



Client Information | February 2019

BREXIT – IS THERE A NEED FOR ACTION FOR HOLDERS OF PATENTS, EUROPEAN UNION TRADEMARKS AND REGISTERED COMMUNITY DESIGNS?

Kristina Breunig, LL.M. and Dr. Alexander González

The BREXIT date **March 29**, **2019** is approaching and the question arises: What happens if there is no agreement between the United Kingdom and the European Union by the time the UK leaves the European Union? The possibility of an unregulated withdrawal seems increasingly probable.

The good news is that the BREXIT will not affect patent holders. European patents are governed by the European Patent Convention, which is not limited to the European Union. BREXIT therefore has no effect here. Owners of national UK patents and International patent applications filed through the PCT system do not have to fear any consequences either.

European Union trademarks (EUTMs) and Registered Community Designs (RCD), however, will be affected by the withdrawal of the United Kingdom. European Union trademarks and Registered Community Designs are only valid within the European Union. After the withdrawal of the United Kingdom, they will therefore no longer have any effect in the UK.

However, the UK Intellectual Property Office (UKIPO) has already confirmed that it will provide protection for EUTMs and RCDs in the UK (Link). This will be achieved by creating a new "cloned" UK trademark (UKTM) or design with the same filing date as the corresponding EU-right. In the event of an agreement with the European Union and in case of a no-deal BREXIT, a UK trademark or design shall be created automatically and presumably free of charge as a mirror image of the European Union trademark or Registered Community Design. In both cases a loss of rights cannot occur. However, the political developments should be followed closely.

## In preparation for a NO-DEAL BREXIT on March 29, 2019, we recommend the following actions:

- Renewal of your EUTMs and RCDs <u>before</u> BREXIT on March 29, 2019 to avoid double renewal fees (for EU and new UK trademark/design).
- Inclusion of the UK into the geographical scope of coexistence or licensing agreements.
- Close monitoring of political developments, in particular with regard to applications to be filed for the creation or avoidance of new UK trademarks and designs (see details below).

If the United Kingdom and the European Union reach an agreement, we recommend the same course of action. However, in this case European Union Trademarks and Registered Community Designs will remain valid in the UK until the end of the transitional period which will end on **December 31**, **2020**.

The following tables are intended to give you an overview of the scenarios and stipulations currently regarded as very likely in the event of an unregulated BREXIT or a deal. The information was inter alia published by the UK IPO in a *factsheet*, which is regularly revised (<u>Link</u>).

European Union Trademarks		
Impact on	No deal between UK/EU  Effective: March 29, 2019	Deal between UK/EU  Effective: December 31, 2020
Registered EUTM	The EUTM is automatically cloned into an identical UKTM if a service address within the European Economic Area (EEA) is currently deposited with the EUIPO.	The EUTM is automatically cloned into an identical UKTM if a service address within the European Economic Area (EEA) is currently deposited with the EUIPO.
	<ul> <li>An equivalent UKTM is cre- ated, which receives the filing date of the EUTM.</li> </ul>	A parallel UKTM is created, which receives the filing date of the EUTM.
	<ul> <li>After the BREXIT, UK may request the indication of an address in UK for the new UK trademark (necessity of a UK representative).</li> </ul>	After the BREXIT, the UK may request the indication of an ad- dress in the UK for the new UK trademark (necessity of a UK representative).
	There is the possibility of an opt-out if a new UK trademark is not desired. The deadline to opt-out is expected to be 9 months from the date of withdrawal of the UK from the EU.	There is the possibility of an opt-out if a new UK trademark is not desired. The deadline to opt-out is expected to be <b>9 months</b> from the date of withdrawal of the UK from the EU.
	<ul> <li>For EU collective and certifica- tion marks, the underlying rules and regulations must be submitted in English at the re- quest of the UKIPO.</li> </ul>	For EU collective and certification marks, the underlying rules and regulations must be submitted in English at the request of the UKIPO.
EUTM applications	Your EUTM can be cloned as soon as it is registered and if a service address within the European Economic Area (EEA) is deposited with the EUIPO.	Your EUTM can be cloned as soon as it is registered and if a service address within the European Economic Area (EEA) is deposited with the EUIPO.
	<ul> <li>An active request must be filed for the cloning of the EUTM. The period for this is expected to be 9 months from the BREXIT date.</li> </ul>	<ul> <li>An active request must be filed for the cloning of the EUTM. The period for this is expected to be <b>9 months</b> from the BREXIT date.</li> </ul>

## Renewals

- Once a new UK mark of identical filing date has been created, it will be due for renewal at the same time as the existing EUTM.
- TIP: EUTMs due for renewal from now on until 28.09.2019 should be renewed before the BREXIT date on 29.03.2019 in order to avoid double payment of the fee (for EUTM + UKTM).
- International registrations designating the EU may be renewed before BREXIT if they are due for renewal before 28.06.2019.

