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# BREXIT

## and intellectual property

### a new horizon





# BREXIT and intellectual property a new horizon

On 31 January 2020, the UK officially exited the European Union (EU), meaning that we are now in the transition period, which should end on 31 December 2020 (unless extended although the current government has stated emphatically that this will not happen).

So far, it has largely been “business as usual” for intellectual property (IP) rights in the UK, as the UK Intellectual Property Office (IPO) had assured us back in January would be the case. (We wrote about this previously, in our blog: [Brexit: what does the transition period mean for intellectual property rights?](#)) The UK continues to be part of the EU insofar as the protection of EU IP rights is concerned during the transition period and the UK continues to apply and implement relevant EU law.

To prepare for the end of the transition period, the UK government has put in place a range of Regulations (Statutory Instruments) providing for the protection of EU and UK IP rights. These “Exit Regulations” essentially drill down the high-level provisions for the protection of IP as set out in Articles 54 to 61 of the Withdrawal Agreement (WA) deal. The IPO in turn has produced a large number of guidance notes fleshing out the arrangements set out in the Regulations. The European Commission has also produced a range of “readiness” notices and the EUIPO (not to be left out!) has made some communications and “announcements”.

Below, our IP experts breakdown the UK’s position in relation to all key IP rights from 2021 (as set out in this documentation) and highlight key points for rights owners to consider, regarding:

- › Trade marks
- › Designs
- › Exhaustion of IP rights
- › EU domain names
- › Copyright and related rights
- › Patents
- › Supplementary Protection Certificates

# Trade marks

SI: Trade Marks (Amendment etc.) (EU Exit) Regulations 2019/269

IPO guidance: EU trade mark protection and comparable UK trade marks from 1 January 2021



## From the 1 January 2021, EU trade marks (EUTMs) will no longer protect trade marks in the UK.

The IPO will convert around 1.4 million EUTMs to comparable UK trade marks at the end of the transition period, which will come into effect on 1 January 2021. (It is possible to opt out of this automatic conversion). There will be no cost to trade mark owners for this conversion. The registration number of each comparable trade mark will be the last eight digits of the relevant EUTM mark, with the added prefix UK009.

Early next year, trade mark owners should audit their portfolios to check all EUTMs have been successfully cloned, and update all records.

Existing EUTMs will still protect trade marks in EU member states and UK businesses will still be able to apply the EU Intellectual Property Office (EUIPO) for an EUTM.

There will be no changes to UK-registered trade marks as a result of the UK leaving the EU.

### › Pending EUTM applications:

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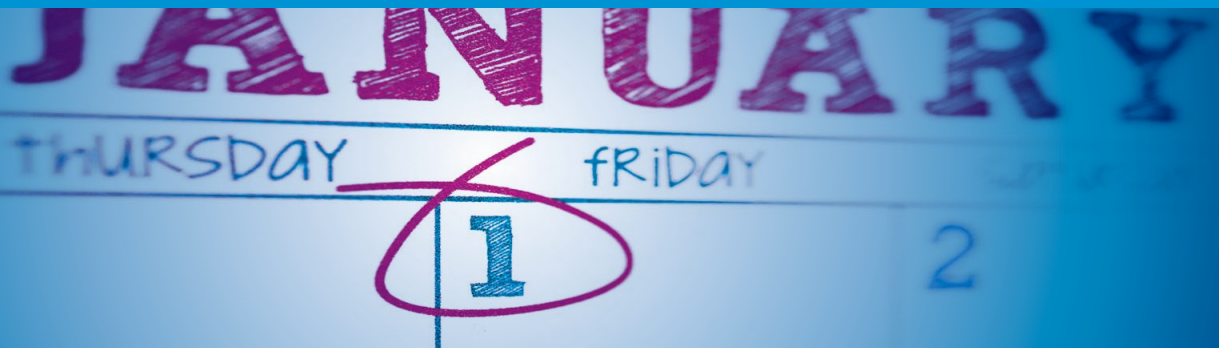
**Applicants for EUTMs that have not reached registration by the end of the transition period will have a period of nine months to apply for the comparable UK trade mark taking advantage of the same filing, priority and seniority dates.**

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› **Use and reputation:** Any use of the mark in the EU before 1 January 2021, whether inside or outside the UK, will count as use of the comparable UK mark.

Similarly, the reputation of the EUTM in the EU, but not necessarily the UK, before 1 January 2021 will be considered for the purposes of the comparable UK mark.

› **Existing licences:** Any licence, assignment or security interest relating to an EUTM will apply to the comparable UK right. We recommend that EUTM owners notify any licensees that from 1 January 2021 the licence will also apply in the UK to the comparable mark. They should also check that the creation of the new right does not breach any clause of the licence, or any other agreement to which they are party. The period for recording a licence or other transaction on the UK register will be extended from 6 to 12 months from 1 January 2021.



## › Pending court proceedings:

During the transition period, UK courts can continue to act as EUTM courts under the EUTM Regulation and will be able to issue pan-EU injunctions. From 1 January 2021, UK courts will no longer be able to act as EUTM (or Community design) courts and will become unable to grant remedies in respect of EUTMs or Community designs, or to revoke them or declare them invalid. From that point, the proceedings will proceed solely on the basis of the new UK rights arising from EUTMs and Community designs, and any remedies ordered will relate solely to those new rights. (For further details about Community designs see below.)

