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柯伍陳律師事務所



# Trade Marks



## Trade Marks: Hong Kong



# What is a Trade Mark?

- Words e.g. personal names
- Indications
- Designs
- Letters
- Characters
- Numerals
- Figurative elements
- Colours
- Sounds
- Smells
- Shape of goods or their packaging
- Combination of the above

**SONY**



**Google™**



 **Electrolux**  
makes life a little easier

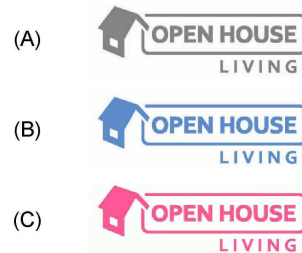
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# What is a Trade Mark?

## Colour Marks

- The same mark in colour and in grayscale: registered as a series of mark

- E.g.





- Marks consisting of colour only: capability to distinguish

- E.g. “Tiffany Blue”?
- (<http://www.ipo.gov.uk/tmcase/Results/1/UK0002505742A> )
- E.g. GUCCI’s “red and green stripes”
  - Owner: Guccio Gucci SPA
  - Classes 18, 25
  - HKTM No. 300217647



# What is a Trade Mark?

Special Trade Marks Registrable in Hong Kong:-

- **Certification Marks**, certification by owner
  - e.g.  (HKTM No. 1989C1898AA) in Class 25
- **Collective Marks**, indicates members of association
  - e.g.  (HKTM No. 300785791 in Class 25)
- **Defensive Marks**, exceptionally well-known in HK
  - e.g. **SONY** (HKTM No. 1970D1238AA in Classes 2, 3, 4, 5, 6, 8, 10, 11, 12, 13, 15, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29)
  - C.f. Well-known trade mark

# What is a Trade Mark?

- In relation to specific class(es) of goods or services

- Goods: Classes 1-34

e.g. Class 9 : Scientific apparatus  
Class 18 : Bags  
Class 25 : Clothing  
Class 28 : Toys



- Services: Classes 35-45

e.g. Class 35 : Retail services  
Class 36 : Insurance and finance  
Class 43 : Restaurant service





# Trade mark as distinguished from other IP rights

## 1) Copyright

- Legal right to protect an original work of the copyright owner
- Something more substantial, e.g. computer software, novels, songs, music videos
- No registration needed but arise automatically when the work is created
- Copyright recordal available in the PRC as evidence of copyright



## 2) Design

- Legal right to protect the novel (new) appearance of products from being manufactured, imported, used, sold or hired by the others
- E.g. computers, jewelry



# Trade mark as distinguished from other IP rights

## 3) Patent

- Legal right to protect an invention (requires novelty, inventive step and susceptible of industrial application) of the patent owner from being manufactured, used, sold or imported by the others
- E.g. the method of making a certain computer



## 4) Trade secrets

- Protection of confidential information in a commercial setting with commercial value
- E.g. formula, customer lists
- Protected by common law of confidence



# Considerations of Adopting & Using a Trade Mark/Brand Name

## 1. Whether the mark is registrable in HK?

- In HK: Date of filing = date of registration (if application is successful)
- Priority date under Paris Convention?


## 2. Whether any barrier exists for the use of the mark in HK? i.e. Unregistered trade mark rights



# Whether the mark is registrable in HK?

## A) Relative grounds objection:

- Existence of prior marks which is identical / similar in relation to identical / similar goods/services
- Similar marks?
  - Aural, visual and conceptual
  - comparison of the distinctive element
- Similar goods?
  - NICE Classification
  - Nature, use, user, trade channels
- Likelihood of confusion
- Example:

Applied for Mark	Cited prior mark
<b>COCO COLA</b> in Class 33 for “wine”	 In Class 32 for “mineral and aerated water natural and artificial, including ginger beer. ”

# Whether the mark is registrable in HK?

- **B) Absolute ground objection: inherent registrability**

- Marks which are devoid of distinctive character
- Marks which exclusively designate characters of goods/services, i.e. descriptive
- Marks containing exclusively signs which have become customary in language/trade

