

Managing a trade mark portfolio

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This Practice Note provides strategic and practical advice on managing a trade mark portfolio that is aligned with a company's overall business strategy, competitive intelligence and market analysis, and one that is a springboard for its growth and expansion.

For information on the main considerations relating to the registration and protection of UK and EU trade marks, including the technical issues to be taken into account when drafting the trade mark specification, see Practice Notes:

- [Application to register a UK trade mark](#)
- [Opposing a UK trade mark application](#)
- [EU trade marks \(EUTMs\)](#)

In this Practice Note, all references to trade marks are also references to service marks unless otherwise stated.

EUTMs and international trade marks designating the EU

At 11.00 pm on 31 December 2020 (IP completion day), [Regulation \(EU\) 2017/1001](#) was revoked in the UK. The effect of this is that the UK is no longer part of the EU trade mark (EUTM) regime and therefore, EUTMs are not protected here. Pursuant to the Trade Marks (Amendment etc) (EU Exit) Regulations 2019, [SI 2019/269](#) holders of EUTMs immediately before IP completion day were granted comparable national trade mark registrations which are governed by the [Trade Marks Act 1994 \(TMA 1994\)](#). Comparable marks derived from EUTMs are known as 'comparable trade marks (EU)'.

The comparable marks were automatically created and recorded on the UK Intellectual Property Office (UKIPO) register, without re-examination and at no additional charge. They also retain the original priority or UK seniority dates and have the same term and first renewal date as the original EUTM.

The same 'cloning' process was applied to international trade marks designating the EU that were in place immediately before IP completion day. Comparable marks derived from such marks are known as 'comparable trade marks (IR)'.

The comparable marks keep their existing registration numbers with the 009 and 008 prefixes added to distinguish (respectively) the comparable trade mark (EU) and the comparable trade mark (IR). These marks are fully independent UK marks that can be challenged, assigned, licensed or otherwise dealt with separately to the 'parent' mark.

This Practice Note contains references to case law of the Court of Justice. Broadly, EU judgments handed down on or before 31 December 2020 continue to be binding on UK courts and tribunals (even if the EU courts later depart from them) until the UK courts exercise their powers to diverge. For the most part, EU case law made after that date is not binding on the UK, although the UK courts and tribunals may continue to 'have regard to' EU judgments if relevant.

While the above broadly dictates the status of principles developed by Court of Justice case law relating to the various trade mark directives which were implemented in the UK (primarily via [TMA 1994](#)), the revocation of [Regulation \(EU\) 2017/1001](#) means that the UK no longer has EUTM courts and has no jurisdiction to determine questions of infringement and validity of EUTMs. Practically, this means that case law related to EUTMs will no longer be directly relevant to disputes for which a UK court has jurisdiction.

However, references to cases specifically concerning [Regulation \(EU\) 2017/1001](#) and EUTMs are retained in this Practice Note. This is both for information purposes and on the basis that as the principles applicable to EUTMs broadly mirror those relating to national trade marks, a UK court is likely to continue to have regard to these principles if determining similar disputes relating to a UK trade mark.

For more detailed information on the treatment of EU case law, see Practice Note: [Introduction to retained EU law](#) and Q&A: [What is retained case law and to what extent are UK courts and tribunals bound/able to follow it?](#)

References:

[Trade Marks \(Amendment etc\) \(EU Exit\) Regulations 2019, SI 2019/269, Sch 1](#)

[Trade Marks Act 1994, Sch 2A](#)

References:

[TMA 1994, Sch 2A](#)

References:

[Designs and International Trade Marks \(Amendment etc\) \(EU Exit\) Regulations 2019, SI 2019/638](#)

[TMA 1994, Sch 2B](#)

Trade marks are a growth business

Global filing rates have continued to experience a sustained period of growth, with almost four and a half times as many applications being filed around the world in 2019 than in 2005.

This is a trend that is expected to maintain its momentum, and even increase, due to a number of factors, including:

- the increasing predominance of the internet and virtual trading, and the proliferation of innovative and developing communication technologies that drive value. In this environment, trade marks are more important than ever to secure a company's strategic position. The WeChat brand is a good example. Ranked as the world's strongest brand in 2021 by the Brand Finance Global 500, its success reflects its array of app-based services, ranging from messaging and banking to taxi services and online shopping
- globalisation and the need to build memorable global brands that span diverse cultures and languages (increasingly so to attract online traffic, as well as to facilitate exploitation through brand licensing, franchising etc). For more information, see Practice Note: [IP and online retail](#)
- the increased use and possibility of protecting a broadening class of signs, eg non-traditional trade marks including shapes, colours, motion marks, sounds etc which can be important for the protection of get-up, advertisement and business content, as well as for emerging technologies. For example, the increasing commercialisation of podcasting has seen a commensurate rise in trade mark filings—with the audio elements of podcasts potentially ripe for sound mark protection. For more information about protecting such signs, see Practice Note: [Unconventional trade marks](#)

References:

[Brand Finance Global 500 2021](#)

References:

[TMA 1994, s 1](#)

[World Intellectual Property Indicators 2020](#)

In a brands-rich business there is no business strategy without a trade mark strategy

The above shows the need for a proactive trade mark policy and strategy in a global marketplace. A coherent regional or global strategy will help to build and maintain strong brands—helping to retain a company's strategic positioning, and save money.

Inside the trade mark portfolio

The trade mark portfolio that is held by a company is a safe box for its brands, many of which will be protected by registrations. However, as what is valued is measured, the portfolio keeper (the Keeper) should ensure that it covers the following:

- house brands: generally, the most valuable brands owned by a company as they are a recognition of the 'brand promises' for which that company stands. Examples include: MARS, COLGATE-PALMOLIVE, THE BODY SHOP, McDONALD'S. The positive image of a strong company house brand can extend to and boost the credibility of the products and services under it, especially those new to the market
- individual product/service brands: these identify specific products/services, and can be used separately or in combination with the house mark. Examples include: MALTESERS, IRISH SPRING, ACTIVIST, BIG MAC
- marks in use although not necessarily registered: marketing slogans, devices, product shapes, motion marks and colour marks. The 'difficult to register' marks may fall into this category
- domain names or registered as trade marks: sometimes regarded as secondary marks in the trade mark family. They can assist in providing an online advantage. In *Hanger Holdings v Perlake Corporation*, the High Court held that domain names are intangible personal property—making it potentially even more important that they are not overlooked. See News Analysis: [High Court finds domain names are intangible personal property \(Hanger Holdings Ltd v Perlake Corp SA\)](#)
- trade mark rights acquired through licences or assignments, as part of franchise agreements, co-branding agreements and other commercial transactions

References:

[Hanger Holdings v Perlake Corporation SA \[2021\] EWHC 81\(Ch\)](#)

Create/grow a strategic trade mark portfolio

The first task is to decide which trade marks fall into the portfolio. The Keeper needs to work with the business teams to determine what their priority marks and long term plans are for each brand.

