtain this relief will depend on the court's criteria and on the quality of the evidence filed by the complainant.

According to the new Procedural Criminal Code recently implemented in Chile, final decisions in criminal cases should normally take no longer than a year and a maximum of two. It is also possible to obtain an earlier settlement of the case by making use of the alternative reparatory agreements accepted by the court.

Civil actions take about two years at first instance and a further two years at second instance. While a decision is pending, it is possible to take preliminary or precautionary measures based on the merits of the case and the quality of the evidence rendered to obtain them.

Criminal actions are much more common than civil ones. Chilean courts are becoming more familiar with trademark cases, with the consequence that the quality of the decisions is improving.

## **6. Ownership changes and rights transfers**

Assignment of a trademark must be executed before a notary public by the legal representative of the parties involved, and legalised by both the Chilean consul and the Chilean secretary of foreign affairs. In case of change of names official documents must be certified by the proper local authorities and legalised before the Chilean consul and the relevant country's highest legalisation authority.

Licence agreements must be executed and legalised in the same manner as assignment agreements.

The recording of assignments, changes of name and licences with INAPI is not compulsory. However, it is advisable to record them as they have no legal effect against third parties unless they are recorded.

## **7. Related rights**

While the law does not refer specifically to cumulative protection of trademarks and copyright, a graphical or combination trademark can be protected under copyright law, provided that it has an artistic value that may be separated from its commercial distinctive function.

## 8. Online issues

Network Information Centre (NIC) Chile, the manager of the 'cl.' domain, follows an alternative dispute resolution policy in relation to 'cl' domain names that is similar to the Uniform Dispute Resolution Policy of the Internet Corporation for Assigned Names and Numbers. Under NIC Chile's rules and policy, trademarks owners may:

- oppose new domain name applications that infringe their prior rights; and
- request the cancellation or transfer of existing domain names that are in breach of publicity and fair competition principles or accepted trading ethics, or that were registered in bad faith.














Unregistered trademark rights may be the basis of such actions.

NIC Chile's regulations provide no recourse against the arbitrator's decisions. Accordingly, the Chilean General Procedural Rules apply and a complaint appeal before the Supreme Court is available to repair abuses committed either during the proceedings or while issuing a final decision on the case.

Trademark owners that obtain the transfer of a disputed domain name by decision of a NIC Chile arbitrator must obtain a valid power of attorney from the assignor, file the corresponding assignment form duly signed and pay the corresponding fee.



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<p><b>Unregistered rights</b> Protection for unregistered rights?</p>	
<p>Specific/increased protection for well-known marks?</p>	
<p><b>Examination/registration</b> Representative requires a power of attorney when filing? Legalised/notarised?</p>	<p>Always when granted abroad</p> 
<p>Examination for relative grounds for refusal based on earlier rights?</p>	
<p>Registrable unconventional marks</p>	<p>Collective and certification marks, musical marks, slogans</p> 
<p><b>Opposition</b> Opposition procedure available? Term from publication?</p>	<p>30 days</p> 
<p><b>Removal from register</b> Can a registration be removed for non-use? Term and start date?</p>	
<p>Are proceedings available to remove a mark that has become generic?</p>	
<p>Are proceedings available to remove a mark that was incorrectly registered?</p>	
<p><b>Enforcement</b> Specialist IP/trademark court?</p>	<p>But only for registration, opposition or cancellation procedures. Infringements go to ordinary courts</p>
<p>Punitive damages available?</p>	
<p>Interim injunctions available? Time limit?</p>	<p>In civil actions. Actions on merits must be filed within 10 days</p> 
<p><b>Ownership changes</b> Is registration mandatory for assignment/licensing documents?</p>	<p>But necessary to be enforceable against third parties</p> 
<p><b>Online issues</b> National anti-cybersquatting provisions?</p>	
<p>National alternative dispute resolution policy for local ccTLD available?</p>	<p>NIC Alternative Dispute Resolution Policy</p> 