

The Hong Kong Institute of Trade Mark Practitioners Limited



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Message from the President

Dear Members,

I feel very fortunate to have the unreserved support of my fellow Council Members contributing time and own expertise to represent the Institute to organize, attend and participate in as many as possible all major IP events, seminars and forums in the past year with major revamp and new features being proposed, introduced, developed or implemented in the IP legislation and system of Hong Kong. The new IT system of the IPD is scheduled to start operation in the first quarter of 2019 and the launch of the Original Patent Grant filing system will be happening in the same year. Our team will continue to connect you to share, collect and consolidate opinions and thoughts and to communicate with the HKIPD very closely on all legislative developments, system upgrade, Government plans and policies relating to the IP practice so all our members are fully informed and equipped.

For those of us who litigates for our clients, we already know the Judiciary is working on an IP Specialist List and the draft Practice Directions have been released for comments by the profession required by 21 January 2019. Members are encouraged to send in your opinions and thoughts, we will do the rest!

In the coming year the Institute will continue to host lunch time seminars and regular social networking events throughout the year. As always, we look forward to suggestions on seminar topics and speakers, as well as activities and venues for the events to make them more enjoyable and memorable.

On behalf of all our truly dedicated Council and Co-opt Members, I wish everyone an amazing Merry Christmas Holidays and Happy New Year of 2019!

Benjamin Choi
HKITMP President





EVENTS AND ACTIVITIES

2018 Events

1. The IP Ambassadors Programme

On 24 October 2018, members of the Council attended the Welcome Reception for the IP Ambassadors Programme. The programme is jointly hosted by the Intellectual Property Department (IPD), and the Faculties of Law at the University of Hong Kong (HKU), the Chinese University of Hong Kong (CUHK) and City University of Hong Kong (CityU).

2. Exchange Programme in the Bay Area

On 31 May 2018, members of the Council took part in the Exchange Programme in the Bay Area jointly organised by the IPD and the Guangdong Administration for Industry & Commerce.

3. Visit to the Trademark Examination Cooperation Guangzhou Centre of the State Administration for Industry & Commerce

On 9 March 2018, members of the Council were visited the Trademark Examination Cooperation Guangzhou Centre of the State of Administration for Industry & Commerce.





4. 2018 Lunchtime Seminars



The Institute would like to thank members for supporting our ever popular lunchtime seminars. This year, the Institute is grateful to have had **Mr Michael Olesnicky** (KPMG Hong Kong) as a guest speaker, who spoke on 11 September 2018 on the topic of "The Changing Tax Environment for IP".

5. Spring Dinner

In celebration of the Year of the Dog, the Institute hosted a Spring Dinner on 14 March 2018 at the Kiangsu Chekiang and Shanghai Residents (HK) Association Restaurant.

6. Institute Summer Event

This year's Summer Social was a Cocktail Workshop held on 6 June 2018 at Hanamaru Japanese Restaurant, where we spent a pleasant evening trying our hand at bartending.

Please feel free to share any ideas or suggestions for social event activities for the coming year to the HKITMP President.

7. Lunch Meeting with Director of WIPO China Office

On 31 January 2018, the members of the Council attended a lunch meeting with Mr Chen Hongbing, Director of the WIPO Office in China during his visit to Hong Kong.

8. An Update on Intellectual Property Cases and Developments in UK/EU

IPD and the HKSAR government organised a public IP lecture on 29 August 2018 delivered by Mr Justice Colin Birss from the High Court of England and Wales.

Mr Justice Birss spoke on the following topics and cases:

- *Unwired Planet International Ltd v Huawei Technologies Co Ltd* (concerning FRAND)
- Kit Kat 3D trademark cases
- Site blocking orders, including *Cartier International AG vs British Telecommunications Plc*
- Shorter and Flexible Trial Procedures Pilot Schemes





9. Annual General Meeting and 30th Anniversary Dinner

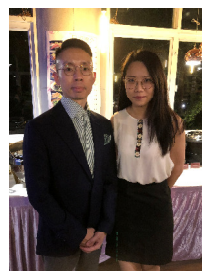
This year's Annual General Meeting took place at L16 on 25 October 2018, where we also celebrated the 30th Anniversary of the Institute. For those who were unable to join us, here are some photos from the evening.



Our President Ben Choi with guest speaker **Mr Ted Kavowras** of Panoramic Consulting at the AGM.



President Ben Choi with this year's IP Prize winners from Chinese University of Hong Kong, Ms Ng Wing Lam and Ms Yung Ching San.



