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Mr. Johann Wong
Assistant Secretary
Trade & Industry Bureau
Level 29 One Pacific Place
88 Queensway
Hong Kong

10 December 1999

By Fax No. 2869 4420
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Dear Mr. Wong,

Trade Marks Bill

To follow on the meeting of the Bills Committee on 29 November 1999, I would like to seek further clarifications on the following -

Clause 17(7) - Comparative advertising

In the last paragraph of your paper (ref: CB(1)458/99-00(01)), you mentioned that "there are safeguards in the US law against deceptive or unfair advertisement and advertisement that weakens the distinctive quality of the trade mark or disparages the mark". What are these safeguards?

I note that in many jurisdictions where comparative advertising is permitted, they also have some forms of regulation over advertising. For example, in U.K, they have the Control of Misleading Advertisement Regulations 1988 and the British Code of Advertising Practice. Yet right after passing of the UK Trade Marks Act 1994 permitting comparative advertising, disputes notably the Barclays Bank Plc. v. RBS Advanta [1996], Vodafone Group Plc. v. Orange Personal Communication Services Ltd. [1997] arose.

In Hong Kong, we do not have a comprehensive law on advertising. We only have some piecemeal legislation to regulate advertisements on some specific areas such as on undesirable medical advertisements. If the scope of what is permitted in advertising is so unclear, will there be a surge in litigation once this clause is enacted? Has the Administration considered any measures to regulate advertising before legitimising comparative advertising?

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Clause 23 - Infringement proceedings

This clause on order for disposal is quite similar to section 109 of the Copyright Ordinance (Cap. 528) (except that under this clause, an application may be made for an order that the infringing goods be disposed of outside the channels of commerce). Under section 134 of the Copyright Ordinance, these kinds of actions will be under the jurisdiction of the District Court. Bearing in mind that the financial limits in the civil jurisdiction of District Court will soon be revised, will the Administration re-consider the point on the jurisdiction of courts? Has the judiciary been consulted on this?

Part XII - Offences

Criminal offences such as forging trade marks, possessing forged trade marks for sale or for manufacture, importing or exporting any goods with forged trade mark are stipulated in sections 9 and 12 of the Trade Descriptions Ordinance (Cap. 362). For ease of reference, will the Administration consider incorporating all trade mark offences into this new Bill so that it will be self-contained as in the UK Trade Marks Act 1994? Incidentally, in section 9(3) and (4) of that Ordinance, the term "the proprietor of trade mark" has not been amended to "the owner of trade mark".

Lastly, I have not received any reply to my letter dated 2 November 1999. Could the Administration let me have a reply in both English and Chinese version to my last letter as well as this one 5 days before the date of next meeting?

Yours sincerely,

(Anita Ho)
Assistant Legal Adviser

c.c. D of J (Attn: Mr. Jeffrey E Gunter, SALD and
Ms Phyllis Poon, GC)

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