



Intellectual Property: Trade Marks Consultation

Consultation Paper

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1. Introduction

- 1.1 Intellectual property (IP) protection is a key part of modern economic policy which is increasingly driven by innovation and intangible assets. IP rights support innovative activity and can lead to increases in the profitability of a business investing in such activity. Products and services protected by IP rights ensure that there can be a reward for investment in innovation. IP rights are therefore a valuable business asset.
- 1.2 Ensuring that Jersey’s laws making provision about IP are modern and consistent with international standards is an important policy objective for encouraging businesses of many types to locate and invest in the Island.
- 1.3 This consultation specifically relates to trade mark registration and protection in Jersey. Trade marks are signs used to distinguish the goods or services of one business from those of another and enable consumers to identify a business as the source of a product or service. As such they are the basis on which a business creates its brand and reputation. Brand value is one of the most significant assets of a company both in the physical marketplace and in the area of e-commerce.
- 1.4 More specifically, this consultation invites stakeholder feedback on a number of questions in relation to the introduction of a modern and new system of primary trade mark registration in Jersey. Modernising Jersey’s trade marks regime will enable the Island to be included in and benefit from international trade mark agreements, instil confidence in right holders and promote Jersey as an attractive jurisdiction for IP holding, management and administration activities.

2. Jersey primary registry for trade marks

a. Current regime

- 2.1 The Trade Marks (Jersey) Law 2000 (the **TMJL**) sets out the current framework for trade mark registration and protection in Jersey. The TMJL in essence provides for re-registration in Jersey of trade marks first registered in the United Kingdom (the **UK**). Moreover, so-called 'International Trade Marks' that have effect in the UK, automatically apply in Jersey as a result of Article 13 of the TMJL (see paragraph 2.29 for additional detail on this). In these cases, there is no need for re-registration in Jersey in order to obtain protection locally.
- 2.2 Under the current TMJL, the person who is the proprietor of the right in the UK is the person who can apply for registration in Jersey. The Judicial Greffier is the Registrar to whom an application for registration must be made, with a Register of Rights maintained at the Judicial Greffe.¹ There is no substantive examination of the UK right for compliance with the various requirements in UK law that apply before there can be a registration in Jersey, but in each case the secondary registration in Jersey can only remain in force so long as the right remains in force in the UK.
- 2.3 A registration of a trade mark in Jersey essentially gives the person who has done that, the same rights and equivalent remedies as exist in the UK. An action for infringement of an IP right in Jersey can therefore be pursued in the court in Jersey and the activities that infringe the right are the same as in the UK. There are also criminal offences applying to wilful unauthorised dealing and use in the course of trade of a trade mark that has been registered in Jersey (so-called 'counterfeiting').
- 2.4 Building on Jersey's strong foundations as an international financial, legal and business centre, a work programme has been developed to modernise the Island's trade mark legislation and infrastructure. This is intended to support innovative and creative activity and promote Jersey as a conducive place for businesses to protect and manage their IP. Longer-term, potential opportunities to develop Jersey as a hub for the management of IP assets² and attract and grow innovative businesses (particularly in the e-commerce area) all require investment in the Island's IP legislation and infrastructure.
- 2.5 In order to enhance Jersey's IP offering, as one of the first steps, consideration needs to be given to the development of a modern and internationally well-understood IP infrastructure. In particular, the purpose of this consultation is to seek views on the introduction of a new system of primary trade mark registration in Jersey, replacing the current system of re-registration. This would allow trade mark applications to be made directly with the Jersey Intellectual Property Office (**JIPO**), without the need to evidence prior registration in the UK, as is the case under the current regime.
- 2.6 The envisaged revised regime for trade mark registration and protection would be largely modelled on the framework set out in the UK Trade Marks Act 1994 which is internationally highly regarded and well-understood. Building on UK precedent is furthermore considered sensible as local trade mark owners and practitioners will likely already be familiar with the UK trade marks regime, due to the existing links between both frameworks.

¹ More information can be found on: [Intellectual Property Registry \(gov.je\)](http://www.gov.je/Intellectual-Property-Registry).

² Previous studies have cited this as an opportunity for Jersey to exploit new business in adjacent markets to the existing finance and legal sector (Jersey Innovation Review, see: [Jersey Innovation Review \(gov.je\)](http://www.gov.je/Jersey-Innovation-Review)).

b. International standards

2.7 Another important driver for investment in Jersey's trade mark infrastructure relates to the Island's longstanding commitment to the development and implementation of international standards which is a cornerstone of Jersey's reputation in the international community.

