

The Executive Director

Communication No 2/2019 of the Executive Director of the Office

of 22 February 2019 as amended on 12 April 2019

**on the impact of the United Kingdom's withdrawal from the European Union
on certain aspects of the practice of the Office**

THE EXECUTIVE DIRECTOR OF THE EUROPEAN UNION INTELLECTUAL
PROPERTY OFFICE,

Having regard to the Treaty on the European Union, and in particular Article 50(3)
thereof,

Having regard to Regulation (EU) 2017/1001 of the European Parliament and of the
Council of 14 June 2017 on the European Union trade mark⁽¹⁾ (EUTMR), to
Commission Delegated Regulation (EU) 2018/625 of 5 March 2018 supplementing
Regulation (EU) 2017/1001⁽²⁾ and to Commission Implementing Regulation (EU)
2018/626 of 5 March 2018 laying down detailed rules for implementing certain
provisions of Regulation (EU) 2017/1001⁽³⁾,

Having regard to Council Regulation (EC) 6/2002 of 12 December 2001 on
Community designs, as amended⁽⁴⁾ (CDR) and to Commission Regulation (EC)
2245/2002 of 21 October 2002 implementing the Council Regulation as amended⁽⁵⁾
(CDIR),

Having regard to Article 157(4)(a) EUTMR and to Article 97 CDR;

Whereas:

(1) On 29 March 2017, the United Kingdom (UK) submitted notification of its intention
to withdraw from the Union pursuant to Article 50 of the Treaty on European
Union. This means that the UK will become a third country and, unless a ratified
withdrawal agreement provides otherwise, Union law will cease to apply to the
UK ('withdrawal without agreement') as from the day following the end of the
period under Article 50(3) TUE ('the withdrawal day'). That period, which was
initially set to end on 29 March 2019, currently extends, pursuant to two

⁽¹⁾ OJ L 154, 16.6.2017, p. 1.

⁽²⁾ OJ L 104, 24.4.2018, p. 1.

⁽³⁾ OJ L 104, 24.4.2018, p. 37.

⁽⁴⁾ OJ L 386, 29.12.2006, p. 14.

⁽⁵⁾ OJ L 193, 25.7.2007, p. 13.

consecutive decisions taken by the European Council in agreement with the UK,⁶ until 31 October 2019.

- (2) Should this scenario of a 'withdrawal without agreement' materialise, the European Union legislation in the field of trade marks and designs will no longer apply to the UK as from the withdrawal day.
- (3) The Office has already informed users, rights holders and stakeholders about the main consequences of the UK's withdrawal without an agreement, that is, in the absence of any specific modification of the applicable EU legislation and, in particular, of the EUTMR or the CDR.⁷
- (4) The European Council (Article 50), in its meetings of 13 December 2018⁸ and 21 March 2019,⁹ called for work on preparedness for the consequences of the UK's withdrawal to be intensified at all levels and for all possible outcomes, which includes withdrawal without agreement.
- (5) Pursuant to Article 157(4)(a) EUTMR, the Executive Director shall take all necessary steps, including the adoption of internal administrative instructions and the publication of notices, to ensure the functioning of the Office.
- (6) This Communication, which complements the information already provided to users, rights holders and stakeholders on 18 January 2018,¹⁰ intends to give further guidance on the measures the Office has already taken and the way in which the Office will apply the relevant EU legislation in its practice in the field of EU trade marks (EUTMs) and registered Community designs (RCDs) in the event of the UK's withdrawal without agreement.
- (7) This Communication is adopted with a view to dealing with the specific circumstance of a withdrawal of a member state from the Union in the absence of any specific provisions to that effect in the applicable EU legislation.
- (8) This Communication was initially adopted in view of a possible 'withdrawal without agreement' occurring on 29 March 2019. Since, as a consequence of the extension of the period under Article 50(3) TUE decided by the European Council on 22 March 2019 and 11 April 2019, the suspension of proceedings initially foreseen in point 13 of this communication is no longer appropriate and points 13

⁶ Decisions of 22 March 2019 (OJ L 80I, 22.3.2019, p. 1) and of 11 April 2019.

