

Newsletter

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Wilkinson & Grist  
Solicitors & Notaries



2015  
*Year of the*  
GOAT

Reflecting on the past year, there have been significant changes in the legal front in both Hong Kong and China with the implementation of the Hong Kong new Companies Ordinance, the new China Trademark Law and related Implementing Regulations and Examination Guidelines as well as the establishment of specialist IP Courts in China. We will continue to support our clients on these new developments through our different Practice Groups.

As we welcome 2015 and soon the Year of the Goat, we wish for peace, prosperity and good health to all.

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## NEW HONOURS



We are honored to have been named as a **Highly Recommended Law Firm** for Construction & Real Estate, Dispute Resolution and Intellectual Property in Hong Kong in the Asialaw Profiles The Guide to Asia-Pacific's Leading Domestic Law Firms 2015.

*Wilkinson & Grist "has cultivated a strong client following for its intellectual property, disputes and real estate practices. The firm's broader offerings include advisory work on commercial and employment matters."*

*"The firm continues to maintain its position as one of the strongest intellectual property practices in Hong Kong."*



We are ranked again as amongst Asia's Leading Patent Advisor for Hong Kong in the 2014 Asia IP Patent Survey, A Guide to Asia's Patents Laws issued in August 2014 by Apex Asia that provides editorial coverage of key patent developments across Asia and comprehensive rankings of the best firms.



We are pleased to be nominated as a **Hong Kong Recommended Firm** in Benchmark Asia-Pacific The Definitive Guide to the Leading Dispute Firms and Lawyers in the Region 2014 published by Legal Media Group Euromoney and distributed to in-house corporate counsel and litigation professionals around the world.

*"Wilkinson & Grist has a large disputes team which is known for both its intellectual property and general civil litigation capabilities."*



For consecutive years, we have been recognized as **Top-Tier Firm** for **Intellectual Property** in Hong Kong in The Clients' Guide to the Asia Pacific Legal Profession by The Legal 500.

*"Wilkinson & Grist has a prominent trade mark filing and enforcement practice, which acts for multinational clients."*



We are also **Recommended** in other practice areas, namely **Dispute Resolution** and **Restructuring and Insolvency** in Hong Kong.

*"Wilkinson & Grist is continuing to defend Chinachem Charitable Foundation in a claim arising from the interpretation of Nina Wang's will, and is also advising on a number cross-border disputes. Prominent litigator **Keith Ho** now heads the team."*



We are pleased to be named **In-House Community Firm** of the Year 2014 in Hong Kong for **Telecommunications, Media & Technology** practice based on the 8th annual ASIAN-MENA COUNSEL – In-House Community "Representing Corporate Asia & Middle East" Survey.

# Congratulations

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



Yvonne Chua

**Yvonne Chua**, Senior Partner and Head of Intellectual Property Practice Group, has been named as Leading Individual in Intellectual Property Practice in Hong Kong in The Clients' Guide to the Asia Pacific Legal Profession 2015.



Andrea Fong



John Budge



Keith Ho



Lawrence Chan



Chloe Ma

**Andrea Fong**, Partner, Intellectual Property Practice Group, **Keith Ho** and **John Budge**, respectively Head and Consultant, Dispute Resolution Practice Group, **Lawrence Chan** and **Chloe Ma**, both Partners, Restructuring and Insolvency Practice Group, are all recommended in their respective areas of practice in Hong Kong.



### The Definite Guide to the Leading Disputes Firms and Lawyers in the Region 2014



John Budge



Keith Ho

**Keith Ho** is listed as a Local Dispute Star for his outstanding practice in Hong Kong in Restructuring and Insolvency and **John Budge** is listed as a Local Dispute Star for his General Commercial, Restructuring and Insolvency and Labour & Employment disputes practice.



John Budge

**John Budge** is also nominated as one of the world's leading commercial mediator in this publication which acknowledges leaders in the field in 48 jurisdictions.



John Budge

**John Budge** is further named as the Lawyer Of The Year 2014 for Arbitration – Hong Kong in this Expert Guide by Corporate LiveWire on global corporate lawyers that have demonstrated excellence in their practice.