## › International registrations:

From 1 January 2021, international trade mark registrations designating the EU will no longer be valid in the UK. (See IPO guidance: [Changes to international trade mark registrations from 1 January 2021](#) and SI: [Designs and International Trade Marks \(Amendment etc.\) \(EU Exit\) Regulations 2019/638](#).) A comparable UK trade mark will be created in relation to each international (EU) trade mark designation which has protected status immediately before 1 January 2021; its registration number will be the last eight digits of the international (EU) trade mark, with the added prefix UK008. This new mark will be independent from the international registration (IR) and treated as if it were a national trade mark (i.e. it can be challenged, assigned, licensed or renewed separately from the original IR).

## Use of EUTMs in the UK

Another unanswered question until recently was whether after January 2021, use of a EUTM in the UK could count towards use “in the EU” for the purpose of maintaining the rights conferred by the EUTM. In a [joint notice](#) dated 18 June 2020 from the Commission and EUIPO on the effect of Brexit on EUTMs and Community designs, it was confirmed that this was not the case. However, such use before the end of 2020 may count if it relates to the relevant period for which use has to be shown – the significance of that use for the overall assessment of genuine use in the EU will naturally progressively decrease.

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**Owners of EUTMs who have primarily used their EUTM in the UK until now are advised to review their commercial strategy to minimise the risks of their EUTM being vulnerable to attack in the future for non-use.**

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The options available to them include expanding their market into the EU and registering new trade marks, as well as refining their systems for archiving evidence of use, so there are separate records for use in the UK and EU.

Similarly, all existing seniority claims in EUTMs based on national trade mark rights in the UK will cease to have an effect in the EU from January 2021.

See: [EUIPO Communication No 2/20, 10 September 2020](#) and [FAQs](#) for further details. (These are also relevant for the two sections below.)

## Reputation of EUTMs shown for the UK

The EUTM must be reputed “in the EU” at the moment of decision taking. Consequently, from January 2021 evidence relating to the UK can no longer sustain, or contribute to, the protection of an EUTM, even if that evidence predates that date.

## Earlier UK rights in EUIPO proceedings

From 1 January 2021, UK rights will cease to be “earlier rights” for EUIPO proceedings between parties, and the UK territory and public will no longer be relevant in assessing conflicting rights. However, evidence of proof of use in the UK before that date will continue to be relevant.

As from the end of the transition period, any pending or new opposition or invalidity request based solely on a UK right will be dismissed.

For a summary of the above, see our blog (posted in early July 2020)

**Brexit and trade marks - latest developments: filling in the gaps**

# Designs

SI: **Designs and International Trade Marks (Amendment etc.) (EU Exit) Regulations 2019/638**

IPO guidance: **Changes to EU and international designs and trade mark protection from 1 January 2021** and **Changes to unregistered designs from 1 January 2021**

The situation regarding designs is more complicated than trade marks due to some extent to the fact that there are a number of ways to obtain protection for a design.

Which is appropriate for a business will depend on a range of factors including the nature of the design and the commercial strategy. Before we look at what happens to designs from 2021 here is a quick recap of what is currently on offer in the UK.

Design protection can currently be obtained in the UK via a registered right or an unregistered right in the following ways:

- › A national registered design granted by the IPO;
- › A registered Community design (RCD) granted by the EUIPO;
- › An international registration designating either the UK or the EU, filed under the Hague Agreement at WIPO; and
- › Unregistered protection via the UK design right or the EU unregistered Community design (UCD). (There are differences between the two unregistered designs including the length of protection which in broad terms is three years for the UCD, and up to 15 years for the UK right.)

At the end of the transition period (1 January 2021), RCDs, UCDs, and international design registrations designating the EU will no longer be valid in the UK. We discuss the implications of this below.

## Registered designs

From 1 January 2021 all registered and published RCDs will have comparable UK designs, which will be recorded on the UK register in the same way that EUTMs are to be converted to comparable trade marks in the UK (as set out above). These comparable designs will be treated as if they had been applied for and registered under UK law. There will be no cost to design owners for this conversion and there is again a chance to opt-out. The registration number of each comparable design will be the full RCD number, prefixed with the digit "9".

- › Pending RCD applications:

