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INTELLECTUAL PROPERTY LAW

Brexit & Intellectual Property

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“AA Thornton’s caseload regularly includes high-stakes headline-grabbing cases. The team combines strength in trade mark portfolio management with proven prowess in the prosecution of trade mark applications, especially in complex cases involving particular international or legal challenges.”

- Legal 500

The UK has left the EU, so what lies ahead for EU trade marks and Community designs, especially from a UK perspective?

Transition period

The UK is no longer an EU member state, following ratification of the Withdrawal Agreement on 31 January 2020; but a transition period remains in place until 31 December 2020, before Brexit takes effect at the beginning of 2021.

European patents are unaffected by Brexit as the European Patent Office is not an EU organisation.

At the end of the transition period, EU trade marks (“EUTMs”) and European Community designs will continue to have effect in the remaining 27 EU member states (“the EU 27”), and for the rest of 2020, EUTMs and Community designs remain effective in the UK.

This leaflet sets out what will happen in the UK to those EUTMs and Community designs which exist at the end of the Brexit transition period.

Effect on EU Trade Marks from 1 January 2021

Creation of comparable UK trade marks

For all EUTMs, registered at the end of the transition period, a comparable UK trade mark will be recorded on the UK register with the same priority and/or seniority dates as the corresponding EUTM. This will be at no cost to the EUTM holder and with minimum administrative burden. Existing priority and seniority dates will be automatically reflected in the comparable UK trade mark registration.

Pending EUTMs

Comparable UK rights will only be created for EUTMs with a registered status at the end of the transition period.

For EUTMs still pending on 1 January 2021, it will be possible within 9 months to apply to register an identical UK trade mark for the goods/services covered in the EUTM, to take the same filing and priority dates as the EUTM application. The UKIPO will require payment of the same official fees as for a regular UK trade mark application, based on the number of trade mark classes included.

Opt out from creation of comparable UK trade marks

Registered EUTM holders not wishing to be granted a comparable UK right may opt out from receiving one, by filing a notice at the UKIPO identifying the trade mark by its registration number, naming any party with an interest in the EUTM and confirming appropriate notice given to that third party of the opt out from creation of a comparable UK trade mark. Opt out is not possible if the EUTM has been used in the UK, if it has been assigned or licensed, if it has been the subject of an agreement or has had litigation based upon it.

Renewals

For each newly created comparable UK right, renewal will be required separately from the corresponding EUTM, but on the same renewal date. Where EUTM renewal falls due after the end of the transition period, early payment of the renewal fee at the EUIPO will have no effect on the comparable UK right.

For comparable UK rights with renewal dates falling less than six months after 1 January 2021, the UKIPO will issue renewal reminders on the actual date of expiry or as soon as practicable after that, to advise of the expiry but to also provide a further six month period, from the date of the reminder, in which the registration may be renewed. Renewal within the additional six months allowed for renewal will attract the usual renewal fee, but no fine for late renewal.

For EUTMs which expire before 1 January 2021 and are still within their 6 month grace period for late renewal, comparable UK trade marks will be created but given an “expired” status, and will only be maintained on the UK register if the corresponding EUTM is renewed at the EUIPO before expiry of the grace period.

Licences, security interests and assignments

If existing in respect of a corresponding EUTM at the end of the transition period, these will continue to have legal effect in the UK in relation to the comparable UK right, but steps should be taken by affected parties to ensure recordal of these interests on the UK register within 12 months from 1 January 2021.

Use and reputation

Both UK and EUTMs may be revoked on grounds of non-use if a registered mark is unused for an uninterrupted period of five years. Provision has been made for comparable UK rights created on 1 January 2021, in terms of use requirements and proof of use in opposition proceedings. If there has been use in the EU but not the UK prior to 1 January 2021, this will count as use of the comparable UK right. After 1 January 2021, use of the mark in the UK will be required. There will come a point when the whole of the relevant 5 year period will be after Brexit, at which point only UK use will be relevant.

For assessment of reputation of a comparable UK right created from a corresponding EUTM, a similar approach will be applied, with EU reputation counting before 1 January 2021 and UK reputation being required afterwards.