Furthermore, the protection needs to focus on the geographical remit of registration, ie which countries are worth the cost of protection? This requires discussions both with marketing and finance teams in order to establish 'first' and 'second' target jurisdictions, given their relative importance from a business and marketing perspective.

Things will change with time and for this reason, a regular review of commercial priorities is required. It is good practice to conduct a review at least every three years, depending on the size of the business.

As registrations are only as valuable as the use to which they can be put, the Keeper has to determine where there is a real intention and/or commercial rationale to use the trade marks in relation to the manufacture or sale/licensing of their goods and services, both now and in the future. In short, where is the money to be made by the company, or where does a third party need to be excluded from competing?

Budgeting/costs considerations

The Keeper will usually be asked for a budget. Perfection is to own any key brand in every country of the world—realism makes that financially challenging. This is where a cost analysis comes in useful. Spending one tenth of a company profit over ten years to obtain registered protection is a benchmark for worthwhile spend. However, that of course depends on the brand value of the mark.

Each year, the Keeper should have meetings with the business to decide which countries provide best value and the most leverage. This is easy when there are several years of profits from which to derive an analysis. If a brand is new, comparing this cost to the profit of a sister-brand, whose information can be found online, can inform the analysis.

Considerations as to national/regional/international routes to registration

It may be helpful for the Keeper to adopt the following strategy when considering national, regional and international routes to registration:

- establish which marks are primary (priority) marks and secondary marks
- establish primary markets for registration. Here, consideration should be given to all the jurisdictions in which the marks are exploited or may be exploited (including sourcing/manufacturing countries, transit points, and potentially also known brand-abuse hotspots), and whether national/regional/international routes to registration in these markets are most in line with the financial and commercial strategy of the business
- national filings are strong standalone rights, unaffected by potential issues in other countries. They are valid and enforceable in the country of registration. Applications are to the national trade mark offices, by local legal representatives in those jurisdictions. In the UK, application is to the UKIPO, with the likely time to proceed to grant of approximately four to six months (in the absence of inherent registrability issues or third-party objections)
- an EUTM is a regional filing that comprises a single unitary right that is valid and enforceable in the 27 Member States of the EU. It is not possible to limit the geographical scope of the EUTM. Application is to the EU Intellectual Property Office (EUIPO) in Alicante, Spain with the likely time to grant of approximately six to eight months. This timescale reflects the potential for greater registrability issues or third-party objections, as both are considered in relation to all 27 Member States
- it may be possible to backdate a filing date by up to six months by claiming the date of an earlier application made in another 'Convention country'. A Convention country is one that has ratified the Paris Convention and these are listed on the World Intellectual Property Organisation (WIPO) website. For example, to claim priority in relation to a UK application, the earlier application must be in respect of the same goods or services and the applicant must make the UK application within six months of the earlier Convention application. The UK application will then be deemed to have the earlier filing date for the purpose of assessing earlier rights. It is also possible to claim priority when applying for an EUTM and a comparable trade mark (EU) will have inherited any pre-existing priority claim from its parent EUTM. For more information, see Practice Notes: [Application to register a UK trade mark and EU trade marks \(EUTMs\)](#)
- a national or EU application/registration can be used as the basis for an international registration via the Madrid Protocol. This enables the Keeper to obtain a bundle of national trade marks in designated territories that are signatories to the Madrid Protocol. The single application is via the home IPO to the WIPO, with one upfront

References:

TMA 1994, s 35, Sch 2A, para 12

Trade Marks Rules 2008, SI 2008/1797, r 6

Paris Convention Members

References:

Paris Convention Members

TMA 1994, s 35

Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (as signed at Madrid on 28 June 1989), Articles 2, 3(4)

filing fee using a centralised renewal system. The international registration bears the date on which the application was received in the home IPO, provided that the international application is received by the WIPO within two months of that date (if not, the date becomes the date of receipt by the WIPO). For more information, see Practice Note: [Madrid international trade mark system](#)

- establish timelines within which to achieve this staggered registration
- determine whether a clearer picture of the success of a brand will be available in six months' time. The portfolio needs to have a diary system that brings up a reminder five months after a home jurisdiction filing to determine whether the six months' priority period would be useful to challenge intervening 'me too' applications

The road to registration

The Keeper must clear the path in order to secure the registration of the commercially valuable rights that the process above has identified.

Clearance and searching

Searching is like insurance—the Keeper must decide whether the searches are in the nature of 'third party, fire and theft' or 'fully comprehensive':

- as soon as the business is seeking a new or amended brand for a new or existing product, or is considering using the brand beyond its established area of activity, it is advisable for the Keeper to conduct clearance searches. This is in order to ascertain whether any identical or similar marks, both registered and unregistered exist in relation to identical or similar goods or services. Searches should comprise both publicly available trade mark registers for registered trade marks (eg WIPO's ROMARIN, the EUIPO's TM View, websites of national trade mark offices etc), as well as searches for unregistered marks. These type of searches might include: searches of the internet; domain name searches; searches of the register of company names; general directory searches; and industry-specific directory searches. The business team should also be asked to contribute from their knowledge of the market. These searches will help to clarify the risk of infringement and any potential obstacles to registration
- the importance of the new brand to the business should determine how in-depth such searches should be. By way of example, a new product brand needs full searches, ie full register searches and common law searches for similar marks for the countries in which the product will be sold, manufactured, licensed etc. However, a slogan for an advertising campaign or for a promotion may be transitory, and therefore may require far less clearance. Here, an online identical search using a commercial database will be the first option. The exception is where the slogan becomes part of the brand designed to indicate trade origin (particularly if used on the packaging itself), eg HAVE A BREAK, THE MINT WITH THE HOLE. However, slogans may be difficult to register if the Keeper cannot show that consumers are accustomed to associating the slogan with its products or services. Registration may be easier if the slogan is surprising, thought provoking and even controversial, such as 'IT'S LIKE MILK BUT MADE FOR HUMANS'
- specialist search companies are usually engaged to conduct full clearance searches
- the Keeper can assist the business with financial planning by estimating a realistic searching budget for the level of the clearance needed
- the Keeper should build in the time required to obtain the results, which will usually range from 24 hours for online identical searches, to up to four weeks to obtain a response from, eg countries in Africa, such as Kenya, and islands in the Pacific. There are still countries that do not have online registries, so local attorneys still have to search manually. However, when speed is of the essence for a particular project it is possible to conduct a top line check while on a conference call with the business
- as running all searches simultaneously (particularly if there are, for example, ten candidate marks) is ferociously expensive, the Keeper should adopt a staggered approach to minimise searching costs
- it is recommended that the Keeper first conducts online identical searches to reveal immediate serious obstacles, followed by full availability searches for remaining first preference trade mark candidates in primary markets, and then when these are cleared, secondary markets

