

LC Paper No. CB(1)1124/18-19 (These minutes have been seen by the Administration)

Ref : CB1/BC/7/18

Bills Committee on Trade Marks (Amendment) Bill 2019

Minutes of second meeting on Monday, 15 April 2019, at 2:30 pm in Conference Room 2 of the Legislative Council Complex

| Members present | : | Hon WONG Ting-kwong, GBS, JP (Chairman) Hon Paul TSE Wai-chun, JP Hon Steven HO Chun-yin, BBS Hon YIU Si-wing, BBS Ir Dr Hon LO Wai-kwok, SBS, MH, JP Hon Alvin YEUNG Hon SHIU Ka-fai |
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| Members absent | : | Hon WU Chi-wai, MH Hon Charles Peter MOK, JP Hon CHUNG Kwok-pan |
| Attendance by invitation | : | Agenda item IMr Nicholas CHAN Hiu-fung Convenor, Liberal Party Professional Committee Liberal PartyMr LAM Sum President Hong Kong Chinese Patent Attorneys Association |

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Ms AU YEUNG KAM-lan Vice President Hong Kong Intellectual Property Association Limited

Mr CHIU Wing-hung Individual

Dr CHAN Lap-man Founding Chairman Asian Licensing Association

Mr HAYS Seth Chief Representative, Asia-Pacific International Trademark Association

Dr Lewis LUK Tei Founding President Hong Kong Brands Protection Alliance

Ms YIP Ching Manager Intellectual Property Centre Federation of Hong Kong Industries

Mr HUI Wah-kit Commerce & Industry Vice-Spokesperson Democratic Alliance for the Betterment and Progress of Hong Kong

Public officers attending

: <u>Commerce and Economic Development Bureau</u>

Mr Gary POON Deputy Secretary for Commerce and Economic Development (Commerce and Industry)2

Miss Alice CHOI Principal Assistant Secretary for Commerce and Economic Development (Commerce and Industry)3

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| | Intellectual Property Department |
| | Ms Elsie TSE Assistant Director of Intellectual Property (Trade Marks) |
| | Miss Carole MOK Senior Solicitor (Trade Marks)3 |
| | Customs and Excise Department |
| | Mr Ellis LAI, C.M.S.M. Assistant Commissioner of Customs and Excise (Intelligence and Investigation) |
| | Department of Justice |
| | Miss Cindy CHEUK Senior Government Counsel |
| | Mr Vincent FUNG Government Counsel |
| Clerk in attendance : | Mr Desmond LAM Chief Council Secretary (1)3 |
| Staff in attendance : | Miss Rachel DAI Assistant Legal Adviser 2 |
| | Ms Connie HO Senior Council Secretary (1)3 |
| | Ms May LEUNG Legislative Assistant (1)3 |
| | Miss Zoe YIP Clerical Assistant (1)3 |

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I.

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| Meeting with deputations and the (LC Paper No. CB(1)862/18-19(01) | ministration List of follow-up actions arising from the discussion at the meeting on 15 March 2019 |
| LC Paper No. CB(1)726/18-19(01) | Hon WU Chi-wai's letter dated 15 March 2019 |
| LC Paper No. CB(1)862/18-19(02) | Administration's response to issues raised at the meeting on 15 March 2019 and in Hon WU Chi-wai's letter dated 15 March 2019 |
| Relevant papers | |
| LC Paper No. CB(3)378/18-19 | Trade Marks (Amendment) Bill 2019 |
| LC Paper No. CB(1)708/18-19(01) | Marked-up copy of the Trade Marks (Amendment) Bill 2019 prepared by the Legal Service Division (Restricted to members only) |
| File Ref: CITB CR 06/47/1 | Legislative Council Brief issued by the Commerce and Economic Development Bureau |
| LC Paper No. LS47/18-19 | Legal Service Division Report |
| LC Paper No. CB(1)708/18-19(02) | Background brief prepared by the Legislative Council Secretariat |
| LC Paper No. CB(1)862/18-19(03) | Assistant Legal Adviser's letter dated 4 April 2019 to the Administration) |

