



# CONFLICTS REGARDING COMPARABLE UK TRADEMARKS AFTER BREXIT

Written by Chloe Papageorgiou, September 2022

## INTRODUCTION

The United Kingdom withdrew from the European Union, also known as Brexit, on 31 January 2020, entering a transition period which ended on 31 December 2020. Subsequently, one of the main changes that has arisen from Brexit are the conflicts surrounding comparable UK trademarks.

It has been over a year since Brexit has come into effect and there are many questions surrounding the trademark area, such as what will happen to the rights given by EU trademark (EUTM) registrations, pending EUTM applications and use and reputation of the trademarks.



This article will highlight exactly how this event has affected the trademark area and how you can protect your own trademark.

### WHAT IS A TRADEMARK?

A trademark is a type of intellectual property which can be manifested in designs, symbols, words and more. Its purpose is to identify products or services from each other and provide a distinguishable aspect in the marketplace.

### WHAT IS BREXIT?

Brexit, which took place on 31 January 2020, was the withdrawal of the UK from the EU. The event occurred as a result of former Prime Minister David Cameron promising to hold a referendum, and subsequently holding it on 23 June 2016. The word 'Brexit', is an abbreviation of the words 'Britain' and 'exit'.

## WHAT HAPPENED AT THE END OF THE TRANSITION PERIOD ON 31 DECEMBER 2020?

On 31 December 2020, also referred to as IP Completion Day, all trademarks in the European Union Intellectual Property Office (EUIPO) database had been cloned by the UK Intellectual Property Office automatically with no fee paid by the owner. The UK cloned rights still maintain the filing dates of EU registrations, which signifies that the UK clones keep the same protection that the original EUTM rights had. Notably, there is still protection provided by EUTM registrations in the remaining 27 EU Member States as they are not affected by Brexit. The cloned trademarks also maintain the same registered number, however with an added 'UK' prefix. Moreover, UK cloned rights are independent UK rights so therefore must be dealt with separately from the EUTMs.

Initially, it was not possible for owners to opt out of this process, however, they are now able to complete an opt out form if they do not wish to have a cloned UK right.

## EFFECTS OF THE CLONING ON USE AND REPUTATION

It must be noted that trademarks with a reputation have a higher level of protection than normal; therefore, understanding the effects on use and reputation is crucial to trademark owners. The purpose of proving use helps demonstrate the reputation of the trademark, showing that the trademark is distinctive and also allowing the owner to be able to support their case more effectively in the event of an opposition. If one desires to apply for cancellation actions, they may have to prove use or reputation of earlier registration.

In the case of Brexit and the following trademark cloning, if



the period where use had to be proven fell prior to 31 December 2020, the original use, which can be in every Member State of the EU, of the EUTM would count as use of the comparable UK trademark according to that period. As an example, if an owner of a comparable UK trademark is required to prove use of their trademark during the period between 1 October 2019 and 31 December 2020, the use of the EUTM within the EU would support use of the UK trademark.

Moreover, suppose that there is an EUTM registration for which the use made is solely in the UK. If then, a non-use action is filed against this registration, the use made in the UK will be taken into account until 31 December 2020. Therefore, the EUTM registration can only be revoked for non-use when the use in the UK ceases to be seen as relevant to maintain the EUTM registration.

Subsequently, this means that the EUTM registration can not be revoked until after 31 December 2025, due to the UK use ceasing to be taken into account for five years. However, in practice this period where only UK use can be relied on is likely to be shorter than five full years.

Furthermore, since use in the EU will be taken into account until IP Completion Day, if a non-use action is filed against the UK cloned right, the use made in the EU will be taken into account. In other words, UK cloned rights can not be revoked for non-use until after 31 December 2025, even if the trademark has never been used in the UK. These same considerations also apply for reputation in UK actions.

## **CHANGES ON CANCELLATIONS AND SUBSEQUENT DISPUTES**

Brexit will have a limited effect on any ongoing UK oppositions or cancellations. This is due to the fact that, whether UK or EU-wide, rights still give protection in the UK following IP Completion Day. The Withdrawal Agreement requires that the outcomes of pending cancellation proceedings that surround EUTMs at the end of the transition period will be applied to the comparable UK trademark. In other words, if you own an EUTM that is subject to cancellation actions and is subsequently cancelled in either whole or partial ways, your UK comparable right will be affected

in the same way. For example, if something is deemed to be invalid on the EUTM front, it will also be invalid as a cloned trademark. Therefore, it is not necessary to bring a new cancellation action before the UK IPO. However, applications that are pending as of December 31 are the exception. Their corresponding UK rights will not be created automatically and instead, the owner is required to file an application for rights to be extended to the UK.

In other words, an opposition takes place when one tries to stop a published mark from being registered. In relation to oppositions, from a perspective which contradicts the concept that there would be limited changes, according to law firm Mathys & Squire, the number of oppositions to UK trade mark applications has more than doubled to 8,026 in 2021, from 3,584 in 2020. With disputes arguably having arisen due to

### **AN EXAMPLE OF AN OPPOSITION**

McDonald's has opposed an application to register the trademark "McVegan" in the UK and has subsequently succeeded.

Brexit, the need to have a separate application to protect a trade mark in the UK has caused a "major rush" to file applications which subsequently increased the number of oppositions also filed. The main problem that may arise is the fact that there is now a need to deal with more steps in order to ensure sufficient protection, signifying that the rush to file applications in order to maintain protection has inevitably caused more disputes.

### **POTENTIAL DOWNSIDES**

It becomes clear that one potential consequence that has arisen is the fact that an EUTM is valid in all the 27 member states of the EU while a UK trademark is only valid in the UK.

Therefore, these two are separate trademarks which require to be renewed at separate times which prior to the changes created by Brexit, would not have been a previous issue.

Furthermore, although owners initially did not need to pay for the UK comparable trademark, it is now necessary to pay renewable fees to the UK IPO as well as fees for renewing the EUTM for the EU27. Subsequently, if there are infringements in more than one EU country, one would have to



**Stamatopoulos Eftychidou**

*legal consultants*

separately sue in the UK, which previously would only have required suing in one EU country on behalf of all EU Member States. Therefore, this could create potential problems due to needing to cover twice the amount of ground and costs.

## CONCLUDING REMARKS

Following the UK's departure from the European Union, conflicts regarding comparable UK trademarks have been one of the many outcomes that have risen due to Brexit. The cloning process of comparable trademarks has had new effects on use, reputation, oppositions and cancellation actions surrounding trademarks. Thus, the outlook and landscape for trademarks in the UK has changed considerably and it is crucial to be aware of the different rules in place and changes that have come subsequent to the cloning.



## CONTACT US



[HTTPS://STAMEFT.COM](https://stameft.com)



[INFO@STAMEFT.COM](mailto:info@stameft.com)



2103808701



**Stamatopoulos Eftychidou**

*legal consultants*