## Asia IP Experts



Yvonne Chua



Andrea Fong

**Yvonne Chua** is named as a Leading Lawyer under the categories of Trademarks, Patents and IP Enforcement in Hong Kong and **Andrea Fong** for Trademarks in this 2014 Asia IP Experts by Apex Asia which identifies the best IP lawyers in Asia and the Pacific.

## Appointments

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

HK Mediation  
Accreditation  
Association Ltd

**John Budge**, Consultant, Litigation and Dispute Resolution Practice Group, was re-elected as the Chairman of Hong Kong Mediation Accreditation Association Ltd, a premier mediation accreditation body in HK, as from November 2014.

HK International  
Arbitration Centre

**John** was also re-elected as the Vice Chairman of the HK International Arbitration Centre, the foremost venue for alternative dispute resolution in Asia and the preferred seat for complex disputes involving parties from across the globe. HKIAC is also working with the HKSAR Government on developing HK as an intellectual property (IP) trading hub and for the use of arbitration and mediation for IP disputes.

Steering Committee  
on Mediation and  
its Accreditation  
Sub-Committee

**John** was re-appointed by the Secretary for Justice for a further period of one year as a Member of the Steering Committee on Mediation and its Accreditation Sub-Committee which was set up by the Department of Justice to promote the wider use of mediation to resolve disputes.

Audit Committee  
of the Croucher  
Foundation

**John** also serves as member of the Audit Committee of the Croucher Foundation, an independent private foundation dedicated to promoting the standard of natural sciences, technology and medicine in HK. The Foundation was set up by the late Mr Noel Croucher, a long-term client of our firm.

### Registration of Persons Tribunal of the HKSAR Government

**Lawrence Chan**, Partner, Litigation and Dispute Resolution Practice Group, has been appointed by the HKSAR Government as an Adjudicator of the Registration of Persons Tribunal for a term of two years as from 1 December 2014. The Tribunal is established for determining appeals by persons aggrieved by the decision of registration officers concerning validity/issuance of permanent identity cards.

### Municipal Services Appeals Board

**Ivan Chu**, Partner, Litigation and Dispute Resolution Practice Group, has been appointed by the Chief Executive as a member of the Municipal Services Appeals Board for a term of three years from 1 January 2015. This Board will determine appeals against the Licensing Appeals Board's decision or certain administrative decisions by the Food and Environmental Hygiene Department.

### Hong Kong Breast Cancer Registry

**Yvonne Chua**, Senior Partner, will continue to serve in the Steering Committee of the Hong Kong Breast Cancer Registry (BCR) for the term of service from January 2015 to December 2016. Being the most comprehensive and representative registry on breast cancer in Hong Kong, the BCR was established in 2007 by the HK Breast Cancer Foundation, a non-profit organization committed to breast cancer education, patient support, research and advocacy.

### Licensing Executives Society China, Hong Kong Sub- Chapter

**Annie Tsoi**, Partner, Intellectual Property (IP) Practice Group, has been elected as council member of the Licensing Executives Society China, Hong Kong Sub-Chapter (LESCHK) for the two year term 2015-2016. LESCHK is part of an international IP organisation with over 10,000 members across the globe all involved in the business of IP.

## New Faces

*We warmly welcome the following newcomers to our Litigation and Dispute Resolution Practice Group.*



**Alex Cheng** joined us in April 2014. He obtained his Bachelor of Laws degree and PCLL from The University of Hong Kong and was admitted as a solicitor in Hong Kong in November 2011. Alex now handles mainly civil litigation cases including land-related disputes, shareholder disputes, personal injuries and defamation. He is also experienced in judicial reviews, matrimonial and criminal matters.



**Dobie Wan** joined us as an associate in July 2014. She obtained her Bachelor of Laws degree and PCLL from The Chinese University of Hong Kong and was admitted as a solicitor in Hong Kong in October 2013. Dobie advises on contractual and employment disputes as well as insolvency and professional negligence issues.



**Charles Wong** joined us in June 2014. After graduating from The University of British Columbia with a Bachelor of Arts and Bachelor of Education, he then completed the Juris Doctor and PCLL from City University of Hong Kong. Charles now focuses on general civil litigation matters including insolvency and land-related disputes.



