

# BREXIT:

## Getting closer every day

Now that 31 December 2020 is approaching, it is a good time to take a look at some of the most relevant aspects of Brexit in terms of trademarks:

1. The first aspect we must keep in mind is that **everything will remain the same until 31 December 2020**; in other words, European Union trademarks (EUTM) will have full effect in the UK, as if there were no Brexit.
2. **Considerations with regard to trademark applications and registrations in the EU (EUTMs):**
  - (a) From 1 January 2021, **the UK Intellectual Property Office (UKIPO) will “clone” all registered EUTM**, as well as Community designs, as UK national rights, **at no cost or administrative burden for their holders**.

Moreover, if ELZABURU is the representative of record for a EUTM, we remain the agents for the cloned trademark, in the comparable right generated in the UK. This will be done automatically, without the intervention of the trademark owners.

At ELZABURU, we will also divide the EUTM files: we will keep the original EUTM file for the remaining 27 EU Member countries and we will also open a national trademark file for the UK that will maintain exactly the same particulars as the EUTM file, including priority and, where appropriate, UK seniority.

- (b) The Agreement between the EU and the UK also provides for the possibility of an **opt-out** for those who do not wish to retain comparable rights in the UK. However, this option can only be exercised from 1 January 2021.
- (c) The automatic “cloning” system is only applicable with respect to trademarks that are registered by 31 December 2020.

Therefore, it is important to note that **any EUTM applications pending on 31 December 2020 will not be able to benefit from this kind of automatic “cloning”** and, therefore, will continue to be processed by the EUIPO but only with respect to the 27 EU Member countries and not the UK.

However, the holder of the EUTM will have **9 months (from 1 January 2021) to refile the same EUTM application as a UK national trademark** (same trademark, holder, logo and goods/services) maintaining the priority of the EUTM.

The UKIPO would process that application *ex novo*, like any other trademark application filed in the UK. Obviously, this refiling will entail the corresponding costs of any new trademark application filed in the UK.

- (d) With regard to the **implications for the renewal of trademark registrations**, it is important to note that any EUTM expiring after 31 December 2020 will require renewal not only with the EUIPO, but also at the UKIPO if the owner wishes to maintain existing rights in the UK.

In this context, it should be noted that the early renewal of an EUTM which expires after 1 January 2021 will not obviate the need to renew the comparable UK right.

**In short:** if the EUTM is registered by 31 December 2020, nothing needs to be done (cloning does not entail any cost or administrative burden), while if a EUTM application is pending on that date, it will be necessary to refile it in the UK, maintaining the priority of the EUTM.

### 3. Considerations regarding opposition and invalidity procedures before the EUIPO:

- (a) During the **transition period**, which ends on 31 December 2020, the opposition and invalidity procedures remain unchanged.
- (b) In order for an EUTM to be refused or invalidated on the basis of earlier European Union trademark rights, there must be relative grounds for refusal in the EU at the time when the EUIPO adopts its decision.

Therefore, **from 1 January 2021**, relative grounds for refusal which exist **only in the UK** cannot be used as a basis for refusing an EUTM application or for invalidating an existing EUTM registration through an invalidity action. The EUIPO will reject directly and without further formality any opposition or invalidity action based solely on a UK right and each party shall bear its own costs.

In the event that other bases have been designated, the procedure will continue as normal, but the UK trademark right will not be considered as a basis.

- (c) It is unlikely that most of the current oppositions to EUTM applications will be resolved before 31 December 2020. This will result, as indicated in point 2(c), in such EUTM applications not being “cloned” at the UKIPO, that is, not benefiting from the creation of a comparable right in the UK.

**Monitoring will therefore be necessary to see whether the mark is reproduced in the UK in order to be able to file an opposition in that jurisdiction**, bearing in mind that such an opposition may no longer be based on an EUTM. ELZABURU can set up monitoring of this nature in the UK if so desired.

**In short:** Opposition proceedings and invalidity actions filed at the EUIPO which are based exclusively on a right protected in the UK will be rejected by the EUIPO. If there are more grounds, the opposition or application for a declaration of invalidity will proceed, but without considering the UK rights as a basis.

*Please do not hesitate to write to your usual contact at ELZABURU or to the email address [brevit@elzaburu.es](mailto:brevit@elzaburu.es) should you require further clarification on these aspects or any other related to Brexit*