

Information

BREXIT and the consequences for owners of patents, trademarks and designs

The UK's withdrawal from the European Union without contractual arrangements on 12 April 2019 (or later), the so-called hard BREXIT, will have serious consequences for owners of Intellectual Property rights. The same applies to a regulated BREXIT which would become effective on 31 December 2020 (or any other date to be agreed). We recommend to all owners of patents, trademarks and designs who are dependent on maintaining their rights in the UK:

- ◆ Check your portfolio now and make appropriate provisions.
- ◆ Monitor the further developments frequently. We are happy to assist you!

In summary, one can say that

- ◆ owners and licensees of patents - to the present state of knowledge - can rely on the continued validity of existing legal regulations.
- ◆ owners of trademarks and designs, who need an extensive protection in the UK, should now act and verify a preventive national application in the UK.

European Patents

The UK has stated to stay part of the existing European Patent Convention (EPC) and planned Unitary Patent System (UPC). The country has ratified the UPC Agreement and continues to be a member of the EPC, which is not limited to EU Member States.

It will continue to be possible to file a European patent and to validate it in the UK. Holders of national UK patents or PCT applications have not to fear any implications.

In the case of a hard BREXIT, existing, supplementary protection certificates will remain in force. After the BREXIT, only supplementary protection certificates for the remaining EU countries can be filed. It remains to be seen whether UK will establish a supplementary protection certificate after BREXIT.

Community design and EU trademarks

Due to the uncertain exit scenario, it is not yet clear whether, how and when it can be ensured with legal certainty that a right of continuance will apply to European IP rights such as EU trademarks and the Community design.

With UK's withdrawal from the EU, a transitional period is provided for IP owners, within the UK will remain part of the European system for EU trademarks and Community design for a certain period of time. In case of a hard BREXIT this transition phase should be inapplicable.

UK will - despite its withdrawal from EU trademark law - remain a member of the Paris Convention, the TRIPS agreement, as well as a member of other international agreements protecting intellectual property rights for patents, trademarks and designs.

Recommendation:

Renew EU trademarks and Community Designs before the BREXIT to avoid double fees (for EU and emerging UK trademarks/designs).

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Trademarks

Nationally in UK registered trademarks and internationally registered trademarks, that have been granted protection in the UK, will keep their protection status.

EU trademarks with EU-continued validity will lose their protection. An arrangement for protecting EU trademarks in UK in case of the BREXIT – as announced by the Intellectual Property Office UK (UKIPO) – has not yet been decided by the British Parliament.

The transformation of already registered EU trademarks into UK trademarks should be free of charge and automatically possible; probably also in case of a hard BREXIT. In fact, registered EU trademarks are to be "cloned" and given the prefix UK009 before the EU number. This depends on the final date of withdrawal.

It can be expected that owners of a pending EU trademark applications – within a period of nine months starting from the (hard) BREXIT – can claim (billable) a national UK trademark having the priority of the EU trademark.

Recommendation:

As an owner of an EU trademark (application) one should precautionary and immediate register an identical trademark as a national trademark in UK or extend an existing international registration (IR trademark) to UK. An early filing may be relevant to avoid/remove similar third party registration and not yet clarified assessment of the use-exception in opposition proceedings.

If UK leaves the EU, the use of an EU trademark in the UK will no longer suffice for the preserved use of this EU trademark. The seniority of UK trademarks can no longer be used for EU trademarks.

Designs

Owner of Community Designs cannot simply register a second time as in trademark law because the design needs to be new at the filing date. As described above, it is currently planned that also for Community Designs the database for the UK Register will be "cloned" and then can be continued as national UK law.

So far it is unclear if it will be possible converting non-registered Community designs into national non-registered designs in the UK. The necessary adjustments of national legislation have up to now not taken place.

One can assume that owners of a pending Community Design application will be able to claim a national UK design with the priority of the Community design within nine months as of the BREXIT. National fees are incurred.

Recommendation:

As an owner of a Community Design one should precautionary and immediate register the Community Design as a national design in UK. However, this will only be possible for designs or Community designs that has been filed in the last 12 months (novelty requirement).

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Further Information

However, the intention outlined above, in particular during the negotiations of a corporate withdrawal agreement, is not yet legally designed or even completed. Furthermore, it has to be considered that due to the enormous amounts of data to be transferred, delays will occur.

The UKIPO constantly updates the fact sheet "IP and Brexit: the facts" under the following links:

<https://www.gov.uk/government/publications/ip-and-brexit-the-facts>

<http://www.legislation.gov.uk/uksi/2019/638/contents/made>.

We will keep you informed.

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