## About Us

**Andrea Fong**, Partner, and her fellow members of the Working Committee of the Intellectual Property Rights Protection Alliance visited the new Electronic Recordation and Triage Centre at the Hong Kong Customs & Excise Department Headquarters on 24 October 2014.

Electronic  
Recordation and  
Triage Centre, Hong  
Kong Customs &  
Excise Department  
Headquarters



*Andrea Fong at front row 5th from the left with Mr Lee Hon Wah, Senior Superintendent, IPID of Hong Kong Customs & Excise Department on her right*

**Howard Tsang**, Head of our Beijing IP Agency, was invited by the HK Trade Development Council to participate in the high-level roundtable meeting on making Beijing a world-class city chaired by Beijing Vice Mayor Chen Hong at the 18th Beijing-Hong Kong Economic Cooperation Symposium held on 25-26 November 2014.

18th Beijing-Hong  
Kong Economic  
Cooperation  
Symposium

Composers and  
Authors Society of  
Hong Kong Ltd

**Annie Tsoi and Shireen So** attended the 2014 CASH Annual Dinner cum Golden Sail Music Awards Presentation on 3 November 2014.



*Our Shireen So on the left with Mr Spencer Lee, Deputy CEO of CASH, in the middle and our Annie Tsoi on the right*

## Talks & Seminars

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

Business of IP Asia  
Forum 2015

**Yvonne Chua**, Head, Intellectual Property Practice Group, spoke on “IP Audit & Due Diligence – A Legal Prospective” on behalf of the Law Society of Hong Kong, at the Business of IP Asia Forum 2015 held on 4 December 2014. This Forum was jointly organized by the HKSAR Government, HK Trade Development Council and the HK Design Centre as the most important IP forum in Asia, attracting attendance of over 2000 industry players globally.

**Yvonne**, also Immediate Past President of Licensing Executives Society (LES) International, further gave the opening address on “Recent Global IP Trends Highlights & Latest Trends in Asia” at the Session on “Structuring Your IP Deals – Looking into a comprehensive approach” in the Forum on 5 December 2014 hosted by LES China Hong Kong Sub-Chapter.



## Publications

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

“Examination criteria for sound marks defined”

- Annie Tsoi

Intellectual Asset  
Management Magazine  
22 October 2014

World Trademark  
Review Daily  
29 October 2014

“China establishes first specialist IP courts”

- Annie Tsoi

Intellectual Asset  
Management Magazine  
26 November 2014

World Trademark  
Review LEXOLOGY  
26 November 2014

“CKH finally wins hard-fought battle to obtain copyright recognition”

- Mena Lo, Templar Fang

Intellectual Asset  
Management Magazine  
17 December 2014

World Trademark  
Review LEXOLOGY  
17 December 2014

“Trade Secrets Throughout The World – Hong Kong Chapter”

- Updated by Mena Lo

Trade Secrets Throughout  
The World  
2014-2015 edition

## Conferences

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

INSOL Annual Regional Conference

San Francisco, USA, 22 – 24 March 2015

LES IMDM

Brussels, Belgium, 10 – 12 April 2015

LESI Annual Conference

Brussels, Belgium, 12 – 15 April 2015

FICPI World Congress

Cape Town, South Africa, 13 – 17 April 2015

INTA

San Diego, California, USA, 2 – 6 May 2015

ECTA Annual Conference

Hamburg, Germany, 10 – 13 June 2015

MARQUES

Vienna, Austria, 15 – 18 September 2015

PTMG

Warsaw, Poland, 30 September – 2 October 2015

LES Asia Pacific Regional Meeting

Kuala Lumpur, Malaysia, 30 September – 2 October 2015

AIPPI

Rio de Janeiro, 9 – 15 October 2015

APAA

Okinawa, Japan, 13 – 17 November 2015

INTA Leadership Meeting

Panama City, Panama, 17 – 20 November 2015

## Hong Kong



Esther Ho

### The Competition Ordinance takes one step closer to full implementation

Hong Kong's first piece of legislation regulating competition in the local market was enacted as the Competition Ordinance (Cap 619) ("the Ordinance") in June 2012 but is yet to be put into force. The Ordinance aims to promote market competition by setting down three rules to combat against conduct that has the object or effect of preventing, restricting or distorting competition in Hong Kong (First Conduct Rule), to prohibit abuse of market power by undertakings having substantial degree of market power (Second Conduct Rule), and to prevent mergers in the telecommunications sector that substantially lessen competition in Hong Kong (Third Conduct Rule).