Presentation of views by deputations/individuals

<u>The Bills Committee</u> received oral representations from nine deputations/individuals on the Trade Marks (Amendment) Bill 2019 ("the Bill") at the meeting. <u>The Chairman</u> reminded the representatives of deputations and individual attending the meeting that when addressing the Bills Committee, they would not be covered by the protection and immunity of the Legislative Council

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(Powers and Privileges) Ordinance (Cap. 382) and their written submissions were also not covered by the said Ordinance. <u>Members</u> also noted the written submissions provided by the following deputations which did not attend the meeting -

- (a) Hong Kong Institute of Patent Attorneys Limited (LC Paper No. CB(1)862/18-19(09) (Chinese version only));
- (b) The Professional Validation Council of Hong Kong Industries (LC Paper No. CB(1)862/18-19(10) (Chinese version only));
- (c) Hong Kong Trade Development Council (LC Paper No. CB(1)862/18-19(11) (English version only));
- (d) The Chinese Manufacturers' Association of Hong Kong (LC Paper No. CB(1)862/18-19(12) (Chinese version only));
- (e) Hong Kong Federation of Invention and Innovation (LC Paper No. CB(1)862/18-19(13) (English version only));
- (f) Hong Kong General Chamber of Commerce (LC Paper No. CB(1)862/18-19(14) (English version only));
- (g) Hong Kong & Kowloon Plastic Products Merchants United Association Limited (LC Paper No. CB(1)862/18-19(15) (Chinese version only));
- (h) Hong Kong Federation of Innovative Technologies and Manufacturing Industries (LC Paper No. CB(1)862/18-19(16) (Chinese version only));
- (i) Hong Kong Optical Manufacturers Association Limited (LC Paper No. CB(1)862/18-19(17) (Chinese version only)); and
- (j) Hong Kong Group of Asian Patent Attorneys Association (LC Paper No. CB(1)862/18-19(18) (English version only)).
- 2. <u>The Bills Committee</u> deliberated (Index of proceedings attached at **Annex**).

Follow-up actions of the Administration

- 3. The Administration was requested to
 - (a) provide a written response to deputations' written submissions received and views expressed at the meeting; and

(b) confirm whether the Administration would propose amendment(s) to the new section 96F(2)(a) of the Trade Marks Ordinance (Cap. 559) (as added by Clause 15 of the Bill); and if so, provide the draft amendment(s) for consideration by the Bills Committee.

(*Post-meeting note*: The Administration's response to deputations' written submissions received and views expressed at the meeting on 15 April 2019 and the Administration's draft proposed amendment to the Bill were issued to members under LC Paper Nos. 925/18-19 (02) and (03) respectively on 18 April 2019. Members were invited to inform the Secretariat by noon on 24 April 2019 if they intended to propose amendments to the Bill and wished their amendments to be considered by the Bills Committee, or if they considered it necessary for the Bills Committee to meet and discuss the Administration's response and the draft proposed amendment.)

Legislative timetable

4. <u>The Bills Committee</u> completed clause-by-clause examination of the Chinese text of the Bill. The Legal Adviser to the Bills Committee ("Legal Adviser") confirmed that no difficulties relating to the legal and drafting aspects of the Chinese text of the Bill had been identified. <u>Members</u> noted the Administration's intention to resume the Second Reading debate on the Bill at the Council meeting of 22 May 2019 and that the Chairman would report the deliberations of the Bills Committee to the House Committee ("HC") at its meeting on 3 May 2019. The deadline for giving notice to move amendments to the Bill, if any, would be 11 May 2019.

Members were informed under LC Paper No. (*Post-meeting note*: CB(1)942/18-19 on 24 April 2019 that upon the deadline, no requests had been received from members for further discussion of the Administration's response and the draft proposed amendment. Also, no members had indicated their intention to propose amendments to the Bill. Members noted that the Legal Adviser had confirmed that no difficulties relating to the legal and drafting aspects of the English text of the Bill and the Administration's draft proposed amendment had been identified. As such, the Bills Committee had confirmed completion of the scrutiny of the Bill. Members were subsequently informed under LC Paper No. CB(1)975/18-19 issued on 30 April 2019 that the Administration planned to resume the Second Reading debate on the Bill at a later Council meeting (instead of the Council Meeting of 22 May 2019). The Chairman reported the deliberations of the Bills Committee to HC on 10 May 2019 (originally scheduled for reporting on 3 May 2019 but was not dealt with before the adjournment of the HC meeting). Members would be advised of the proposed date for the resumption of the Second Reading debate on the Bill in due course.)

