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Letter from the President

Hello Everyone,

Kung Hei Fat Choi.

It has been too long since our last newsletter and I apologise for this.

AGM and Council Election

The AGM was well attended. Charmaine Koo, Peggy Cheung, Kim Nicholson, Graeme Hall, Nicholas Horvath, Henry Wheare and Winnie Yue stood down from Council. They were re-elected to Council along with Helen Tang of Baker & McKenzie who filled the vacancy arising from the earlier resignation of Matthew Laight from Council. Council currently consists of:

<i>Sandra Gibbons</i>	<i>President</i>
<i>Steven Birt</i>	<i>Vice-President</i>
<i>Davina Lee</i>	<i>Treasurer</i>
<i>Kim Nicholson</i>	<i>Secretary</i>
<i>Justin Davidson</i>	<i>Membership Secretary</i>
<i>Peggy Cheung</i>	
<i>Anne Choi</i>	
<i>Lindsay Esler</i>	
<i>Graeme Hall</i>	
<i>Nicholas Horvath</i>	
<i>Charmaine Koo</i>	
<i>Patsy Lau</i>	
<i>Jeannie Smith</i>	
<i>Henry Wheare</i>	
<i>Barry Yen</i>	



Winnie Yue

We were grateful to Rembert Meyer-Rochow, in house counsel with Intel in Hong Kong, who gave a very interesting talk at the dinner following the AGM.

Register of Qualified Trade Mark Agents

A major objective of the Institute is the establishment of a register in Hong Kong of qualified trade mark agents which is recognized by the Hong Kong Government. The Institute will be working with other professional bodies which represent the interests of qualified trade mark agents to set guidelines for the establishment and administration of the Register. It is hoped that the Register will be operational within the next 12 months. However, as changes to the current trade mark laws will be required to provide for the Register, it may take a little longer. The Register will be of great benefit to trade mark owners to identify experienced and qualified practitioners.

A Committee has been established to review and make recommendations for the establishment of a register of qualified trade mark agents in Hong Kong. Henry Wheare, the Chairman, is assisted by Peggy Cheung, Kim Nicholson, Graeme Hall and myself. The Committee aims to finalize and circulate to members and other interested parties, a paper setting out its recommendations, in the later half of this year.

Patents Review

The Patents Ordinance has been operating now for almost 8 years and IPD has agreed that it is time for review of the legislation and procedures. Please contact Graeme Hall, Chairman of the Patents Committee, if you have any issues to raise or would like to participate in the review.

Trade Marks

Similar to patents, IPD has asked us to discuss with them any concerns the profession has about the operation of the new Ordinance. I am sure everyone has encountered difficulties. Please let the Council know if you have any concerns so that we may discuss them with IPD. The Trade Marks Committee, with Peggy Cheung as Chairman, will be undertaking a review and will circulate its findings to members for comment in the near future.

Education

The Institute has continued to work with the School of Professional and Continuing Education



(SPACE) of the University of Hong Kong to administer the Diploma Course in Trade Mark Law and Practice. Patsy Lau has spent a great deal of time organizing the course and ensuring that it runs smoothly. My thanks to all members and non-members who have taken the considerable time to give lectures for the course.

The 2-year Diploma Course has now been completed for the second time. Eighteen students sat the final exams in the second year. The results will be available soon. The course will not be run this year. The Institute is looking at revising the course as part of the proposal to establish a Trade Marks Register.

Intellectual Property Department

The Institute and IPD have continued to liaise on various issues affecting the profession.

The format of our general meetings with IPD has changed. In the past we have met bi-annually to discuss policy issues as well as practice issues. The bi-annual Meeting will continue but will focus only on policy issues. Regular working group meetings will be held to discuss practice issues. The first such meeting was held on 23 September 2004.

Council members attended several meetings with IPD to review proposed amendments to the Patents (General) Rules and Registered Designs Rules to allow for electronic filing. Provisions regarding agents were also debated. The amendments came into force on 7 May 2004.

There have been several meetings with IPD concerning CEPA with respect to patent and trade mark agency work in the PRC. A delegation from the Mainland consisting of officers from SIPO, Ministry of Commerce and the HK & Macau Affairs Office, came to Hong Kong in March to meet with members of the Institute, APAA and the Law Society to discuss the possibility of Hong Kong residents sitting the PRC patent agent exams. Since then IPD has facilitated the running of a course for potential candidates. The exams will be held in October. In June, about 20 members of the profession accepted an invitation to visit Beijing to meet with SAIC, NCAC, SIPO and patent and trade mark agencies. Recent announcements concerning CEPA 2 appear to be paving the way for Hong Kong businesses that have been engaged in a substantial trade mark agency business in Hong Kong over the past 3 years, to provide their services directly in the Mainland. The actual procedure still remains a little unclear but we are hopeful that, with the assistance of IPD, the details will be finalized soon. IPD is also looking at co-operation within the Pearl River



Delta to allow for the participation of Hong Kong IP service providers.

