INTELLECTUAL PROPERTY

Beginning our report on Intellectual Property, with a particular focus on how it may be affected by Brexit, is Niall Tierney, a Dublin based Intellectual Property lawyer with over 20 years private practice and in-house experience gained in Ireland, Switzerland and the United Kingdom.

Niall has extensive multi-jurisdictional legal experience in Soft IP law and has acted for clients across a spectrum of sectors. Here he talks to *Lawyer Monthly* about what UK businesses should expect over the next few years, what they should be concerned about, and what they should disregard all together.

What would you say are the immediate considerations for UK and EU businesses to make in regards to trademark and design protection?

My recommendation is to immediately audit your Trade Mark and Design portfolios if they comprise pan-EU Trade Mark (EUTM) and Design (RCD) rights. For businesses with UK Registered rights, nothing will change. These rights will continue to exist after the UK formally leaves the EU. However, a portfolio audit would be particularly advisable, if the 'seniority' of a UK trade mark registration has been claimed to support a corresponding EUTM. In view of Brexit, it is even more vital that these UK registrations be maintained and renewed. Seniority allows holders of EU Member State trade mark registrations to claim their 'seniority' in order to support a later filed EUTM. Seniority is claimed on the basis that EUTM holders backdate their EUTM to the earlier 'senior' national trade mark registration. Technically, this means a 'senior' UK trade mark registration is no longer needed and can then be allowed to lapse. Businesses should not now let their 'seniority' UK trade mark registrations lapse, especially those for renewal within the next two to three years.

For existing RCD design registrations, there is no need for businesses to take any immediate action. For reasons relating to the requirement of novelty, it is likely existing RCDs will continue to be protected in the UK post Brexit.

Given the urgency for the government to act, and the two year wait for change, what should these businesses be preparing for or expecting?

It is very difficult to anticipate what precise effect Brexit will have on existing EUTM and RCD rights. The process of unravelling EU IP rights protected in the UK will begin only after the UK formally notifies the EU that it is leaving. Until then, EUTMs and RCDs will continue to be enforceable in the UK. That said, businesses have to expect that their EUTMs and RCDs may no longer be automatically protected in the UK post Brexit. It is possible that conversion of the UK part of EUTMs into national UK registered rights will be allowed, but there is no guarantee of this. I therefore urge businesses to (i) keep in place existing EUTMs, and (ii) after formal UK notification of departure from the EU, consider filing new UK trade mark applications for marks where there is an existing EUTM in place.

Will it cost more for UK design firms to obtain protection throughout the EU?

Even post Brexit, UK based businesses will still be able to file and own both EUTMs and RCDs. Increased EU protection and enforcement costs for UK based businesses may however arise. Post-Brexit, UK businesses may well find it more difficult to enforce their EUTMs and RCDs because non-EU based businesses may face more obstacles in enforcing their EU registered rights than those within the EU. To offset this, I recommend that UK businesses with EUTM or RCD rights consider placing such rights within an EU based holding company. In view of its similar Common law system, Ireland is the obvious choice. Post Brexit, Ireland will be the only English speaking Common law country in the EU. Any infringement proceedings can, in the appropriate circumstances, be initiated through the English speaking EUTM court in Dublin.

Should UK businesses be concerned about their existing trademark and design protection across the EU?

UK businesses will not lose their pan EU rights, even after Brexit. What Brexit will mean is that UK businesses holding EUTMs and/or RCDs have to consider whether it is worth applying to separately protect those rights in the UK. Because rights in a trade mark registration derive from the date of filing, I would not wait for Brexit negotiations to conclude to see if a new conversion regime comes into play. My message is this – adopt and implement a dual protection strategy now. Even if a conversion regime is agreed, a 'belt and braces' strategy is still a wise filing strategy to pursue.

A few years down the line, what might change for British legal practitioners standing before EU courts on IP matters?

Post-Brexit, British lawyers may not be entitled to act before the Court of Justice of the European Union (CJEU), unless they re-qualify in an EEA Member State and are entitled to practise before the courts in that country.

British lawyers will continue to have rights of access before the EUIPO provided they are also qualified in an EEA Member State and they or their firm have their place of business in another EEA Member State. Notably, a 'brass plate' operation will not suffice as a place of business.

For those on the EUIPO list of Professional Representatives (typically non-lawyer Trade Mark Agents), they will not be entitled to act unless they are a national of an EEA Member State.

On the back of the previous CTM, and then the ETM, what kind of system could be implemented following the Brexit?

Well this really will be down to the outcome of the Brexit negotiations. I would hope that Brexit negotiations will result in EUTMs and RCDs being recognised and enforceable in the UK, although I doubt this will happen if the EU does not grant the UK full access to the single market. For this to be granted, the EU will likely require the UK to accept 'free movement of persons'.

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