

PRESENTED BY
K&L GATES

Brexit *blowout*

K&L Gates details what Brexit means for Australian brands protecting their IP.

AS THE SHOCK waves caused by a British vote to leave the European Union (EU) begin to subside, it is evident that Brexit will have far reaching ramifications for anyone interacting with intellectual property (IP) rights in the UK and Europe, particularly those in the fashion and retail sectors.

While it will be some time before the consequences of Brexit will be known from an IP perspective, designers should be thinking proactively about how to best protect themselves if the UK remains an important market.

Below we highlight some key issues brand owners and designers should consider.

Unregistered Designs & Copyright

Unlike Australia which has no protection for unregistered designs, fashion designers can currently utilise the EU-wide system of unregistered design protection (EUUDR) to protect the appearance of a design (2D and 3D features) for three years from the date the design was first made available to the public in the EU.

Following a formal Brexit, however, the EUUDR will no longer have effect in the UK.

Nevertheless, protection for unregistered designs will continue to be available under the UK unregistered design right system (UKUDR).

The UKUDR is more generous in time scale than its EU counterpart and lasts the earlier of:

15 years from the end of the calendar year when the design was first recorded in a design document or from when an article was first made to the design plus 10 years from the end of the calendar year when articles made to the design were first made available for sale or hire.

However, the UKUDR only protects designs created by a resident of a “qualifying country”, the list of which is very narrow and crucially does not include Australia. To overcome this requirement, Australian designers

can consider establishing subsidiaries in a qualifying country, or have designers work out of qualifying countries so that they are “habitual residents”. If this qualification status can be achieved, then the UKUDR will provide some comfort to designers.

While the UKUDR does not protect 2D works (such as fabric prints), there is copyright protection which will go some way to bridging the gap left between EUUDR and the UKUDR. Copyright arises under national law, so will not be directly affected by Brexit. Australian nationals can enjoy the same level of copyright protection in the UK as UK nationals due to reciprocal rights in international agreements governing copyright.

Further, following recent changes to copyright law in the UK, designers of mass produced artistic works (where more than 50 items have been made) will enjoy a significantly longer period of protection for their copyright works (life of the designer plus 70 years, instead of just 25 years). This is good news for fashion designers who deal in commercial quantities.

As ever, reliance on unregistered rights alone is likely to create risks for designers. Registration of designs in the UK is available and should be considered for particularly important designs.

EU Registered Trade Marks & Designs

Once the UK leaves the EU, registered IP rights such as EU trade marks (EUTM) and designs may cease to have effect in the UK. The UK Government is expected to an-

nounce a conversion process which will facilitate recognition of existing rights at UK national level.

Companies and designers who are filing new designs or marks in the coming months should consider applying to register a UK design/mark and EU registered design/mark concurrently in order to avoid an uncertain conversion process. Using the current EU conversion process is not recommended until greater clarity about the implications of Brexit is available, as this route only permits complete conversion of a EUTM into individual national rights and does not allow a proprietor to retain any element of the EUTM.

Brexit clearly raises a number of important considerations for the fashion industry. While many elements of what a Brexit may look like are yet to be determined, designers and fashion houses for whom the UK is an important market should consider taking steps to review and bolster their IP protection in the short term. ■

Submitted by K&L Gates partner Arthur Artinian and associate Briony Pollard. For more information about design and trade mark registration and enforcement, please contact Arthur Artinian (arthur.artinian@klgates.com). This article is for informational purposes and does not contain or convey legal advice. The information herein should not be used or relied upon in regard to any particular facts or circumstances without first consulting a lawyer.