10. Business of IP Asia Forum (BIP Asia 2018)



The Institute has continued its longstanding support of the Business of IP Asia Form (BIP Asia 2018) jointly organised by the Government of the HKSAR, the Hong Kong Trade Development Council and the Hong Kong Design Centre. The event was held at Hong Kong Convention & Exhibition Centre from 6 to 7 December 2018, and the opening address was delivered by the HKSAR Chief Executive, the Hon. Mrs Carrie Lam. For further details, please refer to <http://www.bipasiasforum.com>.

Future Events

We welcome ideas and suggestions from our members for Institute events for the coming year 2019.

Dates for your diary

INTA - Boston, USA - 18-22 May 2019
LESI - Yokohama, Japan - 26 - 28 May, 2019
MARQUES - Dublin, Ireland - 17-20 September 2019
APAA - Taipei, Taiwan - 8-12 November 2019



LEGAL UPDATES

(A) Legislative Updates

1. Amendment of the Inland Revenue Ordinance (Cap. 112)

The Inland Revenue (Amendment) (No. 5) Ordinance 2018 came into effect on 29 June 2018. It expands the scope of profits tax deductions for capital expenditure incurred by enterprises in the purchase of IP rights from five types to eight types from the year of tax assessment 2018/19. The three additional types of IP rights are rights in layout design (topography) of integrated circuits, plant varieties and performances.

2. Review of copyright exceptions for persons with a print disability

On 27 February 2018, the Government briefed LegCo C&I Panel on the outcome of the consultation and the proposed way forward. The Panel supported the Government's proposal to amend the Copyright Ordinance. The plan was to introduce the legislative proposal into LegCo in early 2019.

(B) IPD Bi-Annual Meetings

The Institute's Bi-Annual Meetings with the IPD took place on 10 May 2018 and 12 November 2018 respectively. A summary of some of the issues raised is as follows:-

1. Updates on Matters Arising from Previous Bi-Annual Meeting

a. Implementation of the new patent system

The IPD informed the Institute that the necessary infrastructure for rolling out the new patent system under Patents (Amendment) Ordinance 2016 had been being set up. The drafting of the proposed amendments to the subsidiary legislation, the Patents (General) Rules (Cap. 541C), and the Examination Guidelines, concerning the examination principles and practice under the new patent system were in progress. The electronic system in support of the new patent system was expected to complete by mid-2019. All newly recruited examiners (3 Senior Patent Examiners and 1 Patent Examiner) had reported for duty. They will be undergoing intensive training provided by the CNIPA. The projected year for launching the new patent system remained to be 2019.



b. Proposed application of Madrid Protocol to HKSAR

The IPD informed the Institute that it had been working closely with the Commerce and Economic Development Bureau (CEDB) and the Law Draftsman on the Bill to amend the Trade Marks Ordinance (TMO). Notably, the IPD had received comments from IP practitioners and stakeholders that removing the requirement for recordal of licences before a licensee may exercise its right to claim damages for infringement is a drastic change to the law, and that public consultation should be sought on the issue. As such, the IPD had subsequently decided to defer this item of proposed amendment to a more opportune legislative exercise in the future.

Meanwhile, the IPD had continued with the compilation of user requirements for the dedicated information technology system required for implementing the Madrid Protocol (MPIS). The IPD had been maintaining active communication with WIPO on system integration requirements and overseas IP offices for overall experience sharing in operating under the Madrid system. On latest timeline estimates, the Government targets to implement the Madrid Protocol in 2022 at the earliest.

c. Proposed amendments to the Rules of the High Court (Cap. 4A) (RHC), Trade Marks Rules (Cap. 559A) (TMR), Patents (General) Rules (Cap. 514C) and Registered Designs Rules (Cap. 522A) (RDR)

The IPD informed the Institute that it had been working closely with the Law Draftsman to refine and settle the draft provisions, having taken into account the views and submissions of all the key professional/representative bodies of the local IP practitioners in response to the earlier stakeholders' consultation. IPD would continue to forge ahead to wrap up the entire legislative and enactment exercise as soon as possible.

Concerning IP practitioners' proposal for the establishment of an IP list by the Chief Justice, the IPD (with CEDB's endorsement) had formally written to the Judiciary Administrator (JA) to convey the practitioners' proposal. A steering committee (comprising members of the Institute, the IP Committee of the Law Society and APAA (Hong Kong Group)) had been formed, and that written submissions were being prepared.

d. Frequently asked questions (FAQs) on designs

In light of the comments raised by the Institute about issues arising from applications for registered designs, the FAQs in relation to registered designs on IPD's website have been revised in October 2018. The IPD welcomes any comments and suggestions from the Institute in supplementing and/or elaborating the revised FAQs.



