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Commencement of Revised Cayman Islands Intellectual Property Laws

Insights - 30/05/2017

During the latter half of 2016, Ogier published two briefings on the <u>steps taken by the Cayman Islands</u>' Government to reform the intellectual property laws of the Cayman Islands. In those briefings we covered the overhaul of the copyright regime and the tabling of legislation relating to patents, trade marks and registered design rights.

On 19 December 2016, the Legislative Assembly of the Cayman Islands took an additional step forward and passed the following laws, all of which are to be proclaimed in force pursuant to Cabinet Order:

After a period of anticipation, the necessary commencement orders and regulations were published and gazetted on 26 May 2017. The commencement orders and regulations together have answered outstanding questions and set 1 August 2017 as the date of commencement of the laws referenced above.

What this means for you?

Below is a high-level summary of the intellectual property landscape that will be effective on 1 August 2017.

Trade marks

Prior to 1 August 2017, trade mark law in the Cayman Islands has been an extension of the UK trade mark regime. Under the UK extension regime, a proprietor of a mark capable of registration has been required to first register that mark in the UK or the EU and then apply to have that registration

extended into the Cayman Islands.

The Trade Marks Law, 2016 (the **Trade Marks Law**) is a new trade mark law which will be effective on 1 August 2017. The Trade Marks Law creates a new stand-alone trade mark registry system in the Cayman Islands that is no longer dependent on UK or EU registrations. The Trade Marks Law represents a significant development for the Cayman Islands in that enterprises with interests centred in the Americas will be able to protect their brands without having to first register in the UK or EU. It also means that local trade mark owners will no longer be concerned about losing their protection resulting from a challenge of that mark in the UK or Europe.

To apply for a trade mark under the Trade Marks Law, an applicant must appoint a local registered agent and submit a trade mark application based on the Nice system of classification. Similar to trade mark laws in other jurisdictions, the Trade Marks Law and accompanying Trade Marks Regulation, 2017 includes provisions relation to collective and certification marks, opposition and infringement proceedings and requirements to register particulars relating to certain transactions.

On 30 May 2017, the Cayman Islands Intellectual Property Office provided the following guidance with respect to current marks on the existing registry:

"Please be advised that a separate Trade Marks (Transitional Provisions) Regulations has been drafted and is pending approval by Cabinet. In the interim, kindly note that existing trade marks will be considered as transferred to the "new Register" and will be considered as registered until their renewal date."

Patents

Patent law in the Cayman Islands is an extension of the UK patent law regime. Under the current Patents and Trade Marks Law, 2011, an owner of a patent right in the UK or EU may apply to extend that right to the Cayman Islands. The Patents and Trade Marks (Amendment) Law, 2016 (the **Patents Law**) is a new patent law which will be effective 1 August 2017. Unlike the Trade Marks Law, the Patents Law does not create a stand-alone patent registry. The Patents Law does however contain anti-patent trolling provisions.

Patent Trolling

Anti-patent trolling provisions are designed to prevent abusive actions normally committed by patent trolls (also known as "patent assertion entities"). A patent troll is a person who holds and enforces a patent in an aggressive and opportunistic manner, often with no intention of marketing or promoting the subject of the patent.

The anti-patent trolling provisions of the Patent Law are designed to limit persons from making "an assertion of patent infringement in bad faith". In addition to the general prohibition on such bad-faith assertions, the Patent Law includes a statutory remedy for those aggrieved by the actions of patent

trolls. Furthermore, the Patent Law also protects Cayman enterprises abroad in that the law states that Courts in the Cayman Islands shall not recognize or enforce a foreign judgment to the extent the claim is based on an assertion of patent infringement made in bad faith.

Registered Design Rights

The Design Rights Registration Law, 2016 (the **Design Rights Law**) is a new registered design rights law which will be effective 1 August 2017. The Design Rights Law will afford an owner of a valid design right derived from a UK or EU registration to formally apply to have that design right extended into the Cayman Islands. When an extension is granted under the Design Rights Law, the owner will possess all of the equivalent rights and remedies in respect of such design right as are available in the UK.

Copyright

Copyright law in the Cayman Islands is an extension of the UK Copyright, Designs and Patents Act 1988 (as amended and modernised from time to time) (the **1988 Act**). Part 1 of the 1988 Act was extended into the Cayman Islands by virtue of two executive orders of the UK Privy Council which came into force in the Cayman Islands on 30 June 2016. The application of Part 1 of the 1988 Act is subject to certain exclusions and modifications that make the 1988 Act applicable in the context of the Cayman Islands. Prior to 30 June 2016, copyright law in the Cayman was based on the UK Copyright, Designs and Patents Act 1956.

The extension of the 1988 Act into Cayman Islands marked a significant improvement for those interested in creating, managing and enforcing a copyright portfolio in the Cayman Islands as the new law affords greater protection to categories of work traditionally provided for (i.e., computer databases and software)

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As we noted in our prior briefing, the Cayman Islands Government and legal community continue to strive forward with reforms to assist local and foreign businesses, entrepreneurs and artists to protect their intellectual property in the Cayman Islands, and to exploit such intellectual property through licensing or trade. Ogier is a registered intellectual property agent authorised to deal with the Cayman Islands Intellectual Property Office on all intellectual property based matters. If such assistance is required, please contact your usual Ogier contact or a member of our team listed here.

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