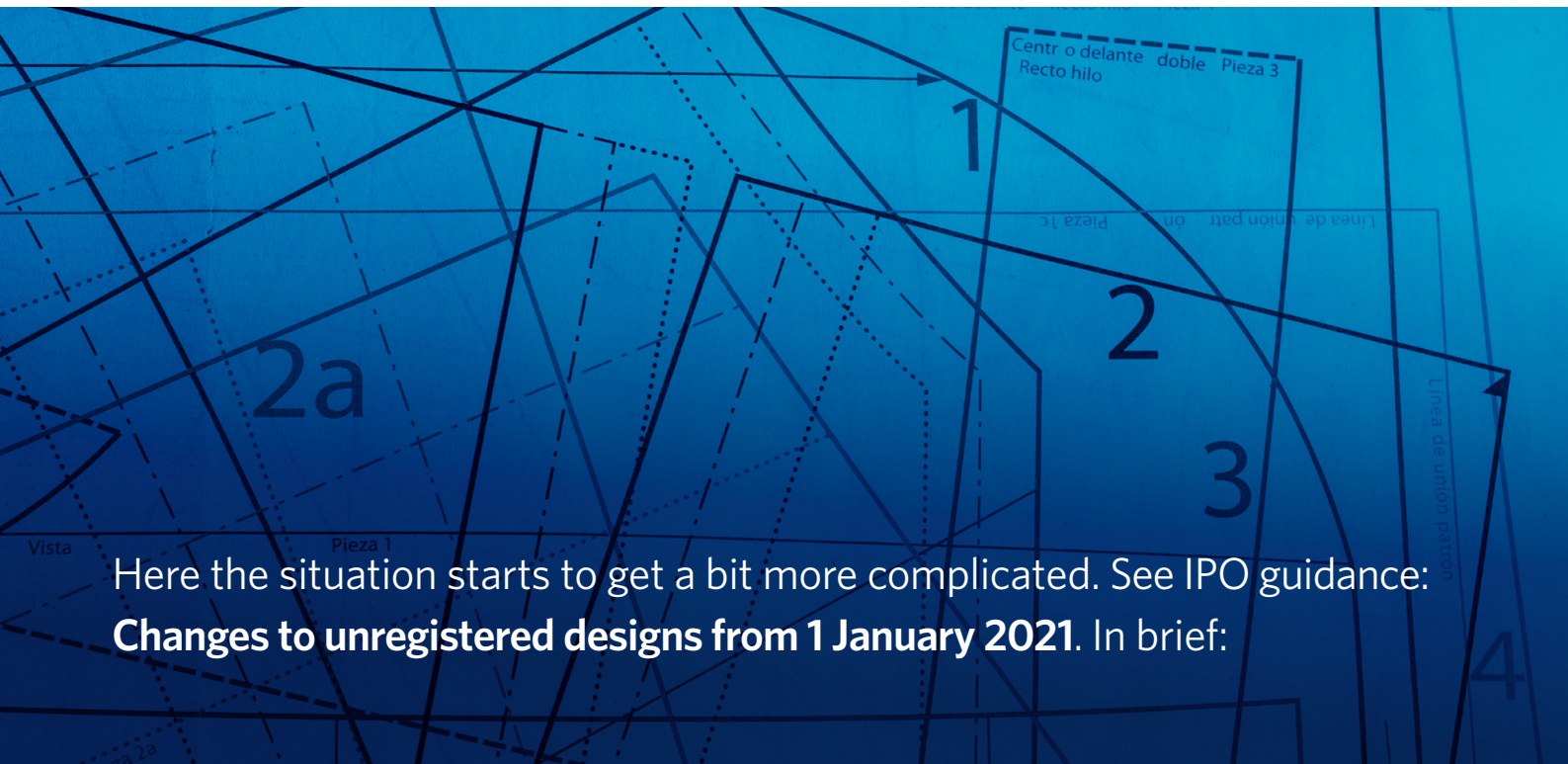
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**Applicants for RCDs that have not reached registration by the end of the transition period will have a period of nine months to apply for a UK registered design taking advantage of the same filing and priority.**

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- › International registrations: Consistent with the position for RCDs, the IPO will create comparable UK rights for all protected international (EU) designs, which will be recorded on the UK register. The number allocated to the re-registered international design will consist of the full IR (EU) number prefixed with the digit '8'. (This was confirmed by the IPO in its guidance note updated in June 2020: [International EU protected designs after 1 January 2021](#).)

## Unregistered designs



Here the situation starts to get a bit more complicated. See IPO guidance: **Changes to unregistered designs from 1 January 2021**. In brief:

- › **Continuing unregistered design.** Designs that are protected in the UK as an UCD before 1 January 2021 day will be protected as a UK continuing unregistered design and will be automatically established on 1 January 2021. They will continue to be protected in the UK for the remainder of the three year term attached to them. The fact that a corresponding UCD was established before 1 January 2021 through first disclosure in the EU, but outside of the UK will not affect the validity of the continuing unregistered design.
- › **Supplementary unregistered design (SUD).** The SUD is a new right in UK law which mirrors the UCD by providing protection from 1 January 2021 to ensure that designers still have the full range of options available to them after the transition period ends. This is significant as it should mean that design features including surface decoration (e.g. 2D logos) can still be protected via unregistered design law in the UK. It will be established by first disclosure in the UK, not the EU and it is consequently important for businesses to consider in advance the type of protection they would like. It is possible that disclosure in the EU could destroy the novelty in that design should a business later claim SUD in it.
- › **UK design right.** UK design right will continue after 1 January 2021 and will function alongside continuing and supplementary unregistered designs. There will be some changes to the qualification criteria to create consistency with the other rights.

# Exhaustion of IP rights

SI: The Intellectual Property (Exhaustion of Rights) (EU Exit) Regulations 2019

IPO guidance: Exhaustion of IP rights and parallel trade from 1 January 2021



Currently, exhaustion of trade marks and other IP rights occurs in the UK when an IP-protected good is placed on the market anywhere in the EEA, by or with the right owner's permission.

This means that rights owners cannot prevent the movement of those goods within the EEA.

From January 2021, parallel imports from the EEA to the UK will remain freely importable (this is provided for by the above UK regulations). However, EU law providing for the exhaustion of IP rights will no longer apply to the UK - an IP right will not be exhausted in the EU if a good protected by it has been lawfully put on the UK market.

This means that the right owner (or a person with their consent) may oppose parallel imports from the UK into the EEA.

Consequently, businesses that export IP-protected goods from the UK to the EEA will need to ensure they have permission from the right owner. Depending on the outcome of the discussions with the right owner, businesses may then need to review their business arrangements, business model or supply chain in preparation for January 2021.

The EU and UK agreed (as set out in the WA) that IP rights exhausted in the EU and the UK before the end of the transition period shall remain exhausted in both areas indefinitely.