2.8 The current system of re-registration of trade marks first registered in the UK is not considered fully consistent with the application of some international conventions in the area of trade marks. In particular, the existing framework does not enable Jersey to seek inclusion in and benefit from the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (the **Madrid Protocol**).

c. Madrid Protocol – the international trade mark system

2.9 The Madrid Protocol is an international agreement designed to simplify the registration process of trade marks worldwide. By filing a single international trademark application and by paying one set of fees, trade mark protection can be applied for in up to 130 countries. As such, the Madrid Protocol offers a convenient and cost-effective 'one-stop-shop' solution for registering and managing trademarks globally.

2.10 In order to file an international application under the Madrid Protocol, the right holder must have a registered trade mark or have filed an application with their 'home' IPO (also called the 'office of origin'). This can then be used as the basis for an international Madrid Protocol application. It is understood that by operating a system of re-registration, the JIPO does not constitute an 'office of origin' for the purposes of the Madrid Protocol. In this regard, Jersey differentiates from other small island jurisdictions (such as for example Guernsey, Sint Maarten (Dutch part) and Trinidad and Tobago) which have adopted different approaches, enabling them to seek inclusion in the Madrid Protocol, and the services offered by their IPOs appear to be significantly ahead of those offered in Jersey.

2.11 In order to seek extension of the Madrid Protocol and benefit from potential additional revenue streams, Jersey will in particular need to establish a system of primary registration to enable the filing and processing of international trade mark applications and allow the Island's registry to act as a separate designation for international applications filed in Jersey. Inclusion in the international trade mark system under the Madrid Protocol can be expected to offer a variety of benefits to multiple areas of the Jersey economy.

➤ **Madrid Protocol - advantages for trade mark owners**

2.12 The main benefits for the owner of a trade mark are the simplicity offered by the Madrid system and the potential resulting reduction in costs. The Madrid system enables businesses and individuals to apply for protection for their trade marks in a large number of countries by means of a simple, single procedure and by paying one set of fees. This replaces the need to file separate applications with the IPOs of each of the countries in which protection is sought, including paying the applicable fees in each of these countries (in their respective currencies).

➤ **Madrid Protocol - advantages for trade mark professionals**

2.13 The volume of work for local trade mark agents may also increase as a result of extension of the Madrid Protocol to Jersey.

- It can reasonably be expected that the overall volume of trade marks protected in Jersey would gradually increase, which could lead to an increase in the amount of business for local trade mark agents.
- The effects of an internationally registered trade mark (and any procedures to exercise and enforce the rights resulting from that registration) are governed by local legislation.
- There may be new types of business for trade mark agents, including advisory and representation work for their clients, related to the filing of international applications.

2.14 For the avoidance of doubt, extension of the Madrid Protocol would introduce an alternative procedure to obtain trade mark protection in Jersey. However, it does not prevent businesses and individuals from seeking trade mark protection with the JIPO through the traditional route if, by way of example, a local business is only seeking trade mark protection in Jersey, rather than in a variety of countries across the world.

➤ **Madrid Protocol – public sector benefits**

2.15 Inclusion in the Madrid Protocol may also offer a variety of other benefits. Firstly, the Madrid Protocol provides a simple and convenient route for individuals and businesses from other countries to obtain trade mark protection in Jersey. This may make Jersey a more attractive environment for foreign investment. Furthermore, as the Madrid Protocol simplifies the process for obtaining trade mark protection in a large number of jurisdictions worldwide, this may be beneficial for local businesses reliant on export.

2.16 There is also an administrative and financial benefit that is expected to follow from inclusion in the Madrid Protocol. The International Bureau of the World Intellectual Property Organisation will undertake the formal examination of international trade mark applications, limiting the administrative work to be undertaken by national offices. The examination carried out by the International Bureau includes checking that international trademark applications comply with all formal requirements (sufficient contact details, designation of at least one Madrid System member, quality of images, payment of fees, etc.). Once this is completed, and no issues are raised, an 'International Registration' will be registered.

2.17 The details of the International Registration will then be sent to the IP office of each of the countries in which protection is sought (note that the 'International Registration' itself does not provide protection in these territories). If 'Jersey' is designated in the Madrid system (this means that protection is sought in Jersey), the JIPO will be required to carry out a substantive examination of the International Registration in accordance with the requirements of the amended TMJL and grant or refuse (for example if the trade mark is not distinctive) registration in Jersey within a given time limit. The JIPO will not be able to examine any formalities which will already have been cleared by the International Bureau.

