

**The Hong Kong
Institute of
Trade Mark
Practitioners**
香港商標師公會

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4th May 2006**BY FAX (2840 1621) & BY POST**

Commerce, Industry and Technology Bureau
(Commerce and Industry Branch)
Level 29, One Pacific Place
88 Queensway
Hong Kong

Dear Sirs,

Re : Copyright (Amendment) Bill 2006**HKITMP Background**

- A. The Hong Kong Institute of Trade Mark Practitioners ("HKITMP") was formed in 1988 with the aim of protecting the interests of those who are engaged in the trade mark profession in Hong Kong. However, as many of our members are general intellectual property practitioners, who on a day-to-day basis engage in not only trade mark matters, but also copyright, patents and designs, the HKITMP's membership and its interests have evolved to cover all of these areas.
- B. The HKITMP also has regular meetings with the Intellectual Property Department ("IPD") in Hong Kong, to exchange views and ideas on everyday practice, and to pass on recommendations for any changes in Hong Kong's intellectual property laws that may be required out of the practical issues arising in day-to-day practice.
- C. The HKITMP regularly circulates its members with information about meetings with the IPD, IPD circulars on practice, details of seminars, and welcomes comments from its members about intellectual property law and practice in Hong Kong. The HKITMP acts as a conduit and sounding board, and helps to air views of the professionals in Hong Kong who actually engage in hands on trade mark, copyright and other intellectual property works.
- D. The HKITMP has previously been invited by the Government to provide comments on its paper titled "Review of Certain Provisions of the Copyright Ordinance" ("the **Consultation Paper**"), in particular to provide our views on possible changes to the Copyright Ordinance ("the **Ordinance**"). These were provided at the time.

- E. We note that the Copyright (Amendment) Bill 2006 ("**the Bill**") incorporates many of the intended provisions referred to in the Consultation Paper. The Institute generally supports the changes in the Bill.
- F. This submission on behalf of the HKITMP has been prepared by the HKITMP's Copyright Committee, consisting of Council members who have a particular interest and expertise in copyright law. This paper has also been circulated to the HKITMP's membership for comment prior to finalization and submission.
- G. The views expressed are from a legal and policy perspective in our capacity as solicitors and intellectual property law practitioners, acting independently without regard to the views of any particular copyright body or organization. Whilst restricted in the scope of our ability to comment, the comments we do have appear below.

Submission

Section 16 of the Bill - Proposed New Section 54A of the Ordinance (Fair dealing for the Purposes of Public Administration)

1. The Government is proposing to introduce a concept of fair dealing in copyright works for the purposes of public administration, entitling the Government, the Executive Council, the Legislative Council, the Judiciary or any District Council to engage in fair dealing of a copyright work "*for the purposes of efficient administration of urgent business*". There is then a test as to what constitutes fair dealing.
2. With respect, we believe that a Government and its associated bodies should be setting an example to the public in its treatment of copyright works, and we do not believe the Government should receive such an exemption.
3. In many ways, the Government is in no different position as any other business so far as copying of a copyright work is required for "*efficient administration of urgent business*", and if the Government is entitled to receive such a fair dealing exemption, then there is surely a case for businesses generally to be entitled to the same exemption?
4. We believe the Government's proposed provision sets a bad example and should be reconsidered (deleted) unless the exemption applies to all users.

Counter-proposal

5. Insofar as the Government is concerned at its ability to take copies of works in circumstances where there are quasi-judicial proceedings being undertaken through a Government department (e.g. hearings at the Trade Marks Registry), and case law and other copyright works are needed, we suggest an extension of Section 54(1) (which currently reads "*Copyright is not infringed by anything done for the purposes of the*

proceedings of the Legislative Council or judicial proceedings", to cover proceedings before any Government department, may be more appropriate.