The UK government has been debating the options for what exhaustion regime should apply from next year, but while the trade negotiations continue the position is still uncertain and businesses should be prepared for the situation to be as outlined above - this was recommended by the Commission in its recent notice in June 2020.

# EU domain names

EURid: [June 2020 notice](#)

DCMS guidance: [.eu domain names – what you need to do before the end of the transition period](#)

EURid, the registry for .eu domains, published in June 2020 a revised notice (see above) setting out guidance for UK registrants. Key points are:

- › UK citizens, residents, undertakings and organisations may continue to register and hold .eu domain names during the transition period.
- › From **January 2021**, to continue to be able to hold and register .eu domain names, such UK persons and entities must either be an EU citizen, a natural person who is not an EU citizen and who is a resident of an EU member state, or an undertaking or organisation established in the EU.
- › From **January 2021**, any UK person or entity that does not fulfil the criteria set out in the second bullet point above will no longer be eligible to hold a .eu domain name.
- › On **1 October 2020** UK-based owners of existing .eu domain names will be notified by EURid that they will lose their eligibility as of 1 January 2021 unless they meet the criteria mentioned and can demonstrate this.
- › On **21 December 2020** a further notification on the risk of non-compliance with the .eu regulatory framework will be sent by EURid to UK-based owners of existing .eu domain names who have not demonstrated the requisite compliance.
- › As of **1 January 2021**, any UK registrant who did not demonstrate the necessary eligibility will have their .eu domain name withdrawn. It will be removed from the zone file and will no longer function as a domain name, so will be unable to support active services such as websites or email.





# Copyright and related rights

## Copyright

SI: **Intellectual Property (Copyright and Related Rights) (Amendment) (EU Exit) Regulations 2019**

IPO guidance: **Changes to copyright law from 1 January 2021**



The UK and EU member states are contracting parties to the main international treaties on copyright and related rights, such as the World Intellectual Property Organisation (WIPO), Copyright Treaty (WCT), the Agreement on the Trade-Related Aspects of Intellectual Property Rights (TRIPS), and the WIPO Performances and Phonograms Treaty (WPPT).

Through these treaties, countries provide copyright protection for works originating in or created by nationals of other countries.

This international framework will continue to govern the protection and enforcement of copyright between the UK and the EU and does not depend on the UK's membership of the EU. Therefore, copyright will be largely unaffected by Brexit and does not feature in the withdrawal agreement.

A large part of UK copyright law is also derived from the EU copyright framework, in particular, European directives, which builds on the international treaties. That EU body of law, however, lays down various special rules, cross-border measures and management of rights for rights holders or users in the EU, which have no counterpart in the international treaties. These mechanisms are unique to the EU and currently only offer protections and benefits on a reciprocal basis between EU member states.

On 30 January 2020, the IPO published guidance entitled, [Changes to copyright law from 1 January 2021](#) on the impact of Brexit on UK rights holders, businesses and cultural heritage institutions and consumers.

The European Commission followed suit on 23 June 2020 with a [Notice to stakeholders on the withdrawal of the United Kingdom and EU rules in the field of copyright and related rights](#).

# Copyright and related rights continued

To ensure UK copyright law functions properly from 1 January 2021, the UK government has introduced the [Intellectual Property \(Copyright and Related Rights\) \(Amendment\) \(EU Exit\) Regulations 2019](#), which amend or correct references to the EU, EEA or member states in UK copyright legislation. These were created for a possible no-deal scenario but have now been deferred until the end of the transition period.

In relation to the reciprocal cross-border mechanisms, these will be amended or revoked, as appropriate, based on negotiations over the coming months. The following areas will be affected from 1 January 2021:

## Satellite broadcasting

[The Satellite and Cable Directive](#) (93/83/EEC) aims to make things simpler for service providers wishing to develop cross-border business in the context of satellite broadcasting and cable retransmission. The directive establishes what is known as the 'country-of-origin principle', which means that when a broadcaster transmits a copyright work e.g. a film, from one member state to another, they only require one licence from the country in which the broadcast originates and not from all the countries where their signal is received.

### From 1 January 2021:

As satellite broadcasters may no longer be able to rely on the 'country-of-origin principle', they are advised to re-assess any additional licences they may require for broadcasts into the EEA from 1 January 2021. A UK broadcaster may require authorisation from rights holders in other member states to which they broadcast, and no longer just authorisation from the UK rights holder.

This will depend however, on the domestic legislation of each member state, as to how they deal with broadcasts originating in non-EEA countries e.g. does the country-of-origin principle apply to non-EEA broadcasts, as it does in the UK?

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#### UK broadcasters should therefore:

- › **Check the domestic legislation in those EEA member states to which they broadcast to assess how they deal with broadcasts coming from non-EEA countries (i.e. the UK); and**
  - › **Consider whether they need additional licences from 1 January 2021 so they can continue to broadcast into EEA countries.**
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## Broadcasts into the UK

UK law applies the country-of-origin principle to broadcasts originating in any country worldwide and this will continue. Therefore, broadcasts into the UK from abroad will not require permission from the UK except in limited circumstances where the broadcast is commissioned or uplinked to a satellite in the UK AND it comes from a country with a lower level of copyright protection.

See here for the UK IPO's guidance published on 20 January 2020: [Copyright clearance for satellite broadcasting from 1 January 2021](#).



## Cross-border portability of online content

As a reminder, the [EU Portability Regulation](#) (2017/1128) currently allows consumers across the EEA to access their online content services (like Netflix and Amazon Prime) as if they are at home when they temporarily visit the EEA.

