

W & G  
Wilkinson & Grist  
Solicitors & Notaries

## Welcome Message

With innovation being placed unprecedented importance in China, Hong Kong and the region, we see continual developments in the laws and judicial decisions to advance intellectual property protection. The revamped PRC Advertising Law has redefined the boundaries of advertising, setting out more stringent requirements which may give brand owners additional weapon in combating infringements in China. Recent decision by the Beijing Higher People's Court has reinforced enhancement of trade mark protection through copyright ownership. In Hong Kong, the Competition Ordinance is finally set to become effective on 14 December 2015 after three years. As a recognised leading firm, we take pride in advising our clients in these rapidly developing times through our different Practice Groups.

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## NEW HONOURS



### The 2015 Asia IP Trademark Survey

We are ranked once again as **Tier 1 Law Firm** for Hong Kong in both **Trademark Prosecution** and **Trademark Contentious** work in this 2015 Trademark Survey – an in-focus guide from Asia IP published by Apex Asia that contains comprehensive rankings of the best firms and editorial depth coverage of key trademark developments across Asia.



### The World's Leading Patent Professionals 2015

We are pleased to have been named as a **Leader** in Hong Kong for our Patent practice on Litigation and Transactions in the IAM Patent 1000, a guide to leading private practice patent professionals and firms in the world's key jurisdictions. We are also a **Recommended** law firm in Patent Prosecution.

*“Wielding equally persuasive capabilities in litigation, monetization and prosecution, Wilkinson & Grist is commended for its ‘pragmatism and responsiveness’ across the board.”*



We are honoured to be selected as the winner of Corporate LiveWire's Global Awards 2015 for **Intellectual Property** – Hong Kong. This 2015 Global Awards Guide celebrates firms, individuals and businesses who have demonstrated excellence and impressive performance over the past year and those who are leading from the front.

# Congratulations

*We are proud of the recognition given to our partners and congratulate them on their achievements.*



## THE GUIDE TO Asia-Pacific's Leading Lawyers



Yvonne Chua



Andrea Fong



John Budge



Keith Ho



Raymond Chan



Michael Ma

**Yvonne Chua** and **Andrea Fong**, respectively Head and Partner of our Intellectual Property Practice Group, have for consecutive years been voted as leading lawyers in Hong Kong in Intellectual Property Practice. **Keith Ho** and **John Budge**, respectively Head and Consultant of our Dispute Resolution Practice Group, have received the same honour in Dispute Resolution whereas **Raymond Chan** and **Michael Ma**, respectively Head and Partner of our Corporate Practice Group, are also named as leading lawyers in Corporate/M&A Practice.

Managing  
Intellectual  
Property

IP STARS  
HANDBOOK

THE DEFINITIVE GUIDE TO LEADING IP FIRMS AND LAWYERS



Yvonne Chua



Andrea Fong



Mena Lo

**Yvonne Chua** and **Andrea Fong** have been named as IP Stars 2015, pursuant to their outstanding practice on Trade Mark including prosecution, strategy, counselling, enforcement and litigation. **Mena Lo**, also Partner, Intellectual Property Practice Group, has been named as IP Star for her excellent practice on Patent prosecution and litigation. The MIP Handbook is the indispensable reference guide and directory for global in-house counsels since 1993.



### **Who's Who Legal: Trademarks 2015**



Yvonne Chua



Andrea Fong

**Yvonne Chua** and **Andrea Fong** have again been recognized as the world's leading Trademark Lawyers in this Who's Who Legal: Trademarks 2015 which seeks to identify private practice lawyers with a proven track record in representing and advising companies from a range of industries.



### **The World's Leading Patent Professionals 2015**



Yvonne Chua

**Yvonne Chua** is named amongst the very few in this elite group as **Highly Recommended** for her Patent practice on Litigation and Transactions in Hong Kong.

*"With more than three decades of experience behind **Yvonne**, she is a guiding light for the patent community."*



### BEST OF THE BEST 2015



Yvonne Chua

**Yvonne Chua** has been further featured as amongst the world's top 30 practitioners in the area of Trade Mark in this expert guide on The World's Leading Practitioners Chosen by Their Peers. The Best of the Best 2015 compiles the top 30 practitioners in 15 areas of law.



### PATENT 2015



Yvonne Chua



Andrea Fong



Mena Lo

**Yvonne Chua, Andrea Fong and Mena Lo** have also been named as one of the world's leading practitioners in the area of Patent in the Patent Guide 2015 in The World's Leading Practitioners Chosen by Their Peers.

