

The Hong Kong Institute of Trade Mark Practitioners Limited



THE JOURNAL

Vol. 16 No. 1
February 2022

Welcome to the Year of the Tiger: Let it roar!

Message from the President

Dear Members,

On behalf of the Institute, I would like to thank Serena Lim for her leadership and contribution to the Institute during her two years presidency and guidance over the unprecedented pandemic. I would also like to thank all the Council members for their invaluable hard work and support over the years.

Over the past year, the Institute participated in consultations and presented our views and feedbacks to IPD on various issues including the amendments to the Trade Marks Ordinance and Trade Mark Rules in preparing for the implementation of the Madrid Protocol. Some of the amendments to the Trade Mark Rules include changes to hearings, the burden of proof in non-use revocation proceedings and change in time line of contentious proceedings.

For the first time, the IPD shared its progress in establishing Hong Kong SAR as an IP Trading Hub as part of the 14th Five Year Plan with the Institute and the two other professional bodies namely the APAA and The Law Society.

On behalf of the Institute, Serena Lim, Jacqueline Chu and myself had an online meeting with some members of The Chartered Institute of Trade Mark Attorneys including the President, Richard Goddard, Vice President Rachel Wilkinson-Duffy and Chief Executive Keven Bader. We discussed some of the challenges we face and possibilities of conducting webinars for members of both institutes.

This year will be a busy one for the IP industry with the Consultation on Copyright on updating Hong Kong's copyright regime and preparations for the implementation of the Madrid system. The Institute will be preparing submissions in response to the consultation. Members can send any comments, views or suggestions on the consultation document and/or the copyright regime to the copyright committee members namely, Valerie Suen, Benjamin Choi, Steven Birt and Peggy Cheung.

We will continue to engage in dialogue with the IPD regarding the implementation of the Madrid Protocol as well as issues encountered during our day to day practice with the IPD. We will continue to keep our member updated on the progress and various issues, through email communications or other announcements. Should members encounter any problems or issues they would like to raise, please feel free to let the Council members know.



Due to the pandemic and the current surge of cases, our social events such as the Spring Dinner will need to be postponed. It is hoped that we will be able to resume our social networking event soon.

Meanwhile, I wish you all good health, happiness and a prosperous year of the Tiger!

Theresa Mak
HKITMP President

EVENTS AND ACTIVITIES

2021 Events

1. 2021 Lunchtime Seminars

While we were not able to conduct any seminars in person last year due to COVID-19 restrictions, we were able to conduct two webinars with the kind support of our speakers. The Institute is grateful to both of them, and also to members who have taken the effort to remotely participate in these webinars:

- Ms Angel Ma who spoke on 3 March 2021 on the topic of “Expert evidence for trade mark owners in criminal proceedings relating to forged trade marks”; and
- Ms Katrina Lee who spoke on 26 August 2021 on the topic of “Sky PLC v Skykick UK Ltd: Paving the way to ‘decluttering’ the trade mark register?”.

2. BIP Asia Forum

The Institute continues to support the Business of IP Asia Forum jointly organised by the Government of the HKSAR, the Hong Kong Trade Development Council and the Hong Kong Design Centre. This year’s event was conducted virtually on 2 and 3 December 2021, and the opening remarks were delivered by the HKSAR Chief Executive, the Hon. Mrs Carrie Lam, the Commissioner of the China National Intellectual Property Administration, Dr Shen Changyu, and the Director General of the World Intellectual Property Organization, Mr Daren Tang. For further details, please refer to <http://www.bipasiaforum.com>.





3. The Institute's participation in consultations

In the course of the year the Institute participated in the following consultations:

- 29 January 2021 - The Institute attended a meeting with the Intellectual Property Department ("IPD") to discuss the IPD's practice in relation to non-use revocation proceedings. Following these discussions, the IPD has reviewed and adjusted its practice accordingly.
- 1 February 2021 - The Institute attended a meeting with the IPD where the IPD reported on its performance and filing statistics in the previous year, and announced its action plans for 2021.
- 29 April 2021 - The Institute attended a meeting with the IPD to discuss proposed measures to develop Hong Kong into a regional IP trading hub.
- 18 May and 4 June 2021 - The Institute attended meetings with the IPD to discuss issues relating to the IPD's online search system.
- 20 August 2021 - The Institute attended a meeting with the IPD to discuss various issues relating to trade mark practice.
- 9 September 2021 - The Institute, as part of a working group consisting of members from various professional bodies, attended a meeting with the Political Assistant to the Secretary for Commerce and Economic Development (Ms Elizabeth Fung Hoi-yung), to discuss the policy direction regarding the proposed amendments to the Copyright Ordinance. The working group also submitted a "wish list" to the IPD.
- 28 September 2021 - The Institute attended its annual meeting with the IPD to discuss various registry issues and other items raised by members.