2.18 In addition, the International Bureau will compensate the JIPO for its examination of international trade mark applications. Firstly, fees collected by the International Bureau are transferred to the parties in respect of which they have been paid (after deduction of certain expenses and charges). Secondly, so-called complementary and supplementary fees are distributed annually among the parties according to agreed formula.

2.19 By way of example, the UK extended the application of the Madrid Protocol to Guernsey with effect from 1 January 2021. For 2021, Guernsey's share of the fees collected by the International Bureau was roughly

£22,800. However, for 2022 this figure had risen to roughly £101,700.³ By way of comparison, in 2022, other small island jurisdictions broadly received the following share of fees; Curaçao: £301,000, Sint Maarten (Dutch part): £272,000, Trinidad and Tobago: £188,000, Antigua and Barbuda £173,000. In addition, small European jurisdictions such as San Marino, Liechtenstein and Monaco all collected fees substantially in excess of £350,000 in 2022.⁴

2.20 It can therefore reasonably be expected that, over time, Jersey's share of the fees collected by the International Bureau will start to significantly contribute to the additional costs of operating a primary registry for trade marks in Jersey.

d. Application fees

2.21 The JIPO currently charges £30 for a local trade mark registration. The current fee structure has remained unchanged for some time. Compared to other jurisdictions, the fees charged in Jersey are very low. However, it should be remembered that Jersey currently only accepts applications from right holders who have previously secured trade mark protection in the UK and, thus, have already paid the applicable UK fee.

2.22 In the UK, it costs £170 to register a single trade mark in one 'class', plus £50 for each additional class. The UK IPO uses a classification system that groups together similar goods or services into different classes. This is called the 'Nice classification'.⁵ The same classification system is applied in Guernsey, which charges £200 to register a trade mark in one class of goods or services. It costs £20 for each additional class.

2.23 It is proposed that for the purposes of trade mark applications, Jersey will also adopt the 'Nice Classification' system. In addition, as regards the level of fees, it is considered reasonable and fair that under a system of primary registration, fees in Jersey are set at a similar level as in the UK and Guernsey for equivalent services (registration, adding additional classes, renewal, etc.).

e. Transitional provisions

2.24 The proposed system of primary registration will entail a new approach to trade mark registration in Jersey. In order to obtain protection in Jersey under the new regime, an application can either be made directly with the JIPO or by designating 'Jersey' in an international application filed via the Madrid System. For trade marks that currently enjoy protection in Jersey under the existing regime, the Government proposes that transitional provisions are included in the revised TMJL to ensure such marks benefit from continued protection, until the registration needs to be renewed, without the need for any action on the part of the right holder.

➤ *Local registrations*

2.25 The first set of registrations for which a transitional provision is needed concerns UK trade marks re-registered in Jersey under the existing TMJL provisions. There are currently around 9800 trade marks on the Jersey Trade Marks Register.⁶ However, out of this total, only around 2800 registrations are currently protected in Jersey, with the remainder having expired in previous years.

³ See: <https://www.wipo.int/edocs/pubdocs/en/wipo-pub-940-2023-en-madrid-yearly-review-2023.pdf>.

⁴ Fees are collected in Swiss Francs. Conversion correct as of November 2023.

⁵ Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks.

⁶ See: [Trademarks Database Search Results \(gov.je\)](https://www.gov.je/TradeMarks/DatabaseSearchResults).

2.26 This consultation is about the proposed introduction of a new primary system of trade mark registration in Jersey. As outlined, a key element will be to ensure continued protection of trade marks which have been registered in Jersey under the existing framework and therefore currently benefit from protection in the Island. The Government proposes that transitional provisions are included in the amended TMJL to ensure that trade marks registered in Jersey under the existing regime benefit from continued protection going forward.

2.27 More specifically, it is proposed that every trade mark registered in Jersey under the existing regime, thus before the entry into force of the amended TMJL, will continue to be protected on the same basis (i.e. for the scope of products or services that are covered by the base registration at the UK IPO). There will be no need for any action on the part of the right holder until the time the registration needs to be renewed, at which point the owner would need to submit an application for renewal, either directly with the JIPO or designate 'Jersey' in an international application under the Madrid System.

2.28 In addition, for applications for registration in Jersey that are pending on the date of entry into force of the revised TMJL, there will be a transitional provision providing that if registration is subsequently granted, the right holder will benefit from protection as applied for under the existing regime. On expiry of the registration, the owner would then need to submit an application for renewal, either directly with the JIPO or designate 'Jersey' in an international application under the Madrid System.