References:

[WIPO Madrid Monitor search](#)

[EUIPO search](#)

[UKIPO search](#)

References:

[Oatly AB v EUIPO, Case T-253/20](#)

- in some countries, registration still does not exist, and the Keeper may have to rely on the cautionary notice procedure (publication of notices in local press of these jurisdictions to inform the public of the ownerships of the trade mark). This includes countries such as Eritrea, Comoro Islands, Maldives, Myanmar, Palau, Nauru, and East Timor
- UK case law has highlighted the importance of trade mark clearance searches, even if the mark is well established in the original jurisdiction of use and registration, particularly if businesses want to steer clear of infringement actions (as illustrated by *Comic Enterprises Ltd v Twentieth Century Fox and Thomas Pink Ltd v Victoria's Secret*). For more information, see News Analysis: [No glee for Twentieth Century Fox](#)

References:

Comic Enterprises Ltd v Twentieth Century Fox Film Corporation [2016] EWCA Civ 41

A Keeper will get buy-in from the management team if the process is made clear and both sides understand the aims of the other. Some marks may be barred from adoption due to third-party rights and, possibly, changing management preferences.

Thomas Pink Ltd v Victoria's Secret UK Ltd [2014] EWHC 2631 (Ch)

To make the process as efficient as possible, it is helpful to set up simple precedent forms to be used by the business for the brand selection process. See Precedent: [Trade mark search sheet](#).

Sharks in the water

Following an analysis of the search results, the Keeper will need to consider the nature and level of risk that any revealed marks pose. Examples of such risks are set out below:

- an earlier EUTM registration will block not merely the registration of EUTMs, but potentially all national filings in EU Member States. The comparable UK rights granted on IP completion day will also block filings in the UK. In addition, holders of EUTM applications that were pending as at IP completion day can apply to register the same right as a UK trade mark, provided that the application is made prior to 1 October 2021. Such applications will therefore also potentially block later UK filings, so it is important to still search the EUTM register
- a nationally registered right in one of the EU Member States can undermine an EUTM filing. A registered trade mark in a Member State that may have little importance to the company's commercial strategy will be an 'earlier trade mark right' to successfully oppose an EUTM application. This may therefore lead to a decision to rely instead on the Madrid Protocol in order to try and secure an international registration designating the 'rogue' countries in order to lure an opposition to be filed. This lets the business determine whether the risk is real or a chimera
- the biggest 'iceberg' is where a third party has use of an earlier right in the relevant territory, but no registration. In circumstances such as this, a search of the trade mark register will not reveal the third party's earlier rights. Sometimes a common law search may pick this up. Alternatively, a local agent for a country may be able to advise on what products actually appear in their marketplace
- earlier unregistered rights can be difficult rights to assess because their strength will depend upon evidence of length and breadth of use
- in addition to being used to block later applications, earlier registered and unregistered trade marks can also potentially be asserted against those who use later conflicting marks in the territory. Registered trade marks can form the basis of a trade mark infringement action and unregistered trade marks can form the basis of an action such as passing off (in the UK) or unfair competition (in the UK and certain European territories). If there is a risk of action by a third party, local legal advice should be sought. For more information about trade mark infringement and passing off, see Practice Notes: [Trade mark infringement](#) and [Introduction to passing off](#)
- if earlier use is raised, one practical strategy is to conduct a company search on the rights holder to determine if they have the financial ability to bring proceedings

References:

EU trade mark protection and comparable UK trade marks

For searches covering multiple marks and/or territories, it can be very effective for the Keeper to use a 'traffic light' system to indicate those marks which are available (green), those which may have potential issues (yellow), and those which face serious obstacles (red). This analysis will facilitate the understanding of the availability to use each mark and the likely success of applications, enabling the business to decide whether it is commercially viable to proceed.

Consent and coexistence agreements

In some instances, it may be possible for the Keeper to clear the path by obtaining an agreement with the owner of the earlier trade mark on the basis that it consents to the registration/use of the mark, or agrees to coexistence with the new mark provided that certain undertakings are met.

In the UK, consent of the proprietor of the earlier trade mark is sufficient. However, in some countries the Keeper will also need to consider whether such consent/agreement will be recognised by the trade mark office(s) where registration is sought, and even if it is, whether its terms adequately prevent confusion in the marketplace, otherwise it may not be accepted.

Local advice should be sought, where necessary.

For further information, see Practice Note: [Trade mark coexistence agreements](#) and Precedent: [Trade mark coexistence agreement](#).

File strategically

For each brand, it is recommended that a filing sheet be set up and saved, in order to document the filing strategy and set out comprehensive details of all of the trade mark filings and registrations associated with that brand. See Precedent: [Trade mark filing sheet](#).

File quickly?

A key factor in determining the point at which a company should expend the money to file applications for registration is whether the country is a 'first to file' or 'first to use' jurisdiction.

In 'first to file' jurisdictions, the first party to file a trade mark obtains the earliest right, with the proviso that there are varying degrees of recognition in these jurisdictions of the goodwill built up by the prior creator and user of the brand.

In 'first to use' jurisdictions, rights are obtained by the first party to use it.

In jurisdictions such as the UK, EU, China, Japan and Thailand trade marks are registered on a first-to-file basis. It is therefore important to seek the registration of trade marks as part of a product or service launch, and preferably as early as possible during this process.

In China, it is difficult for even globally famous brands to register their brands in preference to local manufacturers/users, and companies cannot rely on the widespread knowledge of their trade mark outside China when expanding into this market. The Keeper should therefore be wary of trade mark squatters who are having some success in first-to-file markets like China. An increasingly popular and cost-effective way of clearing prior obstacles in China is to file non-use cancellation actions, as the burden to prove use lies entirely on the trade mark registrant (or squatter, in some cases). It is usual for trade mark squatters not to have and/or file any use evidence with the Chinese IPO, resulting in a good success rate for this strategic response.

For further information on trade mark law in China, see Practice Note: [Protecting trade marks in China](#).

On the other hand, countries such as the USA, Canada and Australia are 'first to use' countries, and therefore rights acquired through use in commerce in these jurisdictions can be asserted against later trade mark applications. The challenge for the Keeper in these jurisdictions is to ensure that their records provide sufficient evidence in terms of invoices, shipping documentation and advertising in order to prove the first use dates.

File smartly

The Keeper is advised to take advantage of priority dates and Madrid Protocol filing where possible (see above).

