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EU Commission's proposals on the treatment of Trade Marks and Designs following Brexit.

The European Commission ("the Commission") has issued on 28 February 2018 its proposals for a Treaty to give effect to the withdrawal of the UK from the EU.

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The draft Treaty (found here) is very wide-ranging but includes a specific section relating to its proposals for the treatment of certain types of Intellectual Property which builds on the position paper previously published by the Commission. For the purpose of this newsletter, we shall concentrate on trade marks and designs, although the draft Treaty touches on other IP rights including geographical indications and plant variety rights. The draft Treaty does not relate to patents which are not rights regulated by the EU.

The Treaty will be subject to negotiation with the UK government and its terms may well change but the Commission's main proposals for the treatment of EU Trade Mark and Designs following Brexit are as follows:

Automatic transfer of rights from the EU registers to the UK register - Articles 50 and 51

The Commission advocates that holders of EU Trade Mark Registrations and EU Registered Designs, which were registered or granted before the end of the transition period for the withdrawal of the UK from the EU (proposed to be at the end of 2020) should, without the need to file any form or pay any fee, automatically 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.

Notwithstanding the generality of the above rule, the Commission believes (see Article 50 (3)) 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.

It does not appear therefore that there would be a possibility of "converting" a lost EUTM Registration into a UK application, even where the earlier right or reason giving rise to cancellation of the EU right does not apply in the UK. Clients may therefore wish to consider filing separate UK applications in circumstances where an EUTM is liable to be cancelled.

Position in relation to marks transferred to the UK register where there has been no use in the UK of the mark of the corresponding EU Registration - Article 50 (5) (b)

The Commission's proposal is that where a mark is transferred onto the UK register, it should not be liable to revocation on the ground that the corresponding European Union trade

mark had not been put into genuine use in the United Kingdom before the end of the transition period.

In those circumstances, the Commission believes that use elsewhere in the EU should be taken into consideration in any revocation action brought in relation to the resulting UK Registration for up to five years after the end of the transition period.

Continued protection in the United Kingdom of international registrations designating the EU - Article 52

In addition to the UK providing equivalent protection to existing EUTMs and EU Registered Designs, the Commission's view is that the UK should enact provisions to provide equivalent protection for marks and designs protected at the EUIPO by way of the international systems of the Madrid Protocol and the Hague Convention for the deposit of industrial designs.

Continued protection in the United Kingdom of unregistered Community designs – Article 53

The Commission proposes 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 United Kingdom affording the same level of protection as that provided for in the EU. The term of protection of that right in the United Kingdom should be at least equal to the remaining period of protection of the corresponding unregistered Community design.

Many companies and representative bodies have been pressing in any case for the UK to enact provisions identical or similar in scope to the EU unregistered design. This is essentially because UK unregistered design right is not as broad a right as it does not, for example, cover surface decoration which is covered by the EU unregistered design.

Right of priority with respect to pending applications for European Union trade marks – Article 55

The position relating to trade mark applications which are pending as of the end of the transition period has been the subject of much speculation.

In its published proposals, the Commission believes that the holder of an application for an EU trade mark filed before the end of the transition period should have a six-month priority period from the end of the transition period for the purpose of filing a trade mark application in the United Kingdom for the same trade mark and for goods or services which are either identical with or contained within the EUTM Application. This right of priority should have the effect that the date of the original EU Application counts as the date of filing of the resulting UK trade mark application irrespective of when the EU Application was filed.

We shall see whether what is proposed by the Commission is acceptable to the UK or whether the UK will make counterproposals for amendment. As always, we will be here to advise you on the effect on IP of Brexit both in the run-up to the withdrawal of the UK from the EU and afterwards. Whatever happens in the next few months and years, we will be here to represent you and/or your clients before the UKIPO and the EUIPO.

If you have any questions about matters in the Newsletter, please get in touch with your usual Abel & Imray contact, or e-mail to ai@abelimray.com.

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