Jurisdictional arrangements and pending proceedings

For cases before designated “EU Courts” in the UK, which are ongoing at 1 January 2021, these will continue to be heard as if the UK were still an EU member state. For ongoing proceedings before the UKIPO at this date, where an EUTM holder has brought action against a UK trade mark, these will continue to be heard under the UK legislation.

Where an injunction is in place at 1 January 2021 which prohibits actions in the UK which would infringe an existing EUTM, the terms of that injunction will be treated as if they also apply to the comparable UK trade mark.

Conversion of EUTMs into national rights

Subject to certain conditions, refused or withdrawn EUTMs may be converted into national rights with the same filing and/or priority dates. This is possible within three months of the ceasing of effect of the EUTM. For EUTMs refused or withdrawn within three months of 1 January 2021, the UK will honour the right to conversion. This will be possible by applying to register a corresponding UK trade mark with a claim of the earlier filing and/or priority date of the EU application or registration which has been refused or withdrawn.

Effect on Community designs from 1 January 2021

Creation of comparable UK registered designs

For all Community designs (“RCDs”) registered and published at the end of the transition period, a comparable UK design will be recorded on the UK register with the same application and registration dates as the corresponding RCD. This will be at no cost to the RCD holder and with minimum administrative burden. Existing priority dates will be automatically reflected in the comparable UK design.

Pending applications for RCDs

For applications for RCDs still pending on 1 January 2021, it will be possible within 9 months to apply to register an identical UK design, to take the same filing and priority dates as the corresponding RCD application. The UKIPO will require payment of the same official fees as for a regular UK design.

Opt out from creation of comparable UK designs

Registered RCD holders not wishing to be granted a comparable UK design may opt out from receiving one, by filing a notice at the UKIPO identifying the RCD by its registration number, naming any party with an interest in the RCD and confirming appropriate notice given to that third party of the opt out from creation of a comparable UK design. Opt out is not possible if the RCD has been assigned or licensed, if it has been the subject of an agreement or has had litigation based upon it.

Renewals

For each newly created comparable UK design, renewal will be required separately from the corresponding RCD, but on the same renewal date. Where RCD renewal falls due after the end of the transition period, early payment of the renewal fee at the EUIPO will have no effect on the comparable UK right.

For comparable UK rights with renewal dates falling less than six months after 1 January 2021, the UKIPO will issue renewal reminders on the actual date of expiry or as soon as practicable after that, to advise of the expiry but to also provide a further six month period, from the date of the reminder, in which the design may be renewed. Renewal within the additional six months allowed for renewal will attract the usual renewal fee, but no fine for late renewal.

For RCDs which expire before 1 January 2021 and are still within their 6 month grace period for late renewal, comparable UK designs will be created but given an “expired” status, and will only be maintained on the UK register if the corresponding RCD is renewed at the EUIPO before expiry of the grace period.

Deferred publication

RCDs with publication deferred at the end of the transition period will be treated as if they are a pending application. Holders of deferred RCDs can preserve their earlier filing and priority dates in the UK by filing an equivalent registered design application in the UK within nine months of 1 January 2021.

Effect on EU designations in International trade mark and design registrations from 1 January 2021

As with EU trade marks and Community designs, UK legislation will also provide for EU designations in International trade mark and design registrations.

For registrations existing at the end of the transition period, a standalone UK registration will be created with the same effective dates as the EU designation. There will be transitional provisions for applications pending at that point, comparable to those for EUTMs pending at the end of the transition period.

From 1 January 2021, protection for new trade marks and designs will need to be sought in the UK, distinct from the EU, but with designation also being possible for both territories though International registration via the Madrid Protocol (for trade marks) and Hague Agreement (for designs).

What next?

Time is running short for newly filed EU trade mark applications to proceed to registration before the end of the Brexit transition period. There are similar considerations for Community designs as 1 January 2021 draws closer. In the remainder of the transition period, UK and EU protection should be considered in tandem.

Careful strategic assessment should be given to ongoing contentious proceedings, as we approach a date from when UK rights will cease to be relevant to the EU.

We recommend that you discuss your specific needs with your usual advisor in IP matters. AA Thornton will continue to support its clients with their UK and EU IP requirements, as Brexit takes effect, and beyond.

Because of our people we are consistently ranked as
'top tier' and 'leading' by our peers and clients:

The Legal 500 | Chambers & Partners | WTR 1000 |
Managing IP Stars | The Financial Times

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