In addition, if the Keeper owns a national trade mark in any EU Member State it can claim seniority where it makes a subsequent EUTM application and there is 'triple identity', ie where a later EUTM is:

- filed in the name of the same owner as the national mark
- the trade marks are identical, and
- the EUTM is sought for protection of goods or services which are identical with, or contained within, the specification of the earlier national trade mark

By claiming seniority, the Keeper can alert third parties to its earlier national trade mark rights in a Member State which could be brought into play if the EUTM application or subsequent registration was to be challenged, and thereby give additional weight to the EUTM registration.

Seniority can either be filed together with the EUTM application, or within two months of the filing date.

Furthermore, if the Keeper surrenders the earlier national trade mark or allows it to lapse, the Keeper will be deemed to continue to have the same rights and the earlier filing date as they would have had if the earlier national trade mark had subsequently been nationally renewed.

References:
[Article 39 of Regulation \(EU\) 2017/1001](#)

References:
[Article 39 of Regulation \(EU\) 2017/1001](#)

References:
[TMA 1994, Sch 2A, para 13](#)

Note that comparable trade marks (EU) retain pre-IP completion day seniority claims which are attached to their 'parent' EUTM where the claim derived from an earlier UK registered mark or international trade mark designated in the UK. This means that if the earlier UK mark is surrendered or allowed to lapse, the comparable trade mark (EU) will be deemed to have the same rights as it would have done if that earlier trade mark had subsequently been renewed.

The Keeper should also always consider future-proofing the brand, taking into account future plans for the business and filing accordingly. Failure to do so may result in the inability of the Keeper to diversify its goods or services where third parties are operating in the brand space.

For example, the car manufacturer Bentley Motors was prevented from using the Bentley brand on its clothing range in the UK because another business had registered the Bentley trade mark in 1982. See News Analysis: [Trade marks—continuing use and the interpretation of multiple signs \(Bentley Motors v Bentley 1962 and another\)](#).

Maintain a trade mark portfolio

Once the trade mark portfolio has been set up it needs to be effectively and efficiently maintained.

Manage deadlines and renewals

In the UK, EU, and most other jurisdictions, trade marks are registered for an initial period of ten years from the date of filing the application, and can then be renewed indefinitely for subsequent ten-year periods, on payment of the requisite fees. A failure to renew a trade mark will result in its permanent removal from the register, although there are six-month grace periods in the UK and EU from the date of expiry and during which time the trade mark is not removed from the register. It is essential therefore that the Keeper has effective systems in place for docketing the details of the registrations, and logging any deadlines in order to ensure timely renewals of its trade mark portfolio.

For further information, see Practice Note: [Removal of trade marks from the register: expiry, surrender, invalidity and revocation](#).

In addition, if the portfolio includes registered trade marks in countries such as the USA, Philippines or Argentina, where the renewal applications must be accompanied by a declaration of use and/or excusable non-use of the trade marks, the Keeper needs to ensure that this information is to hand.

In the US, this declaration must also be filed between the fifth and sixth year after registration. One specimen for each class of goods/services and affidavit confirming the extent of use of the mark in interstate commerce must be provided, and the mark will be cancelled if the Keeper fails to verify use.

It is usual for trade mark attorneys or third-party renewals services to provide this docketing/renewal service.

Use it or lose it

As it is only through use that trade marks can fulfil their essential function of communicating information to consumers, they are only afforded full legal protection if they are put to use within a reasonable period of registration. In jurisdictions such as the UK, EU, India and Brazil the period is within five years of registration, but in other countries the period may be shorter, for example the US, China, Hong Kong, Japan, Taiwan, Republic of Korea and Thailand, where it is three years.

If not put to use, the marks may be challenged, revoked and removed from the register, allowing another trader to adopt the marks. To leave unused marks on the register would also be highly inefficient as it would clutter the system.

A critical aspect of managing a trade mark portfolio is for the Keeper to ensure that the trade marks are being 'used' so that they do not become vulnerable to revocation for non-use. If put to proof, the Keeper must be able to establish that genuine, commercial, non-token use has been made of the trade marks on the market for the relevant goods and services protected by the marks, or that there are proper reasons for non-use.

Genuine use is use that is sufficient to create or preserve an outlet for the goods or services under the mark. Use of a company name, if it is limited to identifying the company and business run under the name, will not suffice to constitute genuine trade mark use in connection with the goods and services.

The use does not need to be extensive and even minimal use may qualify as genuine use if it is justified in the economic sector concerned. All relevant factors must be taken into account, such as the nature of the goods or services, the characteristics of the markets, and the scale and the frequency of use of the mark.

References:

[Trade Marks Rules 2008, SI 2008/1797, rr 35, 37](#)

[Article 53 of Regulation \(EU\) 2017/1001](#)

References:

[Declaration of use and/or excusable non-use and an application for renewal under sections 8 and 9](#)

References:

[TMA 1994, s 46\(1\)](#)

[Article 18 of Regulation \(EU\) 2017/1001](#)

References:

[Anslu BV v Ajax Brandbeveiliging BV, Case C-40/01](#)

[La Mer Technology, Inc v Laboratoires Goemar SA, Case C-259/02, \[2005\] All ER \(D\) 493 \(Jul\)](#)

[Stichting BDO v BDO Unibank Inc \[2013\] EWHC 418 \(Ch\)](#)

[The London Taxi Corporation Ltd v Frazer-Nash Research Ltd \[2017\] EWCA Civ 1729](#)

References:

[The London Taxi Corporation Ltd v Frazer-Nash Research Ltd \[2017\] EWCA Civ 1729](#)

Caution should be exercised in relation to strategies that may attempt to circumvent the need to prove genuine use. In *Hasbro Inc v EUIPO*, the General Court considered the strategy of 'evergreening', which means automatically re-applying for marks every five years to avoid having to adduce evidence of genuine use. In this case, Hasbro admitted that its intention had been to circumvent the requirement to prove genuine use of the contested mark in opposition proceedings, which the General Court held to be an 'abuse of law'. See News Analysis: [General Court upholds EUIPO decision that 'evergreening' trade marks is bad faith \(Hasbro v EUIPO \(T-663/19\)\)](#).

The Hasbro case means that evergreening will amount to bad faith in relation to EUTMs. It is probable that a UK court would come to a similar conclusion in relation to a national mark.

Where do the marks need to be used?

Trade mark rights are territorial, which means that they are only granted protection in the jurisdictions that they are registered in, and therefore only need to be used in these jurisdictions to maintain their validity and enforceability.

In relation to UK trade mark registrations, the relevant use must take place in the UK.

