
DRAFT STATUTORY INSTRUMENTS

2020 No.

**The Intellectual Property (Amendment
etc.) (EU Exit) Regulations 2020**

PART 4

Amendments to the Trade Marks (Amendment etc.) (EU Exit) Regulations 2019

7. The Trade Marks (Amendment etc.) (EU Exit) Regulations 2019(1) are amended in accordance with this Part.

8. In regulation 2, for “exit day”, in both places it occurs, substitute “IP completion day”.

9. Schedule 1 (Amendments to the 1994 Act to make provision for certain trade marks registered as European Union trade marks to be treated as registered trade marks and about certain applications for such marks) is amended as follows—

- (a) in section 52A of the 1994 Act(2) (to be inserted by paragraph 2), for “exit day”, in both places it occurs, substitute “IP completion day”;
- (b) in Schedule 2A to the 1994 Act (to be inserted by paragraph 3)—
 - (i) for “exit day”, in each place it occurs, substitute “IP completion day”;
 - (ii) after paragraph 21, insert—

“Existing EUTM: effect of invalidity or revocation

21A.—(1) This paragraph applies where, on IP completion day, an existing EUTM is the subject of proceedings under Article 58 (Grounds for revocation), 59 (Absolute grounds for invalidity) or 60 (Relative grounds for invalidity) which have been instituted but not finally determined before IP completion day (“cancellation proceedings”).

(2) Subject to sub-paragraph (4), where—

- (a) the existing EUTM is revoked or declared invalid (whether wholly or partially) pursuant to a decision in the cancellation proceedings which is finally determined, and
- (b) the registrar has—
 - (i) received notice of the situation referred to in paragraph (a) (“a cancellation notice”), or
 - (ii) otherwise become aware of the situation referred to in paragraph (a),

(1) S.I. 2019/269.
(2) 1994 c. 26.

the registration of the comparable trade mark (EU) which derives from the existing EUTM must be revoked or declared invalid to the same extent as the existing EUTM.

(3) Where (by virtue of sub-paragraph (2)) the registration of a comparable trade mark (EU) is revoked or declared invalid to any extent, the registrar must—

- (a) remove the comparable trade mark (EU) from the register (where the revocation or declaration of invalidity relates to all the goods or services for which the existing EUTM was registered); or
- (b) amend the entry in the register listing the goods or services for which the comparable trade mark (EU) is registered (where the revocation or declaration of invalidity relates to only some of the goods or services for which the existing EUTM was registered).

(4) The registration of a comparable trade mark (EU) must not be revoked or declared invalid under sub-paragraph (2) where the grounds on which the existing EUTM was revoked or declared invalid (whether wholly or partially) would not apply or would not have been satisfied in relation to the comparable trade mark (EU)—

- (a) if the comparable trade mark (EU) had existed as at the date the cancellation proceedings were instituted, and
- (b) an application for the revocation or a declaration of invalidity of the comparable trade mark (EU) based on those grounds had been made on that date under section 46 or 47 (as the case may be).

(5) Where a comparable trade mark (EU) is revoked or declared invalid to any extent pursuant to this paragraph—

- (a) the rights of the proprietor are deemed to have ceased to that extent as from the date on which the rights of the proprietor of the existing EUTM are deemed to have ceased under the EUTM Regulation;
- (b) subject to any claim for compensation for damage caused by negligence or lack of good faith on the part of the proprietor or a claim for restitution based upon the unjust enrichment of the proprietor, the revocation or invalidity of the comparable trade mark (EU) does not affect—

- (i) a decision arising from infringement proceedings which has been finally determined and which has been enforced prior to the date on which the entry in the register of the comparable trade mark (EU) has been removed or amended pursuant to sub-paragraph (3) (“the decision date”);
- (ii) any contract entered into prior to the decision date to the extent that it has been performed prior to the decision date, subject to the right of a party to the contract to claim the repayment of any consideration paid under the contract where, having regard to the circumstances, it is fair and equitable for such repayment to be made.

(6) A cancellation notice may be submitted to the registrar by any person.

(7) For the purposes of this paragraph—

- (a) proceedings are instituted if an application or counterclaim for revocation or for a declaration of invalidity—

- (i) has been filed (and not subsequently withdrawn) with the European Union Intellectual Property Office or a court designated for the purposes of Article 123, and
 - (ii) meets the requirements for being accorded a filing date under the European Union Trade Mark Regulation and Commission Delegated Regulation (EU) 2018/625 of 5th March 2018;
 - (b) a decision is finally determined when—
 - (i) it has been determined, and
 - (ii) there is no further possibility of the determination being varied or set aside (disregarding any power to grant permission to appeal out of time).”.
- 10.** Schedule 3 (Other amendments to the 1994 Act) is amended as follows—
 - (a) for paragraph 2(4) substitute—
 - “(4) In subsection (4B)—
 - (a) in paragraph (a) for “provision of EU law” substitute “enactment or rule of law”;
 - (b) in paragraph (b) for “EU” substitute “United Kingdom”.”;
 - (b) in paragraph 4(5)(a), for “exit day” substitute “IP completion day”;
 - (c) in paragraph 10, for “exit day” substitute “IP completion day”.
- 11.** Schedule 4 (Amendments to the Rules) is amended as follows—
 - (a) for paragraph 6 substitute—
 - “**6.**—(1) Rule 11 is amended as follows.
 - (2) At the end of paragraph (1)(d), omit “.” and substitute “;”.
 - (3) After paragraph (1)(d) insert—
 - “(e) a proprietor of a comparable trade mark (EU) who sends a derogation notice to the registrar under rule 43A.”.
 - (4) In paragraph (4), for “another EEA state” substitute “an EEA state”.”.
 - (b) after paragraph 6 insert—
 - “**6A.**—(1) Rule 12 is amended as follows.
 - (2) At the end of paragraph (4)(d), omit “.” and substitute “;”.
 - (3) After paragraph (4)(d), insert—
 - “(e) in the case of the proprietor who sends a derogation notice to the registrar, the registrar must proceed as if the proprietor had not sent a derogation notice.”.
 - (c) after paragraph 10 insert—
 - “**10A.**—(1) Rule 43 is amended as follows.
 - (2) At the end of paragraph (1)(b), omit “, or” and substitute “;”.
 - (3) At the end of paragraph (1)(c), omit “,” and substitute “; or”.
 - (4) After paragraph (1)(c), insert—
 - “(d) the registration of a comparable trade mark (EU) is revoked or declared invalid to any extent under rule 43A(6),”.