4. Annual General Meeting

Last year's Annual General Meeting took place at Minter Ellison's office on 27 October 2021. Members were given the option to attend the AGM virtually via video-conferencing.

The following Members were re-elected to the Council:

- (i) Andrea Fong;
- (ii) David Wu;
- (iii) Davina Lee;
- (iv) Helen Tang;
- (v) Jacqueline Chu;
- (vi) Nick Bodvar-Horvath;
- (vii) Peggy Cheung; and
- (viii) Valerie Suen.



5. HKITMP Prize in Intellectual Property Law

The Institute awarded last year's Prize in Intellectual Property Law to Ms. Chan Wing tung from the Chinese University of Hong Kong, who attained Grade A in "Principles of Intellectual Property", and Mr. Ye Jiaxu from the University of Hong Kong, who attained Grade B+ in "Hong Kong Intellectual Property Law".

6. Social Events

The Institute organised its summer event at The Hong Kong Club on 11 August 2021. The event was well-attended and the participants enjoyed a fun-filled evening with good food and fun quizzes.





Future Events

We welcome ideas and suggestions from our members for future Institute events (even virtual events!).

Dates for your diary

INTA – Washington DC, USA: 30 April - 4 May 2022

LESI – Venice, Italy: 8 - 10 May 2022

MARQUES – Madrid, Spain: 20 - 23 September 2022

APAA – Busan, South Korea: 15 - 18 October 2022

LAW/PRACTICE UPDATES

(A) IPD Bi-Annual Meeting

Please feel free to raise any IP law or practice issues with any member of Council, so that we may discuss these on your behalf at our regular liaison meetings with IPD.

The Institute's last regular meeting with the IPD took place on 28 September 2021. A summary of the issues discussed at that meeting is set out below:

1. Updates on Matters Arising from Previous Annual Meeting

a. Implementation of the new patent system

There has been a steady filing of applications under the original grant patent (OGP) system since its launch on 19 December 2019. As of 31 August 2021, the Patents Registry had received 471 OGP applications, which were broadly divided into three major technical areas, *i.e.* electricity; mechanical engineering; and chemistry. Around 62% of the applications are related to subject matters in the area of "electricity". Around 35% of the applications were filed by Hong Kong applicants, and the rest by foreign applicants.

The IPD will continue to monitor the caseload, the nature and trend of OGP filings and their underlying technological fields in order to identify the core areas on which the Patents Registry should focus to develop and expand its indigenous capacity and expertise of substantive examination in the medium to long term. In this regard, the IPD has also conducted recruitment exercises for additional patent examiners at different levels. The IPD will continue to review manpower needs and expand its examination capacity at the appropriate juncture.

The IPD will also explore ways of enhancing the user-friendliness and attractiveness of the new patent system, such as potential collaboration with other IP offices with the view of facilitating local filers to seek patent protection outside of Hong Kong. One potential area would be to explore the feasibility of extending CNIPA's Administrative Measures for Prioritized Examination of Patent Applications 《專利



《優先審查管理辦法》(2017) to OGP applicants in order to expedite the processing of their corresponding patent applications filed in mainland China.

Since February 2021, the IPD has conducted meetings with the technology transfer offices (TTOs) of six local universities, government-funded R&D institutions, and the Hong Kong Productivity Council (“HKPC”), so as to understand their filing needs and patenting activities. A workshop was organised by the IPD on the general assessment of patentability of inventions in September 2021 for HKPC’s in-house engineers. The IPD will continue to organise meetings to engage other potential patent filers to explore their interest in filing OGP applications in Hong Kong. The IPD will also collaborate with Invest HK, the Innovation and Technology Commission (ITC), HKPC, and other public sector bodies to further promote the OGP system to different target audiences via webinars.

b. Implementation of Madrid Protocol in HKSAR

The IPD remains on track with its target to launch the international registration system in Hong Kong in 2022 or 2023. In addition to the below, various preparatory tasks including treaty formalities and publicities would need to be completed prior to the launch.

(i) *Enactment of new subsidiary legislation under the Trade Marks Ordinance*

The IPD informed the Institute that it has been working with the Law Drafting Division of the Department of Justice to draw up new subsidiary legislation for:

- Providing the necessary filing requirements, procedures and rules applicable to the future international registration system in Hong Kong; and
- Introducing certain technical and miscellaneous amendments to refine existing provisions of the Trade Mark Rules for, amongst other things, streamlining proceedings for hearings before the Registrar of Trade Marks.

The IPD will continue to keep practitioners informed on the details of these legislative proposals.

