

Trade Mark Assignments

A registered trade mark is an item of personal property of the registered owner. As such the registered owner can transfer the ownership of a registered trade mark to another person or entity. This person or entity is referred to as the Assignee. A Trade Mark Assignment Agreement is used to transfer the ownership of a registered trade mark from the owner (or Assignor) to the Assignee.

Once the terms of the Trade Mark Assignment Agreement have been agreed between the Assignor and the Assignee, the change of ownership needs to be recorded on the Trade Marks Register.

Unregistered trade marks can also be transferred; however the agreement transferring unregistered trade marks is often more complex.

The need to transfer the ownership of trade marks often arises in the context of a sale of business, in disputes about brands and in re-organisations of corporate groups – often where a company has been established for the sole purpose of holding the intellectual property rights (including registered and unregistered trade marks). Such companies are often referred to as IP holding companies or IP HoldCos for short.

The circumstances surrounding the transfer of a trade mark will determine what rights and obligations will be included in the Trade Mark Assignment Agreement. For example, if the Assignee is paying a large sum of money for a trade mark then it is likely that the Assignee will require the Assignor to make a variety of promises (also known as warranties) about the trade mark(s) being transferred under the assignment.

Where the Assignee of a registered trade mark may not be the entity that will use the trade mark, additional advice and documentation may be required to ensure that the trade mark registration does not become vulnerable for removal from the trade marks register for non-use or other grounds. In this regard, licences and procedures ensuring the trade mark is used under the control of the Assignee will be required and need to be adhered to.

The transfer of ownership of a registered trade mark will also need to be recorded on the trade marks register. Failure to do so does not undermine the Assignee's ownership of the registered trade mark, but it may affect the Assignee's ability to sue for infringement of the trade mark and affect the financial compensation that it may claim.

IPprotect

As with the transfer of any IP, the transfer of a trade mark for money may attract a capital gains tax liability on behalf of the seller, and can even attract stamp duty in some instances.

Where the trade mark is a logo or contains an artistic work, the copyright in that logo/artwork will also need to be transferred to the Assignee, as well as due diligence relating to whether the owner of the registered trade mark also owns the copyright in the logo/artwork. In this regard, provisions transferring the copyright in such logo/artwork may need to be added to the Trade Mark Assignment Agreement.

For ease of use we have packaged up our standard Trade Mark Assignment Agreement as a paid for download at a price which includes one hour of professional time.

**DOWNLOAD our TRADE MARK ASSIGNMENT AGREEMENT today and
Contact us today for your assistance in completing it**

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