Brexit: A Working Draft – Part ii: Designs

Kluwer Trademark Blog
April 6, 2018

Julius Stobbs, Cameron Malone-Brown (Stobbs IP)

Please refer to this post as: Julius Stobbs, Cameron Malone-Brown, 'Brexit: A Working Draft – Part ii: Designs', Kluwer Trademark Blog, April 6 2018, http://trademarkblog.kluweriplaw.com/2018/04/06/brexit-working-draft-part-ii-designs/

As discussed in our recent post here, the draft withdrawal agreement published by the EU Commission sets out a potential framework for trade mark and design rights AB (Anno Brexit). Certain implications of this framework for trade marks were discussed in our previous post. This post will consider some of the key implications for holders of design rights, given what we now know to be the starting point for the Commission, as negotiations get underway.

The draft withdrawal document provides the following with regards to design rights post-Brexit:

- Unregistered Community designs generated prior to 31 December 2020 (the end of the proposed transition period) shall generate an equivalent domestic right;
- The holder of a registered Community design shall become the holder of a registered design right in the United Kingdom for the same design;
- The term of protection under the law of the United Kingdom shall be at least equal to the remaining period of protection under Union law of the corresponding registered Community design;
- The date of filing or the date of priority shall be that of the corresponding registered Community design.

There may well be administrative challenges involved in creating thousands of new UK design registrations, as the entire Community designs register will essentially need to be replicated on the UK register. However, the substantive legal issues really arise around the question of unregistered design rights.

There are significant discrepancies between UK and EU law concerning the protection of unregistered designs. Whilst the UK's law on registered designs (the Registered Designs Act 1949) is harmonised, the unregistered design right, governed by the Copyright, Designs and Patents Act 1988, is not.

The most important difference is that unregistered Community design rights can protect features such as surface decoration, ornamentation and two-dimensional designs. In contrast, UK unregistered design rights only protect the shape and configuration of an item. A large number of designs which are currently protected as unregistered Community designs are therefore not covered by the UK unregistered design right.

If, therefore, unregistered Community design rights are to be granted equivalent protection in the UK during the transition period, there are considerable implications for the UK system. It is conceivable that the courts could see a number of cases being brought relating to these unregistered Community designs, once an equivalent degree of protection is afforded. It is unclear how the courts would treat rights which 1) would not have obtained protection through UK law, 2) are expressly excluded from protection by UK legislation and 3) for which there is no case law to guide their approach.

If the acquis of the European Union is no longer to bind the UK courts, the attempted maintenance of a set of rights which are incompatible with UK legislation would require a complicated transitional period for the 3-year duration of the UK equivalent to the unregistered Community design. Alternatively, new

legislation on unregistered designs would be needed to bring the law in line with the Community right. Given the discrepancies and the timescales involved, this feels unlikely.

It is worthy of note that the duration of unregistered Community design rights is 3 years, which may be as much as 12 years fewer than the present UK equivalent. If the transitional period is to close on 31 December 2020, and if the term of the unregistered Community designs which are replicated in the UK is determined by the UK Act and not by EU law, these designs could have effect until 31 December 2023. This creates a wide window in which rights that are not currently recognised in the UK will enjoy equivalent protection.

Whilst it is premature to anticipate a wholesale adoption of this draft agreement, given that negotiations are very much still ongoing, there are clear gaps in the framework which will require attention if this is to prove a workable model.