In relation to an EUTM, the relevant use must be in the EU, although it is not necessary to show use in the whole of the EU. In addition, the extent of the territorial use is only one factor that will be taken into account in establishing genuine use. Whether the scale of use is regarded as sufficient will depend on the characteristics of the products or services and the size and nature of the Keeper's business.

There are specific rules related to the assessment of genuine use of a comparable trade mark (EU) and an EUTM that was, prior to IP completion day, only used in the UK. For more information, see Practice Notes: [Removal of trade marks from the register: expiry, surrender, invalidity and revocation and EU trade marks \(EUTMs\)](#).

The Keeper needs to adopt a proactive approach to encouraging and monitoring the appropriate use of the registered trade marks and maintaining evidence of this use. This can be achieved by the creation of a diary system (which can serve as a reminder for the commercial, marketing and business development teams of the necessity to put trade marks to such use) as well as by the formation and maintenance of 'use files' in relation to the individual trade marks within the portfolio. Examples of use of the marks (as applied to goods, packaging or documents, in advertising, business papers etc) can be placed in these files in a form in which they can be readily accessed and used evidentially.

In addition, it is prudent for the Keeper to review the use of the trade marks within the portfolio with the relevant teams on a regular basis. This is in order to ascertain if there are trade marks that they are no longer keen on using, as these can then be actively phased out, and whether there are any older trade marks that can be used for new products.

Do you need to use trade marks as registered?

The Keeper does have an element of freedom (albeit small) to agree some variations in the mark as registered to suit the marketing and promotional requirements of the goods or services concerned, or to adapt it to the realities of a changing market. Use of the mark which is not exactly in the form in which it is registered is allowed. This is as long as it differs only in elements which do not alter the distinctive character of the mark. Such use is therefore considered to be sufficient to maintain the trade mark. The EUIPO in its 'Guidelines for Examination of European Union Trade Marks' outlines the office's practice in relation to what is considered to be acceptable altered use, based on the criteria developed by the General Court in its case law.

Therefore, any decisions to alter the use of the trade marks as registered require consultation with legal advisers, and should not be left simply to the marketing and business development teams.

In addition, clear internal guidelines should be created, and education provided to the internal teams, as well as to third-party users of trade mark such as distributors, advertising agencies, retailers etc as to the correct usage of trade marks.

For a summary of the issues to be covered in such guidelines, see: [Guidance on the correct use of trade marks in a business—checklist](#).

Do you need to use the trade mark in relation to all the goods and services registered?

In the UK and EU, it is possible to apply for a specification of goods and services that is broader than use of the mark at the date of filing if there is a reasonable commercial rationale for seeking such protection having regard to the trade mark's use (discussed above in the context of future-proofing the mark).

References:

[Hasbro, Inc v European Union Intellectual Property Office, Case T-663/19](#)

References:

[TMA 1994, s 46](#)

References:

[Leno Merken BV v Hagelkruis BV \[2013\] All ER \(D\) 53 \(Jan\)](#)

[The London Taxi Corporation Ltd v Frazer-Nash Research Ltd \[2015\] EWHC 1840 \(Ch\)](#)

[EUIPO Guidelines](#)

[UKIPO Manual of Trade Mark Practice](#)

References:

[TMA 1994, s 46\(2\)](#)

[Article 18 of Regulation \(EU\) 2017/1001](#)

[EUIPO Guidelines, Part C, Opposition, Section 6, Proof of Use](#)

[EUIPO CP8 Common Practice—Use of a mark in a form differing from the one registered](#)

[Dermavita v EUIPO, Case T-104/19](#)

However, applying for a broad range of goods and services without any intention to use the mark in connection with these goods and services can, in certain circumstances, constitute bad faith. This could result in the trade mark being declared invalid in respect of the goods and services applied for in bad faith. The application would be in bad faith if filed with the intention of undermining the interests of third parties and if inconsistent with honest trading practices.

For more information on the scope of genuine use, see Practice Notes: [Removal of trade marks from the register: expiry, surrender, invalidity and revocation](#) and [EU trade marks \(EUTMs\)](#).

Use by licensees

The company's business model may be based on or involve the licensing of some or all the trade marks within the portfolio, or indeed on in-licensing a third party's trade marks.

The marks may be licensed for some or all the goods or services for which they are registered, and for the whole or for part of the territory of the country concerned, on an exclusive, sole or non-exclusive basis.

Licensing models can include franchising, merchandising, brand extension, co-branding (eg Toyota and Coach in relation to the Lexus 'Coach' edition cars) and component or ingredient branding (eg diet soft drinks with NutraSweet). There can of course be huge business benefits in trade mark licensing, such as additional revenue streams, territorial expansion and new channels of distribution, the creation of strategic partnerships and of course increased consumer recognition and advertising.

However, in all these instances, as the use by the licensee will be deemed to be use by the proprietor of the trade mark, it is of real importance for the Keeper to ensure that any such use by the licensee of the trade marks within the portfolio does not damage the goodwill of the marks, or their ability to remain on the register. This can be achieved by ensuring that all licences are carefully drafted, enabling the Keeper to exert control over the use of the mark, and crucially to put a stop to any unlicensed or inappropriate use within a fairly short period. In addition, it will be necessary for the Keeper to police the standards set in a licence.

Licensing arrangements should be reviewed to consider any changes necessary since IP completion day (eg territory definitions may need to be updated). For detailed consideration, see Practice Note: [Trade mark assignment and licensing](#).

Licences are registerable transactions and therefore, if the company's business model is to license, the Keeper should ensure that these licences are recorded. In the UK, while recordal is not compulsory, failure to register can have adverse implications (eg it may affect recovery of costs in infringement proceedings).

For more information about trade mark licensing and assignment, see Practice Notes: [Drafting a trade mark licence—a practical guide](#) and [Trade mark assignment and licensing](#).

See also the following Precedents:

- Trade mark licence—pro-licensee
- Trade mark licence—pro-licensor
- Trade mark coexistence agreement
- Character merchandising agreement—pro-licensor
- Character merchandising agreement—pro-licensee
- Trade mark licence—luxury goods
- Trade mark licence—manufacturing and sale of products (basic)
- Trade mark—letter of consent

Monitoring legal developments

The fast pace of technological and industry developments means that trade mark law is constantly evolving. It is therefore prudent for the Keeper to carefully monitor major legal developments in relevant jurisdictions, as these will affect both existing registrations and the possibility of registering new trade marks, and will also require the Keeper to adapt their portfolio management strategies accordingly.

Trade mark legislation was significantly reformed via [Regulation \(EU\) 2017/1001](#) (in relation to EUTMs) and [Directive \(EU\) 2015/2436](#) (in relation to national registrations). [Directive \(EU\) 2015/2436](#) was implemented into UK law via changes made to [TMA 1994](#) (such changes forming part of retained EU law as EU-derived domestic legislation).