### From 1 January 2021:

From 1 January 2021, the EU Portability Regulation will be revoked and cease to apply to UK-EEA travel.

Therefore, as of 1 January 2021, online content service providers will no longer be required, (as is currently the case during the transition period, under the Regulation) to provide content ordinarily available in the UK to UK consumers when they temporarily visit another EEA member state.

However, this will not prevent service providers offering cross-border portability to their customers on a voluntary basis, but they will need authorisation from the relevant content owners.

So, from 1 January 2021, UK customers visiting the EEA and EEA customers visiting the UK may encounter restrictions when trying to access content ordinarily available to them in their home country, **but this will depend on the terms of their services and any licences in place between service providers and content owners.**

It will be a huge burden for content providers to seek rights clearance across all member states, so it is hoped that the UK government will try to address this issue as part of any Brexit negotiations but we'll see over the coming months.

See here for the UK IPO's guidance published on 20 January 2020: [Cross-border portability of online content services from 1 January 2021.](#)

## Orphan works and cultural heritage institutions

Currently, under the [Orphan Works Directive](#) (2012/28), cultural heritage institutions such as libraries, archives and museums, based in the EEA, can rely on an exception under the Directive, which allows them to digitise and make orphan works available online across all EEA member states without the rights holder's permission. If a cultural heritage institution uses an orphan work it must log the use on an orphan works database maintained by the EUIPO.

### From 1 January 2021:

The exception will be repealed in UK law and will no longer apply to UK-based cultural heritage institutions after 31 December 2020. This means that orphan works that UK institutions have put online (even if they have put them online before the end of the transition period) may face copyright infringement claims.

### Actions for UK cultural heritage institutions:

- Remove any works that have been made available online under the exception.
- If an institution wishes to keep their online collection in the UK, they should consider seeking a licence through the UK's orphan works licensing scheme.
- If an institution has a licence to use the works in the UK, they may wish to restrict online access to UK-based users only to limit the risks of copyright infringement claims in the EEA.

### Diligent search changes

Under the UK orphan works licensing scheme, orphan works can be licensed in the UK for commercial and non-commercial purposes, provided the licensee pays the relevant application and licence fees and carries out a 'diligent search' for the copyright owner. Post-transition period, the licensee will no longer be required to consult the EUIPO orphan works database as part of any search.

See here for the UK IPO's guidance published on 20 January 2020: [Orphan works and cultural heritage institutions: copyright from 1 January 2021.](#)



## Access to copyright works for visually impaired people

The Marrakesh Treaty improves access to published copyright works around the world for people who are blind, visually impaired or otherwise print-disabled.

The EU is a party to the Treaty and has implemented it through a [directive](#) (2017/1564) (which allows visually impaired people in the EU and authorised bodies that support them (e.g. charities) to make/distribute accessible format copies of copyright works) and a [regulation](#) (2017/1563) (which allows the import/export of these copies between the EU Member States and other countries party to the Treaty).

The UK implemented the EU directive through the [Copyright and Related Rights \(Marrakesh Treaty etc.\) \(Amendment\) Regulations 2018](#), which came into force in October 2018.

### From 1 January 2021:

The Regulation and UK implementation of the Directive (through the CDPA 1988) will be retained in UK law after 31 December 2020. Therefore, in the UK, visually impaired people and authorised bodies who support them will still be able to make/distribute accessible format copies of copyright works.

However, this may not be the case cross-border. The UK is only a party to the Marrakesh Treaty through its EU membership, which will obviously cease on 31 December 2020, but the UK aims to ratify the Marrakesh Treaty in its own right by 1 January 2021. However, until that is done, the laws of other Treaty signatories may not allow for the cross-border exchange of copies with the UK.

See here for the UK IPO's guidance published on 20 January 2020: [Access to copyright works for visually impaired people from 1 January 2021](#).

## Use of Satellite decoder cards intended for EU audiences from 1 January 2021

### Background

Satellite broadcasts are often territorial by nature and broadcasters restrict access to transmissions by encrypting them. Consumers must therefore buy or lease decoder devices, e.g. set top boxes, which convert the encrypted transmissions into a watchable format. Illicit decoder devices or decoder devices intended for use in another country are currently sometimes used by consumers to access and watch programmes which are also available through legitimate UK broadcasting services.

Section 297 of the CDPA 1988 addressed this by making it a criminal offence if done 'dishonestly' to circumvent paying the relevant charge to the UK broadcaster.

However, in 2011, the CJEU [ruled](#) (in joined cases *Premier League v QC Leisure case and Karen Murphy*) that section 297 should not apply where it prevented UK consumers from using legitimate decoder devices intended for EU audiences, even if they had done so to avoid paying a charge to the UK broadcaster, otherwise, it would not comply with Article 56 (freedom to provide services) of the Treaty on the Functioning of the EU.

Therefore, currently, UK customers are able to use legitimate satellite decoder devices intended for use elsewhere in the EU to access and watch programmes, even if they avoid a charge for a UK service.

