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

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(1) (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),

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).".