

CERTIFICATION AND COLLECTIVE TRADEMARKS AS INNOVATION MEANS FOR BRAZILIAN COMPANIES

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The trademark is a powerful business marketing instrument and many times the most valuable intangible asset of a company. In Brazil, you have three kinds of trademarks:

Product or Service marks: distinguish the products or services from others that are the same, similar or related but of other origin;

Certification marks: are used to certify that certain product or service is in accordance to determined technical specifications, regarding its nature, material, mode of manufacture and quality. They state the technical accuracy to rules established by competent institution and that does not have any commercial or industrial interest on the goods or services attested.

Collective marks: are trademarks or service marks intended to be used, by the members of an entity, including a mark that indicates membership in a union, an association, or other organization. They should be claimed to identify the origin of products and/or services of the same collective group, including cooperative, an association, or other collective group or organization. They serve to identify joint owners of a same region.

According to the Oslo Manual² innovation is

“is the implementation/commercialisation of a product with improved performance characteristics such as to deliver objectively new or improved services to the consumer. A technological process innovation is the implementation/adoption of new or significantly improved production or delivery methods. It may involve changes in equipment, human resources, working methods or a combination of these.”

Adoption of certification and collective trademarks might be a significant change to companies either by product or marketing innovation or appropriation of an intangible asset. They are classified as industrial basic technologies (which are techniques and procedures for analysis codifying and normalizing different aspects of products and procedures).

Certification and collective marks and, certifying and ensure quality (including collective images for certain regions), may be used as an instrument for advertising for products or services. They can be used as tools to increase the customer base by establishing a bond of trust between entrepreneurs, their products or services and the consumer (who gains more confidence in the products or services).

Regarding collective marks, if the companies work together to invest in research and development (R&D) or incremental innovations and invest in the collective ownership of assets intellectuals produced by them, these companies will have more chances to position themselves competitively in domestic and international markets.

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² <http://www.oecd.org/dataoecd/35/61/2367580.pdf>

These two trademark types may be used also as a tool to leverage innovation and develop small and medium enterprises. Technological development of an enterprise through the adoption and implementation of collective marks and certification takes place mainly when that company is required to fit the requirements of the certifying body, or association of producers of a particular business community. Companies are obliged to invest in R&D and adopt several systems, such as for quality and compliance, in order to stamp their marks according to the certifying body.

The economic development of businesses is due to notoriety, prestige and trust by the customers and the market in general. The products and services are consumed and may be sold more even at prices above the market, because they have a differential³.

These signs can be used as forms of innovation in business through its use as:

- Marketing in the creation and enhancement of image;
- Tool for increasing customer base, gain of confidence and quality recognition;
- Economic and technological development of the national companies; and
- Insertion of products and services of domestic enterprises in the international market.

Collective marks and certification may be particularly important in small and medium enterprises that need to establish an image of confidence and quality in market and certification mark are often mandatory larger companies for association of due products and services.

³ As an example of how innovating publicity can trademarks can be used, we can quote the Häagen-Dazs example. Mr. Reuben Mattus, working in the Bronx, New York, in his mother's ice cream brand, in the middle of the 40's crisis called his new brand Häagen-Dazs to convey an aura of the old-world traditions and craftsmanship.