Social Events

The drinks evening held at the Kee Club on 17 February was well attended. Mike Reynolds, Principal Hearing Officer with the UK Trade Mark Office, was our guest. Mike gave a brief talk and mingled with members discussing many issues. For those who did not attend, I hope to see you at our next gathering.

My best wishes for a safe and prosperous year of the rooster.

*Sandra Gibbons
President*

A South American Odyssey - or there is life beyond trade marks - Henry Wheare on Sabbatical

There is nothing more boring than a travelogue, except possibly a discourse on the finer points of difference between a mark not "capable of distinguishing" and one "devoid of any distinctive character". Since that is exactly the subject I was thinking of writing about, I thought perhaps you would accept this little offering instead.

Island Hopping

Winter in Europe = summer in South America so it's a good destination when a 3-month sabbatical is on offer at this time of year. But to get to South America, at least if you want to go via Easter Island, which I did, you really have to go to Tahiti first. This was my excuse, so I set off on my travels with a retired legal colleague of similar tastes (more so than I had ever imagined) to burn our budget at the outset on the "desert (but very expensive) island" of Fakarava, where the fun and severe sunburn began.

Easter Island (Rapa Nui), by contrast, was distinctly cooler at 14C. Nobody seems to know very much about the place and all those strange statues - except it seems it was discovered 1200 years ago by trippers from Tahiti - so I have nothing to add.

Santiago and Valparaiso, Chile



After a failed attempt to visit a winery, due to lack of adequate information regarding non-existent buses, we headed for the old vintage port of Valparaiso and stayed in a wonderful living museum of a B&B with, at last, a breakfast worth its name (South Americans do not believe in breakfast it seems, which begins late and comprises coffee of sorts with unleavened buns). Valparaiso itself is a quaint affair with many hills accessed by Ascensores ("fun" icular railways) and restaurants overlooking the sea. The only down side was an attempted, but bungled, robbery involving a pot of yoghurt thrown at us ostensibly for distraction, but turning out to be a rather pleasant blueberry flavour to add to our breakfast store.

Lima, Peru

A grand old lady of a city, which has seen better days and is now rather decadent in the real sense. The end came with the Panama Canal when the Spanish no longer needed a West coast port and could ship everything by land through their colonies, earning taxes on the way. The buildings are grand but the poverty is sad. A highlight was L' Eau Vive, a unique restaurant near our hotel run by French nuns in a colonial house with all profits to charity to feed the poor and a very moving Ave Maria sang by them at 9pm as we departed.

Arequipa, Peru

The 'White City' so named because its buildings are constructed of a light coloured volcanic rock - a gem of a city with low-rise buildings (due to earthquake concerns -the last was in 2001) and a large number of 17th and 18th century churches and houses to view. Our hostel (yes, we were slumming it a little but it was a very nice place) was just behind the Cathedral and closer to the Equator than Hong Kong. The sky is always blue and the sun always shines, so I invest in higher strength sun block and aloe vera cream to save my still burning legs.

Cruz De Condor to Cuzco and Machu Picchu, Peru

After an overnight trip to Chivay, up early next day to see the flight of the Condors. Too early it seems because the clocks went forward and nobody told the condors. So, 2 hours later in the far distance were some circling birds and then overhead out of nowhere something rather large. No time to check if it was the real thing or an overgrown buzzard - anyway, done that.

On to Cuzco, ancient capital of the Incas. A well-ordered and proud city, but too many tourists. We found ourselves in the middle of a wedding with Mendelssohn's wedding march and all and a fiery 30-minute sermon from the priest bashing the reluctant microphone every now and then to make his point - marriage in Peru is no laughing matter it seems.

Planned and executed a trip to Machu Picchu that everyone said was impossible without a tour agent - by car to the Pisac market, then Ollayantambo, overnight to catch the 7am train to Machu



Picchu, viewing the magical sight - everything they say it is and more - including a 90 minute climb up the vertiginous Huaynu Picchu mountain, being almost struck by lightning at the sacrificial altar on top of the Main Temple where people's hair literally stood on end!

