

# The Impact of Brexit on IP Rights

## *What you need to know now*

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- Background
- Effect of Brexit on:
  - IP rights
  - Exhaustion of rights
  - Rights of representation

- UK voted to leave the EU on 23 June 2016
- UK left the EU on 31 January 2020 (Brexit)
- Brexit Transition period ended on 31 December 2020
- EU law ceased to apply in the UK from 1 January 2021

# Where are we now?

- From 1 January 2021, IP rights based on EU law have no effect in the UK
  - Deadline for re-registration of EUTMs & RCDs in UK ended 30 September 2021
- Separate application process in UK now needed for many IP Rights
  - Special considerations apply for Northern Ireland
    - UK = Great Britain + Northern Ireland
    - Arises from Protocol on Northern Ireland/Ireland to the Brexit Withdrawal Agreement (“Northern Ireland Protocol”)

# Where are we now?

- Changes to IP rights previously based on EU law:
  - SPCs
  - Trade marks
  - Registered designs
  - Geographical indications
  - Plant variety rights
  - Copyright
  - Trade secrets

# Patents & Supplementary Protection Certificates (SPCs)

- No change for European patents:
  - The European Patent Office and European Patent Convention are not related to the European Union
  - European patents consequently not affected by Brexit
  - The UK is still part of the European Patent system
  - European patents continue to cover the UK, provided the patent is validated in the UK after grant and renewal fees are paid
- National (UK) patents also continue to be available
- No change!

- SPCs extend patent protection
  - Provide compensation to companies for the time needed to obtain regulatory approval for medicinal and agrochemical products
  - Extend patent protection for active ingredients by up to five years (additional 6 months available for paediatric extensions)



- SPCs have always been national rights but were derived from EU law:
  - EU Regulation (EC) No 469/2009 (medicinal products)
  - EU Regulation (EC) No 1901/2006 (paediatric extension for medicinal products)
  - EU Regulation (EC) No 1610/96 (agrochemical products)
- EU Regulations no longer applicable in UK following Brexit

- Existing SPCs which took effect in the UK by 31 December 2020 remain valid
- SPCs granted in the UK but not yet in force by 31 December 2020 will come into force at the end of the associated patent term as normal.
- SPC applications pending in the UK by 31 December 2020 will proceed as normal. No refiling needed.

- Filing SPC applications in UK after 31 December 2021:
  - Can be based on EP or UK patent
  - Must apply within 6 months of marketing authorisation/patent being granted
  - Several options for marketing authorisation (MA):
    - Pre-existing UK MA valid across the EU equivalent to UK MA;
    - MA granted by the MHRA for Great Britain only (England, Scotland and Wales)
    - MA for Northern Ireland granted as part of the European Medicines Agency (EMA) centralised procedure
  - Territorial protection provided by SPC will depend on MA on which SPC is based

- Length of protection provided by SPC (up to 5 years) calculated from first MA in EEA or the UK
- Further 6 month protection available for medicinal products tested under a paediatric investigation plan (PIP) (“paediatric extension”)
  - PIP previously required in all EEA states for extension to apply
  - Extension now applies to UK territories where MA updated with PIP
    - Example:
    - PIP applies to GB MA = SPC term extended in GB only

# Trade Marks



- Since 1 January 2021 granted EUTMs and protected IR(EU)s no longer cover the UK
- Equivalent UK trade mark rights created from granted EUTMs and protected IR(EU)s on 1 January 2021
  - Original priority and filing dates retained
  - No re-examination
  - Independent from EU right
    - Can be challenged, assigned, licenced and renewed separately from the original EU right
- 9 month period to re-file pending EUTM applications in UK now concluded

- Since 1 January 2021 have to file separate UK TM
- Implications on the use of trade marks (non-use and reputation)
  - Period of 5 years' non-use in the UK can make TM vulnerable to challenge
  - Many comparable UK TMs created from EU rights have never been used in the UK
    - Genuine use of TM in EU before 1 January 2021 in 5-year period counts as use of UK TM
    - Use in EU after 1 January 2021 cannot support use of UKTM
- Similar implications for assessment of reputation of UK TMs

# Registered Designs



- Since 1 January 2021 granted RCDs and International (EU) designs no longer cover the UK
- Equivalent UK design rights created from granted RCDs and International (EU) designs on 1 January 2021
  - Original priority, filing and seniority dates retained
  - No re-examination
  - Independent from EU right
    - Can be challenged, assigned, licenced and renewed separately from the original EU right
- 9 month period to re-file pending RCD applications in UK now concluded

# Geographical Indications

- Geographical Indications guarantee a product's characteristics or reputation, authenticity and origin
  - Protects the product name from misuse or imitation
- Prior to Brexit, GIs registered under the EU scheme provided protection in the UK
  - Granted EU GIs converted into equivalent UK GIs on 1 January 2021
  - Note GI applications pending under EU scheme on 31 December 2020 require separate application in UK, for protection in UK
- Following Brexit, separate registration of GIs under UK scheme now necessary:
  - UK GI scheme does not cover Northern Ireland
  - GIs registered under the EU scheme continue to apply in Northern Ireland