- **Examples:-**

- X Mere geographical origin – e.g. “ITALY” for bags
- X Descriptive terms – e.g. “MARKER” for pen
- X Non-distinctive terms – e.g. “Fresh & Clean” for detergent
- X Common terms used in industry – e.g. “ASPIRIN”, “YO-YO”, “ESCALATOR”
- X laudatory words or slogans – e.g. “PURE WATER” for distilled water



## How to overcome objection

### **A) Relative grounds objection:**

- Obtaining consent from cited mark owners
- Negotiating for (worldwide) co-existence with cited mark owners (in relation to certain goods/territory)
- Filing evidence of use of 5 years to show honest concurrent use
- Filing non-use revocation against cited mark
- Adding registered marks to the mark
- Adding distinctive elements to the mark (i.e. re-file)

### **B) Absolute grounds objection**

- Filing evidence of use: acquired distinctiveness
- Adding registered marks to the mark
- Adding distinctive elements to the mark (i.e. re-file)

## How to overcome objection by Trade Marks Registry

- E.g. Applied for Mark:-

大家食

## How to overcome objection by Trade Marks Registry

Possible objections:-

- 1. Relative ground objection



- 2. Absolute ground objection



## How to overcome objection by Trade Marks Registry

- To avoid the objections...
  - HKTM No. 300108729
  - HK TM No. 300489015



# Rights and Protection conferred by a registered trade mark

- Exclusive right to use Trade Mark in business
  - Registration is prima facie evidence of ownership
  - In relation to the designated goods/services
  - Trade Mark registration is territorial
  - Renewable every 10 years
- May take legal action against infringement of Trade Mark
- Registration is defence in trade mark infringement action
- Ease of enforcement vs Common Law Protection of Unregistered Trade Mark
- **Use of the signs “TM” or ®**

## Exploitation of Trade Mark Rights

- Intellectual Property: a type of intangible asset
- Transaction registrable with Trade Marks Registry
  - Assignment
  - Licence
    - Exclusive
    - Sole
    - Non-exclusive
  - Security

# Legal issues in relation to the use of trade marks

- Defending claims of:-
  - Trade mark infringement
  - Passing-off
- Enforcement of trade marks



# 1. Trade mark infringement

- a) Identical mark in relation to identical goods/services
- b) Identical mark in relation to similar goods/services + likelihood of confusion
- c) Similar mark in relation to identical/similar goods/services
- d) Well-known trade mark (Paris Convention) in relation to not identical/similar goods/services

- **Well-known trade mark**

- E.g.



ROLEX

- Parallel import is not infringement in Hong Kong
  - Unless conditions of goods impaired



# Statutory Defence to Trade Mark Infringement

- **Comparative advertising**

- To identify goods/services
- As those of the mark owner
- Honest practice
- However, beware of new requirements under Trade Description Ordinance



- **Own name defence** (in accordance with honest practice)

- E.g. Tsit Wing (Hong Kong) Co Ltd & Ors v TWG TEA Co Pte Ltd & Ors [2013] 2 HKLRD 505



# How to avoid infringing others' trade marks

- Conduct trade mark searches prior to use
  - At the Trade Marks Registry
  - On the Internet
- Avoid adopting similar marks on similar goods/services, e.g.
  - ☹️ “McDanold’s”
  - ☹️ “Mcdonaldsfood”



## 2. Passing-off (Unregistered trade mark rights)

- a) Plaintiff's goodwill (in Hong Kong)
- b) Defendant's misrepresentation leading to belief that their goods are those of Plaintiff's
- c) Damage to Plaintiff's goodwill





# Enforcement:

## 1) Against Bad Faith / Similar Trade Mark Registrations

- Bad-faith registration
  - dishonestly registering another party's mark without consent
  - By inference or evidence (prior dealings with infringer)
- Precautions
  - Trade mark watch
  - Early trade mark application in Hong Kong
  - Register Chinese name of English brand name as well (transliteration vs. translation)
- Trade Mark Opposition and Invalidation Proceedings, on the basis of:-
  - Prior marks: identical / similar mark
  - Prior marks: well-known trade mark
  - Bad faith



# Bad Faith Trade Mark Registrations: Example 1

- Bad-faith Application:



- Goods: clothings (class 25)



- PRC Well-known trade mark:



- Not registered in Hong Kong at that time
- Goods: Leather products and clothings (classes 18 & 25)



