EXPLANATORY MEMORANDUM TO

THE EUROPEAN UNION TRADE MARK REGULATIONS 2016

2016 No. 299

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Intellectual Property Office (IPO), an Executive Agency of the Department for Business, Innovation and Skills, and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

2.1 The purpose of this instrument is to update references and terminology in UK legislation - in particular the Trade Marks Act 1994 ("the 1994 Act") and the Community Trade Mark Regulations 2006 (SI 2006/1027) ("the 2006 Regulations") – in order to reflect amendments to Council Regulation (EC) No. 207/2009 on the European Union Trade Mark ("the EU Trade Mark Regulation") that governs matters relating to the EU-wide trade mark and which come into effect from 23 March 2016. The changes include substituting "European Union" in place of "Community" (for example, "Community trade marks" become "European Union trade marks") and replacing references to Articles of the previous (now repealed) Regulation with references to the corresponding Articles of the EU Trade Mark Regulation.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

Other matters of interest to the House of Commons

3.2 As this instrument is subject to negative resolution procedure and has not been prayed against, consideration as to whether there are other matters of interest to the House of Commons does not arise at this stage.

4. Legislative Context

4.1 Council Regulation (EC) No 40/94 of 20th December 1993 on the Community Trade Mark ("the Old Regulation") made provision for a unitary Community Trade Mark having effect throughout the European Community.

4.2 Whilst EU Regulations are directly applicable in Member States without the need for legislative implementation, Section 52 of the 1994 Act allows provision to be made by regulations in connection with the operation of the Old Regulation and the 2006 Regulations were made pursuant to this power.

4.3 The Old Regulation was repealed and codified by the EU Trade Mark Regulation, which in turn was amended by Regulation (EU) No 2015/2424 of 16th December 2015.

4.4 Parliament was kept informed throughout the process of amending the EU Trade Mark Regulation, and the House of Lords EU Committee and the House of Commons

European Scrutiny Committee both cleared the amendments from scrutiny in March 2015.

5. Extent and Territorial Application

5.1 The extent of this instrument applies to the United Kingdom.

5.2 The territorial application of this instrument applies to the United Kingdom.

6. European Convention on Human Rights

6.1 The Baroness Neville-Rolfe, Parliamentary Under-Secretary of State for Business, Innovation and Skills, has made the following statement regarding Human Rights:

"In my view the provisions of the European Union Trade Mark Regulations 2016 are compatible with the Convention rights."

6.2 This instrument includes amendments to primary legislation which are limited to updates to terminology and references as described in this Explanatory Memorandum.

7. Policy background

What is being done and why

7.1 A European Union trade mark (formerly termed a "Community trade mark") confers protection throughout the EU. By contrast, the 1994 Act primarily governs trade marks at a national level, so a trade mark registered by the IPO provides protection in the United Kingdom. However, the 1994 Act does contain some references to the Old Regulation and to Community trade marks. Notably, section 52, which gives the Secretary of State the power to make regulations as he considers appropriate in connection with the EU-wide mark. The Secretary of State has exercised this power in the form of the 2006 Regulations. The 2006 Regulations ensure, for example, that provisions of the 1994 Act that deal with offences arising from importation of trade mark-infringing goods also apply to EU-wide trade marks.

7.2 The references in the 1994 Act and the 2006 Regulations to the Old Regulation and the community trade mark need to be updated following the revocation of the Old Regulation and its replacement by the EU Trade Mark Regulation (as amended). Accordingly, references to the "Community trade mark" have been replaced with references to "the European Union Trade mark" and references to the "Community Trade Mark Courts" have been replaced with references to "the EU trade mark courts". References to specific Articles of the Old Regulation have been replaced by references to the corresponding Articles of the EU Trade Mark Regulation.

7.3 There is one consequential matter of note arising out of the amendment to the EU Trade Mark Regulation. Up until 23 March 2016, on payment of a small administrative fee, it will still remain possible to apply for an EU-wide trade mark via the UK's Intellectual Property Office. However, as the amended EU Trade Mark Regulation removes the possibility of this service, this instrument therefore also repeals the Community Trade Marks (Fees) Regulations 2006, which set out the fee payable for that service.

Consolidation

7.4 It is intended that shortly after April 2016 an unofficial consolidated version of the Trade Marks Act 1994 will publicly available on the gov.uk website free of charge, reflecting the changes under this instrument.

8. Consultation outcome

8.1 The amendments in this instrument simply update references in existing legislation and contain no substantive changes, therefore no consultation is considered necessary in this instance.

9. Guidance

9.1 No guidance has been produced to accompany this instrument as the changes will not impose any new burdens on business. However, stakeholders have been made aware, through targeted media communications, of changes such as the renaming of EU trade marks. Extensive information on all changes arising from the amended EU trade mark Regulation is set out on the website of the EU agency that administers the EU trade mark - the Office for Harmonization in the Internal Market (OHIM), which from 23 March 2016 will be known as the European Union Intellectual Property Office (EUIPO). General information is set out on the IPO section of the gov.uk website.

10. Impact

10.1 There is no impact on business, charities or voluntary bodies.

10.2 There is no impact on the public sector.

10.3 An Impact Assessment has not been prepared for this instrument. These changes do no more than update the relevant references in existing legislation and will not present any costs to business or the public. For this reason no impact assessment has been required for this instrument.

11. Regulating small business

11.1 The legislation applies to activities that are undertaken by small businesses, but has no negative impact on this sector.

12. Monitoring & review

12.1 As this instrument only updates terminology and references to Articles of the EU Trade Mark Regulation and does not change the substance of existing UK trade mark legislation, a review provision is neither required nor appropriate in this case.

13. Contact

13.1 Matthew Williams at the Intellectual Property Office. Telephone: 01633 814809 or email: matthew.williams@ipo.gov.uk can answer any queries relating to this instrument.