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Brexit: The International Legal Implications | Paper No. 7 – December 2017

The Effect of Brexit on Trademarks, Designs and Other “Europeanized” Areas of Intellectual Property Law in the United Kingdom

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CIGI Masthead

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67 Erb Street West
Waterloo, ON, Canada N2L 6C2
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About the Series

Brexit: The International Legal Implications is a series examining the political, economic, social and legal storm that was unleashed by the United Kingdom's June 2016 referendum vote and the government's response to it. After decades of strengthening European integration and independence, the giving of notice under article 50 of the Treaty on European Union forces the UK government and the European Union to address the complex challenge of unravelling the many threads that bind them, and to chart a new course of separation and autonomy. A consequence of European integration is that aspects of UK foreign affairs have become largely the purview of Brussels, but Brexit necessitates a deep understanding of its international law implications on both sides of the English Channel, in order to chart the stormy seas of negotiating and advancing beyond separation. The paper series features international law practitioners and academics from the United Kingdom, Canada, the United States and Europe, explaining the challenges that need to be addressed in the diverse fields of trade, financial services, insolvency, intellectual property, environment and human rights.

The project leaders are Oonagh E. Fitzgerald, director of the International Law Research Program at the Centre for International Governance Innovation (CIGI); and Eva Lein, a professor at the University of Lausanne and senior research fellow at the British Institute of International and Comparative Law (BIICL). The series will be published as a book entitled *Complexity's Embrace: The International Law Implications of Brexit* in spring 2018.

About the Author

Marc Mimler joined Bournemouth University in 2016 as a lecturer in law. He is a fully qualified German lawyer. After obtaining his undergraduate degree in law from the Ludwig-Maximilians-University Munich, he completed his bar school (Referendariat) at the Higher District Court of Munich. He then obtained a master's degree in intellectual property law. Recently, he defended his Ph.D. thesis in the field of patent law from the Queen Mary Intellectual Property Research Institute at the University of London.

Marc's research interests cover intellectual property law in general, and its interfaces with human rights and international trade law, information technology law and competition law. Marc has a particular interest in exceptions to intellectual property rights from a doctrinal and practical perspective and is currently developing a monograph on this issue with Edward Elgar Publishing. He was also founding general editor of the *Queen Mary Journal of Intellectual Property*. Currently, Marc is the editor-in-chief of the *Interactive Entertainment Law Review*.

About the International Law Research Program

The International Law Research Program (ILRP) at CIGI is an integrated multidisciplinary research program that provides leading academics, government and private sector legal experts, as well as students from Canada and abroad, with the opportunity to contribute to advancements in international law.

The ILRP strives to be the world's leading international law research program, with recognized impact on how international law is brought to bear on significant global issues. The program's mission is to connect knowledge, policy and practice to build the international law framework — the globalized rule of law — to support international governance of the future. Its founding belief is that better international governance, including a strengthened international law framework, can improve the lives of people everywhere, increase prosperity, ensure global sustainability, address inequality, safeguard human rights and promote a more secure world.

The ILRP focuses on the areas of international law that are most important to global innovation, prosperity and sustainability: international economic law, international intellectual property law and international environmental law. In its research, the ILRP is attentive to the emerging interactions among international and transnational law, Indigenous law and constitutional law.

Acronyms and Abbreviations

CETA	Comprehensive Economic and Trade Agreement
CIPA	Chartered Institute of Patent Attorneys
CITMA	Chartered Institute of Trade Mark Attorneys
CJEU	Court of Justice of the European Union
EC	European Communities
EEA	European Economic Area
EEC	European Economic Community
EUIPO	European Union Intellectual Property Office
FTAs	free trade agreements
GIs	geographical indications
IP	intellectual property
OHIM	Office for Harmonisation in the Internal Market
PDOs	protected designations of origin
PGIs	protected geographical indications
TFEU	Treaty on the Functioning of the European Union
TRIPS	Agreement on Trade-Related Aspects of Intellectual Property Rights
UKIPO	United Kingdom Intellectual Property Office
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

Executive Summary

This paper analyzes the impact of Brexit on trademark and design laws. Both areas are deemed to be profoundly affected by the United Kingdom's exit from the European Union, since they have been substantially Europeanized. The European Union created unitary rights in both areas of law that would cease to extend to the United Kingdom after it leaves the European Union. In addition, the national laws on trademarks and designs in EU member states have been harmonized by European legislation. The United Kingdom may diverge from this common approach post-Brexit, but this depends heavily on the specific shape that Brexit may eventually take. Finally, the paper will discuss the effects of Brexit on the laws of geographical indications (GIs), the doctrine of exhaustion and the interface of intellectual property (IP) and competition law. Since they derive from EU legislation or case law, the specific shape of Brexit will define their fate in UK law.

Introduction

The wheels that may lead to the United Kingdom leaving the European Union after more than 40 years of membership have been turning relentlessly since the results of the EU referendum were announced in June 2016. The effects that Brexit may have on the various areas of UK law directly or indirectly influenced by more than four decades of EU membership are presently difficult to foresee. However, the effects of Brexit on IP law in the United Kingdom will certainly be profound — simply because IP law represents the most Europeanized area of private law.¹ In addition, much vagueness and ambiguity remain over the shape and nature of Brexit. Whether a “hard,” “soft” or “crash” Brexit² is ultimately applied will determine the extent to which UK IP law will disentangle itself from the EU IP law *acquis*. Since the ramifications for

substantive and procedural IP law remain opaque, great uncertainty has arisen among IP right holders as to the situation post-Brexit.³ In addition, the UK IP professions represented by the Chartered Institute of Patent Attorneys (CIPA) and the Chartered Institute of Trade Mark Attorneys (CITMA) have voiced their concerns, arguing strongly for continuing participation in European IP frameworks.⁴

However, the status quo will not change for the two-year period of the so-called “Article 50 procedure,” subject to any additional transition period that may be the result of the ongoing negotiations. The scope and impact of Brexit will become clearer once these negotiations have progressed, and the future relationship of the United Kingdom with the European Union will largely depend on which form of Brexit is pursued.

Three possible scenarios, which will each have a different effect on the future of UK IP law, are generally discussed. A soft version of Brexit would entail the United Kingdom's membership in the European Economic Area (EEA), in which states such as Iceland, Liechtenstein and Norway are members, along with the European Union. Membership in the EEA would provide continued access to the Single Market of the European Union, but would oblige the United Kingdom to adhere to certain provisions of the EU treaties,⁵ such as free movement of people⁶ and goods.⁷ Additionally, the United Kingdom would be required to implement certain EU directives

1 Justine Pila, “Intellectual Property as a Case Study in Europeanization: Methodological Themes and Context” in Ansgar Ohly & Justine Pila, eds, *The Europeanization of Intellectual Property Law* (Oxford, UK: Oxford University Press, 2013) 3.

2 Andreas Rahmatian, “Brief speculations about changes to IP law in the UK after Brexit” (2017) 12:6 *J Intell Prop L & Prac* 510 at 510.