- UK GI scheme similar to EU scheme
  - Requirements similar
  - Third-country applications possible
- Three types of GIs available:
  - Protected designation of origin (PDO)
    - Example PDO: Shetland Lamb
  - Protected geographical indication (PGI)
    - Example PGI: 鹿児島黒牛 / KAGOSHIMA WAGYU
  - Traditional speciality guaranteed (TSG)
    - Example (TSG): Traditional Farmfresh Turkey



- New logos for GIs registered under UK scheme
  - But not compulsory for products that are not of UK origin



# Plant Variety Rights (PVRs) or Plant Breeder's Rights (PBRs)



- Also known as Plant Breeder's Rights (PBRs)
- PVRs are granted for plant varieties that are:
  - Distinct
  - Uniform
  - Stable
  - New
- Provide exclusive right to commercialise variety for up to 25 years (30 years for tree, vine or potato varieties)

- Prior to Brexit, PVRs could be protected in UK via:
  - UK Plant Breeder's Right (UK PBR)
  - Community Plant Variety Right (CPVR)
  - Granted CPVRs converted into UK PBRs on 1 January 2021
  - Note: CPVRs pending on 31 December 2020 could be converted to UK PBRs (deadline: 30 June 2021)
- Post Brexit, separate registration of PVRs under UK scheme now necessary:
  - Application process for UK PBR similar to CPVR
  - UK continues to accept distinctiveness, uniformity and stability (DUS) tests carried out in EU in most cases
  - EU no longer accepts UK DUS tests for CPVR applications



Copyright

- Governed in UK by national legislation
- Harmonised by EU directives
  - Continue to apply in UK post-Brexit through implementation into UK law
- No immediate impact on copyright protection in UK as a result of Brexit
  - Divergence of UK courts from future CJEU jurisprudence possible
- But UK no longer participates in EU-wide copyrights clearance mechanisms

# Trade Secrets



- Protection previously based on common law
- UK Trade Secrets Regulations came into force in 2018 (based on EU trade secrets directive)
  - Provides protection for:
    - Information which is secret, has commercial value because it is secret, and has been subject to steps to keep it secret
    - Continues to apply in UK post-Brexit through implementation into UK law
- No immediate impact on trade secret protection in UK as a result of Brexit
  - Divergence of UK courts from future CJEU jurisprudence possible

# Unified Patents Court (UPC) and Unitary Patent

- Unified Patents Court (UPC) will provide a single court for litigation of European patents with unitary effect (“unitary patents”) and “normal” European patents
- Unified Patents Court (UPC) expected to start operations in mid- to late 2022
- Unitary Patents will become available at the same time
- Unitary Patents will not cover the UK
  - UK among original signatories of UPC Agreement in 2013 but withdrew its ratification in 2020
  - Validation of EP patent in UK possible in addition to filing request for unitary effect
  - UK validations of EP patents cannot be litigated in the UPC. UK courts have exclusive jurisdiction.

# Exhaustion of IP Rights



- Limits rights of an IP owner to restrict the sale of products placed on the market by them or with their consent
  - The IP rights is “exhausted”
- Pre-Brexit, the European Economic Area’s (EEA’s) regional exhaustion regime applied in UK
- Post-Brexit
  - Products placed on the market anywhere in the EEA are considered exhausted in the UK
  - Products placed on the market in the UK are not considered exhausted in EEA member states
  - Lack of reciprocity between EEA and UK



- Consultation on exhaustion regime by UK government launched in June 2021
- Possible options:
  - UK unilateral application of the EEA exhaustion regime (current approach)
    - Possible reciprocity by individual EEA member states
  - UK national exhaustion regime
    - Would prohibit parallel trade into the UK
  - International exhaustion regime
    - Would facilitate parallel trade into the UK
  - Mixed regime
    - E.g. different exhaustion regimes for different IP rights
- Future changes likely – watch this space!

# Impact of Brexit on Rights of Representation

- No change to right of representation before:
  - WIPO
  - EPO
  - UKIPO
    - But UK address for service needed since 1 Jan 2021
- Change to right of representation before:
  - EUIPO
    - Qualification in, Nationality of and place of business in EEA member state required
    - UK no longer a member state of the EEA
  - UPC
    - All European patent attorneys with appropriate litigation certificate – no change
    - Lawyers qualified in a UPC contracting member state – no longer includes UK

- Mewburn Ellis has
  - Offices in the UK (London, Bristol, Cambridge, Manchester)
  - Office in Germany (Munich)
- Mewburn Ellis attorneys can represent clients before
  - WIPO
  - EPO
  - UKIPO
  - DPMA
  - EUIPO
  - UPC

# Questions?

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