

Duff on Hospitality Law

Brexit Fallout: Why Brand Owners Should Consider Proactive Trademark Filings in the UK

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Brexit, the United Kingdom's (UK) decision to leave the European Union (EU), is headline news. Brexit is already impacting trademark rights in Europe, including in the hospitality industry.

New UK Filings Required. Trademark rights are conferred on a jurisdiction-by-jurisdiction basis. Going forward, brand owners will not be able to rely on a single EU trademark filing to cover the same geographic territory in Europe. In light of Brexit, brand owners now need to file trademark applications in the UK as well as the EU to protect their trademarks in the same geographic territory. For years, separate trademark filings in Norway and Switzerland (and other European countries falling outside the EU) have been required. Brexit adds the UK to the list of countries requiring separate trademark applications in Europe.

Enforcement Changes. Separate filings also means additional enforcement efforts will be needed. If an identical or confusingly similar trademark is filed in the UK and the EU, the brand owner will now need to initiate two separate opposition proceedings to protect their trademark rights.

Existing EU Filings. What happens to your existing EU trademark filings? There are no concrete answers at this time, but many UK attorneys anticipate there will be a conversion period, during which EU trademark filings can be converted to both a UK filing and a corresponding EU filing. While this is expected, there have been no assurances this process will be implemented. We also do not know how much this process will cost, or what will be required from EU registrants.

Use Implications. EU registrations are vulnerable to cancellation if the registered mark has not been used with the registered goods/services in the last 5 years. Now that the UK is leaving the EU, the registered mark will need to be used in both the UK and the EU to avoid non-use cancellation challenges. In addition, it is conceivable that use in the UK may become a prerequisite for the conversion process, if adopted. This means that brand owners need to ensure their trademarks are being used in the UK and the EU going forward.

Proactive Strategy. Brand owners can take a wait-and-see approach concerning the anticipated conversion period, or they can act proactively to file trademarks already on file in the EU in the UK. While optional, there are a number of reasons why filing UK applications now may be beneficial. Most importantly, duplicating existing EU filings in the UK could prove to be a critical, strategic move in the event the anticipated conversion period does not occur. By filing now, brand owners can ensure some degree of certainty concerning their trademark rights in the UK while the trademark repercussions of Brexit are decided.

In short, brand owners have no obligation to act now. If the anticipated conversion process occurs, many brand owners may be able to convert their EU filings into EU and UK filings and maintain their original priority dates. However, given the uncertainty surrounding the Brexit decision, and the lack of certainty surrounding the anticipated conversion process and its requirements and costs, proactive brand owners may want to file trademark applications in the UK now. One upside of Brexit is the strength of the US dollar against the British pound. By filing early, brand owners will be able to better control their trademark rights in the UK while the trademark implications of Brexit are decided.

Tags: Brexit, EU, EU registrations, EU trademark filing, European Union, hospitality industry, separate filings, separate opposition proceedings, trademark applications, trademark rights, trademarks, UK, United Kingdom