3 This appears to be acknowledged by the United Kingdom Intellectual Property Office (UKIPO). See UKIPO, “IP and BREXIT: The facts” (2 August 2016), online: <www.gov.uk/government/news/ip-and-brexit-the-facts>. See also EC, Commission, “Position paper transmitted to EU27 on intellectual property rights (including geographical indications)” (6 September 2017) at 2 [“Position paper”], online: <https://ec.europa.eu/commission/sites/beta-political/files/position-paper-intellectual-property-rights_en.pdf>.

4 CITMA, “Our position on: Post-Brexit registered trade mark and design rights, and rights of representation” (July 2017) at 3.0 [CITMA, “Our position”], online: <www.citma.org.uk/membership/brexit/brexit_position_paper_v1>. See also Christopher Morcom, “The Implications of ‘Brexit’ for Trade Marks and for Practitioners in the UK: What Are the Likely Effects and What Needs to Happen Now?” (2016) 38:11 *Eur IP Rev* 657 at 659.

5 See e.g. EC, Commission, *European Economic Area Agreement*, [1994] OJ, L 1/3, art 1 (2) (entered into force 1 January 1994).

6 *Treaty on the Functioning of the European Union*, 13 December 2007, [2008] OJ, C 115/47, art 45 (entered into force 1 December 2009) [TFEU]. It has been argued that this fundamental freedom provided momentum for the Leave campaign; see Paul Craig, “Brexit: a drama in six acts” (2016) 41:4 *Eur L Rev* 447 at 455.

7 TFEU, *supra* note 6, arts 28–37.

and pay contributions to the EU budget,⁸ without having the ability to significantly influence future legislation.⁹ Another available option would involve a set of individual bilateral agreements between the United Kingdom and the European Union, similar to those established between the European Union and Switzerland, which is not a member of the EEA. This would, however, require a long and burdensome negotiation period¹⁰ and would most probably also maintain some form of free movement of people.¹¹

Finally, the United Kingdom could seek a completely new relationship with the European Union, which could be modelled along the lines of current free trade agreements (FTAs), such as the Comprehensive Economic and Trade Agreement (CETA) between Canada and the European Union.¹² This approach would not require the United Kingdom to adhere to freedom of movement of people and would only mandate adherence to the international IP norms of the World Trade Organization (WTO) and the World Intellectual Property Organization (WIPO), unless specific provisions were agreed on within a future agreement. In her January 2017 Lancaster House speech, UK Prime Minister Theresa May suggested that the United Kingdom would leave the internal market due to its nexus with free movement of people,¹³ which would mean rejecting the first and second options discussed above.¹⁴ Elements of such a hard Brexit approach have, however, been

retracted more recently,¹⁵ which means that more clarity will be provided only when the process of leaving the European Union has advanced.

The focus of this paper is to analyze the effects of the United Kingdom's EU membership on the laws of trademarks and designs over the last decades and analyze the possible impact of Brexit. These fields of IP law are of particular interest because they have probably been Europeanized the most, and the different options of Brexit will directly impact the future of these areas of UK IP law. Additionally, the paper scrutinizes a related area of law, the law regarding GIs, because, first, GIs are genuinely a child of EU law making, and, second, they are likely to be of great relevance in future trade negotiations between the United Kingdom and the European Union. Finally, the fate of the doctrine of exhaustion and the interface of IP and competition rules in the United Kingdom will be discussed, as both aspects derive from EU rules and jurisprudence.

Trademarks

European Harmonization

EU law has had a more profound impact on the national trademark laws of EU member states than on their patent and copyright law counterparts.¹⁶ The current system of trademark law within the European Union and among its member states has been comprehensively redrafted and almost completely Europeanized by the European legislator.¹⁷ This system is twofold: on the one hand, national trademark laws within EU member

8 Trevor Cook, "'Brexit' and Intellectual Property Protection in the UK and the EU" (2016) 21:5-6 J Intell Prop Rts 355 at 355.

9 Benjamin Farrand, "Bold and newly Independent, or Isolated and Cast Adrift? The Implications of Brexit for Intellectual Property Law and Policy" (2017) J Common Market Stud 1 at 7, DOI: <10.1111/jcms.12550>.

10 *Ibid* at 8.

11 Cook, *supra* note 8 at 356.

12 EC, Commission, *Comprehensive Economic and Trade Agreement between Canada, of the one part, and the European Union [and its Member States...]*, 29 February 2016 [CETA], online: <http://trade.ec.europa.eu/doclib/docs/2016/february/tradoc_154329.pdf>.

13 Theresa May, "The government's negotiating objectives for exiting the EU" (Speech delivered on 17 January 2017), online: <www.gov.uk/government/speeches/the-governments-negotiating-objectives-for-exiting-the-eu-pm-speech>.

14 Richard Arnold et al, "IP Law post-BREXIT" (2017) 101:2 *Judicature* 65 at 65.

15 For instance, in a recently published paper, the British government spoke of ending the *direct* influence of the Court of Justice of the European Union (CJEU), hinting that an indirect influence remains possible. See UK, "Enforcement and dispute resolution: A Future Partnership Paper" (2017), online: <www.gov.uk/government/uploads/system/uploads/attachment_data/file/639609/Enforcement_and_dispute_resolution.pdf>. This statement needs to be contrasted with the statement in the Lancaster House speech that the version of Brexit pursued by the British government would put "an end to the jurisdiction of the European Court of Justice in Britain," which hints that any form of influence of the CJEU would end with Brexit. May, *supra* note 13.

16 Luke McDonagh, "UK Patent Law and Copyright Law after Brexit: Potential Consequences" in Oonagh E Fitzgerald & Eva Lein, eds, *Complexity's Embrace: The International Law Implications of Brexit* (Waterloo, ON: CIGI, forthcoming 2018).

17 Lionel Bently & Brad Sherman, *Intellectual Property Law*, 4th ed (Oxford, UK: Oxford University Press, 2014) at 823.

states have been harmonized by the Trade Marks Directive.¹⁸ Further, the EU trademark as provided by the EU Trade Mark Regulation¹⁹ represents a federal and unitary trademark that is effective throughout the territory of the European Union.

The evolution of this system warrants some explanation. Prior to the initiatives undertaken by the European Union and its predecessors, the European Economic Community (EEC) and the European Communities (EC), national trademark systems differed substantially. These differences within national laws were perceived as posing obstacles for the creation of the Single Market, a goal enshrined within the EC treaty from its inception.²⁰ Hence, early European initiatives to tackle this issue can be traced back to the 1950s.²¹ But true momentum for European integration was provided by the European Commission's memorandum on an EEC trademark from 1976. The memorandum showcased the motives behind the initiative to harmonize trademark protection: "There is as yet, to the disadvantage of consumers, distributors and manufacturers, no common market for branded goods and thus no internal market for a substantial proportion of goods for sale."²²

The memorandum mooted the creation of a community trademark based on a regulation to ensure the free movement of branded goods. A mere approximation of national laws was held not to eliminate the barriers of territoriality.²³ The Community trademark regulation²⁴ was finally adopted in 1993 after some discussions as to its language regime and where its granting office

would be located.²⁵ The regulation created a unitary Community trademark granted by the Office for Harmonisation in the Internal Market (OHIM), based in Alicante, Spain. This system was not meant to replace national trademarks, but rather to supplement them. After the entry into force of the Lisbon Treaty²⁶ in 2009, the EU trademark regulation replaced the Community trademark regulation in 2015 and changed some of the substantive law, but also relabelled Community trademarks as EU trademarks, and renamed the OHIM the European Union Intellectual Property Office (EUIPO).²⁷