## Bad Faith Trade Mark Registrations: Example 2

- Bad-faith Application:



- Goods: clothings (class 25)



- PRC Well-known trade mark:



- Registered in Hong Kong (different classes)
- Goods: Food, milk and beverages (classes 29, 30 and 32)



## **Enforcement:**

### **2) Against Trade Mark Infringers**

- Bringing civil infringement action in Court
  - Trade mark infringement
  - Passing-off
- Reporting to Customs to take criminal action
  - Trade Description Ordinance



# Enforcement:

## 3) Against Bad Faith Company Name Registrations in Hong Kong

### Problems:-

- Relatively easy and convenient to register company in Hong Kong
- Companies Registry only conducts search for “identical” company names
- No trade mark search by Companies Registry
- Such “shadow companies” are used by infringers to grant trade mark licences

### Solutions:-

- Applying to Companies Registry on the basis it is “too like” prior company names and within 12 months of incorporation
- Applying to HK Court for cancellation or change of name
  - Need Hong Kong trade mark registration / goodwill in Hong Kong



# Bad Faith Company Name Registrations: Example

- Bosch Corporation (H.K.) Limited
- Bosch (H.K.) Investment Co., Limited
- Bosch Int'l Limited
- Bosch Group Co., Limited
- Bosch Trading Limited
- Bosch Energy (China) Limited
- Bosch Static Control Limited
- Bosch Security Systems Limited
- Bosch & Bosch Lingerie Limited

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- Bosch Security Systems Limited
- Bosch & Bosch Lingerie Limited
- **Robert Bosch Company Limited (genuine Bosch)**

# Enforcement:

## 4) Against Domain Name Squatters

- Domain Name: Internet keyword
  - E.g.: .com / .hk / .cn
- Dispute handled by arbitration
  - Hong Kong International Arbitration Centre
- Need trade mark registration to support case
- A trade mark registered owner can demand the domain name squatter to transfer or deregister the domain name registered in bad faith







# **Beyond Hong Kong: Worldwide Registration Strategy**

# Worldwide Registration Strategy

- Current market
- Future markets
- Place of manufacturing / sales
- Place of possible infringement
  
- **File as early as possible**
- If not:-
  - Increased difficulty for enforcement
  - Registration obtained by third parties
  - Obstacles to registrations → costs will escalate!



# Worldwide registration strategy:

## (1) PRC

- Separate systems of registration and protection in Hong Kong and PRC
- Enforcement
  - Trade mark registrations: Opposition or cancellation at the Trademarks Office / Review and Adjudication Board
  - Infringers: Administrative or legal action under PRC law against infringing activities in PRC
- Register your trade mark in both HK and PRC separately



G20000



## PRC: Unique Sub-classification of goods/services

Mark	G2000	2000
Class	25	25
Sub-class	2501	2509, 2510, 2511, 2512
Goods	Clothing; cap	Socks, scarf, tie, belt
Registrant	ZINNIA PROFIT COMPANY LIMITED	趙華

## Worldwide registration strategy: (2) Community Trade Mark (CTM)

- Managed by the Office for Harmonization in the Internal Market (OHIM)
- Allow a single registration of trade mark to cover 27 countries of the European Union (EU)
- Unified exclusive right to use the trademark throughout all EU member countries
- Cannot select to cover only some of the countries.
- **Pros:** Economical way to register trademark in EU in terms of cost
- **Cons:** Refusal or opposition in one member state will make the application fail in all the other member states



# Worldwide registration strategy: (3) International Registration (IR) under the Madrid System



- Administered by the International Bureau of WIPO in Geneva
- Protection of trade marks in several countries by filing one application directly with his own national or regional trade mark office
- Mechanism: basic application/registration → international registration → international designation
- Only applicable to member of the Madrid Agreement or the Madrid Protocol (91 members)
  - China is a member of the Agreement and Protocol, but Hong Kong is NOT
- **Pros:** one registration covers many countries; costs saving; refusal in one designated country does not affect validity of IR
- **Cons:** validity of basic application affects validity of IR



## **ALWAYS....**

- Conduct trade mark searches prior to application
- File trade mark applications as early as possible
  - In Hong Kong and worldwide (where applicable)





**Thank you for coming!**  
**Any questions?**



solutions • not complications