

The Hong Kong Institute of Trade Mark Practitioners Limited



THE JOURNAL

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Message from the President

Dear Members,

I have recently succeeded Davina Lee as the new President of the Institute and first of all I would like to thank Davina for her leadership and contribution over the past 2 years as well as all our Council Members for their relentless support. I am grateful to be part of this team to connect Hong Kong intellectual property practitioners to share, collect and consolidate views and to communicate with the Intellectual Property Department so we are closely informed of the legislative changes, Government plans and policies relating to IP practice to better manoeuvre our practice and serve our clients' interests.

Two major developments in the IP scene of Hong Kong are up and running: Original Patent Grant and Application of Madrid Protocol to Hong Kong as introduced by our Chief Executive in her opening remarks delivered last week at the Business IP Asia Forum. The Institute will definitely keep track of the progress and share the information in our Newsletter or other circulars.

In the coming year we will continue to host our very popular lunch time seminars as well as social gatherings like the Spring dinner and summer event. We are always open to hearing from our members any new ideas and suggestions on seminar topics and speakers, and venues and activities for our gatherings. The Institute always welcome new blood in the profession joining us so do look around for your juniors or friends in IP practice to make us a stronger group of cool people with new inspirations and innovations.

On behalf of all our very devoted Council Members may I wish everyone a Merry Christmas and a Happy New Year of 2018!

Benjamin Choi
HKITMP President





EVENTS AND ACTIVITIES

2017 Events

1. The IP Ambassador Programme

The IP Ambassador Programme is jointly organized by the Intellectual Property Department (IPD) and the Faculties of Law of The University of Hong Kong (HKU), The Chinese University of Hong Kong (CUHK) and City University of Hong Kong (City U). Under the programme passionate law students are recruited as “IP Ambassadors” to conduct school talks for primary, secondary and tertiary school students. A tea reception was held on the afternoon of 12 January 2017 to launch the 2017 programme and on 10 November 2017 to launch the 2018 programme.

2. Madrid Protocol

The Hong Kong Government proposes to adopt the international registration system under the Madrid Protocol in Hong Kong. Two briefings were held on 19 and 20 January 2017 to apprise stakeholders of the Government’s decision and the proposed arrangements.

On 21 February 2017, the latest developments were reported to the Legislative Council (“LegCo”) Panel on Commerce and Industry (“C&I Panel”). The Panel supported in principle the implementation of the Madrid Protocol in Hong Kong.

To implement the Madrid Protocol in Hong Kong, IPD is preparing the legislative proposals to amend the Trade Marks Ordinance (Cap.559) (“TMO”) and its subsidiary legislation with an aim to submit the same to LegCo in mid 2018. IPD is also proceeding to build the necessary information technology system, devise the detailed workflow and internal manuals for processing international applications and registrations, set the fee levels, train its staff and launch promotion work.

A further briefing session on the Trade Marks (Amendment) Bill 2018 is being held at the IPD on 15 December 2017.

3. 2017 Lunchtime Seminars

The Institute would like to thank members and the following speakers for supporting our popular lunch time seminars:

- **CW Ling** who spoke on 5 June 2017 on the topic of “From Maxim to Starbucks: The Intractable Issue of Goodwill”.



- **Peter Cheung** who spoke on 21 November 2017 on the topic of “The New Role of Trade Mark Practitioners”

4. Spring Dinner

In celebration of the Year of the Rooster, the Institute organized a Spring Dinner on 29 March 2017, which was held at Apinara restaurant. There was a presentation by the Institute’s invited guest Mr Albert Ho, former Assistant Commissioner (Intelligence & Investigation) HK Customs & Excise Department.

5. World IP Day 2017

A cocktail reception was organized by IPD and held on 20 April 2017 at the Helena May to celebrate World IP Day with over 200 people attending.

6. Institute Summer Event



This year’s Summer Social took place at LOST in Causeway Bay on the evening of 21 June 2017 and was a fun night of finding our way out of locked rooms by solving cryptic clues.

Please send any requests / suggestions for future social event activities to the HKITMP President.

7. Developments in UK Case Law on Intellectual Property



IPD and HKSAR government organized a public IP lecture on 1 September 2017 delivered by Mr Justice Henry Carr from the UK High Court.