Aside from the creation of a unitary right, the harmonization of national laws was the second pillar in creating the European trademark *acquis*. The 1971 Benelux Trademarks Act²⁸ served as a model law for the Trade Marks Directive²⁹ that was adopted in 1988. The directive focused on substantial provisions that could impede the creation and operation of the internal market, but did not intend a full-scale harmonization.³⁰ In practice, however, this means that the individual trademark statutes within the member states of the European Union now substantially resemble each other because the directive provided for mandatory provisions to be implemented and transformed into national laws. In the United Kingdom, the directive was implemented within the UK Trade Marks Act 1994.³¹

Trademark Law and the European Courts

The European trademark *acquis* of the Trade Mark Regulation and the Trade Marks Directive was

18 EC, *First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trade marks*, [1989] OJ, L 40 [Trade Marks Directive].

19 EC, *Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark*, [2009] OJ, L 78/1 [Trade Mark Regulation].

20 Guy Tritton, *Tritton on Intellectual Property in Europe*, 4th ed (London, UK: Sweet & Maxwell 2014) at 3-035.

21 Alexander von Mühlendahl et al, *Trade Mark Law in Europe*, 3rd ed (Oxford, UK: Oxford University Press, 2016) at 2.03; Charles Gielen, "Harmonisation of trade mark law in Europe: the first trade mark harmonisation Directive of the European Council" (1992) 14:8 Eur IP Rev 262 at 262.

22 EC, Commission, *A Memorandum on a Creation of an EEC Trade Mark*, Bulletin of the European Communities, Supp 8/76 at 10.

23 *Ibid* at 34.

24 EC, *Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark*, 20 December 1993, OJ, L 011.

25 Thomas C Vinje, "Harmonising intellectual property laws in the European Union: past, present and future" (1995) 17:8 Eur IP Rev 361 at 369.

26 *Treaty of Lisbon Amending the Treaty on European Union and the Treaty Establishing the European Community*, 13 December 2007, OJ, C 306/1 (entered into force 1 December 2009).

27 EC, *Regulation (EU) 2015/2424 of the European Parliament and of the Council of 16 December 2015 amending Council Regulation (EC) No 207/2009 on the Community trade mark and Commission Regulation (EC) No 2868/95 implementing Council Regulation (EC) No 40/94 on the Community trade mark, and repealing Commission Regulation (EC) No 2869/95 on the fees payable to the Office for Harmonization in the Internal Market (Trade Marks and Designs)*, [2015] OJ, L 341/21, recital 2.

28 *Uniform Benelux Law on Marks*, online: WIPO <www.wipo.int/wipolex/en/text.jsp?file_id=128587>.

29 *Trade Marks Directive*, *supra* note 18. Anselm Kamperman Sanders, "Some frequently asked questions about the 1994 UK Trade Marks Act" (1995) 17:2 Eur IP Rev 67 at 67; Charles Gielen, *supra* note 21 at 264.

30 Gielen, *supra* note 21 at 262-63.

31 *Trade Marks Act 1994* (UK), c 26 [Trade Marks Act 1994].

supplemented by the case law of the European courts. IP cases are, indeed, a major subject of adjudication by the CJEU, as the 2016 annual report suggests,³² and most of these IP-related cases are trademark cases.³³ The twofold approach within European trademark law, however, means that the European courts are involved in different stages of litigation. EU trademarks, which are granted by the EUIPO in Alicante, are enforced by national courts as courts of the European Union.³⁴ The General Court and the CJEU are directly involved in the adjudication of EU trademarks, arising from appeals from the EUIPO.³⁵ Additionally, the CJEU can be called upon by national courts seeking guidance on the interpretation of national provisions based on the Trade Marks Directive, through the system of preliminary rulings pursuant to article 267 of the Treaty on the Functioning of the European Union³⁶ (TFEU). The case law by the European courts with regard to the directive resulted in increasing harmonization of the trademark law within EU member states. This effect was increased by the fact that the substantive law in the directive and the regulation correspond to one another. As a result, decisions based on the directive can be applied when interpreting provisions of the regulation and vice versa.³⁷

The case law of the European courts on aspects of trademark law is not always well received by national courts and commentators. The criticism revolves around the generalist nature of the court, which lacks expertise in a specialist subject matter such as trademark law. With regard to the United Kingdom, discontent with CJEU judgments can be seen in cases such as *Arsenal v Reed*,³⁸ in which Justice Hugh Laddie held that the CJEU had overstepped its competences by making findings of fact.³⁹ A more recent case along these lines was handed down by the Court of Appeal in *L'Oréal v*

Bellure.⁴⁰ The case revolved around the referential use of L'Oréal's trademarks for perfumes in a comparison list for Bellure's range of smell-alike perfumes. The CJEU held that the defendant's use would amount to taking unfair advantage of the repute or the distinctiveness of L'Oréal's marks because Bellure would be riding on L'Oréal's coattails without compensation.⁴¹ After the CJEU's decision, the trial judge in *L'Oréal v Bellure* in the United Kingdom expressed concerns about this interpretation, but was bound to find for the claimants. The discomfort can be explained by the fact that the dilution provisions were a controversial element provided by the Trade Marks Directive.⁴² The doctrine of dilution and the action against misappropriation do not fit seamlessly within UK trademark law, which traditionally focused more on the origin function of trademarks,⁴³ rather than on extending to non-origin functions, such as advertising.

The Impact of Brexit

Due to the high level of harmonization in trademark law within the European Union and its member states, Brexit will have a substantial effect on trademark protection in the United Kingdom. First, Brexit would mean that EU trademark protection would no longer extend to the United Kingdom. Not even an often-mooted membership of the EEA as a form of soft Brexit would enable the unitary right to extend to the United Kingdom,⁴⁴ since the unitary effect of EU trademarks currently has effect only within the EU member states.⁴⁵ This means that millions of trademarks registered at the EUIPO⁴⁶ would no longer extend to the United Kingdom after it leaves the European Union, while the trademarks would remain valid throughout the remaining 27 member states.⁴⁷ Additionally, UK proprietors of EU trademarks would have to consider whether their trademarks were being effectively used within the European Union in the future. An EU trademark can be revoked where there is no "genuine use in the

32 CJEU, *Annual Report 2016: The Year in Review* (Brussels, Belgium: European Union, 2017) at 28, online: <https://curia.europa.eu/jcms/upload/docs/application/pdf/2017-04/ragp-2016_final_en_web.pdf>.

33 Graeme Dinwoodie, "The Europeanisation of Trade Mark Law" in Ohly & Pila, *supra* note 1 at 91.

34 *Trade Mark Regulation*, *supra* note 19, art 95.

35 *Ibid*, art 65.

36 *TFEU*, *supra* note 6.