➤ ***International trade marks (UK)***

2.29 In addition to applications for re-registration made to the Registrar in Jersey, Article 13 of the TMJL establishes that any trade mark, registered in the register of trade marks maintained by the International Bureau for the purposes of the Madrid Protocol, that has effect in the UK, automatically also has effect in Jersey. These trade marks are often referred to as International Trade Marks (UK).^{7 8}

2.30 As outlined above, the purpose (among other things) of introducing a system of primary registration for trade marks in Jersey is to enable Jersey to seek inclusion in the Madrid Protocol. The Government takes the view that, on making the required legislative changes to enable Jersey's registry to act as a separate designation for international applications, it is no longer justified to give automatic protection to International Trade Marks (UK). The following considerations apply in this context:

- i. Automatic recognition and protection of International Trade Marks (UK) is not considered in line with the Government's ambitions to develop Jersey as a stand-alone, mature and internationally well-understood jurisdiction for trade mark registration and protection.
- ii. There also appears to be little economic justification for automatic recognition of International Trade Marks (UK) in Jersey. There will be no incentive to include Jersey as a separate designation in an international application and, as such, there would be no commercial advantage for the Registry and local IP industries in Jersey.

2.31 As for trade marks re-registered in Jersey under the existing regime, a key element will be to ensure continued protection in Jersey for those International Trade Marks (UK) that are currently given automatic protection as a result of Article 13 of the TMJL. A transitional provision is therefore proposed to ensure

⁷ See also the definition of "protected international trade mark" in Article 1 of the TMJL. Article 13 of the TMJL together with the definition of "protected international trade mark" in Article 1, provides the same rights and remedies in Jersey for a trade mark subject to an international registration which has effect in the UK as for a trade mark that has been registered in Jersey.

⁸ For the avoidance of doubt, the TMJL does not give protection to international (EU) trade mark designations under the Madrid System.

continued automatic protection in Jersey for each International Trade Mark (UK), which has protected status in Jersey immediately before the entry into force of the revised TMJL, up to the renewal date. If at that time, the right holder wants to benefit from protection in Jersey going forward, they will need to separately designate Jersey in their international trade mark application to extend the geographical scope of the international trade mark.

2.32 Additionally, for UK designations pending at the time of entry into force of the new legislation, if granted, the registration will be afforded automatic protection in Jersey in accordance with the existing regime up until the renewal date.

f. Consultation questions

The Government of Jersey would be grateful to receive your views in relation to:

1. The proposal to establish a system of primary registration and grant of trade marks in Jersey.
2. Potential long-term economic opportunities linked to the introduction of a system of primary trade mark registration to enhance the attractiveness of Jersey as a jurisdiction for IP holding, management and administration activities.
3. Whether seeking inclusion in the Madrid Protocol could deliver benefits for trade mark owners, professionals and the Jersey economy.
4. The proposal that the TMJL should no longer give automatic effect in Jersey to International Trade Marks (UK).
5. The proposal that fees for services provided by the JIPO under a system of primary registration should be broadly the same as the fees that apply in the UK and Guernsey for similar services.
6. The proposed transitional provisions for trade marks re-registered under the existing TMJL regime and International Trade Marks (UK).

2.33 Please submit your response to this consultation on [Consultations \(gov.je\)](https://www.gov.je/consultations) by searching for “Intellectual Property: Trade Marks Consultation”. Alternatively, you can submit your response:

- by email to L.Ament@gov.je with the subject heading “Intellectual Property: Trade Marks Consultation”; or
- by post to: FAO Lukas Ament, Head of Competition & Intellectual Property, Department for the Economy, 19-21 Broad Street, St Helier, JE2 3RR

2.34 This consultation closes at 23:59pm on 26 January 2024.

Annex 1: European Union Trade Marks

- In addition to applications for local and international trade mark registration, it is also possible to apply for a European Union Trade Mark (**EUTM**) with the European Union IPO. If granted, an EUTM provides trade mark protection in all 27 member states of the European Union through one single registration. By comparison, national trademark registrations are only protected and enforceable in the jurisdiction where they are registered.

