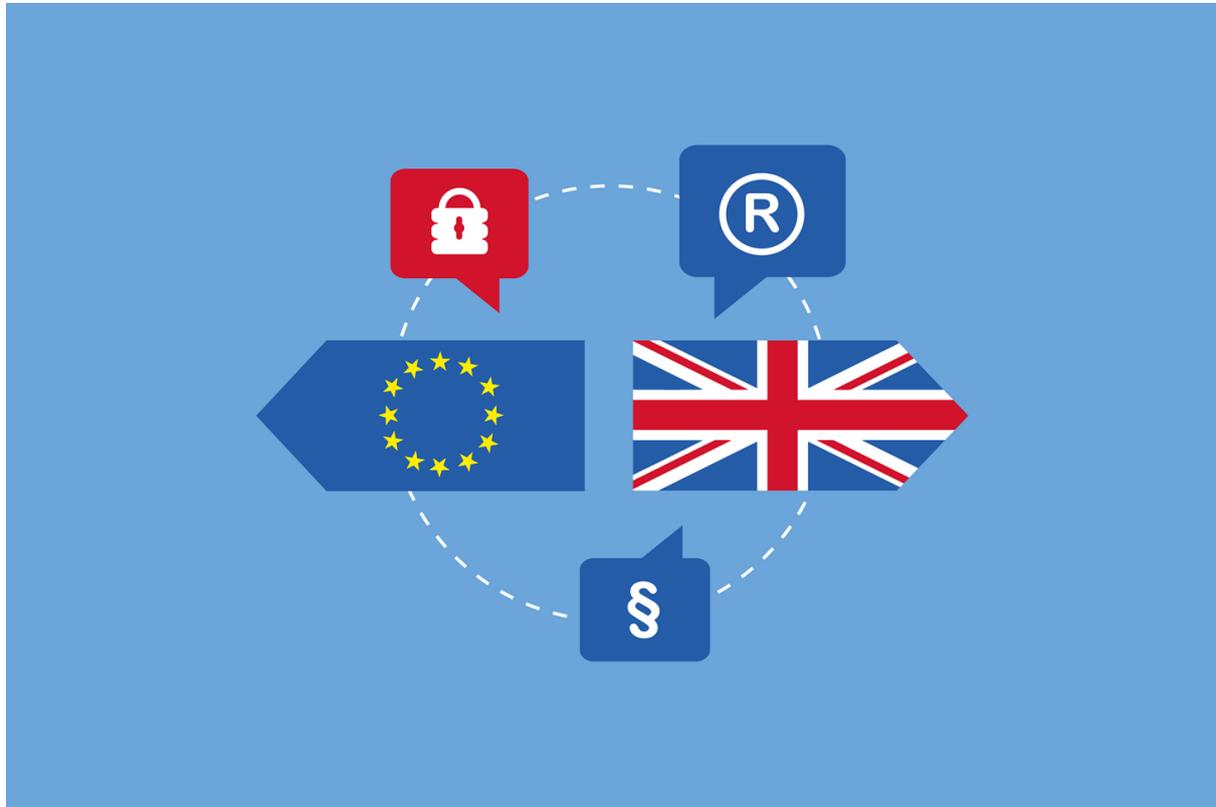


Do Not Feel Lost With the Brexit and Your Trademarks

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Unfortunately, it is not Elvis who has left the building but the United Kingdom left the EU. It is now 39 days that the transition period ended and that the provisions in the UK Withdrawal Agreement became final and are in force. After 47 years of controversy and unity the United Kingdom and the EU are separated – what a strange feeling.

This article deals with the question how the Brexit affects EU trademark owners – in a nutshell. Answers will be given to the – probably – most interesting questions.

Do I need trademark protection in the United Kingdom?

While it is not new and no surprise and even though most arrangements have probably been made to continue business with the United Kingdom and vice versa there is and will be a lot of work to do. Especially with regard to trademarks. Filing an EU trademark does no longer cover the United Kingdom and so trademark owners – or those who started to become one - are faced with the question “Do I need trademark protection in the United Kingdom?” The previous “easy” way to decide this – if at all – later during the course of business is no longer possible. From now on, the decision whether to protect a trademark in the “old” territory of the European Union includes the decision whether an application shall be filed in the United Kingdom.

And the answer is a typical for lawyers: it depends.

What happens to my EU trademark?

Owners of EU trademarks which are registered at December 31, 2020 are on the lucky side: they do not have to decide on the previous question (at least not now) as the UK Withdrawal Agreement provides that the UK IPO creates a national UK trademark with all the advantages of the EU trademark (as regards application date, priority, seniority, goods and services et.al.). At no costs. At some point in time the UK IPO sends mail to trademark owners their representatives respectively, sending the registration certificate. The registration numbers are well chosen: the UK registration number is a combination of the last eight digits of the EU trademark registration number prefixed with UK009.

What happens to my International Registration designating the United Kingdom?

The same applies to those trademarks which designate the EU in form of an international registration and where the EU accepted such designation. In these cases the international registration covers the United Kingdom via an automatic designation of the United Kingdom.

Must I accept the national trademark in the United Kingdom?

No. There is the option of opting-out: If the owner of a registered EU trademark or an registered international registration designating the EU does not need protection in the United Kingdom, it can inform the UK IPO respectively. The office will then not create a national UK trademark. But the owner must send this information proactively as there is no letter from the UK IPO asking whether it shall create a national trademark. So while this is a “nice to have” probably only few trademark owners will exercise this option. The fees have been paid so why not waiting until the renewal of the trademark? You never know what comes up in the future.

What happens to my EU trademark application?