References:
[Sky plc v SkyKick UK Ltd, Case C-371/18](#)
[Sky plc v SkyKick UK Ltd \[2020\] EWHC 990 \(Ch\)](#)

References:
[TMA 1994, ss 28–31](#)
[Article 25 of Regulation \(EU\) 2017/1001](#)

References:
[TMA 1994, ss 25–31](#)

References:
[Regulation \(EU\) 2015/2424](#)
[Directive \(EU\) 2015/2436](#)
[Regulation \(EU\) 2017/1001](#)
[Regulation \(EU\) 2017/1431](#)
[Regulation \(EU\) 2017/1430](#)
[Implementing Regulation \(EU\) 2018/626](#)
[Delegated Regulation \(EU\) 2018/625](#)

Two key changes afford the Keeper greater flexibility to grow the trade mark portfolio at EU and UK level. The first is the possibility of registering non-traditional trade marks resulting from the express inclusion of sound and colour marks, and the removal of the 'graphical representation' requirement. The trade mark can be represented in any appropriate form of generally available technology, in a manner which enables the authorities and the public to determine the clear and precise subject matter of the protection. For example, Implementing Regulation (EU) 2018/626, Article 3(3) (which brought into effect certain changes to Regulation (EU) 2017/1001 as part of its package of reform) sets out specific rules and the technical requirements for the most popular types of non-traditional marks. There is provision for the submission of audio files in relation to sound marks, video files for motion marks and holograms, and audio-visual files for multimedia marks, among other forms of representation. However, the representation of the sign will still need to be clear, precise, self-contained, easily accessible, intelligible, durable and objective.

For more information about the first motion mark registered in the UK, see: [LNB News 05/08/2019 41](#).

However, as is illustrated by a number of EU cases, non-traditional trade marks still face challenges resulting from the view that they are not sufficiently distinctive to function as trade marks (as consumers may not be used to making assumptions about the origin of products based on these types of mark).

The Keeper should consider whether new filings for non-traditional marks would be in line with, and enhance, its branding strategy. There are also implications for clearance searches, with the Keeper needing to consider a broader range of earlier marks which may pose a risk (see 'Clearance and searching' above).

For further information, see Practice Note: [Unconventional trade marks](#).

The second key reform at EU level was a widening of the categories of registered marks available, with the addition of the EU certification mark. This type of trade mark acts as a badge of quality for consumers. The EU joined a number of countries which had existing regulation for the registration and use of certification marks, including Australia, Brazil, Canada, China, Egypt, India, the US and the UK. Certification marks can serve to designate: the quality composition of products (WOOLMARK); the nature of farming (the UK's SOIL ASSOCIATION ORGANIC symbol); the rearing of cattle and sheep (PASTURE FOR LIFE); or, even the ethical standards within the production chain (FAIRTRADE).

Natural or legal persons, including trade associations, governing bodies and standards authorities can apply for EU certification marks. They will need to submit regulations governing the use of the certification mark, and specifying the characteristics of the goods/services and the authorised suppliers of these goods/services (under licence). However, as in the UK and the US, certification marks cannot be owned by the commercial suppliers of the goods/services themselves. Furthermore, EU certification marks cannot designate the geographical origin of the goods/services being certified, in contrast for example with UK certification marks that permit geographical origin regulations, nor can they support genuine use of a trade mark as they do not identify the origin of the goods and services (see 'Use it or lose it' above).

The EU certification mark provides a competitive advantage to authorised suppliers who can now show that their goods or services are certified across the EU. However, any Keeper considering these marks as an addition to their portfolio needs to bear in mind the potential commercial cost of properly controlling and managing the licensing and use of the certification marks in commerce by third parties (see 'Use by licensees' above).

For more information, see Practice Note: [Collective marks and certification marks in the UK and EU](#).

Protect the brand

Having established and nurtured a dynamic trade mark portfolio, the Keeper will wish to protect it against misuse and infringement. For this purpose, the Keeper at the outset needs to develop a proactive protection and enforcement plan, ie a standard position on when/how to pursue third-party infringers of the trade marks, as well as defend marks against attack, in view of the company's commercial priorities and tolerances. Furthermore, the Keeper must bear in mind the company's public profile and be attuned to the dangers that social media can pose to brands when dealing with these matters. Disputes should always be dealt with proportionately, and appropriate strategies developed accordingly.

References:
[TMA 1994, s 1](#)

[Implementing Regulation \(EU\) 2018/626](#)

[Sieckmann v Deutsches Patent und Markenamt, Case C-273/00](#)

References:

[Hickies, Inc v EUIPO, Case T-573/18](#)

[Glaxo Group Ltd v EUIPO, Case T-187/19](#)

References:

[Article 83 of Regulation \(EU\) 2017/1001](#)

Defensive strategies—watching competitor activity

First and foremost, the Keeper needs to be vigilant, determining what would be unacceptable activity, and then taking active steps to watch for the advertisements of third-party applications to register trade marks that conflict with registered and unregistered rights. This can be done by setting up an internal watching brief or subscribing to a commercial third-party watch service.

If a trade mark application is identified that the Keeper deems to be conflicting with its earlier rights, it can contact the applicant in writing, putting them on notice of its registered rights, and providing them with an opportunity for a business-to-business settlement. Indeed, this is actively encouraged by the UKIPO, which even offers a mediation service for this purpose.

For more information, see Practice Note: [UK Intellectual Property Office—mediation scheme](#).

If there is no agreement, an opposition will need to be filed, in the UKIPO within two months (extendable by a further month) and in the EUIPO within a non-extendable three months of the date of publication of the conflicting mark.

For more information about filing an opposition, see Practice Notes: [Opposing a UK trade mark application and EU trade marks \(EUTMs\)](#).

More proactive/offensive strategies

The Keeper may wish to adopt a more assertive stance and file oppositions straight away, noting that the UKIPO and the EUIPO provide for 'cooling off' periods—a window of time post filing of the opposition within which the parties can try to negotiate a resolution to the dispute before entering the adversarial stage of the proceedings.

Of course, settlement can take place at any stage of the proceedings and the opposition withdrawn by mutual consent.

The Keeper should, however, be aware that in any opposition, it may be 'put to proof of use' of any marks that have been registered for five years; another scenario where the use of evidence outlined above in the 'Use it or lose it' and related sections will come in handy.

Alternatively, the Keeper may need to clear a conflicting mark from the register that stands in the way of its own application, registration and use of its mark. A conflicting UK registration can be challenged in either the UKIPO, the High Court or the Intellectual Property Enterprise Court (IPEC).