Mr Justice Carr discussed a number of recent UK cases including:

- *Actavis v Eli Lilly* (patent claim construction)
- *Property Renaissance v Stanley Dock* (in relation to “Titanic” trade marks)
- *Spin Master v PMS International* (trial procedures in registered design cases)



8. Annual General Meeting



This year's Annual General Meeting took place at The World Trade Centre Club, on 18 October 2017. We had the pleasure of Mr Henry Steiner sharing with us some of the highlights of his career as a brand logo designer in Hong Kong with some interesting comparisons of logos before and after their brand makeover.

Ms Davina Lee stepped down as President at the end of her two year term of office and Mr Benjamin Choi was elected as the incoming President of HKITMP.



Lee Macfarland, IP Prize winner from the University of Hong Kong with immediate Past President Davina Lee and President Ben Choi.



Ms Yeung Wai Nga, IP Prize winner from Chinese University of Hong Kong with immediate Past President Davina Lee and President Ben Choi.

9. Business of IP Asia Forum (BIP Asia 2017)



The Hon. Mrs Carrie Lam Cheng Yuet-ngor, GBM, GBS, Chief Executive of the HKSAR



Mr He Hua, Deputy SIPO Commissioner of the PRC

As in previous years, the Institute supported the Business of IP Asia Forum (BIP Asia 2017) co-organised by the Government of the HKSAR, Hong Kong Trade Development Council, and Hong Kong Design Centre. This year, the event was opened by HKSAR Chief Executive, the Hon. Mrs Carrie Lam, and held at the HKCEC on 7-8 December 2017. Please refer to <http://www.bipasiaforum.com> for details.



Future Events

We would welcome ideas and suggestions from our members for Institute events in 2018.

Dates for your diary

LESI - San Diego, USA - 29 April - 2 May 2018

INTA - Seattle, USA - 19-23 May 2018

MARQUES - Paris, France - 18-21 September 2018

APAA - Delhi, India - 17-21 November 2018

LEGAL UPDATES

(A) Legislative updates

1. 11th Nice International Classification

The Eleventh Edition, Version 2017 of the International Classification of Goods and Services for the Purposes of the Registration of Marks (the Nice Classification) came into force in Hong Kong on 1 January 2017.

2. Amendment of the Arbitration Ordinance (Cap.609)

The first Bills Committee meeting was held on 5 January 2017 and the second meeting on 20 February 2017. On 14 June 2017, the Legislative Council passed the Arbitration (Amendment) Ordinance 2017 and it was published in the HK Gazette on 23 June 2017.

The Amendment Ordinance amends the Arbitration Ordinance (Cap.609) to, among other things, clarify that all disputes over intellectual property rights (“IPRs”) may be resolved by arbitration and that it is not contrary to the public policy of Hong Kong to enforce arbitral awards involving IPRs. Such amendments relating to IPRs arbitration will come into effect on 1 January 2018 (except for section 103J which will come into operation upon commencement of section 123 of the Patents (Amendment) Ordinance 2016).

3. New Copyright Tribunal Rules (Cap.528D)

The new Copyright Tribunal Rules (Cap.528D) came into effect on 1 May 2017 to replace the previous Copyright Tribunal Rules (Cap.528C). The new Rules adopt the principles of the Civil Justice Reform as the fundamental value of dispute resolution before the Copyright Tribunal and modernise its practice



and procedures. Any proceedings commenced and pending immediately before 1 May 2017 will continue in accordance with the new Rules.

(B) IPD Biannual Meetings

The Institute's Bi-Annual meetings with the IPD took place on 16 May 2017 and 14 November 2017. A summary of some of the issues raised is as follows:-

1. Updates On Matters Arising from Previous Bi-Annual Meetings

(a) Implementation of the new patent system

IPD informed the Institute that following the enactment of the Patents (Amendment) Ordinance 2016, it had been engaging in various preparatory tasks for the setting up of the "original grant" patent ("OGP") system.

On the legislative front, IPD was working with the Commerce and Economic Development Bureau and the Law Draftsman to draw up the proposals to amend the subsidiary legislation, i.e. the Patents (General) Rules (Cap. 514C) ("PGR"), mainly for laying down the new procedures for grant of standard patents under the OGP system and also for post-grant substantive examination of short-term patents. In respect of the principle and practice of examination under the new patent system, IPD had embarked upon drawing up the Examination Guidelines ("EG").

IPD consulted with the Institute on 4 August and 18 October 2017 about the proposed amendments to PGR and the draft EG.