37 Richard Arnold, "An Overview of European Harmonization Measures in Intellectual Property Law" in Ohly & Pila, *supra* note 1 at 31.

38 *Arsenal Football Club v Reed*, C-206/01, [2002] ECR I-10273.

39 *Arsenal Football Club v Reed* (No. 2), [2002] EWHC 2695 (Ch) at 27.

40 *L'Oréal v Bellure*, [2010] EWCA Civ 535.

41 *L'Oréal v Bellure*, C-486/07, [2009] ECR I-05185.

42 Hazel Carty, "Do marks with a reputation merit special protection?" (1997) 19:12 *Eur IP Rev* 684 at 684.

43 Ilanah Simon Fhima, "Exploring the roots of European dilution" (2012) 2012:1 *IPQ* 25 at 26.

44 Cook, *supra* note 8 at 357.

45 *Trade Mark Regulation*, *supra* note 19, art 1(2).

46 Arnold et al, *supra* note 14 at 66.

47 Morcom, *supra* note 4 at 658.

Union in connection with the goods and services in respect of which it is registered” for a period of five years and where there is no proper reason for this non-use.⁴⁸ Use just within the territory of the United Kingdom may no longer suffice to challenge a request for revocation for non-use.⁴⁹

Whether there is a possibility for current EU trademark registrations to extend to the United Kingdom post-Brexit depends largely on a future agreement between the United Kingdom and the European Union. CITMA devised a list of seven possible options that could apply with regard to EU trademarks after Brexit.⁵⁰ They range from the so-called “Jersey option,” in which the United Kingdom would provide a piece of legislation declaring EU trademarks as having effect in the United Kingdom, to the “Conversion model”⁵¹ of converting current EU trademarks into national trademark registrations.⁵² The European Commission’s position is that holders of an EU trademark should be provided with “an enforceable intellectual property right in relation to the United Kingdom territory, comparable to the right provided by Union law.”⁵³ Aside from the fate of EU trademarks, leaving the European Union would mean that UK courts would cease to be EU trademark courts⁵⁴ and could no longer be called on to enforce EU trademarks.⁵⁵ Additionally, rights of representation for trademark attorneys based in the United Kingdom before the EUIPO and the EU courts would require attention, since these are limited to those practitioners qualified and having their residence within the EEA.⁵⁶ CITMA has strongly urged that the rights of representation should continue post-Brexit.⁵⁷

The uncertainties surrounding the future effect of EU trademarks in the United Kingdom could be the reason for an increase in national trademark registrations at the UKIPO.⁵⁸ Despite the great degree of harmonization that has been achieved so far, users of the system ought to acknowledge that some significant divergences between the EU trademark system and that of the United Kingdom remain. Applicants at the UKIPO, for instance, must demonstrate the use or the bona fide intention to use the trademark, while this is not necessary before the EUIPO.⁵⁹ Additionally, applicants for a UK trademark would need to show such use within the United Kingdom, and not just anywhere within the European Union, as under the EU trademark system. Conversely, this means that UK applicants who seek to expand their business into the continental European market could not rely on consumer recognition within the United Kingdom to receive an EU trademark.⁶⁰

Beside the uncertainties that Brexit would create surrounding the future of EU trademarks within the United Kingdom, Brexit would also impact the United Kingdom’s national trademark system. The extent of this effect would depend on what form of Brexit is finally taken. The current white paper on the Great Repeal Bill⁶¹ foresees that current statutory trademark law would remain as is.⁶² This would mean that the wording of the UK Trade Marks Act 1994, which derived from EU legislation, would remain unchanged. The UK Parliament, however, would be able to amend the law as it sees fit without considering future developments within the EU trademark *acquis*.

48 *Trade Mark Regulation*, *supra* note 19, art 51(1)(a).

49 Morcom, *supra* note 4 at 660; Arnold et al, *supra* note 14 at 66.

50 CITMA, “EU registered rights – trade marks”, online: <www.citma.org.uk/membership/eu_resources/eu_brexit/eu_registered_rights_-_trade_marks>.

51 Rahmatian, *supra* note 2 at 514.

52 Luke McDonagh & Marc Mimler, “Intellectual Property Law and Brexit: A Retreat or a Reaffirmation of Jurisdiction?” in Michael Dougan, ed, *The UK after Brexit – Legal and Policy Challenges* (Cambridge, UK: Intersentia, 2017) 165; Arnold et al, *supra* note 14 at 66.

53 “Position paper”, *supra* note 3 at 2.

54 *Trade Mark Regulation*, *supra* note 19, art 95.

55 Julius Stobbs, Geoff Weller & Yana Zhou, “Overview of United Kingdom Trade Marks and Design Decisions 2016” (2017) 48:2 *Intl Rev Intell Prop & Comp L* 195 at 206.

56 *Trade Mark Regulation*, *supra* note 19, art 93(1)(a).

57 CITMA, “Our position”, *supra* note 4.

58 CITMA, “Significant rise in UK trade mark and design registrations”, online: <[www.citma.org.uk/news/view?id=160&x\[0\]=/news/list](http://www.citma.org.uk/news/view?id=160&x[0]=/news/list)>, referring to UKIPO, “Facts and figures: patent, trade mark, design and hearing data: 2016”, online: <www.gov.uk/government/statistics/facts-and-figures-patent-trade-mark-design-and-hearing-data-2016>. Large US companies have already filed for UK trademarks; Arnold et al, *supra* note 14 at 67.

59 David Keeling et al, *Kerly’s Law of Trade Marks and Trade Names*, 15th ed (London, UK: Sweet & Maxwell 2014) at 6-008.

60 Farrand, *supra* note 9 at 4. Generally, to prove acquired distinctiveness pursuant to the *Trade Mark Regulation*, *supra* note 19, art 7(3), the applicant would need to demonstrate that the trademark had been “used in the Community [now Union] as a whole or, at least, in a substantial part thereof”; *Ty Nant Spring Water Ltd’s Application*, [1999] ETMR 974 at 15 (OHIM Third Board of Appeal).

61 Bill 5, *European Union (Withdrawal) Bill* [HL], 2017–2019 sess (first reading 13 July 2017).

62 UK, Department for Exiting the European Union, “Legislating for the United Kingdom’s Withdrawal from the European Union” (March 2017) at 2.5 [Department for Exiting the European Union, “Legislating”].