⁷ Notice to Stakeholders of the European Commission and the EUIPO of 22 January 2018 (https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/news/Notice_to_stakeholders_en.pdf) and Frequently asked Questions and Answers on the Impact of the United Kingdom's withdrawal from the European Union on the European Union trade mark and the Community design of 18 January 2018 (https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/news/QandA_brexit_en.pdf).

⁸ <https://www.consilium.europa.eu/media/37508/13-euco-art-50-conclusions-en.pdf>.

⁹ <https://data.consilium.europa.eu/doc/document/XT-20004-2019-INIT/en/pdf>

¹⁰ Frequently asked Questions and Answers on the Impact of the United Kingdom's withdrawal from the European Union on the European Union trade mark and the Community design of 18 January 2018 (https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/news/QandA_brexit_en.pdf).

to 15 of this communication are accordingly deleted with effect as from 12 April 2019.

HAS ADOPTED THE FOLLOWING COMMUNICATION:

I. Scope and Purpose

1. This Communication sets out the most important consequences caused by the UK's withdrawal from the Union without agreement upon the current practice of the Office as regards proceedings in relation to EUTMs and RCDs as laid down in the Annex to Decision EX-17-1.¹¹
2. This Communication reflects general instructions and will need to be adapted to the particularities of specific cases. It is not a legislative text and therefore does not have the same binding effect. It rather informs users and stakeholders about the way in which the Office intends to handle the specific circumstance that the EUTM and RCD Regulations will cease to apply to the UK as from the withdrawal day.
3. This Communication informs rights holders and professional representatives, in particular, about the way in which the Office will deal with the fact that the UK's withdrawal without agreement will *ex lege* (Article 50(3) TEU) result in a loss of rights as regards the protection of rights and the capacity to act in proceedings before the Office.
4. Within its specific scope of application, that is, the consequences of the UK's withdrawal without agreement, this Communication supersedes the general practice of the Office as regards proceedings in EUTM and RCDs laid down in the Guidelines for Examination before the Office or in other previous Decisions and Communications of the Executive Director. Points 44 to 50 of this Communication shall equally apply to exemption requests not related to the UK's withdrawal from the EU.

II. Notifications to rights holders and professional representatives

5. Except in the cases specifically mentioned in this Communication, the Office will not issue any (prior or subsequent) individual notification to EUTM and RCD applicants, rights holders and professional representatives whose rights

¹¹ Decision EX-17-1 of 22/09/2017 on the adoption of the Guidelines for Examination of EU trade marks and Registered Community designs https://euipo.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/law_and_practice/decisions_president/EX-17-1_en.pdf.

might be *ex lege* (Article 50(3) TEU) affected by the UK's withdrawal without agreement.

III. Seniorities (Articles 39 and 40 EUTMR)

Seniority claims based on UK trade marks filed before the withdrawal day

6. Seniority claims based on UK trade marks filed before the withdrawal day will be processed and published.

Seniority claims based on UK trade marks filed as from the withdrawal day

7. Seniority claims based on UK trade marks filed as from the withdrawal day will be refused.

No cancellation of seniority claims based on UK trade marks in the EUTM register

8. The Office will not process individual entries in the EUTM register cancelling all UK seniority claims in all EUTMs under Article 111(3)(r) EUTMR given that, as from the withdrawal day, UK seniority claims will *ex lege* cease to have effect in the EU.

IV. Conversions (Article 139 EUTMR)

Pending requests for conversion to the UK

9. Requests for conversion to the UK received by the Office before the withdrawal day will be accepted as admissible and will be transmitted to the UK's Intellectual Property Office, provided that the conversion request fulfils all the conditions set out in the EUTMR, including the payment of the conversion fee.
10. If the conditions governing the request received by the Office before the withdrawal day are not fulfilled, the Office will notify the applicant of any deficiencies in the formal requirements. If the deficiencies are remedied within the period specified by the Office, the conversion request shall be accepted as admissible, even if the deficiencies are remedied after the withdrawal day.

Requests for conversion to the UK received as from the withdrawal day

11. A request for conversion to the UK received by the Office as from the withdrawal day will be refused as inadmissible, even when the request is received within the three month period set out in Article 139(4), (5) and (6) EUTMR.