Crossing the Andes to Mendoza, Argentina

We took a bus from Santiago to Puentes del Incas at the Chilean Argentinean border where we stayed in a hostel with dozens of lively Argentinean school children. This was a fantastic trip over and through the Andes with an 8km walk behind the frontier to view Aconcagua, the highest peak outside the Himalayas (6960m).

Mendoza's Bodegas (wineries)

We spent a day on the buses exploring wineries - in the desert but fed by an old system of aqueducts and supporting 80% of the country's wine production. A wonderful marinated steak lunch with a bottle of prize winning blended Sauvignon, Merlot and Malbec wine in the brilliant sunshine pinching ourselves wondering where we were (very European but without the Europeans). When we asked the waiter for a desert wine, he winked, went over the road and produced from his associated shop at no charge two very decent glasses of pleasantly sweet wine (por la messa – ie. communion wine - he gleefully informed us).

We later celebrated the real thing at the San Martin Basilica with a riotously powerful organ voluntary.

Cordoba and Alta Gracia, Argentina (Home of Che Guevara and Manuel de Falla)

On to the university city of Cordoba, founded by the Jesuits before they were kicked out, but now of course revered for what they did. We proudly walked out of the first hotel which amazingly had no bar! Then had our first tango lesson (3 out of many steps - all different).

Alta Gracia is 36 km away in the Central Sierras, a clean clement place, and having the extraordinary coincidence of being, at the same time in the 1940's, the adolescent home of the South American born revolutionary Che (Ernesto) Guevara (because of his asthma) and the last home of the Spanish composer Manuel de Falla (a Spanish civil war exile), both of who have museums dedicated to them.

Fray Bentos, Uruguay

Fray Bentos, Uruguay has an extraordinary "Museum of the Industrial Revolution", namely the remains of an enormous slaughterhouse, refrigeration depot and processing plant of the Anglo Meat Company that effectively colonized the town to make everything from corned beef to soap before leaving in the early 70's, we were told, when Britain joined the Common Market. The name



"Fray Bentos" lives on in the well-known steak and kidney puff pastry pies.

Our visit also coincided with a very special day for Uruguay, electing its first socialist President in 170 years - people carrying flags on motorbikes were clearly elated by the result. Uruguay used to be the Switzerland of South America but is now quite poor. It seems this result might change things.

Buenos Aires, Argentina

We spent some marvelous days in this very European city (like Paris but without the French) going to concerts, watching a very exciting polo match on an estancia and having one of our best meals at the very prestigious Argentina Yacht Club in Buenos Aires using our Royal Hong Kong Yacht Club reciprocal memberships.

Iguacu Falls, Argentina and Brazil

Iguaçu Falls is (are - there are over 200 of them) at the confluence of Brazil and Argentina. We saw both sides, one very wet practically underneath and the other almost on top looking down the inferno. The experience was terrifyingly stunning. Niagara is quite a trickle really. I now intend to take Iguacu pills regularly for my prowess.

Rio De Janeiro, Brazil

A mad bad city, but good for a few days right on the Copacabana beach with a 180 degree view from our balcony, enjoying the night life and music, naturally, and a very relaxing dinner at the Rio Yacht Club under the Sugar Loaf.

A steep learning curve for me was a rather inept and painless mugging on the way to the bank losing all of 20 dollars and a dirty handkerchief and my trousers ripped off, leaving credit cards etc in back pocket intact fortunately. Shaken but not stirred.

Amsterdam, The Ship

We found ourselves in a luxury stateroom on board the cruise ship Amsterdam. Captain Peter Harris, to whom we give occasional guidance through our respective yachting and steering experience, an English cross channel sailor - now experiencing the calmer waters of the Atlantic. Before departing we arranged to hang-glide off one of the mountains onto a nearby beach. A new and exhilarating - uplifting in fact - experience. We left Rio on a perfect sunset evening and sailed into rough water but kept well by eating plenty of food and attending the yoga and cookery classes.

The other main activity was Bingo and nightly shows. The latter were more my thing but the piano man and tap dancers kept canceling because of the rolling ship.



Montevideo and Colonia, Uruguay

In Montevideo (where the 700 foot ship turned on a dollar and docked without a bump) we left the ship, hired a car and drove to the wonderful Estancia San Pedro. We both failed to note the emptying petrol tank and had visions of a night out in the car before reaching our destination (in the middle of nowhere) on one engine. We were kindly provided with a container to fill up for the forward journey. We were accommodated in the main house with real fireplaces even in the bedrooms. Next day saw us both on horseback for the first time in 20 years.

