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Dear Sharon,

Thank you for your continued engagement with the EU Exit Trade Marks SI, and for the email you sent on 31 January. I recognise that you still have concerns with the instrument's approach to pending EU trade mark applications, but I hope that our discussion at yesterday's meeting has helped to reassure you of our basis and reasons for choosing this approach. We believe that UK Courts and Tribunals will interpret the provisions as intended, thereby providing the many thousands of businesses who hold pending EU trade mark applications with a means for preserving their rights in the UK after exit day.

In relation to reestablishment of the pending EU application's filing or priority date under paragraph 25 of the SI, we would describe and categorise this right as being one which seeks to save/preserve a pre-existing right to which an applicant is entitled on exit day, should they opt to exercise it by applying for an equivalent UK trade mark within the relevant period. As such, it is in the nature of a transitional or saving measure which arises out of our departure from the EU, and does not, in our view, breach Paris or TRIPS prohibitions on preferential treatment based on nationality of applicants.

I appreciate your suggestion of the IPO continuing to search and notify in respect of pending EU trade mark applications after exit day. At this point, this is not a policy which the IPO is intending to implement. However, as discussed at yesterday's meeting, we will ensure that business guidance due to be published closer to exit day emphasises the importance of searching the EU trade mark register before filing a UK application.

I know that you, Mr Boff and Mr McAllister have additional concerns relating to the conversion of refused EUTM applications or withdrawn EU trade marks under Article 139 of the EU Trade Mark Regulation (EU 2017/1001), and the fact that conversion rights are not explicitly preserved in the SI. Although we had insufficient time to provide a substantive response at yesterday's meeting, I can inform you that we consider that such rights will still be preserved after exit day. Section 16(1)(c) of the Interpretation Act 1978 confirms that where An Act repeals an enactment, that repeal "...does not affect any right, privilege, obligation or liability acquired, accrued or incurred under that enactment". The EU Trade

Mark Regulation will constitute “retained EU law” for the purposes of the European Union (Withdrawal) Act 2018 and we will (pursuant to the power contained in s.8 of that Act) repeal the EU Trade Mark Regulation with effect from exit day (see Schedule 5, paragraph 6 of our SI). Paragraph 34 of Schedule 8 to the EU Withdrawal Act amends section 37 of the Interpretation Act to provide that references to an enactment include any “direct retained EU Legislation”, and so any conversion rights in existence prior to exit day will be preserved following the revocation of the EU Trade Mark Regulation after 29 March 2019. In practice, this means that we would recognise the earlier filing date of any refused EUTM application or withdrawn EU trade mark in respect of a ‘new’ UK trade mark application - provided that the refused/withdrawn EU right was still within the three-month conversion period. This right will be preserved regardless of whether a request to convert has been filed at the EU office prior to exit day.

I can confirm that my officials will discuss your concerns with representatives of the Chartered Institute of Trade Mark Attorneys, and I hope that the additional detail provided above will further help to reassure you that the regulations will function effectively, and in the best interests of EU rights holders seeking continued protection in the UK.

A copy of this letter has been placed in the Libraries of both Houses

Rt Hon Lord Henley