In addition, IPD is recruiting patent examiners, and is engaging a contractor to set up the necessary electronic system in support of the new patent system.

In view of the technicality and complexity of the preparatory tasks (in particular those relating to setting up the new electronic system in support of the new patent system), and taking into account the lead time required for completion of all these tasks, IPD projects that the new patent system would be rolled out in 2019.

2. Statistics from IPD

The IPD provided the following statistics regarding applications for trade marks, patent, and designs.

The number of trade mark applications received during the period from May 2016 to April 2017 decreased by 1.5% compared to the period from May 2015 to April 2016. For standard patent "request to



record” applications and short-term patent applications received during the period from May 2016 to April 2017, there was a year-on-year increase of 4.2% and a year-on-year decrease of 0.8% respectively. For design applications received during the same period, there was a 2.7% increase on a year-on-year basis.

IPD informed the Institute that there were a total of 307 registered e-filers as at April 2017 and that the usage of e-filing had been stable.

3. Issues Raised By Institute Members

(a) Re-issuance of examination reports

The Institute referred to instances of deficiency reports being reissued and the examiner changing the objections to the specification of goods. The IPD responded that it had looked into five trade mark applications specifically referred to by the Institute. They concerned three trade marks and were filed by the same applicant through the same agent. IPD explained that it was its practice to allocate applications for the same trade mark filed by the same applicant to the same examiner as far as possible in order to maintain consistency in deficiencies checking as well as search and examination. For the applications referred to, since more than one trade mark was involved, the applications were handled by two different examiners. Noting that some items in the specifications were handled differently in the deficiencies checking reports, the examiners re-issued the reports for the sake of consistency. IPD would keep updating its classification database for the purpose of improving consistency in deficiencies checking on specifications.

(b) Request for preliminary advice on registrability

The Institute referred to a request for preliminary advice on registrability in relation to a proposed mark to be filed in Class 16. In IPD’s report, a Class 3 and 29 earlier trade mark was cited against the proposed mark. The Institute pointed out that this did not accord with the cross-search list in the Registry’s own Work Manual, and that no citation of the earlier Class 3 and 29 trade mark was raised later when an application for registration was eventually made for the proposed mark.

IPD explained that, as stated in its Work Manual chapter on “Cross search list”, the cross search list was not exhaustive and examiners would exercise their judgment in deciding the class(es) to be searched. For T1 requests, IPD would only provide a preliminary indication of its views on the registrability of the trade mark and conduct a search of records for the trade mark specified. Generally speaking, IPD would take a more prudent approach when handling T1 cases. If a subsequent application for registration of the mark is made on Form T2, IPD would conduct substantive examination afresh based on the actual goods or services applied for. IPD would endeavour to adopt a balanced approach in handling T1 applications.



In response to the Institute's query on the usual turnaround time for T1 requests, IPD indicated that it was normally 4 to 6 weeks, although it had been taking up to 8 weeks towards the end of 2016 as IPD had needed to deploy resources to issue first examination responses to meet the benchmarks set out in the Controlling Officer's Report.

(c) Registry's resources - enquiry hotline and trade mark search system

The Institute observed that the Registry's hotline was often not picked up. IPD informed the Institute that in the period from May to October 2016, it received an average of around 3,000 calls per month. An average of 66% of the calls were picked up directly by IPD's staff while 34% were recorded on voice mail. IPD had set up three lines manned by three staff to answer public enquiries. When all lines were busy and voice messages were left, IPD's staff would reply to the callers within the next half working day. There was a separate e-filing hotline which was manned by two to three staff and IPD would reply to any voice messages left on this line as soon as possible. IPD advised that the peak hour of the Registry's hotline was from 3 p.m. to 5 p.m. and suggested enquirers to try calling in the morning when the hotline was less busy. Meanwhile, IPD would continue to monitor the situation and consider whether to deploy more resources in operating the hotline and whether to introduce an interactive voice response system.

The Institute observed that the trade mark search system was down every now and then, and proposed that IPD should send out email notifications to registered users to let them know when the system is down and when it resumes. IPD responded that if it envisaged that the downtime would cause disruption to the users, the Registry would send email notification to registered users and post a notice on the IPD website.

IPD remarked that according to its system log, there was a huge volume of access to its online search system on 7 April 2017. Hence, some users might have experienced slow system response and received the error message "Server is too busy. Please try again later". On the same day, the sudden high volume of access by some Internet Protocol (IP) addresses triggered the security setting of IPD's online search system. As a result, these IP addresses were blocked. Two IP addresses were subsequently released after users contacted IPD.