However, if proceedings regarding the same registration have already been commenced in the High Court or IPEC, a challenge must be brought there by way of counterclaim.

A conflicting EU registration needs to be challenged at the EUIPO, although the domestic courts of Member States are also entitled to revoke or declare an EUTM invalid when the action is brought as part of a counterclaim.

The UK no longer has EUTM courts and therefore, no longer has jurisdiction in relation to EUTMs. Where an EUTM was the subject of proceedings that were pending as at IP completion day, a UK court retains jurisdiction to conclude those proceedings, although any remedies granted will be applicable to the comparable trade mark rights only.

Any EU-wide injunctions granted in the EU from 1 January 2021 onwards will not apply to the comparable UK right.

For more information on jurisdictional issues, see Practice Note: [Court jurisdiction and intellectual property](#).

If a challenge is not successful, the Keeper will need to consider either acquiring the prior mark to clear the way to registration, obtaining a consent/licence or negotiating a coexistence agreement. For more information about coexistence agreements, see Practice Note: [Trade mark coexistence agreements](#) and Precedent: [Trade mark coexistence agreement](#). It is also possible to wait and monitor whether third-party objectionable marks are not renewed or vulnerable to non-use cancellation, and then apply for registration.

For more information, see Practice Note: [Removal of trade marks from the register: expiry, surrender, invalidity and revocation](#).

Strategic enforcement against infringements and counterfeits

Critical to maximising the value of the trade mark portfolio is taking swift and appropriate action when infringement occurs. Here too, the Keeper needs to be vigilant.

References:

[Article 123 of Regulation \(EU\) 2017/1001](#)

References:

[TMA 1994, Sch 2A, para 20](#)

Internally, the Keeper should educate employees, distributors, sales and marketing teams to recognise and report infringements. For this purpose, there should be an effective reporting mechanism in place, to prompt strategic enforcement action. The Keeper should consider whether to create templates to record infringements.

In addition, and depending upon the sensitivity of the brand, the Keeper may wish to use an internet monitoring service/private investigator to identify infringements. The Keeper should be aware that use on the internet is considered use in the UK for infringement purposes, when it is directed or targeted at users in the UK (see News Analysis: [Court of Appeal interprets scope of coexistence agreement \(Merck v Merck\)](#)). However, the simple fact of a UK purchaser being able to buy goods from a website outside the jurisdiction (and in full knowledge that this is what they are doing) will not amount to targeting by that website (see News Analysis: [Splitting brand ownership and targeting \(Lifestyle Equities CV v Amazon UK Services Ltd\)](#)).

Civil enforcement action in the UK

In the UK, based on UK trade marks (including comparable trade marks granted on IP completion day) civil enforcement for trade mark infringement must be started in one of: the general Chancery Division of the High Court; the IPEC; or a County Court hearing centre where there is also a Chancery District Registry. The majority of trade mark cases are heard by specialist IP judges.

The UKIPO has no jurisdiction in relation to trade mark infringement claims.

Both the High Court and the IPEC are able to award the following enforcement remedies:

- injunctions
- an inquiry as to damages or an account of profits
- orders for removal of the offending mark from the infringing goods
- orders for delivery up or destruction, and
- dissemination and publication of judgment

For more information, see Practice Note: [Remedies for trade mark infringement](#).

High Court proceedings can be lengthy and expensive. The losing party typically bears the main burden of the costs of the case (both their own costs and a proportion of the winning party's costs), and there is no cap on recoverability. Issues of liability are often dealt with separately from issues of quantum, which means that there may be a separate damages inquiry.

In contrast, the IPEC provides a relatively fast, simple and inexpensive means of litigating trade marks. The IPEC provides for a damages and costs cap—it can award a maximum of £500,000 of damages and/or account of profits (although this is waived if agreed by the parties), as well as award costs normally limited to £50,000 on the final determination of a claim in relation to liability. Proactive case management ensures limited trial lengths of around two to three days, and limits the extent of disclosure and witness evidence.

However, trade mark infringement matters can be, and often are, settled after the granting of an interim injunction which, if successful, puts the alleged infringer under significant economic pressure. In the UK, interim injunctions are a discretionary remedy, and in order to obtain one, it is necessary to act swiftly on discovery of the infringement. Obtaining an interim injunction requires the granting of a cross-undertaking in damages to abide by any order of the court as to damages for the loss (if any) occasioned by it to the defendant should it turn out at trial that the interim injunction ought not to have been granted.

For more information, see Practice Note: [Trade mark infringement and interim injunctions](#).

Brand owners can also seek 'blocking injunctions' against an intermediary whose services are used by third parties to infringe IP rights, such as internet service providers (ISPs) that host websites advertising and selling counterfeit goods infringing their trade marks. In the case of *Cartier International AG v British Sky Broadcasting*, the Court of Appeal upheld the High Court decision and confirmed that this relief had to be necessary, effective, dissuasive, not unnecessarily complicated or costly, fair and equitable, proportionate, and avoid barriers to legitimate trade. The Court of Appeal also held that the cost of implementing the blocking orders was to be borne by the ISPs rather than the brand owners. The Supreme Court then went on to allow an appeal by the ISPs and held that they should be indemnified for the specific costs of implementing website blocking orders by the rights holders who seek and obtain such orders.

With the rise of e-commerce, and prevalence of counterfeiting online, the availability of blocking injunctions against ISPs can provide the Keeper with a very effective additional tool for trade mark

References:

Euromarket Designs v Peters [2000] All ER (D) 1050

Richard Dearlove (t/a Diddy) v Sean Combs (t/a P.Diddy) Richard Dearlove (t/a Diddy) v Sean Combs (t/a P.Diddy) [2007] All ER (D) 367 (Feb)

Merck KGaA v Merck Sharp & Dohme Corp [2017] EWCA Civ 1834

Lifestyle Equities CV and another company (both companies incorporated under the laws of the Netherlands) v Amazon UK Services Ltd [2021] EWHC 118 (Ch)

References:

CPR 63.13

CPR PD 63, para 16.1(14)–(15)

References:

Cartier International AG v British Sky Broadcasting Ltd [2014] EWHC 3915 (Ch), [2016] All ER (D) 30 (Jul)

Cartier International Ltd v British Telecommunications Plc [2016] EWHC 339 (Ch)

Cartier International AG v British Sky Broadcasting Ltd [2016] EWCA Civ 658

Cartier International AG v British Sky Broadcasting Ltd (The Open Rights Group intervening) [2018] UKSC 28

enforcement in the UK. A global anti-counterfeiting strategy will require the Keeper to seek similar injunctions in other jurisdictions (including in the EU, as the UK no longer has jurisdiction to grant a pan-EU injunction).

For more information, see Practice Notes: [Website blocking orders](#) and [Brand protection and online marketplaces](#).