To Colonia, the picturesque cobbled town that once threatened Buenos Aires when built by the Portuguese on the other side of the River Plate and now a delightful riverside spot, like Macau once was.

Cape Horn, Chile

To the bottom of the world at Cape Horn (very calm) where you swim round the Horn (in the pool) before reaching Ushuaia (the most Southern city) to climb a glacier.

Glaciers, fjords, hurricanes

Cruising through the Beagle Channel to Punto Arenas in Chile and then through the Magellan Straits with beautiful scenery including glaciers coming down to the water. In contrast, as we entered the so-called "Pacific" we encountered hurricane (90mph) winds and much crockery broken. We reached land again at Puerto Montt where we took to the road again.

The Lake District, Chile

A fascinating self-drive through the Chilean Lake District, with a new lake each day as we worked our way north. Accommodation included the "most romantic hotel in the region", with gardens down to the lake and a perfectly domed snow-capped volcano on the other side, in a cabana with log stove next to a thermal bath, by concession the only residents of a brand new resort hotel in huge parkland grounds sweeping down to the lake (apparently intended only for members of the Chilean construction industry).

And so, at last, to the "most serene place on earth" - Choshuenco. A small family run hotel which seemed utterly closed when we arrived in the pouring rain after driving over 100 miles of driving pot-holed unmetalled roads ("Ooh me back"), but then we were welcomed, invited to take possession of a well appointed cabana overlooking the lake, lit up a very efficient log stove, got taken for a walk by the dogs along the beach and were given one of our best meals and bottles of wine, sitting beside the open fire in the living room as the sun suddenly shone through the clouds.

Someone was watching us throughout this trip and we gave thanks as we sipped "digestifs" cozily



and contentedly into the small hours.

North Asia and The Madrid Protocol

Introduction

All the “North Asian” countries -- the People’s Republic of China (PRC or China), Japan, South Korea, even North Korea - have acceded to the Madrid System (i.e. the Madrid Agreement /Madrid Protocol), wholly or in part. China and North Korea are signatories to both the earlier Madrid Agreement (Agreement) and the Madrid Protocol (Protocol), while Japan and South Korea have limited their accession to the Protocol alone. Accession to the System, and the Madrid Protocol in particular, has a number of distinct advantages for these countries. At the same time, the question arises as to how effective a Protocol, originally designed by and aimed at European and other Western Hemisphere countries, can be in the complex legal and cultural regimes in Asia. This is especially true in the context of Hong Kong, a “Special Administrative Region” of the PRC - essentially a city-state within a State. Those who hail the Madrid Protocol as a wholly beneficent addition to the intellectual property universe might be exaggerating slightly - at least when it comes to Asia.

The Madrid Protocol and Hong Kong

The Protocol is a key means by which trade mark holders can protect their rights in countries other than their own. The Protocol allows rights holders, subject to satisfying certain basic requirements, to extend those rights by using a single international application, in which it can designate any number of member countries, file in one language and pay one set of fees. While the application will still be examined separately in each individual country, the applicant gains the advantage of locking in a filing date, as well as the relative ease of filing and lowering of costs.

However, all these advantages are moot at the moment in Hong Kong. Hong Kong cannot independently accede to the Madrid Protocol. The Protocol, in its Articles 1 and 14, allows for a) any State that is a party to the Paris Convention or b) any inter-governmental organization that fulfils certain territorial requirements, to be members. While Hong Kong is a party to the Paris Convention, it is not a State, or independent nation. The Protocol thus does not accept



membership from territories such as Hong Kong. This point gains relevance because Hong Kong is in the almost unique position, under the “one country, two systems” regime, of having a completely different and independent legal system from its parent country, the PRC. The PRC acceded to the Agreement in 1989 and to the Protocol in 1995. Although it resumed sovereignty over Hong Kong in 1997, Hong Kong still maintains a separate set of laws, including a completely independent trade mark registration system. A Hong Kong application or registration thus only has effect in Hong Kong and an International Application filed under the Protocol that designates the PRC will only be honoured on the mainland.

Whether the two systems will be unified in the future is a question that has been the subject of intense discussions. China’s resumption of sovereignty over Hong Kong has been accompanied by a pledge of “one country, two systems”, to remain undisturbed until 2047. Since independent accession to the Protocol by Hong Kong is not a possibility without amendment of the Protocol, the only feasible route available is if Hong Kong is subject to the Madrid System - Agreement and Protocol - via its being a part of the PRC. However, any extension by the PRC of the Protocol’s requirements will be affected by the political questions that surround the degree of autonomy that Hong Kong enjoys. Moreover, until there is a better idea of how the Madrid System would be applied to Hong Kong, it will be difficult to determine whether the Protocol would be beneficial in practice to Hong Kong or not.

