

## **“Trade Marks and Designs – where next when the UK leaves the EU?”**

**Speaker:** Steve Rowan (“SR”), Director of Tribunals, Trade Marks and Designs at the UK’s Intellectual Property Office (IPO).

**Chairman:** Christopher Morcom QC (“CM”).

**Date:** 17 July 2017 at 6.00 pm

**Venue:** Bristows LLP

### **Introduction**

1. SR spoke of the critical importance of brands and designs to the UK’s economic success. SR went on to say that with the Referendum result, the IPO are aware of industry concerns on the lack of certainty on IP rights as the government negotiate the UK’s exit from the EU. SR further commented that the seminar would be an opportunity to have an informal consultation with individuals of the industry. The IPO welcomes input to comment on how we should go about protecting rights in the UK and overseas after the UK leaves the EU and how we can protect existing rights.

### **Trade Marks**

2. SR referred to the increase in the number of trade mark applications and the recent shift in the applications and who is actually making such filings.
3. It was commented that although the number of applications is on the increase, the examination team reviews each application within 5 days. It is clear, however, that the IPO will not be able to do much more without an increase in staffing.

### **Designs**

4. SR praised the new online filing system, with a take up of 95%. The success of the system has enabled the Office to reduce the fees and the new system and reduced fees have led to in an increase in application numbers by 118% in May compared to last year.
5. On how the IPO is coping with such a demand, SR said that they constantly adapting to ensure the domestic system is as lean as possible.

### **Tribunals**

6. SR provided a brief update on the tribunals and that last year the team exceeded their targets in the issuing of decisions.

### **Options for existing rights**

7. SR introduced the slide and the five possible options for existing IP rights holders. SR commented that legal practitioners have proved a vital resource in weighing up these options. The four criteria by which the IPO is assessing the different options are low cost, low complexity, maximum protection and maximum legal certainty.

8. On the EUIPO + UK, SR proposed that this option met all four of the IPO's criteria. Having said that, in order to be a member of the EUIPO, members currently have to be member states. If permission is sought, the UK would therefore have to keep UK law in line with it, as well as an issue around the potential involvement of the CJEU. The approach of the UK courts would also have to be addressed, as would they be expected to fall in line with the EU courts?
9. SR went on to talk about whether the UK would still have a seat at the management board of the EU IPO, and that even if the UK was still a member. With rights of representation there are complications on whether it would be only EEA for trademarks and EU for designs.
10. On the Montenegro option, although SR believes it will could provide good coverage and legal certainty, with low cost and complexity SR referenced a CITMA paper that talks of a the EU and UK part as parent/child.
11. With Montenegro, 900,000 EU trade marks and 200,000 RCDs would have to be imported to the UK register. Questions about when renewal fees would be due, and the possible burden of electing to move across would have on a business. It is also unclear how the UK could deal with applications currently pending. Other issues discussed by SR included address for service.

#### **What might we expect to happen to demand when we leave?**

12. The IPO has conducted research with the University of West England of which the findings were outlined on the slide.
13. On the expectation of more opposition, SR suggested this could be due to larger companies being more likely to litigate.

#### **Rights of representation**

14. SR reported how the law society has been actively involved in the rights of representation consultation as well as IPO round table discussions with the MoJ.
15. SR spoke of the need to start to quantify evidence of the impact for all legal firms – for example the amount of UK firms work that is EU based.

#### **Exhaustion of rights**

16. In the absence of the government making a decision, it will go to existing case law. There was a need for the Government to take a position on this question and that many stakeholder views on this topic were split. .

#### **Free Trade Agreements**

17. SR reported that his team is actively looking at all current free trade agreements. The team has a lot of experience in reading and evaluating FTAs.