Infringement proceedings relating to EUTMs may be brought in a number of forums: either in the EU Member State court where the harmful event occurred, or in the Member State court in which the defendant is domiciled or, if they are not domiciled in the Member State, in any Member State where they have an establishment.

The Court of Justice has held that 'place of establishment' should be interpreted widely and that a subsidiary of an international corporation with no seat in the EU, could be an establishment of the parent body if the subsidiary had a real and stable presence in the EU, from which commercial activity was pursued, as shown by the presence of personnel and material equipment, even if the subsidiary had not participated in the alleged infringement. The Keeper should be aware that this could potentially open up litigation forum shopping within the EU, as several Member States may host an 'establishment' of a commercial undertaking. For more, see News Analysis: [Alert: Court of Justice confirms that second tier subsidiary can be 'establishment'](#) (Hummel v Nike).

Although EU-wide injunctions can be granted on the basis of the infringed EUTM, in *combit Software*, the Court of Justice ruled that the territorial scope of the EU-wide injunctions may be limited to those EU countries where likelihood of confusion can be proved. The Keeper should therefore consider restricting the territorial scope of the injunction in Member State(s) where the most harm is done to its brand and the chances of success are favourable. For more, see News Analysis: [In brief: Infringed but not protected throughout the EU?](#) (*combit Software GmbH v Commit Business Solutions Ltd*).

An EU-wide injunction granted by an EU Member State prior to IP completion day continues to apply in the UK with regard to the comparable UK right and in the UK, is enforceable in relation to that comparable right in the same way as it was previously in relation to the 'parent' EUTM. However, this is subject to any order of the court to the contrary—meaning this position could be subject to challenge, particularly where it can be argued that a UK court would not have held the mark to be infringed in the UK.

For more information about trade mark infringement proceedings, see the following Practice Notes:

- [Trade mark infringement](#)
- [Introduction to passing off](#)
- [Summary of key stages of trade mark litigation](#)
- [Trade mark litigation—pre-litigation](#)
- [Trade mark litigation—starting proceedings and statements of case](#)
- [Trade mark litigation—case management, disclosure and inspection, evidence and trial, and](#)
- [Trade mark litigation—costs and timetable](#)

Criminal enforcement

The criminal sanctions under [TMA 1994, s 92](#), including fines and imprisonment, are most often used against parties involved in counterfeiting goods. The criminal court may also make confiscation orders, following convictions for offences, under [TMA 1994, s 92](#) (*R v H Sheikh*).

For more information, see Practice Note: [Trade mark offences](#).

Enforcement through customs

In the UK, the Keeper, as an owner of a registered trade mark, may apply to HMRC asking that infringing goods, materials or articles expected to arrive in the UK are treated as prohibited goods and their importation into the UK prohibited. This may include parallel imports (also known as grey market goods). Customs intervention is not afforded to unregistered trade marks.

In the EU, Regulation (EU) 608/2013 is an effective tool against the importation of goods suspected of infringing IP rights into Member States. IP rights protected under that regulation include national trade marks in EU Member States and EUTMs, geographical indications, and also a trade name in so far as it is protected as an exclusive IP right by national or EU law.

References:

[Article 97\(1\) of Regulation \(EC\) 207/2009](#)

[Regulation \(EU\) 1215/2012, Brussels I \(recast\)](#)

[Hummel Holding A/S v Nike Inc Nike Retail BV, Case C-617/15](#)

References:

[combit Software GmbH v Commit Business Solutions Ltd, Case C-223/15](#)

References:

[TMA 1994, Sch 2A, para 21](#)

References:

[R v H Sheikh \[2004\] EWCA Crim 492](#)

References:

[TMA 1994, s 89](#)

References:

[Article 2 of Regulation \(EU\) 608/2013](#)

The Keeper may either request an EU-wide Application for Action (AFA) based on an EUTM, or alternatively can also file national AFA in key territories based on national trade mark rights.

Since IP completion day, EU AFAs can no longer be submitted in the UK and those granted by EU customs authorities no longer have any effect in the UK.

The UK has a similar system which allows the rights holder to apply for a UK AFA (based on a UK right). However, a Keeper wanting to protect rights in both the UK and the EU will need to ensure submission of both a UK AFA and EU AFA.

For more information, see Practice Notes:

- [IP enforcement and the EU customs regime](#)
- [Creating an effective anti-counterfeiting strategy](#), and
- [Parallel imports](#)
- [Anti-counterfeiting in the UK](#)

Strategic settlement

The Keeper can develop standard terms for settlement agreements, strengthening the portfolio by ensuring third parties acknowledge the prior rights in the Keeper's portfolio.

See Precedents: [Settlement agreement—IP dispute—short form](#), [Draft Settlement agreement—pre-action settlement](#), [Draft Settlement agreement—for settling disputes post-commencement of proceedings](#) and [Trade mark coexistence agreement](#).

Remain flexible—audit and review of a trade mark portfolio and re-assessing strategic trade mark policy

A critical part of any brand protection regime is tracking the success, evaluating the performance of the strategy and analysing results in order to adapt and improve performance and greater flexibility in future enforcement.

The Keeper needs periodically to review the trade mark portfolio in order to ensure that it remains fit for purpose with respect to the business' commercial needs. Some updating, re-calibration and fine tuning may be necessary in order to cater for new product lines/services resulting in new sub-brands and trade marks. New legal developments may also call for changes.

Within this context, it will be necessary to review the scope of the specification. In addition, a review can help where there are efficiencies and cost savings to be made, or where there may be gaps in the portfolio. The frequency of the review will depend on the nature of the business, but should be carried out at least every three years.

Where the audit reveals marks that are no longer in use or required, practical strategies should be adopted to phase out these marks (unless they can be considered for re-use—see above). The Keeper should also consider whether these trade mark rights can be exploited through licensing or sold for a profit.

It is also important to check that the recordal of all the marks in the portfolio is up to date in all jurisdictions. Otherwise, the Keeper may find their own trade marks with incorrect, outdated, registered proprietor details which may be cited against them by national intellectual property offices in applications to register new marks.

For more information about conducting an audit of IP rights, see Precedent: [Intellectual property internal audit questionnaire](#) and [Intellectual property internal audit template—checklist](#).

References:

[Article 3 of Regulation \(EU\) 608/2013](#)

References:

[European Commission—Notice to stakeholders—Withdrawal of the UK and EU rules in the field of customs enforcement of intellectual property rights \(REV2\)](#)

References:

[Retained Regulation \(EU\) 608/2013](#)

[Customs \(Enforcement of Intellectual Property Rights\) \(Amendment\) \(EU Exit\) Regulations 2019, SI 2019/514](#)