Possible Effects of Extension to Hong Kong

Three kinds of international applications are possible. The kind of application depends on which States are designated for extension. Article 9sexies of the Protocol (or the “safeguard” clause) safeguards the earlier Madrid Agreement by mandating that if a country has acceded to both the Agreement and the Protocol, the Madrid Agreement will govern any international application to a similarly situated country. The PRC acceded to both in 1989 and 1995 respectively. Thus, any International application filed in a similar dual-signatory country or coming from a similar country would have to be as per the procedural requirements of the Madrid Agreement, since that would supersede the Protocol. For example, a international application filed with Spain as the country of origin and designating the PRC would be governed by the requirements of the Agreement. In contrast, one filed in the United Kingdom (not a signatory to the Agreement but solely to the Protocol) and designating the PRC would be governed by the requirements of the



Protocol.

If the designated countries are composed of a mixture of those party to both or just the Agreement, and those party to the Protocol alone, then both the Protocol and the Agreement are applicable. However, the international application must be based on a registration in the Office of origin, not just an application, as would be the case if the designated countries were all signatories to the Protocol alone.

The requirements of Article 9sexies are grounds for concern in Hong Kong. According to Rule 6(1) of the Common Regulations of the Madrid Agreement and the Protocol (Common Regulations), any international application governed by the Agreement shall be in French, while an application governed by the Agreement and the Protocol shall be in English or French as the government of the country of origin designates. By virtue of Rule 6, any international application filed exclusively under the Madrid Agreement must be in French. Since Article 9sexies of the Protocol mandates that the Agreement's requirements trump the Protocol in certain instances, that could mean many international applications from Hong Kong to a country that has acceded to both the Agreement and the Protocol would have to be filed in French. English and Chinese are the two official languages in Hong Kong. If the choice of language is restricted to French, it would be onerous for a trade mark owner to comply with the filing formalities and the prosecution of the international application. This might well have a negative effect, given that Rule 11(7) of the Protocol states that applications which do not comply with the language requirements will be returned without examination.

Another concern that arises is whether an international applicant would have to wait for registration if it wishes to designate a mixture of countries. While an international application filed on the basis of a home application in a "Protocol only" country that designates only other "Protocol only" States can be extended without waiting for registration of the base or home country application, an applicant must wait for registration in both other instances; i.e. when the countries designated are members of the Agreement alone or members of both the Agreement and the Protocol. While both the Agreement and the Protocol govern in instances where the designated States are a mixture, in terms of the language of the applications, there is still the requirement of a registration for extension. This requirement can lead to a delay in extension,



which could cause a great deal of harm to the trade mark owner, particularly in enforcement proceedings. Since some countries' systems are "first-to-file" based, as opposed to use-based, a delay in being able to file could sometimes lead to loss of rights in a particular venue. Consideration would therefore need to be given as to whether to file twice, one under the Protocol and one under the Agreement.

Another question that arises is which trade mark office would be responsible for handling the international application. While neither the Agreement or the Protocol mandate only one trade mark office per country, the provisions make it clear that only one "Office" (trade mark office) per Contracting State is contemplated. While this practice poses no problem for a majority of States, it would create questions with respect to the PRC and Hong Kong. Should Hong Kong come within the aegis of the Madrid System, it is unclear whether the mainland State Trademarks Office in Beijing would communicate directly with the International Bureau of the WIPO in connection with the international application or whether the Trade Marks Registry in Hong Kong could act as the receiving office for Hong Kong applications. The outcome of having Hong Kong applications filed and processed in the mainland, and in the reverse, having foreign applications destined for Hong Kong reviewed by officials not familiar with the laws and regulations of the registration procedures and practices of Hong Kong is likely to be less than satisfactory. The Trade Marks Registry would have to act with the Trade Marks Office in Beijing and/or the International Bureau of the WIPO to come up with a coherent procedure.

China, Japan and the Koreas

The PRC, as mentioned, acceded to the Madrid Agreement in 1989 and to the Madrid Protocol on December 1, 1995. Japan acceded to the Protocol (but has not acceded to the Agreement) on March 14, 2000. North Korea signed up for both, acceding to the Protocol on October 3, 1996. South Korea is a much more recent entrant, having acceded solely to the Protocol in April 2003. How beneficial is membership in these systems, and is membership in the Protocol alone, as opposed to both, better or worse? How does a trade mark registration system like the Madrid Protocol fare when confronted with completely differing cultural norms regarding intellectual property?

