

For information

Legislative Council
Panel on Commerce, Industry, Innovation and Technology
Streamlining the Intellectual Property Litigation Processes in the
High Court and the Proceedings before the Relevant Registries

PURPOSE

This paper briefs Members on the Government’s proposal to amend a few pieces of subsidiary legislation, including the Rules of the High Court (Cap. 4A) (“RHC”), the Trade Marks Rules (Cap. 559A) (“TMR”), the Patents (General) Rules (Cap. 514C) (“PGR”) and the Registered Designs Rules (Cap. 522A) (“RDR”), so as to streamline the intellectual property (“IP”) litigation processes in the High Court of Hong Kong and the proceedings before the three registries (“Registries”) of the Intellectual Property Department (“IPD”) with a view to strengthening the protection of IP rights. The proposal is one of the policy measures under the Chief Executive’s 2024 Policy Address to further strengthen Hong Kong’s position as a regional IP trading centre.

BACKGROUND

2. The Government has been implementing various measures to strengthen the protection of IP rights in order to ensure that Hong Kong’s IP protection system can keep pace with the times, meet the economic development needs of Hong Kong, and align with the national strategies of building an IP powerhouse and developing “new quality productive forces”.

3. For more effective protection of IP rights, the Judiciary has established the IP List in the Court of First Instance of the High Court since May 2019, with specialist judges assigned to handle cases involving IP-related disputes, so as to enhance the management of court cases and reduce the costs and time needed for the resolution of disputes.

4. Currently, the practices and procedures specified in and required under the RHC must be followed for the conduct of proceedings before the Court of First Instance. However, the existing provisions under the RHC relating to IP proceedings are insufficient to provide for all the proceedings brought under the Trade Marks Ordinance (Cap. 559) (“TMO”), the Patents Ordinance (Cap. 514) (“PO”) or the Registered Designs Ordinance (Cap. 522) (“RDO”). Thus, judges have to give specific directions for each individual case they handle. In particular —

- (a) the existing Orders 100 and 103 of the RHC (governing trade mark and patent proceedings respectively) were enacted in 1988 and have not been substantively amended since then; and
- (b) there is currently no provision in the RHC governing proceedings brought under the RDO.

5. In light of the above, the Government considers it necessary to amend the RHC to provide for a set of complete and up-to-date rules to govern the procedures for IP proceedings before the Court of First Instance, so as to ensure that Hong Kong’s IP system will be more robust and competitive, and better align with the purpose of establishing the IP List.

6. Further, under the TMO, PO and RDO, the Registrar of Trade Marks/Patents/Designs may refer certain proceedings before the respective Registries to the Court for determination (“reference to Court”). Therefore, new provisions will be introduced to the RHC to prescribe the procedures relating to references to Court. Corresponding amendments will also be made to the relevant IP subsidiary legislation, namely the TMR, PGR and RDR, by adding new provisions to prescribe the procedures where the Registrar decides to make a reference to Court. We will also take this opportunity to amend the above IP subsidiary legislation by introducing new provisions or amendments to provide for certain proceedings before the Registries and other operational matters.

LEGISLATIVE PROPOSAL

Amendments to the RHC

7. To streamline the IP litigation processes in the Court of First Instance, we propose to amend the RHC covering three areas, namely the litigation processes relating to trade marks, patents and registered designs.

(I) Proceedings brought before the Court under the TMO

8. We propose to repeal the existing Order 100 of the RHC and introduce a new Order 100 to govern the proceedings brought before the Court under the TMO, covering the procedures or requirements in relation to the following aspects —

- (a) mode of commencement of proceedings under the TMO;
- (b) applications for orders for the delivery up or disposal of infringing goods, material or articles;
- (c) proceedings in which the registration of a trade mark is contested by the defendant;
- (d) procedures after a reference to Court is made by the Registrar of Trade Marks; and
- (e) service of documents on owners of registered trade marks.