(d) Long delays in processing of certification and collective marks

IPD informed the Institute that the Trade Marks Registry had not set a standard turnaround time for examining certification and collective marks in view of the relatively complex nature of such marks. Having said that, IPD would endeavor to clear backlog of such applications and indicated that those with filing of regulations or submissions before 2016 would be targeted to be cleared by the end of December 2017.



(e) Long delays - hearing list

Normally, the turnaround time between the date when a registrability matter is put onto the pending hearings list and the date of the hearing notice was less than eight months. For oppositions and other substantive *inter partes* hearings, the turnaround time had recently been around 13 months.

(f) Request for leave to file further evidence

The Institute requested IPD to consider providing written reasons for provisional decisions on applications for leave to file further evidence, so that the parties adversely affected by a decision could be better placed to decide whether to call for a hearing.

IPD will consider giving brief reasons when issuing a provisional determination on whether or not to grant leave to file further evidence. However, where a party thereafter calls for a hearing, the matter will be considered *de novo* by a hearing officer taking into account all the circumstances, including any submissions made by the parties. The hearing officer would not be bound by the decision or the reasons given at the provisional determination stage.

(g) Reliance on matters not pleaded

A member of the Institute attended an opposition hearing where the hearing officer permitted the opponent to rely on grounds and marks that were not pleaded in the statement of grounds of opposition.

IPD affirmed that usually, any observation on the compliance Rule with 16(2) of the Trade Mark Rules would have been conveyed to the parties during the pleadings stage. As for issues raised at hearings, the hearing officer would consider the facts and circumstances of each case and the submissions made by both parties, and would duly address all relevant issues in his/her decision. The fact that a hearing officer allowed certain submissions to be made did not necessarily mean that he/she would give any weight to those submissions in making a decision on the case.

(h) Date of receipt of counter-statement

The Institute referred to an instance where a lay applicant filed a deficient counter-statement and served a partial copy of it on the opponent on or before the deadline. The Registry subsequently requested the applicant to serve the documents on the opponent again and to file a request for extension of time. As the time limit to file a counter-statement under rule 17(1) of the Trade Marks Rules was not extendible, the Institute requested IPD to clarify this practice in the Trade Marks



Registry Work Manual.

IPD explained that the sending of a copy of the counter-statement to the opponent is covered not under rule 17(1) but under rule 17(2), the time limit for which is extendible under rule 94. IPD has revised the Trade Marks Registry Work Manual to reflect this.

The Institute suggested to IPD to consider electronic filing of documents and evidence, an exact copy of which could then be served on the other party by IPD's computer system electronically. IPD confirmed that it was considering this option in the course of developing its new IT system. Price differential between paper filing and electronic filing might also be considered. However, it was agreed that very often lay persons were not e-filers and care must be taken not to cause prejudice to them. IPD would continue to monitor the situation and consider possible solutions going forward.

(i) Stylized letter marks

The Institute enquired whether stylized letter marks were allocated with a device code.

IPD explained that device codes were assigned to stylized letter marks to facilitate searches of conflicting trade marks. No device code is assigned if the degree of stylization is low. Practitioners were advised to conduct both device search and textual search for single letter marks.

(j) Processing time for Patents Form P7 (request for correction of error)

The Institute observed that it took a long time for IPD to process Patents Form P7 for the correction of simple errors.

IPD acknowledged that there was room for improvement in processing Patents Form P7. However, although some of these cases (such as correction of an applicant's name) were relatively straightforward, the examiner in other more complicated cases would have to expend time to examine the supporting documents in greater depth. Further, even for processing some of the relatively simple cases, IPD's existing electronic system for patents required considerable manual input in the course of examination.

While IPD was working hard to clear as much backlog as possible, its resources were fully stretched at the moment, in particular as examiners were heavily engaged in supporting the development of the New Integrated IT System ("NIS") of the three Registries. IPD appreciated Institute members' understanding and support, and would continue to explore different measures to make the best use of its resources with a view to controlling the overall backlog progressively. It was hoped that IPD would be able to redeploy its manpower after the completion of the system analysis and design



stage of the NIS.

(k) Re-allocation of Registry resources

The Institute also suggested IPD re-allocate resources so that matters such as recordal of assignments and Hong Kong registration of designated patents could be processed more quickly.

