
IP and legal issues when exporting

BESA Export Masterclass 2024

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Why is IP important?

Gives you more control

Because IP rights are exclusive in nature, you gain more control over how your goods/services are handled by others.

Reduces risk of offending others

You are less likely to tread on other people's toes if you have done your due diligence when it comes to protecting your goods/services using IP rights.

Increases value

Your goods/services can be worth more if they are protected by IP rights.

Improves engagement

Having IP rights will improve your engagement with agents, distributors and customers. They should view them as valuable assets which are clearly defined.

Rights against copycats

IP rights increase your ability to prevent copycats in other jurisdictions from entering your market.

Ignore at your peril

If you don't consider IP then it could lead to significant losses and costs being incurred, that might well have been avoided!

IP as a form of currency

- IP typically exists on a jurisdictional basis.
- For example, if you have a trade mark registered in the UK then that will give you certain rights in the UK. If someone were to trade with a name confusingly similar to your trade mark for similar goods/services, then you may be able to prevent them using that name.
- BUT, if you want to use that name in another jurisdiction then you need to think about what IP rights (or currency) you can obtain there.



DIY or with a partner?

Typical scenarios:-

- Export direct to end customers/users.
- Set up own hub in foreign jurisdiction.
- Use a local agent to sell on your behalf.
- Use a distributor in foreign jurisdiction.
- Joint venture.



DIY or with a partner?

On your own

- Who is responsible for export and import requirements?
- What does delivery and payment look like in practice?
- Who is responsible for compliance with local laws? Do you know enough about local product standards, labelling and liability?
- If set up own hub, what are local requirements to set up business there? Is it easy to rent/own property and employ staff? What happens if you need to stop trading there?
- Online requirements?

Using a partner (agent or distributor)

- Do you know them well enough?
- Who is responsible for export and import requirements?
- Who is responsible for compliance with local laws and taxation? Local partner may know more than you.
- Who owns any improvements to the product/service?
- Who registers and maintains any local trade mark and company name?
- Who takes action against foreign infringers?

Protection of confidential information

- Controlling your confidential information is very important
- Just because you have a non-disclosure agreement, that will not prevent misuse
- Never disclose more than is necessary
- Be wary as public disclosure can destroy a potential patent application
- Enforcing in a foreign jurisdiction is always more difficult and costly



Local culture

- Don't forget the local culture as part of your IP and legal due diligence
- Words can mean different things in different countries – a UK registered trade mark might be offensive somewhere else
- Local marketing is often done differently – what is done in the UK may not work abroad; consider your trade channels
- The approach to negotiating legal relationships varies from country to country
- See: <https://www.gov.uk/research-export-markets>



Martin Noble

Martin's expertise covers the full range of IP rights: patents, trade marks, designs and copyright. Martin supports clients and colleagues with transactions that involve IP rights, such as sharing IP through collaboration and licensing arrangements (often with multiple parties involved and in different jurisdictions). This also includes carrying out careful due diligence when buying and selling assets where the IP plays a key role.

Martin has also helped clients bring and defend cases in the UK courts. He also has experience of applying for and resisting applications for interim injunctions, where urgent advice is needed. His approach is practical and solution driven; for example, using mediation to reach a negotiated settlement without the need to go to court and where the settlement terms can include outcomes that wouldn't be achievable in court.

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Questions?

Thank you
