Overview of Hong Kong Trade Mark Law and Practice

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1. History of the TM Law in Hong Kong

A TM registration system was first instituted in Hong Kong back in 1873. Before then, the development of the TM law in Hong Kong started with merchandise marks legislation.

The British Parliament passed the Merchandise Marks Act 1862 as the first piece of legislation regulating forgery of TMs and deceptive TMs. Hong Kong effectively adopted the UK Merchandise Marks Act 1862 in the form of the Merchandise Marks Ordinance 1863. Before then, the only protection TMs enjoyed was derived from the action for passing off, which was a common law action established to protect goodwill in trade, the form of such goodwill being TM. However, back then it was generally difficult for a TM owner to prove its rights because at that time most TM owners in Hong Kong were based in Europe, and hence it could be time-consuming and costly to obtain proof of their reputation and exclusive right to use their TMs in Hong Kong. This evidential difficulty prompted the Legislative Council of Hong Kong to legislate for a system of registered TMs, and as a result, Ordinance No. 16 of 1873 was enacted. According to that Ordinance, all entries in the Register of TMs and all affidavits filed in the Office of the Colonial Secretary, or any of their certified or official copies, would be admitted in all legal proceedings as prima facie evidence of the truth and correctness of their contents and of the right to the exclusive use of the TM concerned.

Since then, TM legislations in Hong Kong have undergone a number of amendments. The latest version is the Trade Marks Ordinance (Cap 559) ('the new TMO') and its subsidiary legislation which came into operation on 4 April 2003.

2. Current TM Regime in Hong Kong

The definition of “trade mark” in the new TMO allows for the registration of sounds and smells in addition to the traditional category of visible marks. A consequence of this broadened definition of a “trade mark” is that the “use of a mark” under the new TMO is also more broadly defined, encompassing any use, graphic or otherwise.

As in many jurisdictions, the registrability of a TM is now assessed upon the basis of absolute grounds for refusal, which relate to defects in a mark such as lack of distinctiveness or likelihood to deceive, as well as relative grounds for refusal which relate to a mark's disqualification due to similarity with earlier marks or conflict with earlier rights. The presence of a relative ground for refusal does not prevent registration if the owner of the earlier TM or right consents to registration or if honest concurrent use or special circumstances are established. However, neither consent nor honest concurrent use can lead to registration if an absolute ground for refusal exists.
In addition to the widened scope of registrable TMs, a number of new provisions were also introduced into the new TMO regarding the owner’s exclusive use rights of a registered TM in Hong Kong, for instance:

(i) The use of a registered TM in a field of goods or services which is different from that registered is now also regarded as infringement in cases of well-known TMs;

(ii) Comparative advertising is no longer an act of infringement, provided that such use is in accordance with honest practice;

(iii) The principle of international exhaustion is introduced, i.e. parallel imports are allowed except where the condition of the goods has been impaired and the use would be detrimental to the TM owner;

(iv) Various types of relief are now available to those who are aggrieved by groundless infringement threats.

Further, the new TMO contains provisions regarding revocation of TMs due to non-use, or becoming generic, or misleading to the public, all of which have been modified from previous legislations. Another new element introduced through the new TMO is that an application for revocation can now be made by any person, and not just the person aggrieved. Likewise, applications for a declaration of invalidity can now be made by any person.

Some other notable provisions of the new TMO include section 4(1) which recognises the concept of a “well-known trade mark” under the Paris Convention, as well as those providing for registration of defensive TMs, collective marks and certification marks.

3. Recent changes in TM examination practice in Hong Kong

To facilitate applications for registration of non-traditional TMs, the Hong Kong Trade Marks Registry (“Registry”) has recently revised the Trade Marks Work Manual (“Manual”) to illustrate the Registry’s present examination practice.

(a) Sound mark

The Manual was revised mainly to include two additional pieces of information for sound mark applications.

