

# Brexit: European Union Trademarks – Situation as from 1 January 2021

The United Kingdom ("UK") left the European Union ("EU") on 31 January 2020 and Brexit's transition period will end on 31 December 2020. Here is what will change for EU trademarks ("EUTM") starting on 1 January 2021:

## *What will happen to registered EU trademarks?*

EUTMs will no longer be protected in the UK.

However, the UK's Intellectual Property Office ("IPO") will automatically grant a comparable UK trademark to owners of fully registered EUTMs prior to 1 January 2021 (for the same sign and the same goods or services). The aim is to keep the administrative process for protection of trademarks in the UK to a minimum. Hence, the owners of the registered EUTMs will have no specific formalities to undertake and no fees to pay for obtaining a comparable UK trademark.

The comparable UK trademark owner will keep the original EUTM filing date as well as the original priority date, in relation to the protection in the UK.

The IPO will not notify the owners individually of the automatic creation of their comparable UK trademark and will not send them a registration certificate. However, the comparable UK trademark owners will be able to access the details of their comparable UK trademark on the website of the IPO.

The number allocated to the comparable UK trademark will be the last eight digits of the EUTM prefixed with "UK009" (e.g. an existing EUTM registered under number 016261661 would be referenced under number UK00916261661 for its comparable UK trademark).

The principle mentioned above will also apply to holders of international trademarks designating the EU that are fully registered prior to 1 January 2021 (at least for the EU designation). The number allocated to the comparable UK trademark will be the last eight characters of the international trademark prefixed with "UK008".

### *What about renewal?*

In the event of renewal, once a comparable UK trademark is created, a separate renewal fee will apply for (i) each comparable UK trademark and (ii) the corresponding EUTM. The comparable UK trademark will retain the existing renewal date of the corresponding EUTM.

### *What is "opt-out"?*

Where an EUTM owner is not interested in holding a UK trademark right, the owner may opt out of the comparable UK trademark scheme by submitting a request to the IPO (only after 1 January 2021) subject to certain conditions. The notice template to be filled out will be available on [www.gov.uk](http://www.gov.uk) as from 1 January 2021. Opt-out will be effective only if third parties having an interest in the EUTM (i.e. a licensee, a pledgee) were notified by the EUTM owner of such a request.

Opting out of the UK trademark protection will not be an option if the comparable UK trademark has been used in the UK or was assigned, licensed or subject to another agreement with a third party or when the EUTM owner has initiated judicial proceedings based upon the comparable UK trademark.

The IPO specifies that if the opt-out right is exercised while conditions were not properly fulfilled, the comparable UK trademark may be reinstated if it was removed from the UK trademark register. At this stage, the IPO has not provided more information regarding the mechanism of opting out.

### *What will happen to EUTM applications filed before the EU Intellectual Property Office ("EUIPO") but still pending on 31 December 2020?*

In this case, if the EUTM applicant wishes to obtain trademark protection in the UK for the same sign and the same goods or services as those applied for at European Union level, the applicant must apply for a comparable UK trademark against payment of the usual UK fees by 30 September 2021 (included). The EUTM applicant will then be allowed to keep its EUTM application's filing or priority date when applying for the comparable UK trademark.

The same rule will apply for holders of international trademarks designating the EU for which the EUIPO has not yet granted protection on 1 January 2021.

### *How will genuine use and reputation be assessed after 31 December 2020?*

If a UK trademark owner does not use its trademark in the UK for an uninterrupted period of five years, the owner's rights over this UK trademark may be challenged (in the same manner as non-use of an EUTM for five years may lead to revocation of rights over the EUTM). The rules were adapted as follows in relation to use of comparable UK trademarks:

- the use of an EUTM within the EU during the 5 years preceding 1 January 2021 will be considered as use of the comparable UK trademark;

- as from 1 January 2021, the five-year period of reference shall be divided between the use before and after this date (where relevant). The use in the EU before 1 January 2021 will be taken into account for assessing the use of comparable UK trademarks while, after 1 January 2021, the use in the EU (and therefore outside of the UK) will be disregarded.

The reputation acquired by an EUTM within the EU but outside of the UK before 1 January 2021 will also be taken into account for the assessment of the reputation of the comparable UK trademark. As from 1 January 2021, the continuing reputation of that comparable UK trademark shall be based on the use of the trademark in the UK.

***What about the licences or the security interests recorded in the EUTM register before 1 January 2021?***

In this case, the IPO mentions that the licence or security interest recorded against an EUTM will, in principle, continue to have legal effect in the UK. The EUTM owner shall verify whether the terms of the agreement with its counterpart authorise actions in the UK and whether this new independent right (licence or security interest) having legal effect in the UK does not violate any other agreement.

The IPO specifies that the owners of comparable UK trademarks willing to record the licence or the security interest with the UK trademark register may do so until 31 December 2021.

Finally, where an EUTM has been the subject of an assignment before 1 January 2021 that has not been recorded in the EUTM register, the comparable UK trademark will be granted to the assignor. The assignor or the assignee may then request registration of the comparable UK trademark in the name of the assignee.

*NB: Under Articles 54, 56 and 59 of the Withdrawal Agreement<sup>1</sup>, the rules pertaining to EUTMs will also apply to registered Community designs.*

Should you have any question regarding your trademark(s) in the context of Brexit, please feel free to contact our dedicated [ICT, IP and data protection team](#).

This may also interest you :

- [Data Protection - Consequences of a no-deal Brexit on personal data transfers to the UK](#)
- [Online platforms: storing infringing products on behalf of third parties does not constitute trademark use](#)

- <sup>1</sup> Agreement on the withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community (Official Journal of the European Union, L 029, 31 January 2020) : [available here](#).

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