



European Communities Trade Mark Association

21 June 2018

Mr Francois Arbault  
The European Commission  
Task Force for the Preparation and Conduct  
of the Negotiations with the United Kingdom  
under Article 50 TEU

**STATEMENT REGARDING THE NEGOTIATIONS CONCERNING THE EXIT  
OF THE UNITED KINGDOM WITH REGARD TO INTELLECTUAL PROPERTY RIGHTS,  
PARTICULARLY GEOGRAPHICAL INDICATIONS, TRADE MARKS AND DESIGNS**

Dear Mr. Arbault,

As indicated in the Joint Statement by the seven intellectual property associations, **ECTA** among them, dated 23 March 2018 each association might put at your disposal separate views on any issue remaining. The Joint Statement is touching upon the treatment of existing rights, pending rights, unregistered designs, use, exhaustion of rights and enforcement. The issue of representation is left to each association to form its own view.

ECTA notes with satisfaction that the general principles of *minimum disruption*, *minimum cost* and *maximum retention of rights* have basically been reflected in the Draft Withdrawal Agreement issued by the European Commission, dated 28 February 2018. We understand further, according to the parties' announcement on 19 March 2018, that there is an agreement on a large part of the issues treated in the Draft.

ECTA does also note that a transitional period from 29 March 2019 to December 2020 has been agreed during which time the United Kingdom (UK) will remain a member of the European Union (EU).

There are, however, some matters ECTA would like to draw to your attention, such as the continued protection of Geographical Indications (GIs) and similar rights in the UK, how EU Trade Marks (EUTMs) and Registered Community Designs (RCDs) should continue to be protected in the UK post-Brexit.

## **1. Geographical Indications**

The Draft Withdrawal Agreement provides for the protection of those GIs, traditional specialities guaranteed (TSGs) and traditional terms for wine (TTs) in post-Brexit UK, which were protected on the last day of the transitional period. The post-Brexit protection of these rights shall be granted under the UK law. The level of protection shall be at least the same as the level of protection provided in the respective EU instruments.

Cancellation actions against EU GIs, pending on the last day of the transitional period, will affect the validity of the respective post-Brexit UK GIs. This seems fair.



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The Draft Withdrawal Agreement does not contain any provisions on EU GI applications pending on the last day of the transitional period. Therefore, the parties shall provide for a right for EU GI applicants to extend their pending EU GI applications to UK GI applications so that they do not have to refile their applications in the UK. This extension to the new UK scheme should safeguard the original EU filing date (all the more so as there is no equivalent to the right of priority applicable to trade marks, and because the examination of a GI application takes a significant time). Conversely, for clarification and legal certainty, we recommend confirming in writing that UK-based GIs protected in the EU will remain in force in EU27 after Brexit.

Concerning EUTM applications, the Draft Withdrawal Agreement does not provide for a similar extension, however, for an ad hoc priority rule: the applicants of EUTMs, who file a UK application within 6 months (in the most current version - 9 months) of the last day of the transitional period, may retain the priority of the EUTMs for their respective UK trade marks. Since priority is not so relevant for GIs, the solution for EUTMs does not seem to fit the purpose. Therefore, EU GI applications (including TTs and TSGs) pending on the last day of the transitional period shall be extendable to UK GI applications.

The Draft Withdrawal Agreement does not contain any provisions on the fate of UK-related EU GIs following Brexit. This shall be clarified for the sake of legal certainty.

## **2. EUTMs and RCDs post-Brexit**

It is noted that EUTMs and RCDs, which are granted before the end of the transitional period will continue to be protected in the UK by a UK comparable right. This will hopefully reduce the number of new UK applications filed to mirror existing registered EUTMs and RCDs and thus ease the burden of the UK Intellectual Property Office (UKIPO).

ECTA furthermore notes that filing, priority and seniority dates and claims will be preserved and the first renewal dates will remain the same as the parent EU right. It is important that UK rights, which have been allowed to lapse will be capable of resurrection in order for seniority claims to be preserved. Registration dates should remain the same, not only the first renewal date. This is important for IP owners as is that registration numbers are reflected into the UK rights, possibly with a prefix. The matter should of course finally be decided by the UK authorities. ECTA finds it important, however, that the UK ensures that the above mentioned information is easily traceable. This makes the system clearly more transparent.

ECTA further underlines that the creation of the comparable UK right should take place automatically and without cost for the IP owner. Although this is also reflected in the Draft Withdrawal Agreement, ECTA notices that the UK has not yet agreed to it and this very much concerns ECTA and its constituency. It is not practical to establish an application procedure taking into account that there are more than one million registered EUTMs. For handling any opt-outs a small fee could be contemplated, however, to compensate for some of the costs of the automatic transfer.

It is understood that despite earlier views a UK right may continue to be in force despite a EUTM or RCD, judicial proceedings concerning which were on-going at the end of the



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transitional period, being declared invalid or revoked by the EUIPO. ECTA is of the opinion that the UKIPO should have the final say in these cases.

ECTA notes with satisfaction that a comparable UK right will be able to benefit from a reputation acquired through use of the parent EUTM in the EU27 before the end of the transitional period, but thereafter the reputation will be dependent on the use of the particular right in the UK. The UK government should be encouraged to introduce a long enough time period during which such national reputation can be established.

ECTA does recognize that a lot of uncertainty is connected to the treatment by the EUIPO and the EU courts of pending unitary rights once the transitional period has lapsed. To secure certainty a solution could be that the decisions made by the EUIPO and the EU courts also would be binding for the comparable rights if not a clear national constitutional obstacle can be shown. This should of course be reflected in the agreement between the parties.

### **Final remarks**

As concerns the representation issue, this will depend on the type of relationship that will be finally agreed between the EU-27 and the UK. Therefore, ECTA cannot at this stage take a position on this issue.

ECTA is most grateful for being able to continue the dialogue with you and hopes that the views ventilated above are of use when conducting your important task under Article 50 TEU.

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# ECTA

European Communities Trade Mark Association

ECTA, which was formed in 1980, is an organisation concerned primarily with trade marks and designs. ECTA has approximately 1,500 members, coming from all the Member States of the EU, with associate Members from more than 50 other countries throughout the world. ECTA brings together those practicing in the field of IP, in particular, trade marks, designs, geographical indications, copyright and related matters. These professionals are lawyers, trade mark and patent attorneys, in-house lawyers concerned with IP matters, and other specialists in these fields. ECTA does not have any direct or indirect links to, and is not funded by, any section of the tobacco industry.



The extensive work carried out by the Association, following the above guidelines, combined with the high degree of professionalism and recognised technical capabilities of its members, has established ECTA at the highest level and has allowed the Association to achieve the status of a recognised expert spokesman on all questions related to the protection and use of trade marks, designs and domain names in and throughout the European Union, and for example, in the following areas:

- Harmonization of the national laws of the EU member countries;
- European Union Trade Mark Regulation and Directive;
- Community Design Regulation and Directive;
- Organisation and practice of the EUIPO.

In addition to having close links with the European Commission and the European Union Intellectual Property Office (EUIPO), ECTA is recognised by WIPO as a non-Government Organisation (NGO).

ECTA does also take into consideration all questions arising from the new framework affecting trade marks, including the globalization of markets, the explosion of the Internet and the changes in the world economy.