In preparation for the implementation of the Ordinance, the Competition Commission ("the Commission") released 6 draft Guidelines ("Draft Guidelines") on 9 October 2014 seeking to assist entities engaged in economic activity to shape their deals and practices within the law by giving them a better understanding of how the Commissioner intends to administer the Ordinance. However, the Draft Guidelines are practical guides only and do not bind the Competition Tribunal or the courts which remain responsible for interpreting and applying the Ordinance.

Public consultation on the Draft Guidelines ended in mid-December 2014. The Commission is now refining the Draft Guidelines for consultation with the Legislative Council. Full implementation of the Ordinance is anticipated in mid-2015.

#### *The Draft Guidelines*

The Draft Guidelines cover substantive matters – the First Conduct Rule, the Second Conduct Rule and the Merger Rule, as well as procedural matters – how to complain to the Commissioner, how the Commissioner conducts investigations and how to apply for exclusions and exemptions under the Ordinance.

#### *Draft Guidelines on the First Conduct Rule*

According to the Draft Guidelines, cartel arrangements between competitors that seek to fix prices, share markets, restrict output or rig bids will typically amount to Serious Anti-competitive Conduct, while vertical arrangements between

parties operating at different levels of a production or distribution chain are generally less harmful to competition. Nevertheless, the Commission considers that one type of vertical arrangements – Resale Price Maintenance arrangements – agreements where the supplier fixes or imposes a minimum retail price for distributors may amount to Serious Anti-competitive Conduct so parties that cannot justify these arrangements on efficiency grounds will be in breach of the First Conduct Rule and may not be issued a warning notice before proceedings are taken up with the Competition Tribunal.

The Draft Guidelines discuss at length the types of agreement that may run the risk of violating the First Conduct Rule. They include agreements on market sharing, output limitation, bid-rigging, exclusive distribution, and even agreements to exchange commercially sensitive information, standard term agreements relating to the price and scope of product, and exclusions from membership of trade associations.

#### *Draft Guidelines on the Second Conduct Rule*

The Commission does not provide a definite threshold for determining “substantial market power”. Rather, market power will be assessed on the ability of a business to profitably charge prices above the competitive level or restrict output or reduce quality of products/services below the competitive level for a sustained period of time which is typically 2 years.

An abuse of substantial power must have the object or effect of harming competition in Hong Kong. Conduct that is likely to constitute an abuse of substantial market power includes predatory pricing, anti-competitive tying and bundling, and margin squeezes to force competitors out of the market.

The Guidelines also contain useful references on the exclusions and exemptions from the Second Conduct Rule.

Businesses are advised to well study the Ordinance and Guidelines when finalized, identify the relevant practical risks and formulate their own self-assessment and compliance schemes in preparation for the full implementation of the Ordinance. Further publications by the Commission on SMEs and specific sectors are in the pipeline.



## Hong Kong Alerts

### Consultation on Draft Copyright Tribunal Rules

The Government has launched a consultation on 9 December 2014 to seek views on a set of new rules for regulating proceedings before the Copyright Tribunal (“the Tribunal”) and to replace the current Copyright Tribunal Rules (Cap 528C). The Tribunal is an independent, quasi-judicial body established to hear and resolve specific types of disputes relating to the use and licensing of copyright works. The new rules will seek to modernize the practice and procedures of the Tribunal to make the proceedings more flexible, convenient and cost-effective. The consultation period will end on 9 February 2015.

### Consultation on proposed application of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks to Hong Kong

On 11 November 2014, the HKSAR Government issued a consultation paper seeking views on the proposed application of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks to Hong Kong. Under the Madrid System, trademark owners may apply for registration of a trademark in one or more countries or territories by filing a single application and paying one set of fees. The Madrid Protocol now has 91 contracting parties including China. To enhance HK’s competitiveness as an IP trading hub, the Government believes that it would be in HK’s overall interest to apply the Madrid Protocol to HK. The consultation will end on 11 February 2015.