# Appointments

*Through strong participation in major national and international bodies, our lawyers contribute to the community.*

**John Budge**, Consultant, Dispute Resolution Practice Group, has been appointed by the Chief Justice as a member of the Civil Justice Reform Monitoring Committee for a term of three years from 2 April 2015 to 1 April 2018. This Committee monitors the working of the reformed civil justice system and makes suggestions to the Chief Justice to ensure its elective operation.

Civil Justice  
Reform Monitoring  
Committee

**Lawrence Chan**, Partner, Dispute Resolution Practice Group, has been re-appointed as Member of the Hong Kong Special Administrative Region Passport Appeal Board for a term of 3 years with effect from 1 September 2015. The Board is established for determining appeals by persons aggrieved by the decision of the Director of Immigration concerning validity, issuance, amendment and/or cancellation of passports.

HKSAR Passport  
Appeal Board

**Yvonne Chua**, Senior Partner, has been elected as Executive Committee member of the Board of Directors of the China Graduate School of Theology for the term of 2015-2016. Yvonne is also the Honorary legal advisor to the Board.

China Graduate  
School of Theology

**Keith Ho**, Head of our Dispute Resolution Practice Group, has been re-appointed as the Chairman of the Insolvency Law Committee of The Law Society of Hong Kong in April 2015. Keith has served as the Chairman of the Committee since March 2006.

Insolvency Law  
Committee of The  
Law Society of  
Hong Kong

**Mena Lo**, Partner, Intellectual Property Practice Group, will continue to serve on the Intellectual Asset Management Team of MARQUES for a further term of 2 years starting from 1 September 2015. The mission of the Team is to assist members within the organisation to raise the profile and awareness of brands as valuable business assets in addition to legal assets.

Intellectual Asset  
Management Team

**Cleresa Wong**, Partner, Real Estate Group, has been re-appointed as a panel member of the Administrative Appeals Board (AAB) for a term of 3 years with effect from 15 July 2015. The AAB is an independent statutory body established under the AAB Ordinance in 1994 to hear and determine appeals against administrative decisions made by government officers and authorities and public bodies which fall under its jurisdiction.

Administrative  
Appeals Board

## New Faces

*We warmly welcome the following newcomers to our firm.*



**Priscilla Chan** joined our Intellectual Property (IP) Practice Group as an associate in September 2014. She obtained her combined Commerce and Law degree from the University of New South Wales and was admitted as a solicitor in New South Wales, Australia in 2009. Priscilla then completed the PCLL program with City University of Hong Kong and was admitted as a solicitor in Hong Kong in 2013. Priscilla focuses on assisting clients of diverse industries on creation and management of trade mark and other IP rights as well as related contentious matters in both Hong Kong and China.



**Jessica Wong** joined our Company and Commercial Practice Group as an associate in 2014. She obtained her Bachelor of Laws degree and PCLL from The University of Hong Kong and was admitted as a solicitor in Hong Kong in November 2013. Jessica now works on variety commercial transactions including mergers & acquisitions, joint ventures, loan transactions involving cross-border securities and also advises on general banking.

## About Us

Hong Kong  
Watch Trades &  
Industries Ltd

Our congratulations to Chairman Mr Anthony Cheung of the Federation of Hong Kong Watch Trades & Industries Ltd and his new Board appointed on 11 March 2015 as we continue to serve as their Honorary Legal Advisor.



*(From left to right) Mr David Yeung, Director of Commerce & Trade Division; Mr Harold Sun, Secretary-General; Ms Angie Wong, Vice-Chairman; our Senior Partner Yvonne Chua; Mr Anthony Cheung, Chairman; our Partners Cleresa Wong, Ivan Chu and Michael Ma*



**Howard Tsang**, Head of our Beijing Office, as part of the delegation invited by the Hong Kong Chamber of Commerce and Trade Development Council, visited the Tianjin Free Trade Zone (FTZ) on 15-17 July 2015 to study the business opportunities in this only free-trade zone in North China which has the important mission to implement the coordinated development of Beijing, Tianjin and Hebei. The other 3 FTZs are in Guangdong, Fujian and Shanghai.