(ii) *Fee Review and Costing Exercise*

The IPD is in the process of conducting a comprehensive review of the existing fees of the Trade Marks Registry, and also considering the possible introduction of preferential fees for:

- Electronic filing of trade mark applications; and
- Use of the IPD’s pre-approved list of goods and services specifications (to be added to the e-filing system in due course) when filing domestic trade mark applications electronically.

The IPD is concurrently conducting a costing exercise to prescribe new chargeable items under the international registration system in Hong Kong. These new fees would cover the individual fee of designating Hong Kong in an international application/registration, and the Trade Marks Registry’s handling fee when processing an international application as an Office of Origin.



The fee proposals will be incorporated into the new subsidiary legislation. The IPD will brief the Institute and other IP bodies on the details of the fee proposals in due course.

(iii) *Enhancing the IT system*

The IPD is in the process of upgrading its IT system to build a new electronic communication gateway with the WIPO to ensure that future correspondence between the International Bureau and the Trade Marks Registry can be transmitted in a timely and reliable manner.

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

The IPD had submitted the legislative proposals on amending the Rules of the High Court to the High Court Rules Committee in August 2019 for its consideration. In mid-April 2021, the IPD received the Judiciary's preliminary comments on the proposed amendments. The IPD is currently working with the Law Drafting Division of the Department of Justice to, having taken the Judiciary's comments into account, make further revisions to the proposed amendments.

2. Items raised by the IPD

a. IPD Statistics and performance

From a year-on-year comparison (September to August), there was:

- an increase of 7.1% on the number of trade mark applications received and there was an increase of 18.5% for search of records / preliminary advice on registrability (Form T1);
- an increase of 13% for standard patents "request to record" but there was a decrease of 11.9% for short-term patent applications; and
- a decrease of 12.3% for design applications.

b. E-commerce

There was a total of 1,553 registered e-filers as of August 2021. The e-filing migration rates of trade marks (Form T2) and designs (Form D1) increased year-on-year by 4% and 3% respectively. For patents, the e-filing migration rate remained at 97%.

3. Issues Raised by Institute Members

a. Stability and reliability of the IPD's Public Online Search (POS) System

The Institute noted there were issues and irregularities with the POS System in May 2021 and requested the IPD to provide an update.

The IPD explained that POS System was overloaded by an unusually high number of visitors and search requests in May 2021, which could potentially be caused by automated or scripted searches conducted by



bots. In response, the IPD has implemented a number of technical measures, such as the introduction of a captcha on the POS front page to prevent automated searches. As announced by the IPD on 22 June 2021,¹ the POS System has consequently resumed stable performance with overall accuracy and currency of the records.

The IPD will continue to closely monitor the POS System's performance and stability. Any report on irregularities or enquiry can be made to the dedicated email account esearch@ipd.gov.hk or the hotline 2961 5628.

b. Channel of communication with the China National Intellectual Property Administration (CNIPA)

Considering that many practitioners in Hong Kong deal with matters involving trade marks in mainland China, the Institute has asked the IPD to clarify if (a) it has any regular communication / exchange with the CNIPA; and (b) whether the IPD could relay issues to the CNIPA on behalf of Hong Kong practitioners, e.g. difficulties in gaining access to the CNIPA database from Hong Kong.

The IPD confirmed that it maintains regular contact with the CNIPA's Office of Hong Kong, Macao and Taiwan Affairs on issues relating to IP co-operation and other promotional matters. The Institute can on behalf of its members raise issues of common interest or concern and the IPD would in the appropriate circumstances forward these issues to the CNIPA for consideration.

With regard to the difficulty in accessing the CNIPA's database, the CNIPA has confirmed to the IPD that there is no firewall or other technical measure in place to block Hong Kong visitors from accessing the CNIPA's database.

c. Updating the chapter on "Search" in the Trade Marks Registry Work Manual

The Institute suggested the IPD to update the section on "Searches relating to absolute grounds for refusal" in the "Search" chapter to indicate the reference books and Internet sites currently used by the IPD's examiners. For example, under "Technical" section, the website <http://techweb.com> might no longer be relevant as it automatically diverts visitors to <https://www.informationweek.com/>.

The Institute requested the IPD to provide a list of relevant internet sites that it would usually use as reference for "Technical" terms, and proposed the IPD to also consider the EUIPO's practice of specifying certain unofficial internet references that it would not take into account during examination.

The IPD confirmed that it will review and update the chapter accordingly to remove and/or replace obsolete links. A non-exhaustive list of internet references frequently used by the IPD's examiners would also be provided for the public's information.

The "Search" chapter was recently updated on 4 February 2022.