A key point is that membership does not mean conformity across the board when it comes to



domestic intellectual property laws. For example, under the Madrid Protocol, China's Trademark Office has 18 months from the time of WIPO's notification in which to examine and refuse extension of the international registration or application. In practice, however, an application for extension that is opposed by a third party falls within the purview of domestic law. In China, this means possible appeals to the Trademark Review and Adjudication Board (TRAB) and the courts. Given the current backlog, the entire process could take several years. The perceived benefit of speedy protection under Madrid can therefore be illusory for some international applications.

Enforcement of rights can also be complex. China's trade mark law does not require that an International Registrant or Applicant obtain a certificate of ownership from the Chinese State Trademark Office before applying to the relevant bureau or tribunal for enforcement of its rights. However, in practice, a local Administration of Industry and Commerce (AIC) office will normally require proof of ownership prior to engaging in any enforcement action. While an International Registrant or Applicant may often have a notice in the gazette or notification from its home country, most AIC officials would need a Chinese translation. Obtaining a Chinese-language certificate from the Chinese TMO can take some time. This problem highlights the gap between the laws as written and the practical problems that arise, no matter how conforming those laws. As further discussed supra, it also highlights what may be a fundamental question of how useful in practice these agreements may currently be in Asia, where the languages and cultures are radically different from those of the Madrid System's founders.

Similarly, while Japan has amended its trade mark law to simplify procedures and conform with the requirements of the Protocol, rights available in the native countries of international applicants may not be available in Japan. For example, retail services are not protected in Japan. The Tokyo High Court has stated that retail services are not interpreted as "providing services" under Japan's Trademark Law; the latter is interpreted to mean doing work or providing a convenience for another as an independent object of trade. The Protocol, like the Agreement, only guarantees national treatment for international applicants; i.e. a foreign applicant will be treated like a domestic applicant for registration purposes. This, however, means that foreign applicants will not be entitled to rights that may exist in their own countries but do not exist in the designated country. In the case of Japan, an application for extension of an international application that designated only "retail services" would be examined under Japan's substantive trade mark law and rejected.



In a like vein, while South Korea has made changes to its Trademark Act to bring it into compliance with the Madrid Protocol, the practice makes it difficult for foreign registrants to seek effective enforcement of their rights. Problems still arise with registrations that infringe the rights of an international applicant, but are not challenged due to the complexities of the legal process. For example, an association of citrus growers in the United States found that their marks had been registered by a Korean company. While South Korea has amended its laws to introduce a retroactive damage compensation system for registrants, the Korean Intellectual Property Office (KIPO) declined to intervene, noting that the only remedy was through the Korean court system.

The underlying point is that while all these signatory countries have revised their trade mark laws to conform in large part with the Madrid System, the protection afforded in practice is often less than might be expected by registrants or subject to factors not apparent from the face of the law.

Foreign applicants in Asia have faced the problem in the past of convincing Asian trade mark bureaus of the importance of intellectual property rights, and of foreign rights-holders in particular, although this has been changing greatly over the past few years. This “cultural gap” arises out of a variety of factors but two factors are of importance in reviewing the overall impact of the Madrid Protocol in Asia. The first factor is that until recent years the concept of intellectual property as a grant of a limited monopoly over creative output was alien to many Asian societies. Trade mark law as we know it evolved in the early and mid nineteenth century in tandem with the demands of industry and the new industrial economies of Europe and North America. While the Chinese practice of using proprietary symbols and marks to distinguish goods in commerce and to identify the source of goods dates back to at least the Han dynasty (206 B.C.—220 A.D.) - archaeological excavations have unearthed ironware and pottery dating from the Han and Tang dynasties that are engraved with the name of a craftsman, or places of production, or the name of a workshop - the concept of being able to limit others’ access is a Western one. Scholars are of the opinion that China’s earliest formal trade mark law, the post-Boxer Rebellion law of 1904, was masterminded by foreign interests in China, who were anxious to protect their monopolies.

