

Newsletter

JAN 20

高露雲律師行

WG

Wilkinson & Grist
Solicitors & Notaries



Year of the Rat

CONTENTS

New Honours	2-3
Congratulations	3-5
Appointment	5
New Faces	6
Talks and Seminars	7
Conferences	7
Hong Kong	8-9
- Reform of the patent system	8-9
China	10-14
- Public consultation on regulation for implementation of Foreign Investment Law ...	10-11
- Consultation on measures for the administration of use of official sign for geographical indications	12-14
China Alert	14
- Provisions on Regulating Trademark Application Behavior came into effect	14

NEW HONOURS



We are ranked again as **Tier 1 Law Firm** amongst Asia's Best Patent Practices in Hong Kong for both Prosecution and Contentious work in the 2019 Asia IP Patent Survey published by Apex Asia.

CHAMBERS ASIA-PACIFIC 2020

We are pleased to be ranked as one of the leading **International Firms – China for Intellectual Property** in Chambers Asia-Pacific 2020 Guide.

“Accomplished boutique with many years of experience in the Hong Kong market, as well as a presence in Beijing. Noted for expertise in trade mark filing, prosecution and infringement cases. Increasingly active in patent portfolio management, including enforcement and licensing. Represents international clients in industries including food and beverage, automotive and luxury goods.”



For consecutive years, we have been **Recommended** in the practice areas of Dispute Resolution: Litigation, Intellectual Property, and Restructuring and Insolvency in Hong Kong in The Legal 500 Asia Pacific 2020, The Client's Guide to the best law firms and top lawyers.

“Wilkinson & Grist counts contentious probate matters and shareholders' disputes as core strengths. The team continues to represent a private client in a dispute with his siblings regarding the estate of the late tycoon, Henry Fok Ying Tung.”

“Wilkinson & Grist is ‘very strong in relation to trade mark filing and prosecution’ and picks up a tremendous volume of work on behalf of international clients in the food and beverage, automotive and luxury goods industries.”

“Wilkinson & Grist is ‘relatively active in the local market’, particularly on behalf of liquidators of listed and private companies on their insolvencies.”

Congratulations

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

CHAMBERS ASIA-PACIFIC 2020



Keith Ho



Andrea Fong



Yvonne Chua

In Chambers Asia-Pacific 2020, **Keith Ho**, Senior Partner and Head of our Dispute Resolution Practice Group, is ranked as **Leading Individual** for Dispute Resolution (International Firms) - China whereas **Andrea Fong** and **Yvonne Chua**, respectively Head and Consultant of our Intellectual Property Practice Group, are ranked as **Recognised Practitioner** and **Eminent Practitioner** for Intellectual Property, China respectively.

CHINA BUSINESS 商
LAW JOURNAL 法



CHINA'S ELITE 100 LAWYERS
(FOREIGN LAWYERS)
100位外资律所优秀律师



Raymond Chan



Annie Tsoi

Raymond Chan, Head of our Corporate Practice Group, and **Annie Tsoi**, Partner of our Intellectual Property Practice Group, have been named in The A-List 2019: China's Elite 100 Lawyers (Foreign Lawyers) by China Business Law Journal. All the lawyers in the A-list have earned the trust of their clients on the basis of their successful long-term relationships and proven legal expertise.



Keith Ho

Keith Ho, Head of our Dispute Resolution Practice Group, has been recommended in Hong Kong in Dispute Resolution: Litigation in The Legal 500 Asia Pacific 2020.



John Budge

Consultant of our Dispute Resolution Practice Group, **John Budge**, recently received a Gold Award in the 2019 Pro Bono and Community Work Recognition Programme of the Law Society of Hong Kong. This is the second time that John has received this award. He has been very involved in public service in Hong Kong for many years.

Appointment

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

HK Deposit Protection Board

Lawrence Chan, Partner, Dispute Resolution Practice Group, has been appointed by the Financial Secretary as a member of the Hong Kong Deposit Protection Board (“the Board”) for a term of three years from 1 January 2020 to 31 December 2022. The Board is a statutory body established in 2014 under the Deposit Protection Scheme Ordinance (Cap 581). Its primary function is to maintain and manage an effective and efficient operation of the Deposit Protection Scheme, for protecting depositors and contributing to banking stability.

New Faces

We warmly welcome the following newcomers to our firm.

Kenny Cheung joined our Intellectual Property Practice Group after completing his training with our firm. 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 2019. Kenny works on both contentious and non-contentious intellectual property matters, including trade mark prosecutions, court actions, trade mark proceedings as well as enforcement actions in Hong Kong and Mainland China.



Pauline Lo joined our firm as a trainee solicitor in 2017. After her admission, she joined our Dispute Resolution Practice Group as an assistant solicitor in 2019. She obtained her BBA (Law) and LLB degrees and PCLL from The University of Hong Kong. Pauline currently specializes in litigation matters in relation to commercial dispute resolution, contractual disputes, shareholders' disputes, insolvency and debt recovery.