Hong Kong Business  
Mission to Tianjin  
organized by the  
HKTDC and HKGCC

## Talks & Seminars

*We are pleased to be involved in, and contribute to, legal education in Hong Kong, China and other regions.*

**Esther Ho**, Partner, Intellectual Property Practice Group, was invited to speak on “Management and Exploitation of Trade Marks” in a training course organized by the Hong Kong Intellectual Property Department (“HKIPD”). The training course is part of the IP Manager Scheme launched by the HKIPD to support SMEs to build up their manpower capacity on IP management and commercialization.

Hong Kong  
Intellectual  
Property  
Department



## Conferences

*Our members will be attending the following conferences and will be delighted to make arrangements in advance for meeting with clients and associates.*

MARQUES Annual Conference	Vienna, Austria, 15 – 18 September 2015
PTMG Autumn Conference	Warsaw, Poland, 30 September – 2 October 2015
LES Asia Pacific Regional Meeting	Kuala Lumpur, Malaysia, 30 September – 2 October 2015
The Federal Circuit Bar Association – International Forum on IP & Trade 2015	Shanghai, China, 19 – 20 October 2015

APAA Council Meeting

Okinawa, Japan, 13 – 17 November 2015

INTA Leadership Meeting

Panama City, Panama, 17 – 20 November 2015

Business of IP Asia Forum 2015

Hong Kong, 3 – 4 December 2015

## Publications

*We are happy to provide upon request copies of the following published articles written by our lawyers.*

“Technical investigators introduced to specialist IP courts”

- Shireen So

Intellectual Asset  
Management Magazine  
29 April 2015

World Trademark  
Review LEXOLOGY  
29 April 2015

“Court recognizes Heinz Chinese trademark as well known”

- Mena Lo

- KY So

Intellectual Asset  
Management Magazine  
6 May 2015

World Trademark  
Review LEXOLOGY  
6 May 2015

World Trademark  
Review Daily  
18 May 2015

“Famous and Well-known Marks – Chapter IX. Counterfeits:  
The Protection of Famous and Well-Known Marks Against Piracy”

- Yvonne Chua, Co-Author

International Trademark  
Association – Famous  
and Well-known Marks  
May 2015 Edition

“New Advertising Law provides new tool to protect brands”

- Annie Tsoi

Intellectual Asset  
Management Magazine  
29 July 2015

World Trademark  
Review LEXOLOGY  
29 July 2015

# Hong Kong

## Bankruptcy (Amendment) Bill 2015

The Bankruptcy (Amendment) Bill 2015 (“the Bill”) as published on 30 April 2015 introduces new arrangement whereby the Court will be given discretionary power in deciding, on application by the Trustee in Bankruptcy (“TIB”) according to prescribed procedures, whether the “relevant period” for calculating the discharge of a bankruptcy order should be treated as not commencing to run. The proposed amendments were made in response to a decision of the Court of Final Appeal in *Official Receiver & Trustee in Bankruptcy of Chan Wing Hing v Chan Wing Hing (2006) 9 HKCFAR 545* when the Court of Final Appeal ruled that Section 30A(10)(b)(i) of the Bankruptcy Ordinance (Cap 6) (“BO”) is unconstitutional and as a result has become inoperative.



Keith Ho

The BO currently provides that a bankrupt will automatically be discharged from bankruptcy upon the expiry of the “relevant period” which runs for 4 years for first time bankrupts or 5 years for repeated bankrupts. The automatic discharge from bankruptcy may be deferred if the TIB or a creditor objects under Section 30A(3) of the BO on specified grounds. One of those grounds is that the bankrupt has failed to co-operate in the administration of the bankrupt’s estate. In that case, the Court may make an order to suspend the running of the “relevant period” for up to 4 years. In addition, under Section 30A(10)(b)(i), there will be automatic suspension of the “relevant period” if the bankrupt left Hong Kong without notifying the TIB. The relevant period will only resume running when the bankrupt has returned to Hong Kong and notified the TIB of his return.

The Bill provides that the TIB may, within 6 months after the date of bankruptcy order against the bankrupt, apply to the Court for an order that the “relevant period” for the bankrupt is treated as not commencing to run from the date of the bankruptcy order if the TIB has appointed a date for the bankrupt to attend the initial interview but the bankrupt has failed to complete the initial interview and the administration of the bankrupt’s estate was prejudiced. The Court may then make a non-commencement order but the Court must also determine the terms to be complied with by the bankrupt for the “relevant period” to commence to run.

