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Brands post-Brexit

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James Love



When does the UK leave the EU Trade Mark System?

- 51.9% vote 'Leave' – 23 June 2016.
- After much delay, exit day – 31 January 2020.
- **But** transition period until 31 December 2020.
- During transition period, no practical change – all European Union Trade Marks (EUTM) and International Registrations designating EU (IREU) are valid in UK.

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Key concerns following the transition period:

- Will I lose my UK protection?
- Could a "squatter" register rights in the UK in priority to me?
- Will my use in EU qualify as use in the UK?
- What fees will be payable to maintain UK protection?
- How will licences under an EUTM be affected?

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What happens after the transition period?

- EUTMs and IREUs no longer enforceable in UK (coverage reduces from 28 to 27 states).
- **But** don't panic... UK has implemented measures to preserve EU and International trade mark rights in UK.

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What will happen with EUTMs?

- All EUTM proprietors will automatically and free of charge be granted a cloned Comparable Trade Mark on UK register (unless choose to opt out).
- So, EUTM continues to protect in 27 states and the new comparable right protects in UK.
- The new UK right is a fully-independent UK right that can be challenged, assigned, licensed or renewed, separately from original EUTM.

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What will happen with IREUs?

- Same as with EUTMs, proprietors will be granted a cloned 'Comparable Trade Mark' on UK register (unless choose to opt out).
- So, IREU protects in 27 states and new cloned TM protects in UK.
- The new cloned right is fully-independent UK right that can be challenged, assigned, licensed or renewed, separately from original IREU.
- The designation on the IREU will remain as the EU. The UK will **not** be added to the International designation.
- New IR applicants can still designate UK separately to EU.

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Pending EUTM and IREU applications:

- Application continues as normal in remaining 27 states...
- **But** will not automatically be converted into UK application.
- No notifications will be sent automatically to owners.
- Pending EUTM/ IREU applicants have 9 months from end of transition period to apply (and pay) for UKTM (maintaining filing and priority dates from corresponding EUTM/ IREU application).
- Failure to act by applicant will surrender pending right in UK.
- The UKTM application will constitute a fully-independent application (and full UK fees will be payable).



Priority:

- All priority rights, filing dates, and rights of UK seniority will be maintained in the new comparable UKTM.
- This applies both to clones of rights that are granted at the end of the transition period, and to new UK filings made in the first 9 months based on a pending EUTM or IREU application.



Renewals:

- New cloned UK rights have same renewal date as corresponding EUTMs/ IREUs.
- Renewals due within 6 months of the transition period will receive notice from UKIPO after exit. Proprietors then have 6 months from this notice to renew with no late renewal fees (regardless of previous renewal date).
- No late renewal fees on new cloned rights in the 6 months following the transition period (even if renewal date is missed).
- No advantage to early renewal in advance of the end of the transition period.



Costs:

- Where there is a granted EUTM or IREU: UK TM clones are created **automatically at no cost**.
- Where a new UK application is based on a pending EUTM or IREU within 9 months deadline, the **usual UK registry fees are payable** (GBP 170 for 1st class, then GBP 50 per class).
- A separate future **renewal fee** will be payable for the new UK right (GBP 200 for 1st class, then GBP 50 per class).
- The first **renewal date** for a cloned UK right is the first renewal date of the EUTM or IREU after the transition period (EVEN IF the EUTM renewal fee has been paid before).
- The UKIPO will **not charge "late payment fees"** on cloned UK rights for the first 6 months after the transition period.



What use will count to maintain a valid registration?

- If sufficient use to support existing EUTM, same use can be used to support new cloned UKTM.
- So when defending validity of new cloned UKTM, can refer to:
 - Pre-brexit use in UK and other 27 states and
 - Post-brexit use in UK only.
- Do not get 5 years to establish use of new cloned UKTM - vulnerable for cancellation for non-use immediately if EUTM had no use for 5 years.
- EUTMs will be applying a similar approach (validity can be defended using pre-Brexit use in UK and remaining 27 states, but only post-Brexit use in remaining 27 states).



Numbering system:

- The UKIPO will add "**UK009**" in front of the existing number for new comparable UK marks.
- Examples:

Existing EU trade mark	Comparable new UK trade mark
000000977	UK00900000977
000025197	UK00900025197
000340513	UK00900340513
017867542	UK00917867542



UK representatives:

- Legal representatives in the EU will continue to have rights of representation in the UKIPO.
- **But** UK legal representatives will not have automatic right of representation in the EUIPO.



Licences and assignments

- Any licence or security interest that refers to an EUTM and authorises acts in the UK will be treated as if it applies to the comparable UK trade mark.
- For transactions registered against an EUTM, there is a 12 month period to register the same against the UK comparable TM.
- For assignments of EUTMs made before 1 Jan 2021 but not recorded, the comparable UKTM is granted to the assignor. The assignor or the assignee has the right to record the assignee as the owner of the UK comparable right.



UK trade marks:

- Brexit will not impact existing UK registered trade marks.
- Post-Brexit, to obtain UK registered protection you will need to:
 - Apply to UK Registry or
 - Apply for International Registration (specifically designating UK).



Going forward:

- Beat the system and file for EU now.
- For EUTM/ IREU applications still pending at end of transition period, file a comparable UKTM application within 9 months.
- Designate UK on future International applications.
- Remember to file separate applications in UK and EU.
- Ensure use in UK to protect new comparable UK rights from non-use actions.
- Review disputes and contracts on a case-by-case basis to assess impact of Brexit.
- Register licences against UK comparable rights.
- Diarise all renewal dates.