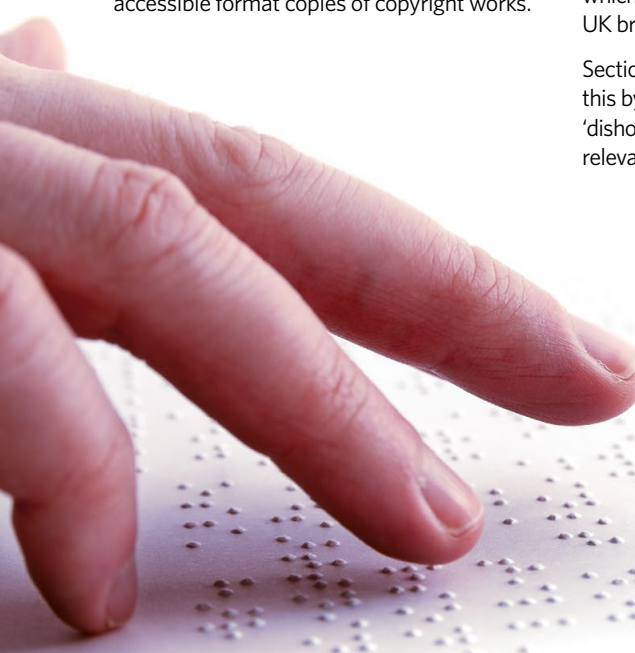
However, the government's guidance is that after 31 December 2020, it will disapply the provisions on the free movement of services (see the [Freedom of Establishment and Free Movement of Services \(EU Exit\) Regulations 2019](#)) and it will become an offence under section 297 of the CDPA 1988 to use satellite broadcast decoder devices intended for EU audiences, to access a programme included in a UK broadcast with the intent to avoid a charge associated with that programme. This is already the case for satellite decoder devices intended for non-EU audiences.

The rationale behind this change seems to be to prevent consumers subscribing to a European service to bypass paying a higher charge in the UK. This might happen for example where a sport event is popular in the UK but not necessarily in country B, so country B charges less to broadcast or it may even be free to air.

### From 1 January 2021:

Consumers therefore need to stop using EU satellite decoder devices from 1 January 2021, otherwise they will be committing an offence, and consider buying the relevant UK satellite package to watch the desired programme(s).

The change will not affect anyone who uses an EU decoder device for any other reason than circumventing a charge e.g. an expat living in the UK using an EU decoder to watch programmes in their native language.



## Collective rights management from 1 January 2021

Collective Management Organisations (CMOs) are not-for-profit and/or member-governed bodies that license rights on behalf of copyright owners. CMOs in the EEA are governed by the [Collective Rights Management Directive](#) (2014/26), which includes obligations to represent rights holders from any EEA member state if they so request, unless there are justified reasons not to do so. The Directive also requires EEA CMOs that offer multi-territorial music licensing of musical works for online services to represent catalogues of other EEA CMOs that do not provide those services.

The UK implemented the Directive through the [Collective Management of Copyright \(EU Directive\) Regulations 2016](#).

### From 1 January 2021:

EEA CMOs will no longer be obliged to represent UK rights holders under the Directive or represent the catalogues of the UK CMOs for online music rights licensing. UK rights holders and CMOs can still make requests but the relevant EEA CMO can refuse depending on their domestic law.

Existing obligations on UK CMOs will remain as they are in the UK. UK CMOs that provide multi territorial licensing of online music rights will still have to represent the catalogues of other CMOs (whether UK or EEA).

See here for the UK IPO's guidance published on 20 January 2020: [Collective rights management from 1 January 2021](#).

## Artist's resale right

Artist's resale rights allow creators of artistic works to a royalty payment each time their works are sold by an art market professional. Under the [EU Resale Right Directive](#) (2001/84/EC), nationals of EU member states and third countries that provide resale rights on a reciprocal basis are eligible for the right in the EU.

The UK implemented the Resale Right Directive through the [Artist's Resale Right Regulations 2006](#) (SI 2006/346).

### From 1 January 2021:

The Regulations will be amended to remove references to the EEA, while continuing to provide the right to foreign nationals on a reciprocal basis. Nationals of the UK and other countries that provide reciprocal treatment for UK nationals (including EU member states) will continue to receive resale rights in the UK but in accordance with the Berne Convention and not under the Regulations.

See the UK IPO's guidance published on 20 January 2020: [Changes to copyright law from 1 January 2021](#) (sub-heading - Artist's resale right).

## Cable re-transmissions

When a copyright work is broadcast between EEA member states and retransmitted by cable in the receiving member state, the copyright holder can only exercise their rights through a collective management organisation. The UK also applies this rule to cable retransmissions of broadcasts from any other EEA member state.

### From 1 January 2021:

Section 144A of the CDPA 1988 will be amended and any copyright holders whose works are broadcast from the UK and re-transmitted via cable in the EEA:

- may need to negotiate licences with the cable operator directly rather than going through a CMO
- could see statutory licensing terms imposed on the cable retransmission of their works in EEA states.

UK legislation will continue to apply existing rules to cable retransmissions of broadcasts originating in an EEA member state.

See the UK IPO's guidance published on 20 January 2020: [Changes to copyright law from 1 January 2021](#) (sub-heading - Cable retransmissions of works).



# Copyright and related rights continued



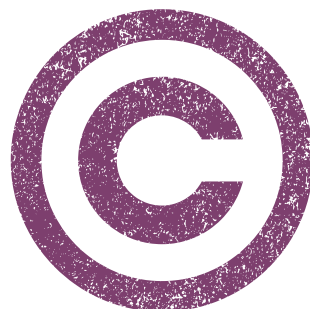
## Qualification for copyright

Works that are currently eligible for copyright in the UK will continue to be eligible from 1 January 2021 under the international copyright treaties. Works are eligible for copyright protection in the UK if they are:

- › made by a national of the UK, EEA or any country that is party to the international copyright treaties; or
- › first published or transmitted in the UK, EEA or any country that is party to the international copyright treaties.

