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Law Alert

BREXIT Impact on European Union Trademark Registrations

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We have been in discussions with a number of our UK associates about the impact on trademarks by the withdrawal of the UK from the EU. Our concern is whether or not the protection afforded by an EU registration will be lost in the UK once withdrawal is completed. The candid answer at this point is that nobody knows, but the consensus is that the UK will probably convert the EU registration, at a fee, to a UK registration. Withdrawal from the EU will not be effective until two years after the British government requests it, and we expect to receive information about the conversion of the EU registration in the UK during the interim period.

Should you continue to seek EU trademark registrations?

If you or your clients do business throughout Europe or in various European countries, the EU registration is still a cost effective tool. EU registrations extend to the following countries-Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK. However, we recommend that you simultaneously seek a UK registration even though the conversion of the UK portion is likely. The reason for this is that the cost consequences of taking this extra step will most likely be no greater than just filing in the EU and later converting to the UK registration. In fact, the step we suggest might be less expensive in the long run than just filing for an EU registration.

At present, applicants file for EU registrations through a treaty called the "Madrid Protocol." The Protocol provides a central filing system whereby owners of US registrations or applications can designate about fifty countries in which to obtain trademark protection. Filing for an EU registration through the Protocol costs \$1650.00 (just for filing fees-not our charges). Filing for an EU registration through the Protocol and simultaneously designating the UK costs \$1948.00. This price may vary slightly depending on currency fluctuations. The conversion of the EU registration in the UK will certainly have costs attached to it, namely a conversion charge, plus possible attorneys' fees associated with the conversion. It is likely that these costs will approximate or exceed the roughly \$300.00 additional cost of also designating the UK. This step also provides insurance against the unlikely worst case scenario of the UK deciding not to convert the EU registration.

This Alert is intended to provide a general summary and should not be construed as a legal opinion nor a complete legal analysis of the subject matter. To learn more about any matter discussed in this law alert, please contact any Niesar & Vestal attorney.

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