Newsletter Trade Marks

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Trade Marks and Designs – greater clarity as to what is likely to happen after Brexit

Following our report (which you can read here) on the EU Commission proposals for the treatment of trade marks and designs after Brexit, the Commission and the UK have published a revised version of the proposed Withdrawal Treaty (see here - in particular Articles 50 to 57) showing those parts of the Treaty which are agreed in principle (with a green background) and those elements which are not yet agreed (without any colour background).



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The Treaty is still subject to change but its terms would currently result in the effects discussed below for EU trade marks and designs in the UK after Brexit. Many aspects are to be welcomed as providing greater legal certainty for IP owners.

This newsletter again concentrates on trade marks and designs, rather than other IP rights such as plant variety rights or SPCs. The Treaty has no effect on patents as the European patent system is and always has been independent of the EU.

Creation of UK rights based on existing EU trade marks and designs

The EU and the UK have agreed in principle that holders of EU Trade Mark Registrations and EU Designs registered (and, in the case of designs, published) before the end of the transition period, now set as 31 December 2020, should become holders of comparable registered and enforceable rights in the United Kingdom. The corresponding UK rights should bear the same original filing date and, where appropriate, the same priority or seniority dates. This is very good news for IP owners as, if finally agreed, it rules out the prospect of EU trade marks and designs being denied protection in the UK following Brexit.

Although the UK and the EU concur that EU rights should continue to be protected by comparable rights in the UK, the mechanics of how this transfer of trade marks and designs takes place have not yet been agreed. The Commission proposes that the transfer be without the need to pay any official or file any official form. We would hope, and will continue to advocate to the UK authorities, that this is the option eventually chosen.

The draft Treaty states that, if an EUTM Registration or EU Registered Design is declared invalid, revoked and/or cancelled in the EU as the result of proceedings which were ongoing on the last day of the transition period, the corresponding right in the United Kingdom should also be declared invalid, revoked, or cancelled. However, unlike the Commission's previously published proposals, the UK and the EU have agreed that the UK will not be obliged to declare invalid or revoke the corresponding UK right where the grounds for invalidity or revocation do not apply in the UK. This amendment is again good news for IP owners as it would allow for the continued protection in the UK of an EU trade mark or design facing cancellation on the basis of rights outside the UK.

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Temporary protection against non-use revocation for marks transferred to the UK register where there has been no use in the UK of the mark of the corresponding EU Registration The UK and EU have agreed that, where a mark is transferred onto the UK register, it should not be liable to revocation on the ground that the corresponding EU trade mark had not been put into genuine use in the UK before the end of the transition period. Use in the rest of the EU should therefore be taken into consideration in any revocation action brought in relation to the resulting UK registration for an as yet unspecified period after 2020.

Continued protection in the United Kingdom of international registrations designating the EU

The UK and the EU have agreed that the UK should provide equivalent national protection for marks and designs protected at the EUIPO under the Madrid Protocol or Hague Convention.

Continued protection in the United Kingdom of unregistered Community designs

It is agreed in principle that the holder of an unregistered Community design which arose before the end of the transition period shall become the holder of an enforceable intellectual property right in the UK affording the same level of protection as that provided for in the EU. The term of protection of that right in the UK will be at least equal to the remaining period of protection of the corresponding unregistered Community design.

Right of priority with respect to pending applications for EU trade marks and designs

The EU Commission previously proposed that the owner of an application for an EU trade mark (but not an EU design application) filed before the end of the transition period should have a six-month priority period from the end of the transition period for filing an application in the UK for the same trade mark and for goods or services which are either identical with or contained within the EUTM Application.

The amended draft Treaty extends this possibility to design applications and the proposed "priority" period for filing a corresponding UK application based on a pending EU trade mark or design application has increased from six months to nine months. The resulting UK applications should have the same filing date as the original EU application irrespective of when the EU application was filed.

The Treaty is still subject to negotiation with the UK government and its terms may well change. However, it is encouraging that the negotiations between the UK and the EU appear to be leading to a less disruptive outcome to IP owners.

We shall of course keep you updated as and when we have further news to report. If you have any questions in the meantime, please get in touch with your usual Abel & Imray contact, or e-mail: <u>ai@abelimray.com</u>

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