The exit regulations will remove references to the EEA from UK law in relation to qualification criteria. This will not stop EEA works qualifying for copyright, because all EEA states are party to the international treaties and so the status quo will be maintained.

See the UK IPO's guidance published on 20 January 2020: [Changes to copyright law from 1 January 2021](#) (sub-heading - Qualification for copyright).



## Copyright duration

Copyright duration in the UK for works from the UK, EEA, or other countries will not change from 1 January 2021.

Currently, harmonisation means that EEA works are given the same copyright duration in the UK as UK works. For works from outside the EEA, copyright lasts for the term granted in the country-of-origin or the term granted to UK works, whichever is less.

The Exit Regulations will remove references to the EEA from UK law in this area so that duration for EEA works is calculated in the same way as for non-EEA works. Because copyright duration is equal across the UK and the EEA, there will be no immediate impact on copyright duration in the UK.

See the UK IPO's guidance published on 20 January 2020: [Changes to copyright law from 1 January 2021](#) (sub-heading - Copyright duration).

## Sui generis database rights

SI: **Intellectual Property (Copyright and Related Rights) (Amendment) (EU Exit) Regulations 2019**  
IPO guidance: **Sui generis database rights from 1 January 2021**

Sui generis database rights were introduced by the [Database Directive](#) (96/9/EC) and implemented into the UK by the [Copyright and Rights in Databases Regulations 1997](#).

They automatically protect databases that involve a large investment in time, money and effort **and have been created by an EEA national, resident or business**.

The legislation allows database owners to prevent the unauthorised copying or extraction of data from their databases in the EEA.

Unlike copyright, sui generis database rights do feature under Article 58 of the WA, which provides for the continued protection of existing sui generis database rights in the UK and in the EU after the end of the transition period (see below for further information).

### From 1 January 2021:

UK citizens, residents and businesses will no longer be able to receive or hold sui generis database rights in the EEA because the regulations specify that the database right arises only if the maker is an EEA national, resident or business. Therefore, unless amended, UK database creators will not be able to benefit from this right.

UK legislation will therefore be amended by the [Intellectual Property \(Copyright and Related Rights\) \(Amendment\) \(EU Exit\) Regulations 2018](#) to provide a new UK-specific database right in the UK. Only UK citizens, residents and businesses will be eligible for this new UK-specific database right in the UK.

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**If UK owners of UK database rights find that their rights are unenforceable in the EEA, they may want to consider relying on other forms of protection (e.g. licensing agreements or copyright where applicable) for their databases.**

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### Existing database rights

Article 58 of the WA stipulates that database rights existing in the UK or EEA before 1 January 2021 (whether owned by a UK or an EEA person/business) will continue to exist in both the UK and the EEA for the remainder of their term for protection, as set out in the Withdrawal Agreement.

See here for the UK IPO's guidance published on 20 January 2020: [Sui generis database rights from 1 January 2021](#).

## Directive on Copyright in the Digital Single Market (2019/790)

News broke in mid-January 2020 that the much-debated new [Copyright Directive](#) (2019/790) that aims to update copyright law for the 21st century will not now be implemented by the UK. This is an interesting move by the UK government and is the first time that we have really seen such substantial divergence between EU and UK laws as a result of Brexit.

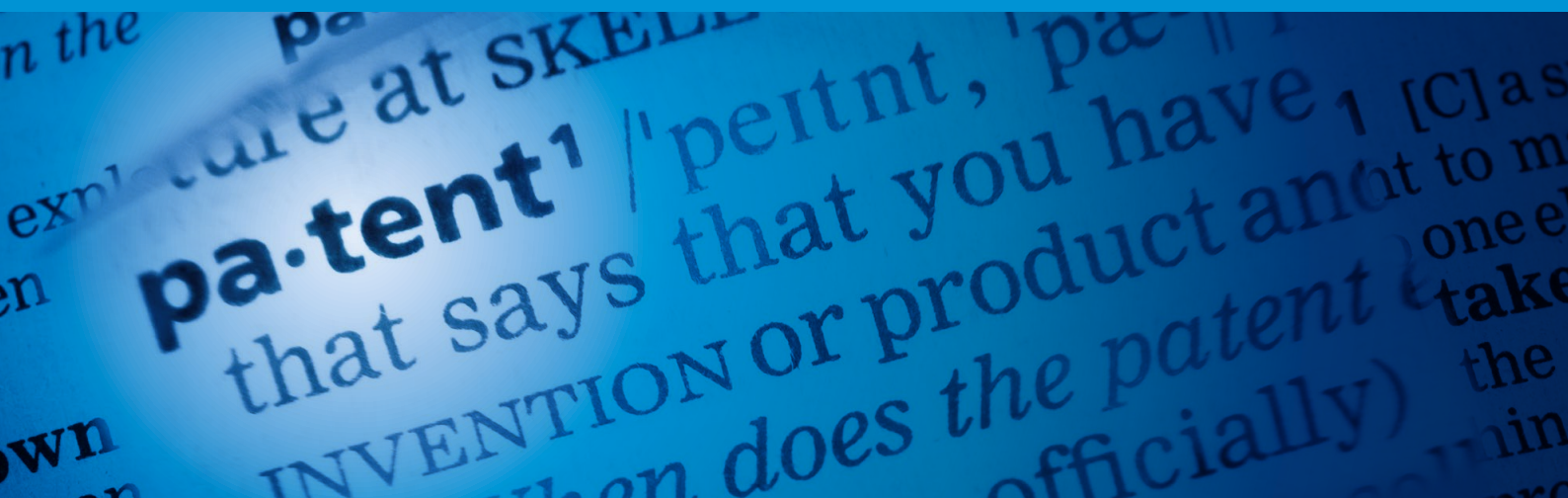
Despite the UK not implementing the Copyright Directive, it will still have an impact on UK businesses operating in the EU.