Kristin Wong joined Wilkinson & Grist as a trainee solicitor in 2017 and has been an associate of our Dispute Resolution Practice Group since 2019. Kristin currently works on a variety of litigation matters, including shareholders' disputes, contractual disputes, banking litigation and insolvency.



Mandy Wong joined our Dispute Resolution Practice Group as an associate in 2019 after completing her training with our firm. She obtained her Bachelor of Laws degree and PCLL from The Chinese University of Hong Kong. Mandy currently works on a variety of litigation matters, including commercial disputes, insolvency, banking litigation and debt recovery.



Talks & Seminars

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

Hong Kong
Intellectual
Property
Department
(IPD)

Jessica Leung and **KY So**, both Partners of our Intellectual Property Practice Group, conducted the “Practical Workshop for IP Managers” held by the IPD on 17 January 2020. This is the fourth re-run of a series of workshops to take place for the years 2020-2022 under the IPD’s IP Manager Scheme. The workshops aim at equipping IP managers of SMEs with practical knowledge of managing the IP assets effectively and integrating IP assets into their overall business strategy.

Conferences

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

INTA Annual Meeting	Singapore, 25 – 29 April 2020
LES IMDM / Annual Conference	Berlin, Germany, 16 – 20 May 2020
ECTA Annual Conference	Copenhagen, Denmark, 17 – 20 June 2020
MARQUES Annual Conference	Stockholm, Sweden, 22 – 25 September 2020
AIPPI World Congress	Hangzhou, China, 11 – 14 October 2020
INTA Leadership Meeting	Miami, Florida, USA, 3 – 6 November 2020
APAA Council Meeting	Gold Coast, Australia, 13 – 17 November 2020

Hong Kong

Reform of the patent system

The Patents (Amendment) Ordinance 2016 (“the Amendment Ordinance”) together with the Patents (General) (Amendment) Rules 2019 (“the Amendment Rules”), which came into effect on 19 December 2019, lay down the framework of a new patent system in Hong Kong.



Florence Lam

The followings are some of the key features of the new patent system:

Introduction of original grant patent (OGP)

The new patent system introduces an original grant patent (OGP) system for standard patents, which will run in parallel with the existing “re-registration” patent system.

Under the “re-registration” system, an application for standard patent (Standard Patent (R)) is based on a corresponding patent application in one of the three designated patent offices, namely, (a) the China National Intellectual Property Administration, (b) the European Patent Office, in respect of a patent designating the United Kingdom, and (c) the United Kingdom Patent Office.

Under the newly introduced OGP system, applicants can file the patent application directly with the Hong Kong Intellectual Property Department (Standard Patent (O)) without having to first file in one of the three designated offices. Applications filed under the OGP system will undergo both formality and substantive examination by the Hong Kong Patents Registry (to be assisted by the CNIPA where necessary). The Registry will examine the application to determine whether the examination requirements on patentability including novelty, inventiveness and industrial applicability are complied with. Applicants will be given an opportunity to respond to the Registry’s examination notice(s).

Refinement of short-term patent (STP)

As from 19 December 2019, a short-term patent may contain up to two independent claims, instead of only one. Further, in order to enforce a short-term patent, the proprietor must file a request for substantive examination of the patent with the Patents Registry before commencement of enforcement action. In addition, when the proprietor threatens a third party with infringement proceedings in relation to an unexamined short-term patent, upon request by that third party, he/she must provide the third party with sufficient information to identify the patent, being the Hong Kong patent number and a copy of any unpublished required amendment to the specification of the patent.

Regulation of title/description of patent practice

Use of confusing or misleading titles or descriptions such as “registered/certified patent agent” and “registered/certified patent attorney” is prohibited. For titles/descriptions of any qualifications lawfully obtained for patent practice elsewhere, use is permitted provided that the jurisdiction where the qualification was obtained is clearly indicated with the titles/descriptions.

The establishment of the new patent system was a strategic move by the Hong Kong Government to promote research and development as well as IP trading activities in Hong Kong, to in turn groom Hong Kong into a regional innovation and technology hub.

China

Public consultation on regulation for implementation of Foreign Investment Law

Following the promulgation of the Foreign Investment Law of the PRC (the “Foreign Investment Law”) by the National People’s Congress in early 2019, a consultation draft (the “Draft”) of the Regulations for Implementation of the Foreign Investment Law (the “Regulations”) was jointly issued by the Ministry of Justice, the Ministry of Commerce and the National Development and Reform Commission on 1 November 2019. The public consultation ended on 1 December 2019 and the bill of the Regulations was approved by the State Council of the PRC on 12 December 2019.

The Regulations, together with the Foreign Investment Law, came into force on 1 January 2020, replacing the previous legislation governing foreign investment in the form of sino-foreign equity joint ventures, wholly foreign-owned enterprises and sino-foreign contractual joint ventures (collectively the “Old Foreign Investment Laws”) and related regulations and guidelines.

