

 BO

**CERVIERI
MONSUAREZ**

FV:

Seizure of counterfeit sanitary ware.

Introduction

F.V. SOCIEDAD ANÓNIMA is a company engaged in the manufacture and marketing of faucets in a wide range of products for the bathroom, kitchen, and sanitary installations. It is currently the undisputed leader in the sector in Argentina and Latin American markets.

Its main trademarks are *FV*, *FV FRANZ VIEGENER*, *FV ECOMATIC*.

Events

In 2021, the Intellectual Property Service (SENAPI) was informed, by means of a Notice of Border Measure, of the arrival of a container at the Pisiga Extension Customs Office in the city of Oruro, which is located on the border with Chile, with the Port and Industrial and Commercial Free Trade Zone of Iquique (Zofri).

Therefore, this Bolivian state customs point is in a strategic center where cargo transportation converges, due to the economic activity linked to international trade, such as import and export of goods. This container came from China and had a total of 699 boxes with toilets (one and two-piece) and sinks with the FV brand.



Actions taken

In July 2021, we filed before SENAPI the pertinent complaint of infringement of industrial property rights, in which we requested the immediate cease of the acts which constitute a trademark infringement, the prohibition to the defendant to import and commercialize products bearing the trademarks registered by the plaintiff's firm and the withdrawal and subsequent destruction of the products seized.

The process had a positive outcome, observing and complying with all the procedural stages. It is worth mentioning that in the period allowed for producing evidence, it was reliably proven that the trademark infringement had been committed. Among all the evidence presented, one of the most important was the technical report prepared by the company F.V. SOCIEDAD ANÓNIMA, which demonstrated why the seized products were not legitimate. As a result, an administrative inspection hearing was requested, to allow the competent authority to verify and inspect the seized merchandise, considering all the points stated in the technical report.

Having complied with all the procedural stages, for the sake of celerity, the process successfully concluded in February 2022 with a favorable Administrative Resolution for the company F.V. SOCIEDAD ANÓNIMA.

Favorable and final administrative resolution

Administrative Resolution No. IF-06/2022, dated February 11, 2022, in the operative paragraphs resolves:

"FIRST. - To declare PROVEN the action of infringement of industrial property rights filed by the firm F.V. SOCIEDAD ANÓNIMA, due to the improper use of

Products in infringement seized:



F.V. SOCIEDAD ANÓNIMA, is the holder in Bolivia of the following trademarks:

FV, (word and device), Class 11, Record N°. 73809-C dated May 8, 1997, with renewal N°. 76769-A dated May 8, 2019.



FV, (word and device), Class 11, Record N°. 73810-C dated June 12, 2009, with renewal N°. 89021-A dated June 12, 2019.



the trademark "F.V."; therefore, the existence of the infringement of industrial property rights committed by Mr. XXX is declared.

SECOND. - **TO PROHIBIT** the import of products that are hereby declared in infringement and **TO ORDER the DESTRUCTION** of the above-mentioned products subject to the Precautionary Measure of withholding and that were intended to be imported by Mr. XXX, consisting of products bearing the trademark "F.V.", seized within the customs operation (...), which are stored in warehouses of the Pisiga Border Customs of the department of Oruro."

Applicable Legal regulations

Decision 486 of the Andean Community of Nations dated September 14, 2000, in its articles 155 and 156 provides that the registration of a trademark confers to its owner the right to prevent any third party from bringing into the market, selling, offering for sale, or distributing infringing products. It is embodied by the filing of a lawsuit according to the Internal Regulations for Infringement Actions, addressed to the competent authority in Bolivia, in this case the National Service of Intellectual Property.

"Article 155. *The owner of a registered trademark shall have the exclusive right to prevent all third parties from performing, without his/ her consent, the following acts:*

- a) using or affixing the trademark or a similar or identical distinguishing sign on products for which the trademark has been registered; on products connected to the services for which the trademark has been registered; or on the packages, wrappings, packing, or outfittings of said products.*
- b) remove or modify the trademark, for commercial purposes, once it has been used or placed on the products for which the trademark has been registered, on the products connected with the services for which it has been registered, or on the packages, wrappings, packing, or outfitting of those products.*
- c) to manufacture labels, packages, wrappings, packing, or such other materials that reproduce or include the trademark, as well as to commercialize or store such materials.*
- d) using in the course of trade an identical or similar sign to the trademark with respect to any products or services, when such use may likely cause confusion or a risk of association with the owner of the registration. In the case of the use of an identical sign for identical goods or services, it shall be presumed that there is a risk of confusion.*
- e) using in the course of trade an identical or similar sign to a well-known trademark with respect to any products or services, when such use may likely cause the owner of the registration an unfair economic or commercial damage by the weakening of 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.*
- f) making public use of an identical or similar sign to a well-known trademark, even for non-commercial purposes, when this may weaken the distinctive force or value of that trademark for commercial or advertising purposes or take unfair advantage of its prestige."*

"Article 156. *For the purposes of the provisions stipulated under paragraphs e) and f) of the preceding article, the following acts, among others, shall constitute use of a trademark by a third party in the course of trade:*

- a) bringing into the market, selling, offering for sale, or distributing products or services that bear said trademark;*
- b) import, export, store or transport products bearing said trademark; or,*
- c) using the sign in advertising, publications, commercial documents or written or oral communications, regardless of the means of communication used and without prejudice to any applicable advertising regulations."*

Conclusions

- ▶ It was possible to identify non - authentic products that misuse the FV trademark in class 11.
- ▶ It was achieved the seizure of a container in the facilities of Customs Extension Pisiga of the city of Oruro, by means of the corresponding precautionary measure.
- ▶ The administrative process pursued was favorable to the interests of F.V. SOCIEDAD ANÓNIMA, and SENAPI ordered the prohibition of import and commercialization of the products and the withdrawal and destruction of the products in infringement.
- ▶ To address environmental issues and in compliance with Article 255 of Decision 486 of the CAN, the company F.V. SOCIEDAD ANÓNIMA informed the competent authority that the seized products would not be destroyed but would first be rendered unusable and then donated to a social welfare institution. The competent authority accepted and supported this decision, and therefore the company F.V. SOCIEDAD ANÓNIMA is now taking all the necessary steps to donate these products.
- ▶ The reparation of the damage is subject to an ordinary process that will be based on the Final Administrative Resolution.

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