Depending on what type of Brexit is finally pursued, the United Kingdom may decide not to implement the recent Trade Marks Directive, which introduces some significant changes to the substantive law within EU member states.⁶³ For instance, the directive amends the functionality rules that bar from registration signs that consist exclusively of the shape of the goods that results from the nature of the goods or is necessary to achieve a technical result or gives substantial value to the goods. In the future, the functionality rules will extend to include characteristics other than shapes.⁶⁴ Additionally, the directive amends the “own name” and “descriptive” use defences — the former being limited to names of natural persons and the latter arguably being broadened.⁶⁵ Not adopting the new directive could create discrepancies between the law of the European Union member states and the United Kingdom. Trevor Cook, however, holds that due to the relatively minor nature of the changes posed by the new Trade Marks Directive, they would still be implemented into UK law.⁶⁶

Additionally, the white paper states that case law by the CJEU pre-Brexit would acquire the same status as Supreme Court cases.⁶⁷ This means that CJEU cases up until Brexit would constitute precedents for lower courts and could only be overturned by the UK Supreme Court itself or through legislative amendment.⁶⁸ Post-Brexit, decisions by the CJEU would no longer need to be considered by UK courts, but may remain persuasive authorities.⁶⁹ Should the United Kingdom pursue a soft version of Brexit in the form of membership within the EEA, the links to the EU *acquis* would not be totally severed since adherence to the Trade Marks Directive would be required.⁷⁰ The case law of the CJEU would not be binding, as such, but the competent European Free Trade Association

court could require the United Kingdom to amend legislation conflicting with the EEA agreement and decide cases in line with the CJEU decisions.⁷¹

Designs

The European legislator has been equally active in the designs field of IP law. Similar to the situation within trademark law, Brexit will have severe ramifications for the legal protection of designs in the United Kingdom.⁷² Unitary EU rights have been created for registered and unregistered designs by the Community Design Regulation.⁷³ Such Community designs “have equal effect throughout the Community” and can only be transferred or declared invalid for the whole Community.⁷⁴ Registered Community designs can be applied for and are administered by the EUIPO,⁷⁵ while unregistered designs receive protection automatically through use.⁷⁶ Additionally, the European legislator sought to harmonize the protection of registered national designs by means of the Design Directive.⁷⁷ However, these harmonization initiatives do not encompass national unregistered designs, which are available in EU member states. Finally, the complexity of the framework for protecting industrial designs is increased by the fact that the subject matter of design protection can overlap with that of copyright law.⁷⁸

European Harmonization

The interest in harmonizing design protection within the then-EEC commenced in 1957, when the European Commission proposed the establishment of the Working Parties on Patent, Trade Mark and

63 EC, *Directive (EU) 2015/2436 of the European Parliament and of the Council of 16 December 2015 to approximate the laws of the Member States relating to trade marks*, [2015] OJ, L 336/1.

64 *Ibid*, art 4, nr 1(e).

65 Stobbs, Weller & Zhou, *supra* note 55 at 206.

66 Cook, *supra* note 8 at 358–59. Additionally, the UK government has suggested that directives that should have been implemented by the day of Brexit will be implemented; Arnold et al, *supra* note 14 at 70.

67 Department for Exiting the European Union, “Legislating”, *supra* note 62 at 2.16.

68 Arnold et al, *supra* note 14 at 70.

69 Rahmatian, *supra* note 2 at 514.

70 Farrand, *supra* note 9 at 7.

71 *Ibid*.

72 Arnold et al, *supra* note 14 at 67.

73 EC, *Council Regulation (EC) No 6/2002 of 12 December 2001 on Community designs*, [2002] OJ, L3/1 [Community Designs Regulation].

74 *Ibid*, art 1(3).

75 *Ibid*, art 2.

76 *Ibid*, art 1(2)(a).

77 EC, *Directive 98/71/EC of the European Parliament and of the Council of 13 October 1998 on the legal protection of designs*, [1998] OJ, L 289 [Design Directive].

78 Martin Howe, *Russel-Clarke and Howe on Industrial Designs*, 9th ed (London, UK: Sweet & Maxwell, 2016) at 1-001.

Design. The laws within the member states differed quite substantially at that time as to the scope and form of protection for industrial designs. As with the situation within trademark law, the belief was that these inconsistencies would impair trade between member states, thus distorting competition, and that uniform rules would help to alleviate this problem.⁷⁹

The European Commission published the “Green Paper on the Legal Protection of Industrial Design”⁸⁰ in 1991. The paper mooted the creation of an autonomous community-design right and finally established two instruments. On the one hand, the Design Directive was set to harmonize national registered design rights. On the other, an autonomous and unitary Community right with regard to registered and unregistered designs was created.⁸¹ The Design Directive was implemented in the United Kingdom by an amendment to the Registered Designs Act 1949.⁸² As mentioned, the directive did not affect national unregistered designs,⁸³ which are regulated within part III of the Copyright, Designs and Patents Act 1988.⁸⁴

The Impact of Brexit

Similar considerations with regard to trademarks can be applied to the situation of Community-registered designs post-Brexit, since their protection does not extend to non-EU member states.⁸⁵ CITMA, again, provided a set of possible scenarios with regard to registered EU designs, largely resembling those provided for EU trademarks.⁸⁶ The fate of registered UK designs that derive from the Design Directive

will depend largely on what future relationship the United Kingdom seeks with the European Union, mirroring the situation within trademark law.

A genuinely different situation arises with regard to unregistered Community designs, for which the right automatically subsists when the design is first made available in the European Union.⁸⁷ After Brexit, when such a design is made available within the United Kingdom, it will no longer attract protection as an EU unregistered design right, but could be regarded as a UK unregistered design right. Since unregistered designs were not harmonized as their registered counterparts were, differences would remain between the protection provided to unregistered designs in the European Union and the United Kingdom. On the one hand, the UK right lasts significantly longer (15 years in comparison to three years),⁸⁸ but it does not protect surface decorations,⁸⁹ unlike the Community counterpart, on the other hand.⁹⁰ The protection for combinations of patterns and ornament surface decoration, however, proved to be useful for the fashion industry,⁹¹ although copyright law may provide supplementary protection.⁹² Additionally, the eligibility requirements under the UK unregistered design regime are more stringent than under the Community unregistered design right, which may make it necessary for current users to register for design protection within the United Kingdom.⁹³ All these issues warrant thorough consideration for the post-Brexit scenario.

79 The divergent approaches within the substantive provisions of the law of the member states, in particular, with regard to the definition of design, the criteria and term of protection, the nature of protection and the overlap of protection between design and other IP rights was a main issue that needed to be addressed according to the working group on designs. See EC, Commission, *Legal review on industrial design protection in Europe – Under the contract with the Directorate General Internal Market, Industry, Entrepreneurship and SMEs* (Brussels, Belgium: European Union, 2016) at 131–134.

80 EC, Commission, “Green Paper on the Legal Protection of Industrial Design”, EU Doc III/F/5131/91-EN (1991).

81 Note that the Community Designs Regulation still refers to “Community,” in contrast to the recently amended EU trademark regulation that refers to the “EU.”

82 *Registered Designs Act 1949* (UK), 12, 13, 14 Geo VI, c 88.

83 *Design Directive*, *supra* note 77, recital 7.

84 *Copyright, Designs and Patents Act 1988* (UK), c 48 [CDP Act 1988].

85 However, designs are not subject to revocation for non-use as trademarks are; Arnold et al, *supra* note 14 at 67.

86 CITMA, “EU registered rights – designs”, online: <www.citma.org.uk/membership/eu_resources/eu_brexit/eu_registered_rights_-_designs>.

Other IP-related Areas Affected by Brexit

GIs

An important field affected by Brexit, related to IP rights, is GIs and designations of origin. Both aim

87 *Community Designs Regulation*, *supra* note 73, art 11(1).

88 *CDP Act 1988*, *supra* note 84, s 216.