V. Earlier rights in *inter partes* proceedings

12. As from the withdrawal day, UK rights cease *ex lege* (Article 50(3) TEU) to be 'earlier rights' for the purposes of inter partes proceedings (opposition, EUTM invalidity, RCD invalidity)¹². Further, the territory and public of the UK will no longer be relevant for the purposes of assessing a conflict between an earlier EU right and a later EUTM or EUTM application. This has certain consequences as to how files will be treated as from the withdrawal day.
13. [Deleted]
14. [Deleted]
15. [Deleted]
16. Regardless of their procedural status at first instance, actions in inter partes proceedings based solely on UK rights that are still pending on the withdrawal day will be dismissed for lack of valid basis. Each party will be ordered to pay their own costs.
17. If either party is domiciled in the UK or another country outside the EEA and is without a representative from within the EEA on the withdrawal day, the decision dismissing the action will be notified directly to the non-EEA party. There will be no admissibility or formality deficiency raised to remedy the lack of representation.
18. In inter partes files based on UK rights accompanied by other, non-UK, rights, proceedings will be processed as usual after the withdrawal day, subject to the following adjustments:
19. Requests for proof of use for an earlier UK trade mark or IR designating the UK will be rejected as ineffective. At the stage of decision taking, if the action cannot be fully upheld on the basis of non-UK rights, it will be formally rejected as lacking valid basis insofar it is based on UK rights.
20. As regards the proof of use of earlier EUTMs, evidence relating to the UK and to a period of time prior to the withdrawal day will be relevant to maintain the rights in the EUTM and will be taken into account. The significance of that use for the overall assessment of genuine use in the European Union will progressively decrease – from potentially sufficient to entirely irrelevant –

¹² Except if invoked under the opposition ground Article 8(3) EUTMR, the EUTM invalidity ground Article 60(1)(b) EUTMR or the RCD invalidity ground Article 25(1)(b) CDR, where rights protected outside the European Union may also be eligible basis for action.

depending upon the extent to which it covers the period for which use has to be established in the case at hand. The same applies to actions for the revocation of an EUTM for non-use.

21. Conversely, evidence relating to the UK can no longer sustain, or contribute to, the protection of an EUTM (*for example*, in the context of proving reputation of an EUTM under Article 8(5) EUTMR) as from the withdrawal day, even if that evidence predates the withdrawal day. The EUTM must be reputed 'in the European Union' at the moment of decision taking. Where the fulfilment of a condition for a ground of action (*for example*, proof of a link between the marks at issue and any of the risks of injury under Article 8(5) EUTMR) has only been established in the UK, this will not warrant upholding the opposition or the invalidity request.

VI. Mandatory representation (Article 119 EUTMR)

22. Natural or legal persons having their domicile or principal place of business in the UK or another country outside the EEA will have to be represented in all proceedings before the Office.
23. Natural persons that are domiciled in the EEA do not have to be represented, regardless of their nationality.

Registered rights as from the withdrawal day

24. Owners of registered EUTMs and RCDs based in the UK or another country outside the EEA do not need to be represented before the Office for the filing of a request to renew these rights.
25. Owners of registered EUTMs and RCDs based in the UK or another country outside the EEA are not required to appoint a representative, unless their right is, or becomes, subject of cancellation proceedings before the Office (see below point 30).

Proceedings as from the withdrawal day

26. As representation is not mandatory for the act of filing of an application of EUTMs and RCDs, applicants based in the UK or another country outside the EEA do not need to appoint a representative for that purpose.
27. In all proceedings relating to EUTM and RCD applications, including oppositions against EUTM applications, where representation is mandatory and *the EUTM or RCD applicant* based in the UK or another country outside the EEA has not appointed a professional representative, the Office will invite that applicant to appoint a representative as part of the formality examination. Where that applicant fails to remedy this deficiency, the EUTM or RCD application will be refused. The same will also apply where the appointment of

a representative ceases to exist in the course of the registration process, that is before the EUTM or RCD application is actually registered by the Office.