II. Any other business

5. There being no other business, the meeting ended at 3:42 pm.

Council Business Division 1 Legislative Council Secretariat 30 May 2019

Annex

Proceedings of the second meeting of the Bills Committee on Trade Marks (Amendment) Bill 2019 on Monday, 15 April 2019, at 2:30 pm in Conference Room 2 of the Legislative Council Complex

| Time marker | Speaker | Subject(s) | Action required |
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| Agenda Iten | n I – Meeting with deput | ations and the Administration | |
| 000409 – 000933 | Chairman | Opening remarks. | |
| 000934 – 001229 | Mr Nicholas CHAN Hiu-fung Convenor, Liberal Party Professional Committee, Liberal Party | Presentation of views as set out in submission (LC Paper No. CB(1)912/18-19(01) (Chinese version only)). | |
| 001230 - 001544 | Mr LAM Sum President, Hong Kong Chinese Patent Attorneys Association ("HKCPAA") | Presentation of views as set out in submission (LC Paper No. CB(1)912/18-19(02) (English version only)). Mr LAM Sum was concerned that currently under rule 105 of Trade Marks Rules (Cap. 559 Sub. Leg. A) ("TMR"), an address for service should be filed by every person who dealt with the matters specified under that rule. In other words, any persons who had a residential or business address in Hong Kong could be recognized under the Trade Marks Ordinance (Cap. 559) ("TMO") and TMR as agents to provide trade mark-related services in Hong Kong. Mr LAM urged the Administration to consider tightening up the relevant requirements by putting in place a registration regime to regulate the trade marks practitioners in Hong Kong. To guard against abuse of the international trade mark registration system governed by the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks ("Madrid Protocol"), Mr LAM also suggested putting in place a mechanism for revoking the registration of trade marks which had not been in use for three years. | |
| 001545 – 001608 | Ms AU YEUNG KAM-lan Vice President, Hong Kong Intellectual Property | Presentation of views as set out in submission (LC Paper No. CB(1)862/18-19(04) (Chinese version only)). | |

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| | Association Limited | | |
| 001609 – 001615 | Mr CHIU Wing-hung Individual | Mr CHIU Wing-hung said that he had no views on the Bill. | |
| 001616 – 001629 | Dr CHAN Lap-man Founding Chairman, Asian Licensing Association | Presentation of views as set out in submission (LC Paper No. CB(1)862/18-19(05) (English version only)). | |
| 001630 – 001808 – | Mr HAYS Seth Chief Representative, Asia-Pacific, International Trademark Association | Presentation of views as set out in submission (LC Paper No. CB(1)862/18-19(06) (English version only)). | |
| 001809 – 002249 | Dr Lewis LUK Tei Founding President, Hong Kong Brands Protection Alliance | Presentation of views as set out in submission (LC Paper No. CB(1)862/18-19(07) (Chinese version only)). Dr Lewis LUK concurred with the view of Mr LAM Sum, President of HKCPAA, that the Administration should consider putting in place a registration regime to regulate trade mark practitioners in Hong Kong. | |
| 002250 – 002409 – | Ms YIP Ching Manager, Intellectual Property Centre, Federation of Hong Kong Industries | Presentation of views as set out in submission (LC Paper No. CB(1)862/18-19(08) (Chinese version only)). | |
| 002410 – 002845 | Mr HUI Wah-kit Commerce & Industry Vice-Spokesperson, Democratic Alliance for the Betterment and Progress of Hong Kong | Presentation of views as set out in submission (LC Paper No. CB(1)912/18-19(03) (Chinese version only)). | |
| 002846 – 003907 | Chairman Ir Dr LO Wai-kwok Mr YIU Si-wing Administration | Noting that the Madrid Protocol was an international agreement and not applicable to mutual designations between the Mainland and Hong Kong – | |