Second, the Madrid System - the Madrid Agreement and the Madrid Protocol - is a product of initially European interests. (The United States is itself only a very recent signatory to the Protocol). The first Asian country to accede to the Madrid Agreement was Vietnam in 1949 -when



it was still a French colony. The first independent Asian country to do so was North Korea in 1980, almost 100 years after the Agreement's formation. Many Asian countries, such as Japan and Singapore, have signed on to the Protocol, but have not acceded to the Agreement. Many Asian countries have signed on to neither; for example, Malaysia, the Philippines, Indonesia, Thailand, New Zealand and India are not signatories. Singapore is a very recent addition. So the System is essentially a European product, originally designed to protect European interests. This is evident from the requirement that applications be filed in French for the Agreement, and French or English under the Protocol.

In the same manner, Asian governments are equally keen to protect their people's interests. The concept therefore of a non-local trade mark enjoying the same rights as a local mark simply by the filing of an application in the applicant's home country is not one that initially sits easily with many Asian nations. It brings less money in the form of fees and, more importantly, it makes it easier for foreign entrants to overshadow local manufacturers or service providers. A reluctance to universally embrace the System may therefore be a natural reaction.

While accession to the Madrid Protocol certainly makes it easier for Asian applicants to apply for protection overseas, this may be a Pyrrhic victory. The Protocol as written subjects applicants to the laws of the designated country; an Asian applicant applying in France, for example, would be examined under French law and subject to attack by any French (or international) registrant. Given the advanced nature of European countries' trade mark laws and, in many cases, their older and fuller registration databases, Asian marks may be more likely to face attack abroad than vice-versa. The language issue is another factor. French and English are not the lingua franca of most Asian countries; requiring that applications be filed in either language does impose a burden that European countries do not have to face. That said, with the globalization of the world economy and the increasing focus on Asia as not only a manufacturing centre but also as a market for products, the balance may well be shifting. It also must be added that the Protocol allows Contracting States to require that International applications or registrations be filed with an accompanying translation in the local language. South Korea, for example, requires applications be accompanied by a Korean translation.

Conclusion



In conclusion, whilst international trade mark protection is advantageous and a balm to commerce, currently it is a mixed blessing for Asian countries. While the North Asian countries under discussion are all signatories, it remains to be seen whether Hong Kong would welcome the Protocol being extended to it. That said, it is a recognized fact that as intellectual property laws worldwide become more uniform, and the world economy more intertwined, economic development and the advisability of being able to protect consequential intellectual property rights supra-nationally is a natural corollary.

Jeannie Smith, Baker & McKenzie

First published in Worldfocus: The Madrid Protocol, a Trademark World supplement. Contact Katie Howe (katie.howe@informa.com) for your free copy of Worldfocus supplement, detailing Madrid Protocol issues around the world.

PRC Well-Known Trade Mark Status

The PRC Trademark Office (“CTMO”) has recently published a further list of 26 recognised well-known trade marks. More foreign marks are now being recognised as well-known when compared to the list of well-known trade marks that the CTMO published in February 2004, in which only 2 out of 43 recognised well-known marks were owned by overseas companies. 11 of the 26 recently recognised well-known marks were determined in trade mark opposition cases and the remainder were determined in trade mark enforcement proceedings. Overseas companies own eleven of the recently recognised well-known marks, the details of which are set out in the table below.



<i>Country of origin</i>	<i>Mark</i>	<i>Registrant</i>	<i>Class & Goods</i>
US	迪士尼	Disney Enterprises Inc.	Class 41: Public amusement park
US	MCDONALD'S and Figure "M"	McDonald's Corporation	Class 42: Fast food restaurant
US	Figure "M"	Motorola, Inc.	Class 9: Communication equipment
US	DU PONT	E.I du Pont de Nemours and Company	Class 1: Chemical used in the industry, science, photography, agriculture, gardening and forestry etc.
US	绿箭	W.M. Wrigley JR. Company	Class 30: Chewing gum (non-medical use)
US	美标	American Standard Company	Class 11: Bath and kitchen equipment
Switzerland	TUDOR and figure	Montres Tudor S.A	Class 14: Clock, watch
UK	JAGUAR and figure	Jaguar Cars Limited	Class 12: Cars and car parts
France	LANCOME and 兰蔻	Lancome Parfums Et. Beaute & Cie	Class 3: Cosmetic, Perfume
Germany	BOSS	Hugo Boss AG	Class 24: Clothing
Italy	FERRARI	Ferrari S.p.A	Class 12: Cars



Source: [CTMO website](#)

Justin Davidson, Freshfields Bruckhaus Deringer

PRC Draft Regulations on the Administration of Trade Mark Agencies

The [Chinese Trademark Office](#) (CTO) has issued draft Regulations on the Administration of Trade Mark Agencies. A copy of the draft has been published on the CTO's website for comment. A conference was held in Beijing on December 10 2004 to discuss the draft regulations. As yet, it has not been decided whether they will be adopted and, if so, when they would come into force.