28. The same applies to all applications for the registration of transfers, licences, rights in rem, levies of execution, insolvency proceedings or similar proceedings, where representation is mandatory. Where the *applicant for these requests* based in the UK or another country outside the EEA has not appointed a professional representative, or such appointment ceases to exist in the course of those proceedings, the Office will invite that applicant to appoint a representative. Where that applicant fails to remedy this deficiency, the application will be refused.
29. In opposition or cancellation proceedings, where representation is mandatory and the *opponent or cancellation applicant* based in the UK or another country outside the EEA has not appointed a professional representative, the Office will invite it to appoint a representative. Where that opponent or cancellation applicant fails to remedy this deficiency, the opposition or cancellation request will be rejected as inadmissible. The same will also apply where that opponent's or cancellation applicant's appointment of a representative ceases to exist in the course of the proceedings.
30. In cancellation proceedings, where representation is mandatory and the *owner of the challenged registered EUTM or RCD* based in the UK or another country outside the EEA has not appointed a professional representative, the Office will invite that owner to appoint a representative. Where that owner fails to remedy this deficiency, its procedural statements made as from the withdrawal day will not be taken into account, and the Office will decide on the basis of the submissions which have been validly made before the withdrawal day. The same will also apply where that owner's appointment of a representative ceases to exist in the course of the cancellation proceedings. However, the registered EUTM or RCD will not be cancelled on account of the mere fact that its UK based owner is not represented.

VII. Representatives (Article 120 EUTMR and Article 78 CDR)

Legal requirements

31. In order to represent parties before the Office, legal practitioners pursuant to Article 120(1)(a) EUTMR need to be (i) qualified in one of the EEA Member States, and, (ii) established within the EEA, and (iii) entitled to act as a representative in trade mark or design matters in the Member State of the EEA in which they are qualified. Legal practitioners do not have to be nationals of an EEA Member State. Consequently, legal practitioners that are established in the UK and are qualified and entitled to act as a representative in trade mark or design matters in the UK, will no longer be able to represent parties as legal practitioners before the Office.
32. In order to represent parties before the Office, professional representatives pursuant to Article 120(2) EUTMR need to be (i) nationals of an EEA Member

State, (ii) established in the EEA, and (iii) be entitled to act as representative in trade mark and design matters in one of the EEA Member States. As in the case of legal practitioners, professional representatives need to have a place of business in any EEA Member State, as long as their qualification and entitlement to act are in the same EEA Member State. Consequently, professional representatives that are (i) UK nationals, or (ii) established in the UK, or (iii) entitled to act as a representative in trade mark and design matters in the UK will no longer be able to represent parties as professional representatives before the Office.

33. An employee of a natural or legal person having its principle place of business or its real and effective establishment in the UK is not entitled to represent parties before the Office.
34. Associations of representatives (Article 74(8) EUTMDR) exist by definition only to the extent that the associates (minimum two) are valid representatives.

Consequence as from the withdrawal day

35. Representatives who no longer meet the legal requirements recalled above due to the UK's withdrawal from the Union will *ex lege* (Article 50(3) TEU) lose their capacity to act in proceedings before the Office as from the withdrawal day.
36. The consequences, as from the withdrawal day, for the representative concerned by that loss are the following:
 37. The Office will invalidate the ID number assigned to the representative concerned, preventing any further actions to be carried out by the holder of the ID.
 38. The representative concerned will be automatically removed from all files in EUTM and RCD related proceedings. This removal will be notified to the representative concerned and to the holder of the IP right only where the representative's ID number has open (live) files assigned to it. Where the removal concerns more than one file, no separate notifications will be issued for each individual IP right, instead a notification will be issued identifying a list of all the affected IP rights.
 39. Subsequently, the representative concerned will be deleted from the Office's database of representatives. Where applicable, the representative concerned will also be removed from the Office's list of professional representatives, and the corresponding amendment of the list of representatives will be published in the Official Journal of the Office (Article 120(5) EUTMR).
 40. Where a current account is linked to the representative concerned, that current account will be closed. Closure shall not take place until at least 30 days after the withdrawal day to cater for deferred payments of application fees (if any are pending). The representative concerned will be informed of the closure of the

current account and will be contacted by the Office to process the refund of any outstanding account balance.

41. Associations of representatives with an address in the UK will be automatically deleted from the Office's database of representatives.

Updating of existing files before the withdrawal day

42. Where legal practitioners or professional representatives request a change of establishment from the UK to another EEA Member State, the Office may require the submission of evidence that real and effective business is being carried out from the new place of establishment.
43. Where the original entitlement to act as a representative in trade mark and design matters was evidenced by a certificate issued by the UK Intellectual Property Office (UKIPO), the representative must submit a certificate issued by the central industrial property office of an EEA Member State other than the UKIPO.