| Time marker | Speaker | Subject(s) | Action required |
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| | | (a) the Chairman and Mr YIU Si-wing had enquired how the Administration could assist Hong Kong enterprises in applying for trade mark registrations in the Mainland; and | |
| | | (b) Ir Dr LO Wai-kwok considered that separate arrangements to facilitate filing of trade mark applications between Hong Kong and the Mainland should be made as soon as practicable. In this connection, the Chairman and Ir Dr LO had enquired about the latest progress of the negotiation between the Administration and the relevant Mainland authorities on the proposed arrangements and the relevant implementation timetable. | |
| | | The Administration gave the following initial response to deputations' oral representations and members' questions – | |
| | | (a) the Administration noted the support expressed by the majority of deputations for the proposed implementation of the Madrid Protocol in Hong Kong; | |
| | | (b) in respect of some deputations' suggestion of exploring the possibility of mutual recognition of trade mark registrations between Hong Kong and the Mainland, the Administration clarified that trade mark rights were territorial in nature, and would have to be granted independently by each jurisdiction. Since Hong Kong and the Mainland maintained separate trade mark regimes, it was difficult to put in place a mechanism for mutual recognition of registration of trade marks between the two places; and | |
| | | (c) while proceeding forward with the implementation of the Madrid Protocol in Hong Kong, the Administration would in parallel continue to discuss with the relevant Mainland authorities the possibility of putting in place separate arrangements to facilitate reciprocal applications for trade mark registration by Hong Kong and Mainland applicants. As | |

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| | the discussion was going on, it was difficult to give a definite timetable for implementation of any such arrangements for the time being. | |
| | In response to the Chairman's enquiry, the Administration advised that at present, Hong Kong Special Administrative Region would not be covered where China was designated in an international application submitted to the World Intellectual Property Organization under the international trade mark registration system governed by the Madrid Protocol. Upon the application of the Madrid Protocol to Hong Kong, overseas trade mark owners could designate both Hong Kong and the Mainland of China in the relevant applications. | |
| Chairman Administration | The Chairman thanked the deputations and individuals for attending the meeting, and advised that they might leave the meeting at this point. | |
| Chairman Administration | Briefing by the Administration on its response to issues raised by members at the meeting on 15 March 2019 and in Hon WU Chi-wai's letter dated 15 March 2019. (LC Paper No. CB(1)862/18-19(02)). | |
| C Paper No. CB(3)378/18- | -19)] | 708/18 19(01))] |
| Chairman | | /00/10-1/(01))] |
| Administration | Clause 1 – Short title and commencement | |
| | Clause 2 – Enactments amended | |
| | Members raised no question. | |
| Chairman Administration | Part 2: Amendments to Trade Marks Ordinance (Cap. 559) | |
| | Clause 3 – Long title amended | |
| | Clause 4 – Section 2 amended (interpretation) | |
| | <u>Clause 5 – Section 5 amended (meaning of</u> <u>earlier trade mark)</u> | |
| | Administration Chairman Administration <i>ause examination of the</i> C Paper No. CB(3)378/18 copy of the Bill prepared Chairman Administration Chairman | for the time being. In response to the Chairman's enquiry, the Administration advised that at present, Hong Kong Special Administrative Region would not be covered where China was designated in an international application submitted to the World Intellectual Property Organization under the international trade mark registration system governed by the Madrid Protocol. Upon the application of the Madrid Protocol to Hong Kong, overseas trade mark registration system governed by the Madrid Protocol to Hong Kong, overseas trade mark owners could designate both Hong Kong and the Mainland of China in the relevant applications. Chairman The Chairman thanked the deputations and individuals for attending the meeting, and advised that they might leave the meeting at this point. Chairman Briefing by the Administration on its response to issues raised by members at the meeting on 15 March 2019 and in Hon WU Chi-wai's letter dated 15 March 2019. (LC Paper No. CB(1)862/18-19(02)). ause examination of the Bill Paper No. CB(3)378/18-19)] copy of the Bill prepared by the Legal Service Division (LC Paper No. CB(1) Chairman Administration Administration Part 1: Preliminary Administration Part 2: Amendments to Trade Marks Ordinance (Cap. 559) Clause 4 – Section 2 amended (interpretation) Clause 5 – Section 5 amended (meaning of |