IPD explained that the Registry had been expending a lot of effort in developing the NIS and training new recruits. Since the commencement of the system analysis and design stage of the NIS, the turnaround time for areas of examination work with slim manpower support had increased substantially (e.g. the turnaround time for standard patent “request to record” (P4) cases had increased to 9 months, compared to 2 or 3 months previously).

IPD explained that it had made efforts through making the best use of its resources and exploring streamlining measures. For instance, for recordal of trade mark assignments, assistance had been rendered by the IPD’s legal teams. Some trade mark examiners were trained up and started handling assignment cases on top of their own duties from late March 2017 onwards. The Patents Registry had started training the examiner who was responsible for patent assignment cases to handle standard patent “request to record” (P4) cases from March 2017 onwards. He would also deal with “grant and registration” (P5) cases at a later stage. Meanwhile, patent assignment cases were decentralised and handled by individual examiners.

The manpower situation of the Registry remained stringent. However, with the above measures, IPD hoped that the turnaround time for assignment and standard patent cases could be shortened. IPD would continue to review the position in order to improve the turnaround time as far as possible. IPD added that for applications to record an assignment, processing time should be shorter if the form was signed by the assignor and submitted without any supporting document or cover letter.

(l) Merger of registrations during grace period for renewal

The Institute referred to an instance where a trade mark owner’s request to merge six registrations during the 6-month grace period for renewal (to take advantage of the reduced renewal fee for renewing multi-class registrations and for administrative convenience) was refused by the Registry. The Institute requested clarification from IPD as to the status of expired registrations during the 6-month grace period for renewal.

IPD replied that according to section 49(1) of the TMO, “A trade mark shall be registered for a period of 10 years beginning on its date of registration.” As such, an expired registration would no longer be considered as a valid registration and IPD would not process any action, such as merger,



surrender, assignment on an expired mark unless a request for renewal with late renewal fee is submitted. This practice had been in place since the current TMO came into force. It was noted that the same practice was adopted by other IP offices such as UKIPO and IPOS.

Since the Trade Marks Registry would issue a reminder notice of renewal around 6 months before the expiry date of a registration, owners of registered marks or agents acting on their behalf were advised to file their requests for recording post-registration matters as soon as possible before expiry of the registrations in order to enjoy the lower renewal fee for a merged registration.

IPD also noted that its existing online search system does not have “Expired” as a status. For clarity, the interim status “Expired” would be made available upon the launch of the NIS.

(m) Late renewal of multi-class registration where registrant no longer interested in all classes

The Institute observed that a trade mark owner whose multi-class registration had expired could not file a late renewal in respect of only one of the classes. The entire multi-class registration had to be renewed/restored before the registrant could apply to surrender the classes that were no longer of interest, resulting in higher official fees.

IPD explained that the applicable principle was the same as that mentioned under item (l) above, i.e. IPD would not process any action (including surrender) on expired trade marks as they would no longer be considered as valid registrations. As such, trade mark owners should surrender those classes of goods/services that are no longer of interest to them as soon as possible before expiry of the registrations.

4. New IPD IT System

IPD informed the Institute that the technical specifications of the new system were finalised. Workshops would be organised before the launch of the new system which was anticipated to be in 2018.

MEMBERSHIP

Please contact our Membership Secretary, Katherine Lai, at membership@hkitmp.org if there are any changes in your contact details.

2017 New Members

A warm welcome to the following new members of the Institute:



Name	Firm
Anthony David Swain	Deacons
Caroline Hoi Lam Leung	Deacons
Eliza Feng Qi Siew	Deacons
Jonathan Mark Wai Wah Chu	Stephenson Harwood
Valerie Rose Hoi Ting Suen	Clifford Chance
Amita Kaur Haylock	Mayer Brown JSM
Catherine Zheng	Deacons
Carrie Ka Yi Yu	Rouse Legal

2017 Moves

Name	From	To
Davina Lee	Marks & Clerk	Techtronic Product Development Ltd
Deanna Wong	Hogan Lovells	
Amy Zhang	Hogan Lovells	Freshfields Bruckhaus Deringer

QUIZ

Last Issue's Question: In 1964, which U.S. corporation registered a 3-dimensional trade mark that is now internationally recognisable?

A: McDonalds Corporation

This Issue's Question:

Q: How many pages is the longest patent ever granted?