89 *Ibid*, s 213(3)(c).

90 Additionally, the respective tests for infringement differ; Arnold et al, *supra* note 14 at 67.

91 Stobbs, Weller & Zhou, *supra* note 55 at 207.

92 Arnold et al, *supra* note 14 at 67.

93 *Ibid* at 68.

at protecting certain agricultural products and foodstuffs, deriving from particular geographical locations, that possess certain characteristics. Currently, both are protected as protected geographical indications (PGIs) and protected designations of origin (PDOs) along with traditional specialties guaranteed within an EU regulation.⁹⁴ This framework is part of the EU agricultural policy, as the production, manufacture and distribution of agricultural produce and foodstuffs play an important role within the European Union's economy.⁹⁵ The protected designations are protected first and foremost against any false or misleading use of the indication.⁹⁶

Popular products, such as champagne, Roquefort cheese, Bavarian beer and Parma ham, are protected under this legislative framework. UK products currently protected under this framework include Welsh lamb, Stilton blue and white cheeses, Cornish pasties, Kentish ale and the Melton Mowbray pork pie.⁹⁷ After leaving the European Union, neither PGIs nor PDOs would have effect in the United Kingdom, similar to the situation with EU trademarks. Some voices have uttered fear that British producers could then freely use previously protected names.⁹⁸ Ironically, already registered UK products would not lose their registration as PGIs or PDOs in the remaining EU member states, since the regulation allows for the protection of products from non-EU states.⁹⁹

94 Regulation (EU) No 1151/2012 of the European Parliament and of the Council of 21 November 2012 on quality schemes for agricultural products and foodstuffs, [2012] OJ, L 343/1 [Council Regulation (EU) No 1151/2012].

95 Bertold Schwab, "The protection of geographical indications in the European Economic Community" (1995) 17:5 Eur IP Rev 242 at 242.

96 Council Regulation (EU) No 1151/2012, *supra* note 94, art 13(1).

97 UK, Department for Environment, Food and Rural Affairs, "Protected food name scheme: UK registered products", online: <www.gov.uk/government/collections/protected-food-name-scheme-uk-registered-products>.

98 Daniel Boffey, "EU fears influx of 'British champagne' once Brexit ends food naming rules", *The Guardian* (15 February 2017), online: <www.theguardian.com/business/2017/feb/15/eu-fears-influx-of-british-champagne-once-brex-it-ends-food-naming-rules>.

99 Council Regulation (EU) No 1151/2012, *supra* note 94, recital 24. For example, "Café de Colombia" has been protected as a geographical indication in the European Union since 2007: EC, Commission Regulation (EC) No 1050/2007 of 12 September 2007 registering certain names in the Register of protected designations of origin and protected geographical indications (Mejillón de Galicia or Mexillón de Galicia (PDO) – Café de Colombia (PGI) – Castagna Cuneo (PGI) – Asparago Bianco di Bassano (PDO)), [2007] OJ, L 240/7.

UK law currently provides certain legal measures that could partially cover the protection provided by PDOs and PGIs post-Brexit. Supplementary protection could be provided by the common law action of "passing off." An extended form of this action allows groups of producers to file an action alleging misrepresentation by other traders. The producers of champagne used passing off successfully against producers labelling their beverage as "Spanish Champagne."¹⁰⁰ However, the scope of protection provided by passing off cannot be compared with that provided by the current system through registration as PGIs or PDOs, in which not only confusingly similar designations, but also designations that merely evoke the registered PGI or PDO, can be enjoined.¹⁰¹ A successful claim of passing off, on the other hand, requires the claimant to demonstrate that there is a misrepresentation, meaning that consumers must have relied on the misrepresentation when purchasing the goods of the defendant.¹⁰² Other national measures are certification¹⁰³ or collective marks,¹⁰⁴ which may provide a certain degree of protection for GIs.¹⁰⁵ Harris tweed¹⁰⁶ and Stilton cheese,¹⁰⁷ for example, are currently protected as certification marks in the United Kingdom.

Some form of protection for GIs will be necessary after the United Kingdom leaves the European Union, as this is mandated through the United Kingdom's membership in the WTO. Article 22 of the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights¹⁰⁸ (TRIPS) mandates that legal means to protect interested parties against misleading uses of GIs must be provided within the laws of WTO member states. However, because the provision's scope is limited, Cook suggests that the currently available forms of national protection within UK law may suffice to

100 *Bollinger v Costa Brava Wine Co Ltd*, [1960] RPC 16 (Ch).

101 McDonagh & Mimler, *supra* note 52.

102 Christopher Wadlow, *The Law of Passing-Off*, 5th ed (London, UK: Sweet & Maxwell, 2016) at 7-178.

103 *Trade Marks Act 1994*, *supra* note 31, s 49.

104 *Ibid*, s 50.

105 Cook, *supra* note 8 at 357.

106 UK00000319214.

107 UK00000831407.

108 Agreement on Trade-Related Aspects of Intellectual Property Rights, 15 April 1994, 1869 UNTS 299, 33 ILM 197, art 22 (entered into force 1 January 1995) [TRIPS Agreement].

fulfil the requirements of the TRIPS agreement.¹⁰⁹ The European Commission, on the other hand, holds that “there is currently no domestic legislation in the United Kingdom on the protection of designations of origin and GIs as well as on other protected terms in relation to agricultural products.”¹¹⁰

Otherwise, the United Kingdom could provide a provision similar to article 22 of the TRIPS agreement within its law to be compliant with the agreement. This, however, may not prove sufficient, as any post-Brexit agreement with the European Union would be likely to include the protection of PGIs and PDOs. In the past, the European Union has placed great emphasis on its protection of PGIs and PDOs within its trade negotiations,¹¹¹ due to their financial value to producers, and has been successful in exporting its norms on many accounts.¹¹² An example is the recently negotiated and finalized CETA with Canada.¹¹³ Consequently, the European Commission has said in a recent position paper that the United Kingdom should put “in place, as of the withdrawal date, the necessary domestic legislation” for the protection of PDOs and PGIs and that “such protection should be comparable to that provided by Union law.”¹¹⁴ This could mean that the United Kingdom might become a member of the Geneva Act of the Lisbon Agreement,¹¹⁵ negotiated under the auspices of WIPO, which extends to GIs, aside from appellations of origin. The Geneva Act aims to broaden membership of the agreement by, *inter alia*, bridging the different approaches between common and civil law countries in protecting geographical names.¹¹⁶

109 Cook, *supra* note 8 at 357.

110 “Position paper”, *supra* note 3 at 2, n 1.

111 Cook, *supra* note 8 at 357.

112 Farrand, *supra* note 9 at 10.

113 CETA, *supra* note 12, c 20, s C.

114 “Position paper”, *supra* note 3 at 2.

115 Geneva Act of the Lisbon Agreement on Appellations of Origin and Geographical Indications, as adopted on 20 May 2015, WIPO, online: <www.wipo.int/publications/en/details.jsp?id=3983>.

