

Brexit and brands

Whatever else you think of 'Brexit', it's not all bad news for UK trade mark owners.



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Mat heads up our team of specialist in-house trade mark attorneys and helps charities and social enterprises with their registration and management of large international trade mark portfolios, and the effective resolution of trade mark disputes without resorting to court action. He has more than 15 years' experience of assisting clients with registration and protection of their intellectual property rights.

Mathew Healey explains the likely impact of Brexit on trade marks

Brexit will have a significant impact on countless areas, and one of those most acutely affected will be the business of protecting names and brands. Trade mark law is highly harmonised across the EU: our UK trade marks statutes are tied to an EU directive, and there is a single 'EU Trade Mark' registration that allows for brands to be protected across all 28 member states.

One of our clients' biggest concerns has been 'what will happen to our EU Trade Marks?' Firstly, and crucially, nothing will change in the short term. The UK will remain a member of the EU during the two-year period following the triggering of Article 50, and EU Trade Marks will continue to be effective within the UK during that time.

Once the Brexit process has been completed, EU Trade Mark registrations will no longer offer protection in the UK, although they will remain effective throughout the EU as constituted at that point.

The good news is that provision will almost certainly be made for EU Trade Mark owners to retain their existing rights in the UK under those registrations. The exact mechanism has not been determined, but one possibility is that owners will be able to split existing EU registrations into two separate rights, one covering the UK and one covering the remainder of the EU. There may be a re-registration process with associated costs, but we're hopeful this will not be the case, at least for UK-based trade mark owners. We are monitoring the situation, and when there is more to report we'll be getting in touch with EU Trade Mark owners to advise on next steps.

Clients with interests in more than one territory often ask whether, in the current circumstances, they should still be applying to register EU Trade Marks, or whether they should follow a different approach. For now, our advice is to continue to register EU Trade Marks on the basis that, whatever happens, there is likely to be continuity of protection. Even if this ultimately requires a re-registration process, the cost is unlikely to be greater than the additional

expense of filing separate EU and UK applications from the outset.

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The second major implication of Brexit in this area is that English trade mark law will cease to be determined at an EU level. The Court of Justice of the European Union (CJEU) is currently the final court of appeal in UK trade mark matters. The UK courts refer knotty legal questions to the CJEU, which issues a binding opinion that determines how the point is decided the next time it arises before the local court in London, Lisbon or wherever else.

Following Brexit, this will probably change. This means that, over time, the trade mark laws in the UK (and, of course, in many other areas) are likely to diverge from those in the rest of the EU. This will be inconvenient, particularly, for those whose brands are used and protected across multiple jurisdictions.

BWB says

However, whatever else you think of Brexit this change, could, over time, be good for British SMEs and charities. The EU courts have, in my view, tended to reach decisions that help big businesses, particularly pan-European businesses, whereas the English courts have taken a more rounded approach, balancing the interests of organisations of all kinds, as well as consumers' rights not to be misled.

We're hoping that the English courts will foster an environment that helps UK charities and social enterprises to develop and protect their brands.

Mat Healey