2. Statistics from IPD

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

The number of trade mark applications received during the period from May 2017 to April 2018 increased by 5.9% as compared to the period from May 2016 to April 2017. For standard patent "*request to record*" applications and short-term patent applications received during the period from May 2017 to April 2018, there was a year on-year increase of 7.6% and a year-on-year decrease of 4.7% respectively. For design applications received during the same period, there was a year-on-year decrease of 6.7%.

3. Issues Raised by Institute Members

a. Partial oppositions

The Institute sought confirmation from the IPD that in an opposition where only part of the application (e.g. certain classes) was opposed, the entire application would be deemed withdrawn as a whole if the applicant failed to file a counter-statement within the prescribed time.

The IPD confirmed this conclusion, citing Rule 17(4) of the TMR, which provides that an applicant who does not file a counter-statement within the time limit shall be deemed to have withdrawn his application. That said, an applicant could divide his application so that the divisional application covering unopposed classes could proceed to registration. Relevant guidance could be found in the Work Manual chapters on "Division of applications" and "Opposition to registration".

b. Date of registrable transactions

The Institute sought the IPD's advice on determining the meaning of "the date of the transaction", for the purposes of calculating the 6-month period for registering particulars of a licence pursuant to sections 29(4) (a) and 31(3) of the TMO, where the effective date specified in the agreement (being the first day of the licence term) is different from the signing date of the agreement.

The IPD explained that the specified form for applying to record the particulars of a licence (i.e. Form T11) requires the filer to specify the date the licence starts and (if the licence is for a fixed term) the date it ends, but not the date on which the licence agreement is signed. The date(s) entered in the register are thus the start date and, if applicable, the end date of the licence. The IPD's view was that under section 29(4) of the TMO, the 6-month period for registering the particulars of a licence commences from the start date of the licence.



For recordal of particulars of an assignment/transfer, assent or court order, the specified form (i.e. Form T10) requires the filer to specify the date of the assignment/transfer, assent or court order. The IPD's view was that under section 29(4) of the TMO, the 6-month period for registering the particulars starts from the effective date of the assignment/transfer, assent or court order, not the date on which it is signed.

c. Priority claims

The Institute sought to clarify its understanding of the eligibility criteria to make a priority claim under section 41 of the TMO. The Institute's understanding was that, in order to make a priority claim under section 41 of the TMO, the goods or services under the Hong Kong trade mark application must be the same as those under the priority application.

The Institute asked whether the Hong Kong application should adopt the original specifications or the amended specifications, if the original specifications of the priority application were amended (but pending approval or acceptance by the relevant registry at the time of filing of the Hong Kong application).

The IPD explained that under Article 4A of the Paris Convention and section 41(4) of the TMO, the fate of the Convention application would not prejudice the right of priority. It suffices that the Hong Kong application covers any or all of the goods/services under the Convention application as originally filed. In practice, an applicant is not usually required to file a priority certificate unless he faces a potential citation of an earlier trade mark that could be overcome by virtue of the priority claim. If he is asked to do so, he may submit a copy of the Convention application as originally filed, issued by the relevant trade mark office.

That said, if certain goods/services were originally filed in the wrong class number under the Convention application or the class number concerned has been changed due to the fact that a new edition of the Nice Classification has come into force at the time of filing the application in Hong Kong, the applicant should classify those goods/services in the appropriate class under the Hong Kong application. The difference in the class numbers of the goods and services under such circumstances does not affect an applicant's right of priority if the requirements for claim to priority under section 41 of the TMO and rule 9(1) of the TMR are met.

d. Citations of earlier marks belonging to the same owner due to different addresses and names

The Institute observed that the Registry would cite an earlier identical mark belonging to the same owner if the applicant's address of the later filed application is different from the address of the owner of the earlier mark.

The Institute asked whether the Registry could adopt greater flexibility in identifying an earlier mark as a conflict where the owner's and the applicant's names are identical but their addresses are different. Alternatively, the Institute asked whether the Registry could provide a



more convenient option in the application process, such as an option for the owner's agent to confirm that the applicant is the same entity. The Institute also observed that there were situations where an earlier mark owned by the same entity but with a different naming format had been cited by the Registry.

