

The European Commission warns EU trademark owners of the possible consequences of Brexit

Negotiations between the European Commission and the United Kingdom concerning Intellectual Property rights are now getting under way in this second phase. The negotiations are to conclude in Autumn 2018 so that the *Withdrawal Agreement* can be approved by 29 March 2019. Thus, a transitional period would begin on 30 March 2019 and would be set to end on 31 December 2020.

This past September the Commission published a [position paper](#) setting out its **stance in preparation for the negotiations on intellectual property rights with the United Kingdom** with a view to ensuring the circulation of goods between the EU and the UK after 30 March 2019.

The **Commission's position posits that withdrawal by the United Kingdom should not result in the loss of protection of the rights in the UK acquired by the owners of EU trade marks**, and it proposes that those rights should be recognised by the United Kingdom automatically on completion of a simple procedure with the British authorities (unspecified at this point) not to be too costly for trade mark owners.

However, the Commission has asked the United Kingdom to implement national **legislation dealing with geographical indications**, something it does not currently have, to ensure that geographical indications will be protected after 30 March 2019, as they are under EU legislation.

In an official notice released last 22 January, the European Commission **advised stakeholders to consider the possible repercussions of the United Kingdom's exit from the European Union** –both for national authorities and for private parties– and to act to forestall them.

It advised that even though the European Union's position supports automatic continuity of protection of EU marks in the United Kingdom, any such continuity will have to be approved by law in the UK. It recommends businesses to plan for the potential consequences of Brexit after 30 March 2019, the date – unless another date is set – on which the United Kingdom will become a “non-Member” State of the European Union.

The effects of the loss of effect by European Union regulations on trade marks could include:

1. European Union trade mark registrations that predate 30 March 2019 will cease to have effect in the United Kingdom, and pending trade mark applications will no longer cover the United Kingdom after 30 March 2019;

2. Seniority will no longer be claimable on the basis of UK trade marks, and British seniorities claimed for EU trade marks will cease to have effect.

3. The United Kingdom will no longer be considered to be a designated territory under international marks that designate the EU.

4. Starting on 30 March 2019, British trade marks may no longer be used as grounds in opposition proceedings at the EUIPO.

5. Use of a trade mark in the United Kingdom will no longer suffice for purposes of maintaining EU trade marks as of 30 March 2019. Similarly, after 30 March 2019 EU trade mark owners will no longer be able to rely on distinctiveness acquired through use of their EU trade mark in the United Kingdom.

6. Decisions issued by the EU courts will no longer have effect in the territory of the United Kingdom from 30 March 2019, and decisions taken before that date will have to be applied in the United Kingdom in accordance with British law.

7. British courts will cease to have jurisdiction in EU trade mark matters, hence in the case of EU trade marks with a British owner, infringement proceedings will have to be brought in the courts of the Member State in which the complainant has residence or, if the complainant is not a resident of a Member State of the EU, in Alicante (as the headquarters city of EUIPO).

On the other hand, indications are that English will continue to be an official language of EUIPO and that as a consequence proceedings will still be able to be brought in English, inasmuch as it is an official language in Ireland and Malta. It will still be possible to claim priority for an EU trade mark based on a British mark, since the United Kingdom is a signatory country of the Paris Convention.

The Commission's recommendation –which is also our recommendation in view of the uncertainties involved in this second phase of the negotiations– is **to start taking steps to limit the impact of Brexit right away** so as to obviate the effects on trade mark owners that could ensue from a bad Agreement.

Please do not hesitate to write to your usual contact at ELZABURU or to brevit@elzaburu.es in case you need further clarification on these aspects or any other related to the Brexit