(5) In paragraph (2), after “application and shall” insert “, in the cases referred to in paragraph (1)(a) to (c),”.

(6) In paragraph (3)—

- (a) after “TM8” insert “or the derogation notice”;
- (b) after “TM26(O)” omit “or” and substitute “,”;
- (c) after “TM 26(I)” insert “or notification from the registrar under rule 43(4)(b) that the comparable trade mark (EU) will be revoked or declared invalid to the same extent as the corresponding EUTM”.

10B. After rule 43 insert—

“Invalidation or revocation of Existing EUTM: Cancellation notice and procedure on application for derogation; Schedule 2A paragraph 21A

43A.—(1) A cancellation notice under paragraph 21A of Schedule 2A must—

- (a) identify the existing EUTM by the number under which the existing EUTM was registered in the EUTM Register immediately before IP completion day, together with a representation of the mark,
- (b) include the following details with regard to the decision pursuant to which the existing EUTM was revoked or declared invalid (whether wholly or partially)—
 - (i) the date of the decision (including any decision determined on appeal),
 - (ii) whether the revocation or declaration of invalidity related to all or part of the goods or services for which the existing EUTM was registered,
 - (iii) where the existing EUTM was revoked (whether wholly or partially) the date on which the revocation took effect,
- (c) be accompanied by a copy of the decision (including any decision determined on appeal) pursuant to which the existing EUTM was revoked or declared to be invalid, and
- (d) include a statement confirming that the decision pursuant to which the existing EUTM was revoked or declared invalid (whether wholly or partially) has been finally determined.

(2) Where a cancellation notice is submitted to the registrar by the proprietor of the comparable trade mark (EU) which derives from the existing EUTM, the cancellation notice must be accompanied by—

- (a) a notice (a “derogation notice”) in writing to the registrar that, based upon the provisions in paragraph 21A(4) of Schedule 2A, the comparable trade mark (EU) should not be revoked or declared invalid (whether wholly or partially), and
- (b) a statement of the reasons why paragraph 21A(4) of Schedule 2A applies (a “statement”) together with relevant supporting evidence (“supporting evidence”).

(3) Where the proprietor of a comparable trade mark (EU) submits a cancellation notice to the registrar but fails to send a derogation notice, a statement or supporting evidence, the registration of the comparable trade mark (EU) which derives from the existing EUTM identified in the cancellation notice must be

revoked or declared invalid to the same extent as the existing EUTM, unless the registrar directs otherwise.

(4) Where the registrar receives a cancellation notice submitted by a person other than the proprietor of the comparable trade mark (EU) which derives from the existing EUTM, the registrar must as soon as reasonably practicable after receipt of the cancellation notice—

- (a) send a copy of the cancellation notice to the proprietor of the comparable trade mark (EU) which derives from the existing EUTM identified in the cancellation notice, and
- (b) notify the proprietor of the comparable trade mark (EU) which derives from the existing EUTM that based upon the revocation or declaration of invalidity of the existing EUTM, the comparable trade mark (EU) will be revoked or declared invalid to the same extent as the corresponding EUTM.

(5) Where the registrar has become aware of the situation referred to in paragraph 21A(2)(a) of Schedule 2A otherwise than by a cancellation notice, the registrar must as soon as reasonably practicable after becoming aware of that situation, notify the proprietor of the comparable trade mark (EU) which derives from the existing EUTM in the terms provided in paragraph (4)(b).

(6) The proprietor of a comparable trade mark (EU) referred to in paragraph (4) and (5) must, within such period of not less than one month as may be specified in the notice referred to in paragraph (4)(b) and (5), send to the registrar a derogation notice accompanied by a statement and supporting evidence as referred to in paragraph (2), failing which the registration of the comparable trade mark (EU) must be revoked or declared invalid to the same extent as the corresponding EUTM, unless the registrar directs otherwise.

(7) The registrar must, in reaching a decision as to whether paragraph 21A(4) of Schedule 2A applies to a comparable trade mark (EU), have regard to the statement and supporting evidence filed by the proprietor of the comparable trade mark (EU) and must send written notice of the decision to the proprietor, stating the reasons for that decision.

(8) For the purposes of any appeal against a decision referred to in subparagraph (7), the date on which the notice is sent must be taken to be the date of the decision.””.

- (d) in rule 47(n) (to be inserted by paragraph 11(6)), after “corresponding EUTM” insert “, and where the corresponding EUTM is subject to cancellation proceedings, that cancellation is pending”.

12. In Schedule 5 (Consequential amendments, repeals, revocations, transitional and saving provisions), in paragraph 6, in column 2 of the first entry in the Table, for “Schedule 12” substitute “Schedule 21”.