Applicants of EU trademarks whose trademarks have not been registered until December 31, 2020 are in the unlucky position that they not only have to decide on whether they need protection in the UK but also will have to pay an additional fee for the creation of a national UK trademark. Currently, it is the usual fee of GBP 170.00 for one class and GBP 50.00 for each additional class. Moreover, according to the UK IPO, the office will then examine the application under UK law. This means that the trademark application will be fully reviewed including whether the trademark is fanciful or descriptive. And everybody who deals with trademarks knows: the UK IPO may have a different opinion on this question even though the EUIPO has already decided in the positive (of course only for those trademark applications which passed EUIPO's examination process).

For the time being it also looks like that the trademark will be published again and third parties have the chance to oppose the registration. What a pity for trademark owners whose application passed the EUIPO's examination but the opposition period did not end prior to December 31, 2020. Especially in cases where the opposition period ends on or right after December 31, 2020. Of course, the line must be drawn at some point, but from my point of view the better – and fairer – way would have been to do so at an earlier stage in the registration process, i.e. whether the application is still in EUIPO's examination process or has been published for opposition. In the first case it is still not the best approach that the UK registration fees have to be paid but in this early stage it seems reasonable because in case of a conversion the application fees of the national trademark offices have to be paid, too. However, with regard to the opposition period, it would have been more equitable, that the opposition deadline keeps on running irrespective of the end of the transition period on December 31, 2020. UK trademark owners who want to file an opposition against an allegedly similar EU trademark application could have done so prior to December 31, 2020 before the EUIPO and after before the UK IPO. Delays in handling due to administrative reasons with the UK IPO would have been acceptable.

Do I get a new application date and new priority for my comparable UK trademark?

No. At least in this respect, the UK Withdrawal agreement provides for one advantage: if the application for the creation of a national UK trademark has been filed within nine months from the end of the transition period, i.e. until September 30, 2021, and matches the EU trademark application the national trademark enjoys the application date of the EU trademark application (including the claimed priority, if any).

How do I renew?

The renewal is basically quite simple but brings us back to the first question: Do I need protection in the United Kingdom? While it was also the “easy” way in this regard to just renew the EU registration and get a – from this standpoint – valid trademark in all Member States, sooner or later all trademark owners are faced with this question when it comes to renewal. After December 31, 2020 renewing the EU trademark does, of course, no longer include the renewal of the comparable national UK trademark. The UK IPO is responsible for this renewal. It goes without saying that renewing one does not affect the validity of the other.

If the renewal is due the UK IPO first sends a letter informing of the upcoming renewal and the reminder that a renewal for the protection in the United Kingdom must be filed before the UK IPO (and no longer before the EUIPO).

What about use?

The provisions on how the EUIPO and the UK IPO will deal with the use are obvious: If the question of genuine use comes up in a proceeding, the answer to whether the use in the EU counts as use in the UK and vice versa depends on the time for which use needs to be proven. As long as the period covers at least also the time prior to December 31, 2020, the use within the EU covers the use in the territory of the United Kingdom irrespective whether the trademark has actually been used in the United Kingdom and vice versa, i.e. use in the United Kingdom is relevant to show the use in the EU.

If, on the other hand, the relevant period only covers the period after December 31, 2020, the separate path is also evident here: the trademark must have been/will be used in the territory of the United Kingdom in order to escape a corresponding attack. Similarly, the EU trademark must be used in the territory of the European Union. Use in the other territory is no longer sufficient.

Cancellation of EU trademark but protection in the United Kingdom?

Yes, this is possible. The UK Withdrawal Agreement provides for another advantage: if a EU trademark application is threatened to be canceled in an opposition, cancellation or other proceeding or law suit, a national UK trademark can still be created, if the reason for the cancellation is not due for UK. The possibility of conversion provided for in EU trademark law is therefore maintained for the United Kingdom. E.g. if an EU trademark application will be cancelled based on an opposition based on a national German trademark, it remains that a creation of a national UK trademark is possible – at least if the application for the creation of a national UK trademark is filed on or before September 30, 2021.

Do I need a new representative?

Yes and before both offices. Lawyers who are admitted to work within the Member States of the EU cannot represent trademark owners before the UK IPO and lawyers admitted in the United Kingdom cannot represent before the EUIPO. But there is no hurry to find a new representative in the United Kingdom or the EU due to that a grace period of three years is granted. Until then, both offices will

send all communication to the currently registered representatives. Obviously this applies only to rather administrative matters and not if it comes to proceedings affecting the material UK or EU trademark law, like the question of distinctiveness, opposition or cancellation proceedings.

Outlook

Summarizing the above, the way how trademarks will be dealt with after the Brexit are in most cases fair and equitable. Most likely the most interesting question for trademark owners is the first question – Do I need protection in the United Kingdom? But is this question really so difficult? The answer is based on the prediction whether the goods and/or service can and shall also be offered in the United Kingdom. But in the end this question is not that new: trademark owners always need to decide on whether the protection in a certain country is of interest. The luxury that a EU trademark gives with covering – now – 27 Member States is rather rare and finds an equivalent only in the OAPI. The only thing that is new is that it is new for the United Kingdom. So it is more to keep in mind that this question needs to be answered in order to avoid a gap in trademark protection. The future will show whether trademark owners apply for trademark protection in the United Kingdom in the sense of a “just in case” or on a founded decision.

Aside from this question another important thing to do is find a law firm in the United Kingdom and in the EU which will act as representative. But will there be more work for UK and EU trademark lawyers? In any case until the UK IPO has created a national trademark for each EU trademark registration and application as well as each international registration. That will be a lot of paper work. But afterwards? It will be interesting to see whether more or less trademarks will be filed in the United Kingdom.

In any event: do not feel lost with the Brexit and your trademarks – and if you do, we help you.



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