- Once a new UK mark of identical seniority has been created, it will be due for renewal at the same time as the existing EUTM.
- TIP: EUTMs due for renewal before the end of the transitional period until 31.12.2020 should be renewed before the end of that period in order to avoid double payment of fee (for EUTM + UKTM).
- International registrations designating the EU may be renewed up to 3 months in advance. It is recommended to do this before the end of the transition period on 31.12.2020, if the renewal is already due.

## Opposition proceedings

- In currently pending opposition proceedings against EUTMs based on EUTMs or national trademarks of EU Member States other than the UK, the challenged EUTM will be cloned provided that the opposition is finally rejected.
- In the event of an attack against an EUTM, a further attack against the newly created UKTM may be required after BREXIT, as the attack against the EUTM is not automatically regarded as an attack against the new UKTM.
- In addition, the Offices will have to negotiate how to proceed in opposition proceedings in which a UKTM is attacked based on an EUTM or in case an EUTM is attacked based on an UKTM.

- In currently pending opposition proceedings against EUTMs based on EUTMs or national trademarks of EU Member States other than the UK, the challenged EUTM will be cloned provided that the opposition is finally rejected.
- In the event of an attack against an EUTM, a further attack against the newly created UKTM may be required after BREXIT, as the attack against the EUTM is not automatically regarded as an attack against the new UKTM.
- In addition, the Offices will have to negotiate how to proceed in opposition proceedings in which a UKTM is attacked based on an EUTM or in case an EUTM is attacked based on an UKTM.

## International Registration designating the EU

- Basically, the same rules as for EUTMs should apply here.
- However, it remains to be seen how these will be implemented in practice by WIPO, EUIPO and UKIPO.
- Basically, the same rules as for EUTMs should apply here.
- However, it remains to be seen how these will be implemented in practice by WIPO, EUIPO and UKIPO.

Registered Community Designs		
Impact on	No deal between UK/EU  Effective: March 29, 2019	Deal between UK/EU  Effective: December 31, 2020
Registered Community Designs	RCDs are automatically cloned into UK Designs to create an equivalent UK Design. The same rules shall apply as for EUTMs.	RCDs are automatically cloned into UK Designs to create an equivalent UK Design. The same rules shall apply as for EUTMs.
Community Design application	RCD applications will be cloned into UK designs upon request. The same rules will apply as for EUTMs.	RCD applications will be cloned in UK designs upon request. The same rules will apply as for EUTMs.
Renewal	Once a new UK design with identical application date has been created, it will be due for renewal at the same time as the existing Registered Community Design.	Once an equivalent UK design with identical application date is created, it will be due for re- newal at the same time as the existing Registered Commu- nity Design.
	• TIP: If you own Registered Community Designs, which are due for renewal from now on until 28.09.2019, it is advisable to renew them before the withdrawal date on 29.03.2019 in order to avoid double payment of fees (for RCD + UK-Design).	TIP: Registered Community Designs due for renewal before the end of the transition period on 31.12.2020 should be renewed before the end of this period in order to avoid double payment of fees (for RCD + UK-Design).
	<ul> <li>International registrations designating the EU should be renewed before BREXIT if they are due for renewal be- fore 28.06.2019.</li> </ul>	<ul> <li>International registrations designating the EU may be renewed up to 3 months in advance. It is recommended to do this before the end of the transition period on 31.12.2020, if the extension is already due.</li> </ul>
International Registration designating the EU	Basically, the same rules should apply here as for EUTMs.	Basically, the same rules should apply here as for EUTMs.
	<ul> <li>However, it remains to be seen how these will be imple- mented in practice by WIPO, EUIPO and UKIPO.</li> </ul>	<ul> <li>However, it remains to be seen how these will be implemented in practice by WIPO, EUIPO and UKIPO.</li> </ul>

The practical implementation of the above plans by the Offices is not yet known. If there are applications to be submitted, it will be necessary to wait and see how the theory will be put into practice.

We will keep you informed about further developments, in particular with regard to requests, which have to be submitted.

Should you have any questions regarding the effects of BREXIT on your Intellectual Property rights or if you would like to find out more about the need for action, please do not hesitate to contact us at any time.



Kristina Breunig, LL.M. Attorney-at-law

k.breunig@prinz.eu



Dr. Alexander González Attorney-at-law Certified IP-Attorney

a.gonzalez@prinz.eu

Prinz & Partner mbB Rundfunkplatz 2 80335 München Telephone: +49 (0) 89 / 59 98 87-0
Telefax: +49 (0) 89 / 59 98 87-211
Email: info@prinz.eu