¹ https://www.ipd.gov.hk/eng/Notice_on_resumption_of_Public_Online_Search_services.pdf



d. More specific descriptions for “computer software” and “software”

The Institute noted that the Korea IP Office has since 1 January 2021 ceased to accept “computer software” and “software” for registration in Class 9 as they are too broad and general. The applicant is required to indicate the specific type and/or usage of the software in question. Taking into account (i) the increasing complexity and diversity of software-related products; and (ii) the registration of “computer software” in general might excessively restrict use on different types of software, the Institute queried whether the IPD would consider taking the same approach.

The IPD had previously considered this issue in 2013 and 2019. On both occasions, the IPD balanced the competing factors and decided to maintain the status quo, *i.e.* there is no need to particularise “computer software” and “software”.

The IPD’s recent research indicated that the general items “computer software” and “software” without further indication of the specific field of use are still accepted for registration by many IP Offices around the world, including the WIPO International Bureau; the EUIPO; the IP Office of Singapore; the UK IP Office; and the Australia IP Office.

The issue should also be considered in light of the proposed implementation of the Madrid Protocol in Hong Kong. Since the WIPO accepts “computer software” and “software” on their own, the IPD would prefer to adopt a consistent approach.

In the circumstances, the IPD decided to maintain the current practice of accepting “computer software” and “software” on their own.

e. Use of neutral citations in the Registrar’s decisions

The Judiciary has adopted a system of neutral citations since 2018.² The Institute proposed that the IPD also adopt neutral citations in its decisions. Over the years, the Registrar’s decisions have been cited in various formats by the courts and other publications.

The IPD confirmed that it will implement neutral citations for the Registrar’s decisions that are published on the IPD’s website.

f. Costs relating to extension of time to file a notice of opposition

The Institute noted a case where a proposed opponent applied for extension of time to file a notice of opposition. The Registrar granted the extension but no opposition was filed eventually. The applicant successfully obtained a cost order against the proposed opponent. The Institute asked the IPD to clarify whether the award of costs for pre-opposition extension of time is a new practice.

The Registrar has the power under Section 87 of the Trade Marks Ordinance to award costs in any proceedings before the Registrar. The IPD takes the view that a pre-opposition extension of time constitutes a “proceeding” before the Registrar, even if the opposition is not filed subsequently. Therefore, the Registrar has the discretion to award costs for the extension of time in appropriate cases.

² See footnote 1 to Practice Direction 5.5 (https://legalref.judiciary.hk/lrs/common/pd/pdcontent.jsp?pdn=PD5.5.htm&lang=EN#_ftn1_A).



In any case, the cost order would be provisional and the parties would have a right to request for a hearing to challenge the same.

The IPD agreed to consider how this issue could be addressed in its Work Manual, so as to provide more guidance to practitioners and the public.

g. Scale of costs in opposition proceedings (“Scale”)

This issue was first raised by the Institute in September 2020. The existing Scale was formulated in 2008. The Institute proposed that the Scale should be revised given that the costs of proceedings have increased over the years (as reflected by the Consumer Price Index). Moreover, the Solicitors’ Hourly Rates were adjusted upwards in 2018. The Institute submitted a revised Scale for the IPD’s consideration.

The IPD agreed that the Scale should be reviewed from time to time to ensure its relevance and make necessary adjustments where appropriate. However, it emphasised that the Scale is only meant as a reference, and the Registrar would exercise his discretion to award costs as he considered reasonable based on the circumstances of each case. Practitioners should thus set out full details in the bill of costs. If any party was not satisfied with the provisional costs order, it could request for a hearing to challenge the same.

The IPD has reviewed taxation cases from 2018 - 2021 where final cost orders were issued, and noted that the costs awarded in these cases all fell below the Scale, even for cases where the current Solicitors’ Hourly Rates were applicable. As the Scale is intended to provide some guidance on the amount of costs that the Registrar would normally award in relation to the items specified, the IPD believed that the Scale is still relevant and there is no imminent need to start a review exercise at this stage.

Having said that, the IPD noted that the current Solicitors’ Hourly Rates had only taken effect in 2018, and its full implication on the items of costs in the Scale would need to be further observed. The IPD will continue to monitor the situation, and bring up the matter for review if circumstances suggest that the Scale no longer reflects the costs normally awarded.

MEMBERSHIP

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

LinkedIn – please note that all Members are free to join our HKITMP group on *LinkedIn*.

New Members

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

Name	From
Anny WONG (Student Member)	Baker & McKenzie



Name	From
Dawn HUI	Bird & Bird
Janette SHAM	Bird & Bird
Priscilla HO	Mayer Brown
Suzuko CHUNG (Student Member)	Deacons

QUIZ

Last Issue's Question:

Q: What was the first statute in the United Kingdom that provided for trade mark registration?

A: The Trade Marks Act Registration Act 1875

This Issue's Question:

Q: When and where was the International Trademark Association founded?