116 Common law countries generally protect such subject matter by trademark law, while civil law countries would favour a *sui generis* system; see Daniel J Gervais & Matthew Slider, “The Geneva Act of the Lisbon Agreement: Controversial Negotiations and Controversial Results” in William van Caenegem & Jen Cleary, eds, *The Importance of Place: Geographical Indications as a Tool for Local and Regional Development* (Cham, Switzerland: Springer International Publishing, 2017) at 15; Danielle Dudding, “The Lisbon Agreement: Why the United States Should Stop Fighting the Geneva Act” (2015) 18:1 Vand J Ent & Tech L 167.

The Interplay of IP and Competition Law

The interplay between EU competition law and IP law is important with regard to the exercise and enforcement of IP rights.¹¹⁷ Superficially, both fields of law appear to have different aims — IP creates exclusive rights, while competition rules are intended to open markets. However, it is commonly held that both fields aim at enhancing consumer welfare, albeit by different means.¹¹⁸ The relationship between IP and competition law within the European Union has constantly expanded since the creation of the EEC. Again, a main driver for this development was the logic of increasing integration of the Single Market.

European courts observed early on that national IP rules would impair the creation of the Single Market, which led European legislators to harmonize national IP laws to provide unitary IP rights. However, even earlier case law of the European courts¹¹⁹ dealt with the conflict between IP rights and the competition rules of the EEC.¹²⁰ The EEC treaty did not touch on national regimes on industrial and commercial property¹²¹ and left the existence of IP rights under the competence of the national law of member states.¹²² The European Union and its predecessors, on the other hand, had exclusive competence to legislate over such competition rules that are deemed necessary for the functioning of the internal market.¹²³ The exercise of IP rights, however, would fall under the shared scrutiny of the European Union and its member states,¹²⁴ which would pave the way for applying EU competition rules to the exercise of IP rights.

Articles 101 and 102 of the TFEU,¹²⁵ which constitute the core of EU competition law, have increasingly been used to sanction certain anti-competitive behaviours of IP right holders. Article 101 prohibits restrictive agreements that could prevent, restrict or distort competition within the internal market. In order to not restrict useful technology transfer agreements by this provision, the European Commission regularly provides for technology transfer block exemption regulations that specify which agreements would not fall foul of article 101 of the TFEU.¹²⁶ The idea behind the exemption is that technology transfer agreements would “improve economic efficiency and are pro-competitive.”¹²⁷ Preventing the abuse of a dominant position in the market is the goal of article 102. In the IP context, such abuse can, under certain circumstances, occur when a dominant undertaking refuses to license an IP right to a competitor.¹²⁸

Subject to any transitional agreements, Brexit will have a profound effect on this area of law. First, the substantive provisions within the UK Competition Act 1998¹²⁹ are based on EU competition law provisions.¹³⁰ In addition, section 60 of the Competition Act 1998 mandates that the interpretation of the act’s provision ought to be “consistent with the treatment of corresponding questions arising in Community law in relation to competition within the Community.”¹³¹ Therefore, if a soft Brexit occurs, it can be expected that UK competition law practice would closely follow developments within EU practice. If, however, a hard Brexit is pursued, then it could be likely that section 60 of the UK Competition Act 1998 would be repealed to sever all remaining links to the European *acquis*¹³² and, in particular, to the developing case law of the CJEU, as the court has

117 Cook, *supra* note 8 at 359.

118 Gustavo Ghidini, *Innovation, Competition and Consumer Welfare in Intellectual Property Law* (Cheltenham, UK: Edward Elgar Publishing, 2010) at 212.

119 See e.g. *Consten SaRL and Grundig GmbH v Commission*, C-56/64, 58/64, [1966] ECR 299; *Parke, Davis v Centrafarm*, C-24/67, [1968] ECR 55.

120 Peter Groves et al, *Intellectual Property and the Internal Market of the European Community* (London, UK: Graham & Trotman, 1993) at 5.

121 Now regulated within the TFEU, *supra* note 6, art 36.

122 Richard Whish & David Bailey, *Competition Law*, 7th ed (Oxford, UK: Oxford University Press, 2012) at 768.

123 TFEU, *supra* note 6, art 3(1)(b).

124 Tritton, *supra* note 20 at 1-39.

125 TFEU, *supra* note 6.

126 EC, *Commission Regulation (EU) No 316/2014 of 21 March 2014 on the application of Article 101(3) of the Treaty on the Functioning of the European Union to categories of technology transfer agreements*, [2014] OJ, L 93/17, art 2(1).

127 Whish & Bailey, *supra* note 122 at 781.

128 *Radio Telefis Eireann v Commission (Magill)*, C-241 & 242/91P, [1995] ECR I-743.

129 *Competition Act 1998* (UK), c 41.

130 Marc Mimler, “United Kingdom” in Peter Chrocziel, Moritz Lorenz & Wolrad Prinz zu Waldeck und Pyrmont, eds, *Intellectual Property and Competition Law* (Alphen aan den Rijn, the Netherlands: Kluwer Law International, 2016) at 129.

131 *Competition Act 1998*, *supra* note 129, s 60.

132 Richard Whish, “Brexit and EU Competition Policy” (2016) 7:5 *J Eur Comp L & Prac* 297 at 297.

been a main protagonist in the development of the interface between IP and competition law. Again, the extent of the exact impact remains opaque.

Finally, the future of the so-called “Euro defences” warrants attention. Defendants in IP infringement cases could argue that a positive finding of infringement would be a violation of articles 101 or 102 of the TFEU.¹³³ Such defences can be seen in cases concerning standard essential patents.¹³⁴ Brexit could undermine the defence’s logic as stemming from the TFEU. Since the respective provisions of the chapter I and II prohibitions within the Competition Act 1998¹³⁵ mirror the TFEU’s articles 101 and 102, a similar application in the future could, however, be applied.

Exhaustion

The doctrine of exhaustion would need to be reassessed after Brexit. This doctrine was developed by the case law of the CJEU as a response to the potential conflict of national IP rights and the fundamental principle of free movement of goods,¹³⁶ which is now contained within article 34 of the TFEU. To avoid a clash of IP rights with this fundamental freedom, the court held that once a product is placed on the market with the consent of the IP right holders, the right holders are no longer able to prevent further circulation, meaning that the rights have been exhausted.¹³⁷ This doctrine has found its way into EU IP legislation¹³⁸ and applies to states within the EEA, pursuant to protocol 28 of the EEA agreement.¹³⁹ This means that IP rights are no longer enforceable where, subject to certain exceptions, the products in question were put onto the market in the EEA by the right holder.

If the United Kingdom chooses the hard Brexit option, it would be free to apply whichever regime

of exhaustion it wishes to pursue. The TRIPS agreement specifically leaves this matter largely to the discretion of WTO member states.¹⁴⁰ The United Kingdom could readopt the old rules in which it applied a regime of international exhaustion for trademarks and UK-only exhaustion for copyright.¹⁴¹ If the United Kingdom were to apply a regime of international exhaustion, this would permit the importation of goods that have been placed onto the market anywhere in the world. This option would be in line with the ambitions of those who wish to make the United Kingdom a hub for global free trade post-Brexit and is said to benefit consumers due to lower prices for imported goods.¹⁴² A system of national exhaustion, on the other hand, would arguably benefit IP right holders, as they would retain more control over the flow of their goods; as well, it would allow for more market segmentation.¹⁴³ It is therefore likely that affected industries would lobby for the latter option.¹⁴⁴ Should, however, the United Kingdom remain within the EEA, the current system would remain unchanged; the specific framework very much depends on the outcome of the Brexit negotiations.