In response, the IPD explained that:

- i. if the addresses of the owner/applicant of the conflicting marks are located in the same country/jurisdiction, no citation will be raised except for US companies. Since companies with the same name may be incorporated in different states of the US, the Registrar would raise citation where the addresses of the owner/applicant are located in different states;
- ii. where the addresses of the owner/applicant of the conflicting marks are situated in different countries/jurisdictions, citation would be raised;
- iii. for sole proprietorships, partnerships or individuals with different addresses in Hong Kong, citation will be raised by the Registrar. However, the Registrar is prepared to waive the citation if the applicant or his agent confirms that the identity of the owner and the applicant is the same.

For Japanese and Korean companies, the Registrar would consider if the companies involved bear the same transliteration of the Japanese/Korean trade names such as "Kabushiki Kaisha" for Japanese company names or "Joosikhoisa" for Korean company names.

It is acknowledged that English names may not appear in the official company registers of these countries and it is possible that a company with an English name (XYZ Co Ltd) may be different from the one with a transliterated name (Kabushiki Kaisha XYZ). Hence, citations would be raised in such cases. However, the Registrar is prepared to waive the citation if the applicant or its agent files a written confirmation that these companies are in fact the same legal entity.

The Institute asked whether the note tabled at the meeting would be posted on the IPD's website. The IPD replied that the note was prepared to facilitate discussion at the meeting but the Institute may share the information with other members.

The Institute also asked whether company certificates showing change of address of the applicant/earlier mark owner would help overcome citations. The IPD confirmed this position.



e. Publication of favourable decisions

The Institute observed that the IPD published written decisions on trade mark registrability hearings only in cases of refusal or partial refusal. The Institute considered that it was important to develop a full body of precedent, including favourable decisions, and to publish such decisions, so that the public has an accurate understanding of the law and so as to facilitate greater legal and financial certainty. Further, the Institute also considered that third parties should have the opportunity to challenge favourable decisions if they believed that there were errors made in the decision.

The IPD explained that for registrability hearing cases, one of the important purposes for giving reasons for refusing an application for registration in whole or in part is to communicate to the applicant the Registrar's rationale for its decision, so as to facilitate the applicant's exercise of his right of appeal, should he wish to do so. Registrability and *inter partes* substantive hearing decisions involving absolute and relative grounds of refusal are available on the IPD's website. Reasons for allowing applications for registrations could be found in these decisions. Where an application for registration is accepted in whole, there is no question of appeal. Where a third party considers the Registrar's acceptance of an application for registration unsafe, the proper avenue is to lodge an opposition or invalidation.

f. Recordal of assignments – inconsistent names on the register

The Institute referred to cases of applications for the recordal of assignments where the IPD had raised questions because the names of the owners of the relevant trade marks or patents as shown on the registers were not exactly the same as those stated on Form T10, Form P19 or other supporting documents. The Institute suggested that the Registries consider assigning an identification number for each proprietor so as to maintain consistency in the proprietor's name or formatting of their name.

The IPD explained that in processing an application for the recordal of an assignment, the Registry would clarify with the filer if the current owner's name and/or new owner's name entered on Form T10 does not match with its records and/or the names in the submitted documentary evidence. The filer could confirm in writing that the names refer to the same legal entity, and the IPD would proceed to record the particulars of the assignment.

The IPD further confirmed that generally speaking, letter case and accent in the generic description (e.g. "Société") in the names do not affect the identity of an applicant or proprietor. Hence, no objection or clarification is required in such cases. Assigning an ID number for each proprietor was not currently feasible, as it would require system enhancement and incur substantial costs, and require considerable manpower to devise the numbering scheme/mechanism and assign the ID numbers to the existing applicants and proprietors.



g. Agent on record for renewals

The Institute asked whether firms could ask the IPD to update its records in such a way that the agent on record will not receive any non-payment notifications for renewals (as renewals will be handled by another agent) but will remain as the address for service for other purposes.

The IPD replied that for trade marks and designs, under rule 31(1) of the TMR and section 28 of the RDR, the Registry shall send a renewal reminder to the owner of a trade mark or design (i.e. at the address for service recorded on the register) before the expiry date of the trade mark or design. No subsequent non-payment notifications would be issued by the Registry to the owner if the trade mark or design registration is not renewed within the time limit.