Section 24 of the Bill - Proposed New Section 119B of the Ordinance (offence of making for distribution or distributing infringing copies of copyright works in printed form contained in books, etc)

6. We note that proposed Section 119B(4) proposes that the offence contained within Section 119B(1) will not apply to an educational establishment of any of the following descriptions:
 - (a) an educational establishment specified in Section 1 of Schedule 1;
 - (b) an educational establishment exempt from tax under Section 88 of the Inland Revenue Ordinance (Cap 110);
 - (c) an educational establishment receiving direct recurrent subvention from the Government.
7. It should be noted that the current civil fair dealing provisions apply to "educational establishments", which are defined in Section 195 of the Ordinance as "*an educational establishment specified in Schedule 1*". Schedule 1 of the Ordinance lists 15 different categories of educational establishment that are entitled to the fair dealing exemption.
8. The wording of the proposed new Section 119B(4) makes it clear that the Government intends to render all educational establishments as potentially criminally liable for the copying referred to in Section 119B(1), but any Government endorsed or supported educational establishment should not be liable. In our opinion, this is not an acceptable provision.
9. If it is the Government's policy that educational establishments should have the benefit of fair dealing on the basis that they are educating the future population and business leaders of Hong Kong, then such exemption should apply to all educational establishments, and not only those that are described in the proposed Section 119B(4).
10. Proposed Section 119B(4) should be amended to cover all educational establishments.

Section 27 of the Bill - Section 121 of the Ordinance (Affidavit Evidence)

11. Section 121(2)(a)(i) refers to a copyright register prescribed under Section 121 sub-section (14). In this regard, we note that:
 - (a) the reference to sub-section (14) should in fact be a reference to sub-section (16);
and

- (b) notwithstanding that the Government has previously published draft Copyright Prescription of Copyright Registers (Regulations) in 2003, the Government has so far failed to pass such regulations. We suggest that the Government should have such regulations passed simultaneously with the Bill.
12. There is also a proposal to introduce new sections 121(2A), (2B) and (2C) in respect of copyright affidavits purported to be made by or on behalf of the owner of a particular copyright work. In many copyright industries, including for example the software industry, copyright owners do not always directly issue licenses to resellers or sub-distributors, but provide general authorisation for them to distribute legitimate copies of the copyright works. We believe this could be reflected in the wording of each of sections 121(2A), (2B) and (2C) and accordingly, believe that the wording in sub-section (b) for each of those sections could state as follows:

"... (b) states that the owner has not authorised or granted a license to a person named in the affidavit to do an act referred to in section ..."

Section 52 of the Bill - Section 258A of the Ordinance (Playing of Sound Broadcasts inside Vehicles)

13. The Institute does not understand the rationale for vehicles to have exemption for the playing of sound broadcasts where such vehicles are commercially operated for the purpose of mass carrying of fare-paying passengers. For example, vehicles such as buses, public light buses, private shuttle buses and MTR/KCR trains should all be liable for paying a license fee for the right to broadcast to their fare-paying passengers.
14. In the case of taxis or other commercial light or heavy goods vehicles, which are not for mass fare-paying passengers, we believe there should be an exemption. In this regard, we believe taxis should be distinguished as they are effectively privately hired by members of the public.
15. The Government's wording indicates that the exemption for the playing of sound broadcasts inside the vehicle is for the purpose of "*affording the driver of the vehicle access to public information (including but not limited to news reports, weather forecasts and information relating to road traffic)*". In our opinion, this is not a justification for exemption. At least in the case of buses, public light buses and private shuttle buses, the routes they take with their fare-paying passengers are fixed routes, and whatever the road or weather conditions, the driver is not permitted to divert elsewhere.
16. We believe the provision should be deleted.

We are available to discuss any of these comments and would appreciate being informed of any

further developments and/or proposed changes to the Bill.

Yours faithfully

A handwritten signature in black ink, appearing to read 'S Birt', with a large, stylized initial 'S'.

Steven Birt
President
for and on behalf of
The Hong Kong Institute of Trade Mark Practitioners