Requests for exemptions for professional representatives

44. The broad discretionary power to grant exemptions from five years' experience requirement or from EEA nationality requirement pursuant to Article 120(4) EUTMR and Article 78(4) CDR will be exercised by the Executive Director of the Office with due regard to the fact that the provision (i) does not confer any right to the person requesting the exemptions, (ii) is conceived as an exception from the general rule, which needs to be applied restrictively and on a strictly individual basis only, and (iii) can also be based on more general considerations such as the absence of any need for additional professional representatives.
45. Regarding exemptions from five years' experience requirement, it should be noted that such exemption can only be requested where the requestor is entitled to act in EEA Member States in which no 'special professional qualification' is required. It should also be noted that the experience equivalent to at least five years of habitually acting as a representative before the central industrial property office concerned to be established by the requestor (with supporting evidence) must have been obtained in the EEA Member State concerned.
46. Regarding exemptions from EEA nationality requirement, it should be noted that it is only conceivable for a "highly qualified professional", that is, in exceptional circumstances.
47. This legal condition of being "highly qualified professional" would at least, and without being necessarily sufficient in themselves, require the requestor to demonstrate (with supporting evidence) that his/her professional experience

- a. is specifically related to trade mark and design matters,
 - b. has been specifically obtained 'acting as a representative' in trade mark and design matters,
 - c. is attributable to a specific trade mark and/or design portfolio, including elements such as the relevance of the IP rights managed, such as prominent cases and those that are proven to be difficult or standout due to the complexity of the subject or grounds tackled,
 - d. has been performed under his/her own responsibility and authority,
 - e. has been acquired in the Member State of the EEA where the requestor is currently entitled to represent others in trade mark or design matters, within the meaning of Article 120(2)(c) EUTMR,
 - f. exceeds the minimum requirement of five years duration laid down in Article 120(2)(c) EUTMR in case that the entitlement to represent is based on experience and not on qualification.
48. The following circumstances would, on their own, not be considered to demonstrate that the requestor is a 'highly qualified professional' for the purposes of the exemption from the EEA nationality requirement. However, provided that the aforementioned requirements are fulfilled, these could be considered in the overall assessment of all relevant factors:
- a. experience in IP related areas of laws other than trade marks and designs (e.g. patents, copyright, etc.);
 - b. formal qualifications (i.e. Trade Mark Attorney, European Patent Attorney, etc.);
 - c. experience achieved under supervision, assisted by others, as part a team etc.
 - d. publications, research or articles in recognised peer reviewed journals or specialised publications, book authorship, experience in IP educational field.
49. Any request for exemption received before the withdrawal day will be refused by the Office as inadmissible where the requestor currently complies with the UK nationality requirement or currently possesses the entitlement to act before the UKIPO.
50. A request for exemption is not subject to any time limit but shall be filed using the form provided for this purpose. All the arguments and evidence the requestor deems necessary to support the claims must be filed together with that request. The Office will decide on the basis of that request. That decision

might be appealed before the General Court of the European Union under the conditions laid down in Article 263(4) TFEU.

VIII. Entitlement to file an International Application based on an EUTM (Article 184(5)(f) EUTMR and Article 2(1)(ii) Madrid Protocol)

51. An applicant is entitled to file an international application with the EUIPO as office of origin if it is a national of, or has a domicile or a real and effective industrial or commercial establishment in, an EU Member State.

As from the withdrawal day

52. EU nationals domiciled in the UK will be entitled to file an international application with EUIPO as office of origin.
53. UK nationals domiciled in an EU Member State will be entitled to file an international application with EUIPO as office of origin.
54. However, a UK national with no domicile in an EU Member State will no longer be entitled to file an international application through the EUIPO as office of origin.

IX. Entry into force

55. This Communication enters into force on 8 March 2019. The deletion of points 13 to 15 of this Communication takes effect as from 12 April 2019
56. Where this Communication refers to measures to be taken as from the withdrawal day, these measures shall apply as from the date on which Union law will cease to apply to the UK pursuant to Article 50(3) TEU and provided that no agreement on the withdrawal of the UK from the European Union has entered into force on that date.



Christian Archambeau

Executive Director