Conclusion

This paper has shown the potential ramifications of Brexit on trademark and design protection, as well as on the fate of GIs. These areas require attention in order to provide right holders with legal certainty. But leaving the European Union will also require looking at the enforcement measures that were provided under the umbrella of the European Union, such as the EU regulation on customs enforcement of IP rights,¹⁴⁵ as well as the institutional support from the EUIPO and the European Union Agency for Law Enforcement

¹³³ Mimler, *supra* note 130.

¹³⁴ See e.g. *IPCom v Nokia*, [2012] EWHC 1446 (Ch).

¹³⁵ *Competition Act 1998*, *supra* note 129, ss 2–16, 18–24.

¹³⁶ Nicholas Macfarlane, “The tension between national intellectual property rights and certain provisions of EC law” (1994) 16:12 *Eur IP Rev* 525 at 525.

¹³⁷ *Centrafarm BV et Adriaan de Peijper v Winthrop BV*, C-16/74, [1974] ECR 1183.

¹³⁸ See e.g. *Community Designs Regulation*, *supra* note 73, arts 15, 21; *Design Directive*, *supra* note 77, art 15; *Trade Marks Directive*, *supra* note 18, art 15; *Trade Mark Regulation*, *supra* note 19, art 13.

¹³⁹ With regard to trademarks, see *Silhouette International Schmied GmbH & Co KG v Hartlauer Handelsgesellschaft mbH*, C-355/96, [1998] ECR I-4799.

¹⁴⁰ *TRIPS Agreement*, *supra* note 108, art 6.

¹⁴¹ Cook, *supra* note 8 at 358.

¹⁴² Kate O’Rourke & Olivia Gray, “Brexit: changes ahead for exhaustion of rights”, online: World Intellectual Property Review <www.worldipreview.com/contributed-article/brexit-changes-ahead-for-exhaustion-of-rights>.

¹⁴³ *Ibid.*

¹⁴⁴ *Ibid.*

¹⁴⁵ EC, *Regulation (EU) No 608/2013 of the European Parliament and of the Council of 12 June 2013 concerning customs enforcement of intellectual property rights and repealing Council Regulation (EC) No 1383/2003*, [2013] OJ, L 181/15.

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Brexit and International Trade: One Year after the Referendum

Paper No. 1 — September 2017
Valerie Hughes

Although more than a year has passed since the United Kingdom voted to leave the European Union, most of the arrangements governing the international relations of a post-Brexit United Kingdom have yet to be worked out, be they with the European Union or with countries outside of the European Union. With the UK departure deadline of April 2019 fast approaching, there remains a great deal of uncertainty about the contours of the United Kingdom's future trading relationships — transition or long-term — with the European Union and with non-EU countries around the world. In the face of this considerable uncertainty, recent legal decisions in the European Union and the World Trade Organization may provide useful guidance for trade negotiators and legal advisers going forward.

Renegotiating the EU-UK Trade Relationship: Lessons from NAFTA

Paper No. 2 — November 2017
David A. Gantz

British Prime Minister Theresa May first proposed a “bold and ambitious free trade agreement” to govern future trade arrangements between the European Union and the United Kingdom in a speech on January 17, 2017. More recently, on September 22, 2017, the prime minister suggested that the negotiators could do better than an “advanced free trade agreement,” such as the Comprehensive Economic and Trade Agreement between the European Union and Canada, but offered little indication as to what form such an arrangement might take. This paper suggests that the North American Free Trade Agreement (NAFTA), in particular, NAFTA's customs regulations and its rules of origin, provide useful lessons for the UK (and EU) negotiators.

UK Patent Law and Copyright Law after Brexit: Potential Consequences

Paper No. 3 — November 2017
Luke McDonagh

This paper examines the areas of patent law and copyright law in the context of Brexit. Although neither area of intellectual property (IP) is fully harmonized, the United Kingdom's exit from the European Union could nonetheless have a sizable impact on both sets of rights. For patents, Brexit could lead the United Kingdom

to diverge from EU principles on biotechnology and supplementary protection certificates, and also puts the United Kingdom's role in the new Unified Patent Court system into doubt. In the area of copyright, the United Kingdom could use Brexit as an opportunity to move away from EU standards, including the key definitions of originality and parody. Ultimately, however, this paper argues that the slogan “take back control” is unlikely to lead to dramatic changes in the IP field. Both the European Union and the United Kingdom will likely seek to retain a great deal of regulatory convergence and cooperation over IP.

Brexit and Financial Services: Navigating through the Complexity of Exit Scenarios

Paper No. 4 — November 2017
Maziar Peihani

Since the Leave vote in the June 2016 EU referendum, the UK government has emphasized that Brexit means Brexit, and the United Kingdom is determined to leave the European Union. The future of the UK-EU relationship in many areas, such as trade, labour and the environment, is now engulfed in uncertainty and speculation. This uncertainty is most conspicuous with respect to financial services, an industry crucial to the economic well-being of both jurisdictions, which has been highly integrated over the past decades. The key question that therefore arises is how to govern future relations between the United Kingdom and the European Union in the realm of financial services.

Squaring the Circle: The Search for an Accommodation between the European Union and the United Kingdom

Paper No. 5 — November 2017
Armand de Mestral

This paper examines the various options for a new economic relationship that appears to be available at the time of opening negotiations between the European Union and the United Kingdom. Canada's concerns with respect to an eventual Brexit are considered, as well as the political and economic considerations motivating the European Union and the United Kingdom. This paper argues that the United Kingdom has so far proposed largely constitutional options, but neglected the economic dimensions of the issues posed by Brexit.

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150 Rahmatian, *supra* note 2 at 515.

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Nos programmes de recherche ont trait à la gouvernance dans les domaines suivants : l'économie mondiale, la sécurité et les politiques mondiales, et le droit international, et nous les exécutons avec la collaboration de nombreux partenaires stratégiques et le soutien des gouvernements du Canada et de l'Ontario ainsi que du fondateur du CIGI, Jim Balsillie.

About BIICL

BIICL is a leading independent research centre in the fields of international and comparative law. For more than 50 years, its aims and purposes have been to advance the understanding of international and comparative law; to promote the rule of law in international affairs; and to promote their application through research, publications and events.

BIICL has significant expertise both in conducting complex legal research, and in communicating it to a wider audience. Its research is grounded in strong conceptual foundations with an applied focus, which seeks to provide practical solutions, examples of good practice and recommendations for future policy changes and legal actions. Much of the research crosses over into other disciplines and areas of policy, which requires it to be accessible to non-lawyers. This includes, for example, drafting concise and user-friendly briefing papers and reports for target audiences with varying levels of experience of the law.

**Centre for International
Governance Innovation**

67 Erb Street West
Waterloo, ON, Canada N2L 6C2
www.cigionline.org