The Regulations reinforce the general position of the Foreign Investment Law and make further clarifications on certain matters:

1. Article 2 of the Regulations stresses that the State protects the lawful rights of foreign investments in accordance with the law, which should cover the international treaties and conventions to which the PRC is a party, pursuant to Articles 4 and 5 of the Foreign Investment Law.
2. Article 23 of the Regulations provides for a commitment on greater level of punishment and enforcement against the infringement of intellectual property rights. Notably, however, the punitive compensation system referred to in the Draft has not been adopted in the Regulations.
3. Article 24 of the Regulations recites the prohibition under Article 22 of the Foreign Investment Law against the coercion of transfer of technologies by administrative means by administrative authorities or its personnel.



Raymond Chan



Jack Kwan

4. Article 42 of the Regulations provides for transitional arrangements in relation to foreign enterprises established under the Old Foreign Investment Laws.
5. Article 44 of the Regulations clarifies the position of investments from Hong Kong SAR, Macau SAR and Taiwan that-
 - (a) unless otherwise stipulated under other laws, rules and regulations, the Foreign Investment Law and the Regulations shall apply to investments from Hong Kong SAR and Macau SAR; and
 - (b) the Protection of Investments by Taiwan Compatriots Law of the PRC (《中華人民共和國台灣同胞投資保護法》) and the relevant regulation for implementation shall apply to investments from Taiwan, unless there is no express provision thereunder regulating the relevant matters, and such matters shall be regulated by the Foreign Investment Law and Regulations.

Notably, a new Chapter 5 which was not contained in the Draft is included in the Regulations which imposes administrative liability and/or disciplinary penalty on government officials or authorities for, among others, discriminatory policies and acts against foreign investments, unlawful restrictions of funds, failure to observe policy commitments made in relation to the Foreign Investment Law and coercion of transfer of technologies. This offers assurance and recourse for foreign investments in the event of non-compliance of the Foreign Investment Law on the part of government officials or authorities.

We anticipate that the PRC authorities will continue to issue guidelines and measures to supplement the Foreign Investment Law and Regulations to further improve the investment environment for foreign investors.

Consultation on measures for the administration of use of official sign for geographical indications

With a view to strengthening the protection of geographical indications (“GI”), the China National Intellectual Property Administration (“CNIPA”) published a set of draft measures (“Measures”) (《地理標誌專用標誌使用管理辦法（徵求意見稿）》) relating thereto for public consultation in November 2019.

Here are some of the key features:-

1. The CNIPA has introduced the following official sign to show that the GI being used in conjunction therewith is registered with and approved by the CNIPA:-



2. It is intended that the Measures will apply to China as well as Foreign GI Protected Products, and GIs which are collective or certification marks.
3. In terms of usage:-
 - (i) For China GI Protected Products, the unified social credit code should be identified as follows:-



The official sign should be used in conjunction with the GI as well as the respective China GI Protected Product Code.



Annie Tsoi



Jessica Leung

- (ii) For GIs which are collective or certification marks, the unified social credit code and collective/certification mark registration number should both be identified as follows:-



The official sign should be used in conjunction with the GI.

- (iii) For Foreign GI Protected Products, the unified social credit code of the local distributor in China should be identified as follows:-



4. Legal users of the official sign are:
- (i) producers (as gazetted) of GI Protected Products authorized to use the sign;
 - (ii) legal users of GIs being also collective/certification marks;
 - (iii) other users as approved by and recorded with the CNIPA.
5. A legal user of the official sign may be disqualified by the intellectual property administrative authority if (i) it does not produce the products in compliance with the relevant standards or (ii) does not apply the official sign on the GI Protected Products within 2 years.

6. Using the official sign without authorization as gazetted, forging the official sign, or using a sign similar to the official sign or any confusing name/sign which misleads consumers into thinking that the product is GI protected will be subject to investigation and sanctions.
7. The provincial intellectual property administrative authority is expected to provide the CNIPA with regular updates and reports on the use and supervision of GIs in its province.

The consultation ended in mid-December 2019. It is anticipated that the CNIPA will finalize and promulgate the Measures soon so as to improve the overall protection of GIs in China.

China Alert

Provisions on Regulating Trademark Application Behavior came into effect

Subsequent to public consultation, the PRC State Administration for Market Regulation (“SAMR”) published the Provisions on Regulating Trademark Application Behavior (《規範商標申請註冊行為若干規定》(2019年10月11日國家市場監督管理總局令第17號公布)) (“the Provisions”) on 11 October 2019, which in spirit largely follows its corresponding consultation draft as discussed in the September 2019 issue of our Newsletter. The Provisions came into effect on 1 December 2019.

Notably, the situation where “the trademark applied-for is identical or similar to the name of a well-known place or tourist attraction, etc” has been deleted from the specific factors to be taken into account by the authorities when determining whether Article 4 of the Trade Mark Law is violated. Nevertheless, such situation may still fall within the ‘catch-all’ general provision of “other relevant factors” should the authorities consider it relevant.

The full text of the Provisions (in Chinese) can be viewed at http://gkml.samr.gov.cn/nsjg/fgs/201910/t20191016_307410.html.

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.

© WILKINSON & GRIST 2020