- As outlined, the Government proposes to amend the legislative framework to enable primary registration of trade marks in Jersey. On changing to a system of primary trade mark registration in Jersey, it is the Government's view that there is no justification for giving any form of automatic protection in Jersey to EUTMs. The Government has had regard to the following considerations in this context:
 - i. For the same reasons as outlined above in relation to international trade marks (UK), automatic recognition and protection of EUTMs is not considered in line with Government ambitions to develop Jersey as a stand-alone, mature and internationally well-understood jurisdiction for trade mark registration and protection.
 - ii. Again, there also appears to be little economic justification for automatic recognition and protection of EUTMs in Jersey. There will be no incentive for holders of EUTMs to register separately in Jersey and, as such, there would be no economic advantage for the JIPO and nascent IP industries in Jersey.
 - iii. Rather, on inclusion, the Madrid System will provide a simple, convenient and cost-effective solution for obtaining trade mark registration in multiple jurisdictions, with the added benefit that Jersey will receive a proportion of the fees payable to the International Bureau. It should also be noted that the EUTM and Madrid systems are interlinked. It is possible to designate the European Union in an International Application under the Madrid system.
 - iv. There is also a Brexit perspective that should be considered. On 1 January 2021, the UK IPO created a 'comparable UK trade mark' for all right holders with an existing EUTM. Pending EUTM applications could also be registered in the UK until the end of the transition period on 30 September 2021. This raises the question as to why, going forward, Jersey should automatically recognise EUTMs, but not trade marks registered with the UK IPO after 1 January 2021 (which are not protected in the EU).
 - v. Furthermore, under a system of automatic recognition of EUTMs, very large numbers of EUTMs would be automatically protected in Jersey. Proprietors of such trade marks may have little interest in Jersey. However, automatic recognition could be a serious disadvantage for local businesses as they would need to navigate around all of those EUTM registrations to avoid infringement.

Annex 2: Patents and Registered Designs legislation

- Whilst the Government is proposing to modernise and further develop Jersey's IP infrastructure in the area of trade marks, at this time, changes of a similar nature are not being proposed with regard to the registration of patents and designs in Jersey.
- Both the Patents (Jersey) Law 1957 and Registered Designs (Jersey) Law 1957 provide for re-registration of IP first registered in the UK. As is currently the case under the TMJL, both laws essentially permit registration in Jersey of the relevant IP right that is valid in the UK. There is no examination of the UK right for compliance with the various requirements in UK law that apply before there can be a registration in Jersey, but in each case the secondary registration in Jersey can only remain in force so long as the right remains in force in the UK.
- Establishing a system of primary registration for designs and, in particular, patents would be complex, costly to administer and require a high level of (local) expertise. It would likely be uneconomic to fully staff a local patent office. As such, whilst the modernised JIPO would deal with patent and design applications in Jersey (in the same way as Judicial Greffe does), the legislative framework will remain largely unchanged.
- The Government is however seeking extension of the UK's ratification of both the Patent Cooperation Treaty (**PCT**) and the Geneva Act (1999) of the Hague Agreement Concerning the International Registration of Industrial Designs (**Hague Agreement**). These agreements are similar to the Madrid protocol in the sense that they make it possible to seek patent and design protection, respectively, in a large number of countries by filing a single 'international' application.
- In order to extend the PCT and the Hague Act, it is proposed that applications for registration, under the systems provided by these treaties, which designate the UK, will automatically also cover Jersey. Subject to the adoption of the required legislative changes by the States, this means that if a patent derived from a PCT application is granted in the UK, it will automatically provide protection in Jersey. There is no need for the right holder to register it locally. The same principle applies to design rights granted in the UK in accordance with the Hague Agreement.⁹
- Furthermore, on extension of the PCT and the Hague Agreement, Jersey residents and businesses will be able to file applications for international registration under the systems provided for by these agreements. This will enable them to seek protection for their IP in a large number of countries by filing an a single 'international' application. This could be an attractive option, as filing an international application avoids the need to seek protection separately in many individual countries.
- Under the proposed system of automatic recognition, Jersey residents and businesses will be able to file PCT and Hague applications with the International Bureau, the UK IPO or the European Patent Office (for Patents). However, as the proposed approach entails automatically recognising certain rights granted in the UK, it will not be possible to submit a PCT or Hague application with the JIPO.
- The Government intends lodge Regulations for debate in the States in the first half of 2024 with a view to implementing the PCT and the Hague Act in Jersey as outlined above.

⁹ The Bailiwick of Guernsey adopted a similar approach to seek extension of the PCT and the Hague Agreement. See: [CHttpHandler.ashx \(guernseylegalresources.gg\)](#) and [CHttpHandler.ashx \(guernseylegalresources.gg\)](#).