The writer, as Chairman of the Insolvency Law Committee of the Law Society of Hong Kong, attended a meeting at the Legislative Council with their Bills Committee on 7 July 2015. The Law Society is supportive of the amendments presently proposed in the Bill and it is expected that the Bill would be passed in the near future.



Raymond Chan

## Important message to financial institutions in advertising investment products to professional investors in Hong Kong

The Securities and Futures Ordinance (Cap 571) (“SFO”) prohibits the issuance of advertisements, invitations or documents relating to certain investment products under it falls within the exemptions in the SFO. One of the exemptions, namely as specified in Section 103(3) therein relates to the issue of any advertisement, invitation or document made in respect of securities or structured products, or interests in any collective investment scheme, that are or are intended to be disposed of only to professional investors.

In the recent case *Pacific Sun Advisors Limited v Securities and Futures Commission [2015] 2 HKC* the Court of Final Appeal (“CFA”) held that for the said exemption to apply, it need not be seen from the advertisement, invitation or document itself, that it was confined to professional investors to the exclusion of other members of the investing public. However, the carrying out of a screening process to ensure that all investors investing in the collective investment scheme were professional investors, was held to be relevant in determining the application of the said exemption.

In delivering the leading judgment, Mr Justice Fok PJ emphasized that the burden lies on the person seeking the exemption to demonstrate that the relevant investment is in fact intended solely for professional investors. Once it is satisfied that the investment is intended solely for professional investors, the exemption would apply without reference to the express wording of the advertisement in question.

With this decision, when advertising on investment products that are intended to be sold to professional investors, financial institutions are advised to conduct the relevant screening process in such sale.

## Hong Kong Alert

### Hong Kong’s Competition Ordinance set to be fully implemented on 14 December 2015

Enacted in 2012, Hong Kong’s first ever cross-sector Competition Ordinance is finally set to become fully effective on 14 December 2015.

Along with the Commencement Notice of the Ordinance being gazetted, also in

the pipeline in preparation for the Ordinance becoming fully effective are the Competition Commission's leniency policy and a statement of its enforcement priorities.

The six revised draft guidelines previously published on 30 March 2015 were placed before the Legislative Council for consultation and were finalized and published on 27 July 2015.

## China

### Final success in a hard fought battle to obtain copyright recognition

Right holders in China often have a tough time when their logos are preemptively registered by others in classes or sub-classes of goods/services where they do not have a registration. Whilst proof of copyright ownership in the logo can be a valid ground for supporting an opposition, regrettably in many cases, the Chinese authorities have refused to accept evidence of prior trade mark registrations in other classes/sub-classes and/or prior use of the logo in commercial activities as sufficient proof for establishing copyright ownership in the logo albeit the PRC Copyright Law only requires prima facie evidence of ownership to substantiate a copyright claim.



(“CKH logo”) is the house logo used by Cheung Kong (Holdings) Limited (hereinafter “Cheung Kong”) in Hong Kong since 1972. In 2004 a Chinese company applied for registration of an identical logo in a number of classes of goods/services in which Cheung Kong had yet no registration for its CKH logo. In these oppositions filed by us on behalf of Cheung Kong, one of the grounds was that Cheung Kong is the owner of IP rights including copyright subsisting in the CKH logo and the Chinese company had infringed such prior rights of Cheung Kong. In this long battle which went all the way on appeal up to the Beijing Higher People's Court, extensive evidence was submitted to the Trade Mark Office and the Review Adjudication Board showing substantial use of the CKH logo by Cheung Kong in commercial activities since 1972, but neither authority considered them as sufficient for the copyright claim. It was however held that prior registrations of the CKH logo by Cheung Kong in other classes of goods and services in China only helped to show that Cheung Kong is the owner of trade mark rights but not copyright in the logo.



Mena Lo



Templar Fang

In the appeal heard before the Beijing 1st Intermediate Court, the Court still refused to accept the copyright claim, but on a different ground, namely that the CKH logo lacked artistic value and could not qualify for copyright protection.

On further appeal, the Beijing Higher People's Court eventually took a different view and held that the CKH logo was a design with originality and did qualify for protection as an artistic work. Taking into consideration the copyright registration obtained by Cheung Kong for the CKH logo in China and that the logo was proven to have been substantially used for over 30 years, the Court formally recognized Cheung Kong as the copyright owner of the logo and held that the mark filed by the Chinese company being a reproduction of the CKH logo, had infringed upon the rights of Cheung Kong. Registration of the mark applied by the Chinese company in the different classes was thus refused.