(II) Proceedings brought before the Court under the PO

9. We propose to repeal the existing Order 103 of the RHC and introduce a new Order 103 to govern proceedings brought before the Court under the PO, covering the procedures or requirements in relation to the following aspects —

- (a) setting out the proceedings that must be begun by an originating summons, and the information required to be included in the originating summons;
- (b) proceedings relating to the determination of the right to apply for a standard patent before grant;
- (c) proceedings relating to the right to be granted a licence, etc. after an order is made by the Court for the transfer of a patent or standard patent application;

- (d) applications for amendment of the specification of a patent after grant, or in patent infringement or revocation proceedings;
- (e) proceedings relating to the determination of the right in relation to a patent after grant;
- (f) applications relating to compulsory licences for standard patents;
- (g) applications relating to import or export compulsory licences for patented pharmaceutical products;
- (h) proceedings for patent infringement, groundless threats of infringement, revocation of patents on the ground of public order (“*ordre public*”) or morality, or proceedings in which the validity of a patent is put in issue;
- (i) procedures after a reference to Court is made by the Registrar of Patents; and
- (j) service of documents on proprietors of or applicants for patents.

(III) *Proceedings brought before the Court under the RDO*

10. The RHC currently does not contain any specific provisions that govern proceedings brought before the Court under the RDO. As such, we propose to introduce a new Order 122 to govern proceedings relating to registered designs. The new Order 122 mainly covers the following matters —

- (a) setting out the proceedings that must be begun by an originating summons, and the information required to be included in the originating summons;
- (b) proceedings relating to the determination of the right in relation to a design after its registration;
- (c) proceedings relating to the right to be granted a licence, etc. after an order is made by the Court for the transfer of a registered design;
- (d) procedures after a reference to Court is made by the Registrar of Designs;
- (e) applications for revocation of registration of designs;
- (f) applications for orders for the delivery up or disposal of infringing articles or anything designed or adapted for making those articles;
- (g) proceedings in which the registration of a design is contested; and
- (h) service of documents on owners of registered designs.

Amendments to the TMR

11. As mentioned in paragraph 6 above, we propose to amend the TMR by adding new provisions to prescribe the procedures for the making of a reference to Court by the Registrar of Trade Marks. Furthermore, we propose to provide a mechanism for notifying the public of certain applications made under the TMO.

Amendments to the PGR

12. Apart from the amendments relating to references to Court and other technical or textual amendments, our proposed amendments to the PGR include —

- (a) empowering the Registrar of Patents to communicate to others bibliographic information about unpublished patent applications under section 147(3) of the PO;
- (b) adding new provisions in respect of proceedings before the Registrar of Patents for revocation of a patent on the ground of public order (“*ordre public*”) or morality;
- (c) amendments relating to proceedings for surrender of patents; and
- (d) empowering the Registrar of Patents to stay proceedings.

Amendments to the RDR

13. Apart from the amendments relating to references to Court and other technical or textual amendments, our proposed amendments to the RDR include —

- (a) adding new provisions in respect of proceedings before the Registrar of Designs for revocation of the registration of a design on the ground of public order (“*ordre public*”) or morality; and
- (b) empowering the Registrar of Designs to stay proceedings.

CONSULTATION

14. In May 2023, the IPD consulted seven major local legal professional and IP practitioners' bodies¹ on the draft texts of the relevant legislative proposal, and held a briefing session on the legislative proposal in June 2023. Moreover, the IPD also wrote to various industry bodies² in May 2023 to invite their views on the legislative proposal. In making the current legislative proposal, the comments received from the professional bodies and the Judiciary have been taken into account and adopted as appropriate. The High Court Rules Committee has also given earlier its approval-in-principle of the proposed amendments to the RHC.

LEGISLATIVE TIMETABLE

15. The Government plans to table the above amendments to the subsidiary legislation before the Legislative Council for negative vetting in the first half of 2025. The commencement date of the relevant subsidiary legislation will be fixed upon consultation with the Judiciary and the High Court Rules Committee.

¹ The legal professional and IP practitioners' bodies are:

- (1) Asian Patent Attorneys Association (Hong Kong Group);
- (2) The Hong Kong Bar Association;
- (3) Hong Kong Chinese Patent Attorneys Association;
- (4) Hong Kong Institute of Patent Attorneys;
- (5) Hong Kong Institute of Patent Practitioners;
- (6) The Hong Kong Institute of Trade Mark Practitioners; and
- (7) The Law Society of Hong Kong.

² The industry bodies are:

- (1) Asian Licensing Association;
- (2) Federation of Hong Kong Industries;
- (3) Hong Kong Productivity Council; and
- (4) Licensing Executives Society of China, Hong Kong Sub-Chapter.

ADVICE SOUGHT

16. Members are invited to note the contents of this paper.

**Commerce and Economic Development Bureau
Intellectual Property Department
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