For patents, under sections 32(4) and 79(4) of the PGR (which apply to standard patents and short-term patents respectively), the first non-payment notification may be sent to the address specified in the previous renewal form (if the relevant option box on the form is checked and the address is so entered on the form) or an address notified by the patent owner for receiving such notification. On the other hand, under sections 33 and 80 of the PGR (which apply to standard patents and short-term patents respectively), the second non-payment notification shall be sent to the proprietor (i.e. at the address for service recorded on the register).

Under rule 105(6) of the TMR, section 65(5) of the RDR and section 42(5) of the PGR, an owner may use only one address for service for the purposes of all proceedings before the Registrar concerning that registered trade mark, design or patent. Therefore, it is not permissible for an agent to have the records updated in such a way that it no longer receives non-payment notifications for renewals but still remains as address for service for other purposes, except the first non-payment notification for renewal of patents referred to above.

h. Withdrawal as agent

The Institute asked how an agent could withdraw itself as the address for service.

The IPD replied that an agent could withdraw itself as the address for service simply by notifying the Registrar in writing. The same practice is applied to trade marks, patents and registered designs. If the Registrar receives a request for withdrawal of address for service and no further address for service is filed, a notice to file an address for service would be sent to the applicant or the registered owner directly. For trade marks and designs *applications*, if no address for service is filed within 2 months after the date of the notice, the application filed by the applicant shall be treated as abandoned or withdrawn. The above consequence does not apply to trade marks and designs *registrations*. For patents, failure to file an address for service would not render the patent application or patent being treated as abandoned or withdrawn.



i. Effective date of voluntary surrender of registered trade mark

The Institute sought the IPD's clarification on the effect on an application if the cited mark was voluntarily surrendered after the filing date of the application. According to rule 57 of the TMR, the effective date of the surrender is the date of receipt by the Registrar of the Form T9. This means that as at the filing date of the application being blocked, the cited mark is still an "earlier trade mark" despite the surrender of the registration later on.

The IPD explained that according to the Registry's practice, if an earlier mark which had been cited against a later application was surrendered (after the filing date of the later application), the citation against the later application would be waived. Guidance could be found in the cases *MIP METRO Group v OHIM* (Case T-191/04 before the Court of First Instance of the European Communities) and *RIVERIA Trade Mark* [2003] RPC 50 (Case No. O-214-03 of the UKIPO).

Further, it was suggested in paragraph 7-044 of Kerly's *Law of Trade Marks and Trade Names* (16th edition) that it is possible to overcome an objection based on an earlier mark by reaching an agreement with the earlier proprietor that they surrender the earlier mark in respect of the relevant or all of the goods or services for which it is registered.

j. Amendment of application for the purpose of adding a representation of a registered trade mark

The Institute referred to a recent application where the applicant intended to add a prior registered mark (with colour claim) to its applied-for mark, and the Registrar denied the applicant's request to extend the colour claim of the registered mark to the amended mark. The Institute considered that the colour claim should be allowed to be extended to the amended mark, as the registered mark to be added would only be the same mark if the colour claim remains.

The IPD reviewed the issue after the meeting and agreed that as a matter of principle, all colour claims, conditions, disclaimers etc. of a prior mark should be carried forward and added to the applied-for mark. Given the restrictive wording in section 46(2) of the TMO, it was decided that an amendment to that section would be included in the 2018/19 legislative amendment exercise.

k. Search for Chinese proprietor's name

The Institute referred to a case where a trade mark proprietor search on the IPD's online search system yielded results only when conducted in traditional Chinese characters, but not when the search was conducted using simplified Chinese characters.



The IPD replied that its existing online search system accepted both traditional and simplified Chinese characters when searching Chinese trade marks, i.e. either traditional or simplified Chinese characters could be entered in the search field of "Trade Mark Text". Search results would show matching marks regardless of whether they were presented in traditional or simplified Chinese characters. However, the IPD noted that the same function was not available in other search fields, including the "Applicant / Owner's Name" field, i.e. the search results would only show the exact match of such characters. The current design of the NIS does not cater to such search function, and given the extensive time and resources required to convert all Chinese texts to the other character type, the IPD would not be able to implement changes to the "Applicant / Owner's Name" and other search fields in the near future.

MEMBERSHIP

Please contact our Membership Secretary, Katherine Lai, at membership@hkitmp.org should there be any changes to your contact details.

2018 New Members

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

Name	Firm
Vivian Or	Mayer Brown JSM
Yinjiao Zhou	Deacons
David Wu	Baker McKenzie

QUIZ

This Issue's Question:

Q: How many U.S. patents in total did Thomas Edison hold in his lifetime?