This important decision of the Beijing Higher People's Court is a breakthrough in giving recognition of copyright protection to logo of this type and also in accepting prior user evidence as well as copyright registration which was only obtained subsequent to the date of the applicant's trademark application as sufficient proof of copyright ownership. We are pleased to have assisted Cheung Kong in achieving this unprecedented recognition in China of its copyright ownership in its house logo.



Annie Tsoi

## New Advertising Law provides new tool to protect brands

In April 2015 the Advertising Law, which has been in force since 1995, was revised and promulgated by the Standing Committee of the National People's Congress. The new law has clarified certain grey areas and redefined the boundaries of advertising in light of changing market realities.

### *Highlights*

The new law sets out the following more stringent requirements for ads:

- The ad should state, accurately and clearly, the feature, functionality, origin, purpose, quality, ingredient, price, producer, validity period and guarantee of the advertised product or the provider, means, quality, price and guarantee of the advertised service.
- The ad should expressly indicate the type, specification, quantity, time limit and means of any complimentary gifts provided.

A false advertisement is one that contains false or misleading content that deceives or misleads consumers. The new law gives the following examples of what constitutes false advertisement:

- The advertised product or service does not exist.
- The contents advertised do not reflect reality.
- The ad uses fabricated, forged or unverifiable research results, statistical data or survey findings.
- The effect of the advertised product or service is fabricated.

Strict advertising requirements for specific products, services and industries are introduced, including:

- pharmaceuticals, health foods and medical instruments;
- tobacco and alcohol;
- education and training;
- real estate; and
- commercial products and services with investment return.

The new law also prohibits the advertisement of certain products targeted at minors, and imposes further restrictions on the advertisement of products targeted at minors under the age of 14.

Advertisers, advertising operators and broadcasters face increased penalties, including fines of up to RMB1 million, for any violation. The new law also imposes criminal liability and the revocation of business licences for serious and/or repetitive violations.

Any party may complain to the Administration of Industry and Commerce regarding a violation of the new law and the authorities must deal with complaints within seven working days. Such complaints will be treated in confidence.

#### ***Implications for brand owners***

The new law demonstrates China's determination to police advertising more closely in the ever-changing media environment. When devising a strategy to dispute the unauthorised use of a trademark, brand owners should also consider the advertising aspect of the mark, as the new law may offer them remedies and measures for the protection of their rights. Thus, the new law should give brand owners another weapon in the battle to curb infringing activities and synergise enforcement efforts.

The new Advertising Law comes into force on 1 September 2015.

## China Alerts

### SAIC issued Guidelines against Anti-competitive Behaviour relating to abuse of IP rights

On 7 April 2015, the State Administration for Industry and Commerce for China (“SAIC”) published the Guidelines concerning Prohibition of Abuse of Intellectual Property Rights to Eliminate or Restrict Competitive Behaviour (the “Guidelines”), effective as from 1 August 2015. The Guidelines regulate the application of the Anti-Monopoly Law of China in the context of abuse of intellectual property rights. The Guidelines with 19 Articles address anti-competitive behaviour concerning monopolistic agreements (with safe harbour provisions) and abuse of dominant position in the market. Penalties include order for cessation of illegal activities, confiscation of proceeds and payment of a fine from 1% up to 10% of the previous year’s sale proceeds earned pursuant to the monopolistic agreement or as a result of the abuse of market power. Where a monopolistic agreement has been concluded but not yet implemented, a fine of not more than RMB 500,000 may be levied.

### The amended Patent Administrative Law Enforcement Measures take effect

On 1 July 2015, the Patent Administrative Law Enforcement Measures (the “Measures”) as amended by the State Intellectual Property office came into effect.

The Measures, consisting of 53 Articles, provide rules for administrative enforcement by local intellectual property offices against patent infringements. In order to expedite enforcement, the amendments have shortened the prescribed time frame for handling patent infringement disputes. In particular, Article 21 stipulates that cases on patent infringement disputes should be concluded within 3 months (subject to an extension for not more than 1 month for complex cases) as opposed to 4 months in the previous version. Further, specific provisions have been added to enhance administrative enforcement in relation to exhibitions and e-commerce platforms.

Notice: This newsletter is intended for general information only and should not be taken as legal advice of Wilkinson & Grist. For any enquiries, please contact Ms Anita Kwan at [anitakwan@wilgrist.com](mailto:anitakwan@wilgrist.com).

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