| Time marker | Speaker | Subject(s) | Action required |
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| | | Clause 6 – Section 12 amended (relative grounds for refusal of registration) | |
| | | Clause 7 – Section 18 amended (infringement of registered trade mark) | |
| | | <u>Clause 8 – Section 38 amended (application for</u> registration) | |
| | | Clause 9 – Section 39 amended (filing date) | |
| | | <u>Clause 10 – Section 46 amended (amendment of application)</u> | |
| | | <u>Clause 11 – Section 57 amended (rectification</u> or correction) | |
| | | Clause 12 – Section 72 substituted | |
| | | Members raised no question. | |
| 005702 – 010102 | Chairman Administration | Clause 13 – Part XA added | |
| | | Part XA: International Registration of Trade Marks under Madrid Protocol | |
| | | The Bills Committee noted that new sections 90A to 90E were added to TMO under clause 13 of the Bill. | |
| | | The Administration advised that the rules to be made pursuant to sections 90B to 90E of TMO would be subject to negative vetting of the Legislative Council. | |
| | | Clause 14 – Section 91 heading amended (rules) | |
| | | Members raised no question. | |
| 010103 – 010624 | Chairman Administration | Clause 15 – Part XIIA added | |
| 010024 | | Part XIIA: Enforcement | |
| | | The Bills Committee noted that new sections 96A to 96L were added to TMO under clause 15 of the Bill. | |
| | | The Chairman enquired whether the enforcement procedures in relation to the | |

| Time marker | Speaker | Subject(s) | Action required |
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| | | criminal offences under TMO provided for in new sections 96A to 96I were broadly similar to those stipulated in the Copyright Ordinance (Cap. 528) ("CO") and the Trade Descriptions Ordinance (Cap. 362) ("TDO"). The Administration advised that the enforcement powers provided in the proposed new sections 96A to 96I were broadly modelled on the powers conferred on the Customs and Excise Department under relevant provisions of CO and TDO. | |
| 010625 – 010916 | Chairman Assistant Legal Adviser 2 ("ALA2") Administration | Discussion on question no. 8 in the Schedule to ALA2's letter to the Administration in relation to the proposed new sections 96F(2)(a) and (b) (LC Paper No CB(1)862/18-19(03)) and the Administration's response. Members noted that the Administration was reviewing the proposed new section 96F(2)(a) and would get back to the Bills Committee separately. (<i>Post-meeting note</i> : Members were informed under LC Paper No. CB(1)925/18-19(03) that the Administration would propose an amendment to add "wilfully" before the expression "obstructs the enforcement officer in | The Administration to follow up as stated in paragraph 3(b) of the minutes. |
| 010917 – | Chairman | the exercise of the officer's powers or in the performance of the officer's duties under this Part" in the proposed new section 96F(2)(a) under clause 15 of the Bill to clarify the intent of the provision.) | |
| 011158 | Administration | <u>Clause 17 – Schedule 5 amended (transitional</u> <u>matters)</u> <u>Clause 18 – Schedule 7 added</u> Members raised no question. | |
| 011159 – 011224 | Chairman Administration | Part 3: Amendments to Trade Marks Rules (Cap. 559 sub. leg. A)Clause 19 – Rule 11 amended (deficiencies in application)Clause 20 – Rule 29 amended (registration) | |

| Time marker | Speaker | Subject(s) | Action required |
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| | | <u>Clause 21 – Rule 63 amended (entry in the</u> register of particulars of registrable transaction) | |
| | | <u>Clause 22 – Rule 66 amended (correction of errors or omissions in the register)</u> | |
| | | Clause 23 – Rules 72 and 73 repealed | |
| | | Clause 24 – Rule 73A added | |
| | | <u>Clause 25 – Rule 95 amended (non-extendible</u> <u>time limits)</u> | |
| | | Clause 26 – Schedule amended (fees) | |
| | | Members raised no question. | |
| 011225 – 011304 | Chairman Administration | Part 4: Consequential Amendments to Trade Descriptions Ordinance (Cap. 362) | |
| | | Clause 27 – Section 2 amended (interpretation) | |
| | | Members raised no question. | |
| 011305 – 011625 | Chairman | Legislative timetable. | |

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