## **EXPLANATORY NOTE**

(This note is not part of the Regulations)

These Regulations are made in exercise of the powers conferred by section 8(1) of the European Union (Withdrawal) Act 2018 (c.16) ("the EUWA") in order to address failures of retained EU law to operate effectively and other deficiencies (in particular under paragraphs (c), (d) and (g) of section 8(2) of the EUWA) and paragraph 1 of Schedule 4 of the EUWA (in relation to the charging of fees or other charges by the registrar under the Trade Marks Act 1994 (c.26) ("the 1994 Act") in connection with the exercise of functions conferred on the registrar by virtue of provision made under section 8(1)).

Schedule 1 to these Regulations inserts new Schedule 2A into the 1994 Act.

Part 1 of Schedule 2A provides that a trade mark which is registered immediately before exit day as a European Union trade mark under Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark (OJNo. L 154, 16.6.2017, p.1) ("the EUTM Regulation") is to be treated on and after exit day as if it had been applied for and registered as a trade mark under the 1994 Act (unless the proprietor opts not to receive such a mark) and the provisions of the 1994 Act are expressed to apply to such marks as they apply to other marks registered under the 1994 Act, except as provided to the contrary.

Part 1 contains provisions which adapt the application of various provisions (for example the raising of relative grounds in opposition proceedings in case of non-use under section 6A of the 1994 Act) which rely upon the applicant or defendant being able to demonstrate that the trade mark has been put to genuine use in the UK, by providing that in considering whether such conditions have been met, there will be included genuine use of the trade mark in the European Union prior to exit day. It also contains provisions setting out the effect on a trade mark derived from a European Union trade mark of transactions (such as the grant of a licence or a security interest) entered into prior to exit day in relation to that European Union trade mark and also the conduct of proceedings which are pending on exit day before the courts in the United Kingdom which have been designated as EU trade marks courts for the purposes of the EUTM Regulation.

Part 2 of Schedule 2A makes provision for European Union trade marks which have expired during the period of 6 months ending on exit day (and which accordingly are not covered by the provisions in Part 1). Subject to their renewal in accordance with the EUTM Regulation, such marks will be treated on and after exit day as if they had been applied for and registered under the 1994 Act and the provisions of Part 1 apply to such marks.

Part 3 provides that where an application for a European Union trade mark is pending on exit day, the applicant may file an application for registration of the same mark under the 1994 Act and such application may claim the filing date, the priority date (if any) and seniority of another national mark (if any) of the application for the European Union trade mark on which it is based. Such an application must be made within 9 months of exit day.

Part 4 provides that where a European Union trade mark is removed from the register prior to exit day and is restored to the register after exit day pursuant to the EUTM Regulation, the proprietor may within a period of 6 months following the restoration request that the trade mark be treated as if it were subject to Part 1. Similar provision applies in relation to an application for a European Union trade mark which is refused and subsequently restored.

Schedule 2 to the Regulations (made pursuant to paragraph 1 of Schedule 4 to the EUWA) makes provision for the payment of fees in relation to trade marks which derive from European Union

trade marks pursuant to the provisions in Schedule 1 and provides that the Trade Marks (Fees) Rules 2008 (S.I. 2008/1958) apply to such marks as they apply to other registered trade marks under the 1994 Act.

Schedule 3 contains other amendments to the 1994 Act by removing EU references which are no longer appropriate.

Schedule 4 contains amendments to the Trade Marks Rules 2008 (S.I. 2008/1797) which are made under section 78 of the 1994 Act and reflect changes to procedural matters arising out of the amendments to the 1994 Act made under these Regulations.

Schedule 5 contains various consequential amendments, repeals, revocations, transitional and saving provisions arising out of the provisions contained in Schedules 1 to 4 of the Regulations. In particular it revokes the EUTM Regulation and the related Commission Implementing Regulation (EU) 2018/626 of 5<sup>th</sup> March 2018 and Commission Delegated Regulation (EU) 2018/625 of 5<sup>th</sup> March 2018.

A full impact assessment has not been produced for this instrument as no significant impact on the private, voluntary sector or public sector is foreseen. A copy of this instrument and the Explanatory Memorandum is available from the Intellectual Property Office, Concept House, Cardiff Road, Newport, NP20 8QQ. The explanatory memorandum is also available alongside the instrument on the Legislation UK website www.legislation.gov.uk (copies have also been placed in the libraries of both Houses of Parliament).