

UK Government's advice as to what will happen to trade marks and designs in the event of a "no deal" Brexit

Negotiations continue between the UK and the EU on a Withdrawal Agreement prior to Brexit which is due to take place on 29 March 2019. Although the UK Government considers that it is likely that a mutually beneficial, negotiated deal will be reached with the EU, that is not a certainty and the government is accordingly preparing for every eventuality, including a "no deal" outcome.



Simon Bentley
Partner, London
simon.bentley@abelimray.com

As part of those preparations, the UK Government has now published a series of technical notes explaining what the impact of a "no deal" outcome would be on IP.

This newsletter concentrates on trade marks and designs and issues that affect those rights such as exhaustion of rights. The relevant technical notes published by the UK Government can be viewed in the following links - [trade marks and designs](#) and [exhaustion of rights](#).

Trade Marks and Designs

The UK has previously confirmed that, in the event that a deal is reached between the UK and the EU, equivalent rights would be created in the UK corresponding to existing EUTM Registrations and Registered Community Designs and, moreover, that those equivalent UK rights would be created automatically and without cost.

In the event of a "no-deal" outcome, the UK Government has now confirmed that it will ensure that the property rights in all existing registered EU trade marks and registered Community designs will continue to be protected and to be enforceable in the UK by providing an equivalent trade mark or design registered in the UK. Those new UK rights will be created "at minimal administrative burden" for the owners,

although what that means in practice is not yet clear. It will be possible for owners to opt-out of the creation of a new equivalent UK right if they so wish (for example because they are bound by undertakings with a third party not to seek registration of a particular mark in the UK).

For pending EUTM and RCD applications, there will be a nine-month period following Brexit in which the Applicant can file for the same mark or design in the UK, with the resulting UK application retaining the original filing date of the EU application and, where appropriate, the priority date.

The UK Government has also stated that it will seek to provide in the UK rights equivalent to marks and designs currently protected in the EU under the Madrid or Hague systems and is working in that respect with WIPO. The UK Government will also seek to provide practical solutions to the owners of pending EU designations under Madrid and Hague applications. In the absence of any details about those solutions, it may be wise from now on for the UK to be designated separately under any new Madrid and Hague applications designating the EU.

Unregistered Community designs

The UK Government has confirmed that it will ensure that all unregistered Community designs which exist at the

point that the UK leaves the EU will continue to be protected and enforceable in the UK for the remaining period of protection of the right.

In addition, the UK will create a new unregistered design right in the UK which mirrors the characteristics of the unregistered Community design. In practice, this means that designs which are disclosed after the UK exits the EU will also be protected in the UK under the current terms of the unregistered Community design. This new right will be known as the supplementary unregistered design right. Both measures are to be welcomed in providing greater certainty.

Exhaustion of rights

In the event of a “no deal” Brexit, the UK Government states that it will continue to recognise the EEA regional exhaustion regime from exit day to provide continuity in the immediate term for businesses and consumers. Ongoing UK recognition of the EEA regional exhaustion area will ensure that, for example, parallel imports of goods, such as pharmaceuticals, can continue from the EEA.

However, the UK Government is not committing to maintaining EEA regional exhaustion beyond a “temporary period” and the government is currently considering all options for how the exhaustion regime should operate in the future. That implies that it might choose in the future to adopt national or international exhaustion.

Abel & Imray is a European IP firm and we will continue to be a European IP firm after Brexit. No matter what form Brexit takes, we have already taken steps to ensure that we will continue to represent clients in EU trade mark and design matters before the EUIPO. If you have any questions relating to Brexit, please contact your usual Abel & Imray attorney, or email brexit@abelimray.com.

London

20 St. Andrew Street
EC4A 3AG, UK
T +44(0)20 7242 9984
F +44(0)20 7242 9989

Cardiff

3 Assembly Square
Britannia Quay
CF10 4PL, UK
T +44(0)29 2089 4200
F +44(0)29 2089 4201

Bath

Westpoint Building
James Street West
BA1 2DA, UK
T +44(0)1225 469 914
F +44(0)1225 338 098