First, for an application which contains a mere sequence of musical notes, the Registry will regard it as a deficiency if it is not possible to determine the pitch and the duration of the sounds forming the melody for which the registration is sought, i.e. the essential parameters of knowing the said melody as well as defining the sound mark itself.

If any deficiency is found and not remedied to the satisfaction of the Registry within the non-extendible time limit of 2 months, the application will be treated as abandoned even before proceeding to substantive examination.

Second, it is recommended to state which musical instrument is used to produce the sound in the application in case such a use of that musical instrument is an element of the sound mark.
(b) Movement marks and holograms

The revised Manual not only introduces a new chapter on movement marks and holograms but also includes 2 examples of representation for movement marks with one being acceptable and the other not.

The said new chapter mainly set forth the following guidelines on the 2 essential parts required by an application for registration of either a movement mark or a hologram – (i) graphical representation; and (ii) written description:

(i) Graphical representation

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<tr>
<th>Movement marks</th>
<th>Holograms</th>
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<tbody>
<tr>
<td>• Shows a series of still images in the correct sequence of movement and the movement should be perceivable</td>
<td>• Includes all various images of the hologram when viewed from different angles</td>
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<tr>
<td>• Clear, precise, self-contained, easily accessible, intelligible, durable and objective (similar to requirements for other types of TMs)</td>
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(ii) Written description

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<tr>
<td>• States that the mark is a movement mark which consists of a representation of a sequence of images</td>
<td>• Precisely describe the multiple views of the hologram when it is viewed from different angles</td>
</tr>
<tr>
<td>• Precisely describes what the sequence of images depicts</td>
<td></td>
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<tr>
<td>• States the total number of images in the complete sequence of movement</td>
<td></td>
</tr>
<tr>
<td>• States the sequential order of the images</td>
<td></td>
</tr>
<tr>
<td>• States there is a single (not variable) sequence of movement</td>
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For smell marks, further details for the Registry’s examination practice have not yet been available.

According to the Hong Kong TM register, only 11 smell mark applications have been filed since the enactment of the new TMO, but none of these applications has ever been able to proceed to registration. In view of the zero success rate and the low filing rate, there may be a need to further illustrate the examination practice on smell marks so as to facilitate such applications.

In general, it is likely that when it comes to the graphical representation test for a smell mark application, the Registry will follow the decision in the *Sieckmann* case (Case C-273/00; 12 Dec 2002), i.e. clear, precise, self-contained, easily accessible, intelligible, durable and objective, as in line with the current practices for other types of TMs as mentioned above. Therefore, this makes it very difficult, if not impossible, to register smell as a mark in Hong Kong.

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Ella Cheong has been involved in intellectual property practice for many years. She is a solicitor in Hong Kong and is on the Roll of Honour of the Law Society of Hong Kong. She is also qualified in the United Kingdom and Australia, and was admitted to the bar in Singapore. She is the Founder and Chair of Ella Cheong (Hong Kong & Beijing) (www.ellacheong.com) - a boutique firm for IP issues in Greater China.

Ella Cheong also established the firm of Ella Cheong LLC (Singapore/Malaysia) (www.ellacheong.asia) in Singapore (by personal invitation from the Singapore Government) which handles in all ASEAN countries every aspect of IP, including prosecution of TMs and designs (other than patent prosecution for the time being), and services for enforcement and commercialization.

Ella Cheong was inter alia Chairman of the IP Committee of the Hong Kong Law Society, she served on the Board of INTA and was given the President’s Award, was President of the Hong Kong Group of APAA (honoured with its Enduring Award), Council Member of FICPI (elected its Member of Honour), and Member of Honour of AIPPI. She was honoured as one of the top 25 professional women in Hong Kong listed in the Hong Kong leading English newspaper – South China Morning Post. She has just been named as the winner of “Asia Women in Business Law Awards 2013” for being “Best in Patent and Trade Mark Prosecution” by Euromoney Legal Group Asia Women in Business Law Awards 2013.