### Adoption of 2015 version of Nice Classification 10th edition under the Trade Marks Ordinance (Cap 559)

As from 1 January 2015, the Hong Kong Intellectual Property Department will adopt the 2015 version of the 10th edition of WIPO’s Nice Classification (NCL (10-2015)) to classify goods and services for the purpose of the registration of trade marks under the Trade Marks Ordinance (Cap 559). Many new items are introduced in NCL (10-2015) with Classes 9 and 21 seeing the most additions.

A copy of NCL (10-2015) and a comparison table between NCL (10-2014) and NCL (10-2015) are available on the website of the World Intellectual Property Organization at [www.wipo.int/nef/nef-projects/nc015/nc015-a04\\_ibli.xls](http://www.wipo.int/nef/nef-projects/nc015/nc015-a04_ibli.xls).



# China

## Establishment of Specialist IP Courts in China

On 31 August 2014, the PRC Standing Committee of the National People's Congress decided on establishing specialized intellectual property courts in Beijing, Shanghai and Guangzhou ("IP Courts"). On 27 October 2014, the Supreme People's Court promulgated the Rules on Jurisdiction of IP Courts in Beijing, Shanghai and Guangzhou (the "Rules") effective as of 3 November 2014 detailing the jurisdiction of the IP Courts.



Howard Tsang

In the past, in general, the Intermediate Courts have jurisdiction over IP related criminal, civil and administrative proceedings. Certain basic courts also have jurisdiction at first instance.

The IP Courts will now have jurisdiction over the following IP related proceedings at first instance in their respective territorial jurisdiction:-



Templar Fang

1. Civil proceedings relating to patents, new plant varieties, integrated circuit layout designs, technical secrets and computer software; and those involving well-known mark recognition.

For "less technical" cases relating to trade marks, copyright and unfair competition, generally the IP courts will only have jurisdiction on appeal cases from the basic courts.

2. Administrative proceedings relating to (i) patents, new plant varieties, integrated circuit layout designs, technical secrets and computer software; and (ii) trade marks, copyright and unfair competition where the administrative authorities involved are at or above the county level.

The Guangzhou IP Court will extend to other parts of the Guangdong Province, save for administrative cases relating to trade marks, copyright and unfair competition.

Appeals against first-instance decisions and judgments of the IP Courts will be heard by the IP Tribunals of the higher courts in Beijing, Shanghai and Guangdong respectively.

The Beijing, Guangzhou and Shanghai IP Courts have respectively been established on 6 November, 16 December and 28 December 2014.

## China Alerts

### Measures for Remuneration Payment for Use of Literary Works

On 23 September 2014, the National Copyright Administration and the National Development and Reform Commission jointly promulgated the Measures for Remuneration Payment for Use of Literary Works under which the basic remuneration for original work and derivative work (namely adapted work, compilation work, and translation work) has at least been doubled. The New Measures took effect on 1 November 2014 and shall apply where there are no prior agreements between the parties concerned or where the terms in relation to remuneration are unclear.

### New Administrative Procedure Law

On 1 November 2014, the Standing Committee of the National People's Congress of China passed the proposed amendments to the existing Administrative Procedure Law, which was promulgated back in 1989. The amendments codified some of the guidelines laid down by the Supreme People's Court in the past decades, and introduced new mechanisms such as a simplified procedure for first instance litigations before the People's Court.

The new Administrative Procedure Law will be effective on 1 May 2015.

### Adoption of the 2015 version of Nice Classification by CTMO

As from 1 January 2015, the Chinese Trade Mark Office (CTMO) has adopted the 2015 version of the 10th Edition of the *International Classification of Goods and Services for the Purposes of the Registration of Marks* (the Nice Classification) in accordance with WIPO's request. On such basis, the CTMO has updated the Chinese *Classification Table of Similar Goods and Services* and published the amendments on 29 December 2014. The 2015 version applies to all decisions on classification of goods or services made by the CTMO on or after 1 January 2015, regardless of when the trademark application is filed.

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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