In February 2003 the Chinese government abolished the examination qualification for trade mark agents. Since then trade mark agents in the People's Republic of China have been unregulated, which has led to an increase in unqualified persons carrying out trade mark work.

The main provisions of the draft regulations include the following:

- A trade mark agency must have more than three trade mark agents.
- A trade mark agency must deposit a surety of Rmb200, 000 with a designated bank, to be used for the protection of instructing parties.
- A trade mark agent must be familiar with trade mark laws and have the relevant knowledge, which will be determined through examinations conducted by the China Trademark Council.
- A person falsely claiming to be a trade mark agent must forfeit the illegal revenue and will be fined no less than Rmb3, 000 but not more than Rmb30, 000.
- Existing trade mark agencies will be required to comply with the regulations within one year of implementation.

Sandra Gibbons, Lloyd Wise & Co, Hong Kong



Hong Kong - Public consultation on the Copyright Ordinance

In December 2004 the government began a two-month public consultation on several possible amendments to the copyright law – in particular whether the scope of end-user criminal liability should be expanded.

In 2001 the Copyright Ordinance was amended to make it a criminal offence to possess an infringing copy of any copyright work. However, after public outcry it was quickly amended again retrospectively to restrict criminal liability to four types of work (computer programs, movies, TV dramas, and musical recordings) and to business use. The government is now seeking the views of the public on various options, one being end-user criminal liability applying to all types of copyright work, including newspapers and magazines (but still only for business use). The possibility of a specific defence for employees is also raised.

Another issue included in the consultation is the regime for exemption from copyright infringement. Hong Kong, like England and Australia, currently has an exhaustive list of acts that do not infringe copyright, such as fair dealing with a work for research or news reporting. The public is asked whether Hong Kong should adopt a non-exhaustive, principles-based approach, similar to that in the US.

Comments are also invited on:

- *the current controls on parallel imports of copyright works;*
- *introduction of provisions to prevent circumvention of technological copyright protection measures; and*
- *whether a film copyright owner should have the exclusive right of commercial rental.*

The full consultation document can be found at:

http://www.ipd.gov.hk/eng/pub_press/consultation/Consultation_Document_eng.pdf

The Institute has made a submission to the government which has already been circulated to members. If you would like a further copy of the submission or to contribute any comments, please contact Steven Birt, who is the chairman of the Institute's copyright sub-committee.

Justin Davidson, Freshfields Bruckhaus Deringer



OHIM Trade Mark Search

The OHIM trade mark search has just been significantly upgraded, with additional search criteria and trade mark information now available.

Apart from the basic search, including trade mark type (eg. all the new types of marks), there is also an advanced search option for searching a much wider and more useful range of variables (eg. status, owner, class, filing date, etc - and conveniently, whether the mark was registered on the basis of acquired distinctiveness).

The trade mark information made available is also much more detailed. Furthermore there is an option ('status history') clearly setting out all the dates when an application passed a given stage of examination.

The page explaining the new features: <http://oami.eu.int/en/database/ctm-online.htm>

The new search page:

<http://oami.eu.int/en/CTMOnline/RequestManager/SearchBasic?transition=start&source=Log-in.html&language=en&application=CTMOnline>

Kim Nicholson, Marks & Clerk

Membership News

New Members

Gina Reid

Sebastian Hughes

Deanna Wong

Philip Tsang

Jeevan Hingorani as an affiliate member

Vivian Lui and Angela Li upgraded from student to ordinary members.

John Hawker, who returned to Australia, has become an overseas member having been an ordinary member.

Simon Feng, Kit Man Leung, Allan Woodley and Lee Yuk Keung have all resigned their memberships.



Professional Moves –

Victor Chu Co., have moved to 77th Floor, Two International Finance Centre, 8 Finance Street, Central, Hong Kong

Cedric Yip has joined Ella Cheong (HK) Ltd

Kim Nicholson has joined Marks & Clerk

John Wong has retired from IPD

Please could members let Justin Davidson (justin.davidson@freshfields.com) know if there are any changes to their contact details. Also, if any member does not yet have a Membership Certificate and would like one, please could they contact Jeannie Smith (jeannie.smith@bakernet.com).

Please send any comments about this edition of The Journal, any letters or articles for future issues, to the Editor Winnie Yue at hedleyue@netvigator.com

If any members are not receiving the Journal properly, please advise the Editor in case your contact details are not properly recorded.

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