Click [here](#) to see our blogs for more information on the new Copyright Directive.

# Patents

SI: The Patents (Amendment) (EU Exit) Regulations 2019/801

IPO: Changes to SPC and patent law from 1 January 2021



Brexit has no effect on European patents granted by the European Patent Office (EPO) in 38 countries in Europe (including the UK) or on UK patents granted by the IPO.

As the EPO is not an EU agency, leaving the EU does not affect the current European patent system. Anyone can file a patent application with the EPO, irrespective of nationality, residence or place of business. This means that existing European patents covering the UK will not be affected. Patents are not even mentioned in the withdrawal agreement!

The above Regulation does however include some amendments to UK patent law to ensure that those aspects that were based on EU legislation will be incorporated into UK law so as to operate on a national basis. For example, the provisions concerning the compulsory licensing of pharmaceutical patents and plant variety rights.

## Unitary Patents

The Unitary Patent Court Agreement (UPCA) is an international agreement creating a specialised patent court with exclusive jurisdiction for litigation over European patents (granted by the EPO) and a new Unitary Patent.

The UPCA was to come into force once 13 EU member states had ratified it, which had to include Germany, France and the UK. France was quick to ratify the UPCA in 2014.

There were somewhat mixed messages from the UK as to whether it would and could still participate in the UPCA following Brexit. The UPC system, in its current configuration, is open only to EU members, so Brexit meant the UK could not participate after the transition period unless a special

agreement was reached with the EU and participating states to permit it to participate as a third country. Nevertheless in April 2018, the UK government did ratify the agreement (see our blog, [UK ratifies Unified Patent Court Agreement today](#)).

However, the situation changed following the General Election in December 2019 and the landslide result for Boris Johnson and the Conservative Party. This ultimately resulted in the UK government in July 2020 formally withdrawing its ratification (see our blog, [Unitary Patent in limbo after UK takes its final step away?](#)).

German ratification was delayed by an esoteric legal challenge to the UPCA in the German Federal Constitutional Court, which began in 2017. This finally came to a climax in March 2020 when the German court in a crucial judgment declared void the German ratification of the UPCA on formal grounds.

If Germany does at later stage ratify the UPCA and a solution is found for its continuation without the UK (being originally one of the three countries key to its launch), it is important for UK businesses to remember that even if the UK is outside the system, they could still be open to litigation under the UPC, if they infringe patent rights in countries that are part of the UPC system.



# Supplementary protection certificates

SI: The Patents (Amendment) (EU Exit) Regulations 2019/801

IPO: Changes to SPC and patent law from 1 January 2021



## Supplementary Protection Certificates (SPCs) and paediatric extensions are granted by the patent offices in each member state of the EU.

It will be business as usual for the current SPC legal framework in the UK during the transition period, and existing UK SPCs granted under that system will continue to be valid. SPCs are not granted as EU-wide rights, but rather as national rights. Consequently, it was not necessary for the UK and the EU to agree the creation of a comparable right to ensure continued protection of existing SPCs in the UK at the end of the transition period. After the transitional period this is the position in brief:

### › Pending SPC applications.

SPC applications which are pending at the end of the transition period will be examined under the current framework and any SPC granted based on those applications will provide the same protection as existing SPCs.

› **New SPC applications.** From 1 January 2021, businesses can apply for an SPC in the same way as they currently do: by submitting an application to the IPO. The same documentation and evidence will be necessary including information on both the UK marketing authorisation and the earliest marketing authorisation for this product in the EEA, if it predates the UK authorisation.

### › Authorisations from the European Medicines Agency (EMA).

From 1 January 2021, EMA authorisations will automatically become UK marketing authorisations.

› **CJEU judgments.** From 1 January 2021, the UK will not be able to make references to the CJEU for interpretation of the SPC legislation or other retained EU law, but will continue to apply existing CJEU case law in any SPC actions, including judgments issued before the end of the transition period. Other than pending referrals (see below), UK courts will not be required to follow judgments of the CJEU issued from 1 January 2021 onwards. They may be taken into account, but it will be for the court to determine the extent to which the post-transition period case law applies. (Note that which courts in the UK will be able to depart from the CJEU judgments is currently being considered following a government consultation in the summer of 2020.)

› **Pending referrals.** If the UK courts have referred a question to the CJEU before the end of the transition period and this question is still pending on 1 January 2021, then it will remain before the CJEU until its resolution.

Note: law stated as at 1 October 2020.

# How our lawyers can help

With changes to the UK's relationship with the EU, there is likely to be some turbulence when it comes to ensuring that the right type of IP protection is in place in all the right jurisdictions.

Lawyers are uniquely placed to help rights owners with this transition, from auditing their IP, checking contractual arrangements and distribution networks to minimise business disruption, and resolving any litigation risks that may emerge in the new environment.

As IP is what cements the brand and business identity, lawyers can also play a key role in advising on strategy, reviewing IP regulations in relevant key markets and putting the necessary arrangements in place to protect IP rights in the future.

With our network of offices and IP lawyers across the UK and Europe, Fieldfisher is well positioned to help you and your business.

## Our IP Protection and Enforcement team



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