

What you need to know about Brexit 2020 and your registered designs...

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3 Dec 2020

Having formally left the European Union (EU) on 31 January 2020, the United Kingdom (UK) is now in the transition period, which allows it to remain part of the EU intellectual property (IP) system until 31 December 2020. That's only a few weeks away. So, how will the UK's departure from the EU affect registered design rights holders in the UK and EU?



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Registered Community Designs (RCDs)

A design, a useful tool against copycats, can be protected if it is new and has individual character. Designs protect the appearance of the whole or part of a product, resulting from the features of lines, contours, colour, shape, texture, materials and ornamentation.

Essentially, the design of a product relates to its appearance, rather than to technical principles of its construction or operation. A design is intrinsically linked to a product. If there is no product, there can be no protection.

Why are designs important? Because appearance and exterior shape play a fundamental role in the success of a product and apply to a wide range of products: industry, fashion, jewellery, crafts, electronic devices and textiles. The product may even be a graphic symbol, like a computer icon, or a typeface.

Design protection in the EU can currently be obtained via:

- a Registered Community Design (RCD), granted by the European Union Intellectual Property Office (EUIPO), which enjoys unitary protection in all EU Member States, or
- an international registration designating the EU, filed under the Hague Agreement at WIPO.

From 1 January 2021, RCDs will no longer be valid in the UK and protection will need to be sought separately in the UK.

Similar to European Union trade marks (EUTMs) on 1 January 2021, the UK Intellectual Property Office (UKIPO) will automatically create free comparable or cloned UK designs, recorded on the UK register, as if they had been applied for and registered under UK law.

They will be created automatically and free of charge, with no action required on the part of the rights holder. Furthermore, they will:

- inherit any limitations imposed on and benefits enjoyed by corresponding RCDs, and
- reflect any declarations of invalidity made pursuant to EU proceedings.

As fully independent UK rights, they may be challenged, assigned, licensed or renewed separately from the original RCD. Such designs will be known as "re-registered designs".

Opting out of UK re-registered designs

UKIPO will create approximately 700,000 re-registered designs on 1 January 2021. Holders of this new right will be allowed to opt out of holding it, provided that it has not been assigned or licensed, nor had proceedings started pursuant to it.

Opting out will mean that the re-registered design is treated as if it had never been applied for or registered under UK law.

There does not appear to be much merit in taking advantage of this provision and, if the rights holder has no interest in the UK, it would make more sense to allow the creation of the design and then allow it to lapse at the renewal date.

Pending RCD applications at 1 January 2021

For pending RCD applications as at 1 January 2021, owners will have nine months to file a UK application that mirrors their EU application, with the same filing and priority dates.

These applications will be treated as UK-registered design applications, examined under UK law, and the standard UK fee structure will apply. The RCD application will proceed covering the 27 Member States.

Many RCD applications are only pending for a short period of time (a matter of weeks), if they are filed with all of the necessary information and publication is not deferred. Therefore, with careful planning, most cases will not need to be refiled in the UK.

Renewing UK re-registered designs

Both UK re-registered designs and RCDs last for a maximum of 25 years, requiring renewal every five years.

The UK re-registered design will retain the same renewal date as the corresponding RCD. Once the re-registered design registration has been created, a separate renewal fee will be due in both the EU and UK.

Where the re-registered design is due for renewal in the six months after the end of the transition period, a renewal reminder will be sent to the holder on the renewal date. Holders will have a further six-month period (from the date of the reminder letter) for the UK re-registered design registration to be renewed in the UK. Standard official renewal fees will apply and no late renewal fee will be charged by UKIPO.

Where an EU registered design is due for renewal after the transition period has ended, early payment of the fee with the EUIPO will have no effect and renewal fees will still be payable at UKIPO.

UKIPO will also create a re-registered design from any RCD that expired in the six months prior to 1 January 2021 and is still within its six-month late renewal period on 1 January 2021.

These will hold an 'expired' status and their continued effect in the UK will depend on late renewal of the corresponding RCD at EUIPO. The UK re-registered design will be automatically renewed (at no fee) as a result of the RCD's late renewal.

Conclusion

It is recommended that businesses looking to obtain or maintain design protection in the UK and Europe seek professional advice. It would also be prudent to review existing rights and plans for new designs to ensure that, after the transition, appropriate protections are in place in both the UK and Europe.

* This piece does not intend to cover every IP-related issue that Brexit generates. If you have guestions or concerns about whether the implications of Brexit will affect your business, please obtain legal advice. We will offer more guidance as we continue to monitor UKIPO and EUIPO announcements. Visit www.spoor.com for more.

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