

## COPYRIGHT

Copyright protects authors or owners of original literary works (e.g. books, writings and computer software), artistic works (e.g. drawings, painting and sculpture), musical works, dramatic works, films, broadcasts and sound recordings, etc.

Copyright protects original work. A work is original if it comes from the author and is not copied from someone else work. Generally speaking, the test for originality is not very strict.

Copyright arises when an original work is created. It is not necessary to register (and there is no such registration system) a copyright in Hong Kong. It is therefore important to keep proper records of the details of the copyright work. A open qualification system has been adopted in Hong Kong i.e. any original copyright work created by any person or published by any person anywhere in the world can qualify for copyright protection in Hong Kong.

The general rule is that copyright lasts until 50 years after the author dies. There are variations to this rule depending on the type of work.

The Copyright Ordinance also creates criminal offences for dealing with infringing copies for the purposes of trade or business and of possession of equipment for producing infringing copies. Enforcement action is taken by the Customs and Excise Department.

There are provisions in the Copyright Ordinance for the copyright owners and/or their exclusive licensees to take action against importers who arrange for parallel importation in breach of exclusive licence agreements.

The Copyright Ordinance also provides for protection of rights in performances. The performers of musical, dramatic and literary works can prevent their live performance from being recorded or broadcast without their consent and can prevent the reproduction of unauthorised recordings of those performances.

## LAYOUT-DESIGN OF INTEGRATED CIRCUITS

The Layout-Design (Topography) of Integrated Circuits Ordinance provides protection for the macroscopic designs of integrated circuits. Integrated circuits embodies in semi-conduction chips are of great significance in industrial use particular in the field of computer and information technology.

“Layout-design (topography)” is defined as the three-dimensional disposition, however expressed, of the elements of an integrated circuit (at least one of which is an active element) and of some or all of the interconnections of an integrated circuit, or such a three-dimensional disposition prepared for an integrated circuit intended for manufacture.

The Ordinance protects a layout-design of integrated circuits which is original and not commonplace among creators of layout-designs and manufacturers of integrated circuits of at the time of their manufacture. The term of protection is 10 years from the end of the year in which the layout-design was first commercially exploited wherever in the world by or with the licence of the owner. Where a layout-design has not been commercially exploited with the qualified owners’ consent anywhere in the world, it ceases to be a protected layout-design after 15 years following the end of the year in which it was created. Registration is not required as a condition for protection.

*The law is as stated at January 2003.*

*The law relating to intellectual property in Hong Kong is complex. This pamphlet is written simply as a guide and a brief introduction to the issues involved. It is not meant to be exhaustive and does constitute legal advice. If you require legal advice on any matter raised in this pamphlet, you should consult a solicitor.*

## FRED KAN & CO.

Fred Kan & Co. are committed to a standard of excellence and provide legal services to our clients with absolute integrity.

We maintain the following practice groups:

- Corporate & Commercial
- Real Estate
- Litigation
- International Trade, Shipping & Insurance
- Intellectual Property
- Employment
- Urban Planning & Environmental Law
- Canadian Law
- China

For further information please contact our Hong Kong office:-

3104-7, 31/F., Central Plaza

18 Harbour Road, Wanchai

Hong Kong

Telephone : (852) 2598 1318

Facsimile : (852) 2588 1318

E-mail address : kanlaw@fredkan.com

## FRED KAN & CO.

*Solicitors & Notaries*

Hong Kong

LAW GUIDE SERIES No. 12

## Intellectual Property

### Hong Kong Office

3104-7, 31/F., Central Plaza

18 Harbour Road

Wanchai, Hong Kong

Telephone : (852) 2598 1318

Facsimile : (852) 2588 1318

E-mail address : kanlaw@fredkan.com

### Tianjin Office

A-1-1010 ICTC

59 Machang Road, Hexi District

Tianjin, China

Telephone : (86) (22) 2313 9761 / 2

Facsimile : (86) (22) 2313 9763



## TRADE MARKS

The Trade Marks Ordinance (Cap.559) sets out the basis and criteria for registration of trade marks in Hong Kong. The definition of a “trade mark” under the Trade Marks Ordinance includes “any sign which is capable of distinguishing the goods or services of one undertaking from those of other undertakings and which is capable of being represented graphically”. A trade mark may consist of words (including personal names), indications, designs, letters, characters, numerals, figurative elements, colours, sounds, smells, the shape of goods or their packaging and any combination of such signs.

The following categories of trade marks will not be allowed for registration unless the applicant can prove that the trade mark has acquired a distinctive character as a result of substantial use before the application date :

- marks which are devoid of any distinctive character
- marks which consist exclusively of signs which may serve to designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of goods or rendering of services, or other characteristics of goods or services;
- marks which consist exclusively of signs which have become customary in the current language or in the honest and established practices of the trade

A trade mark, if accepted for registration, shall be registered for a period of 10 years from the filing date of the application for registration. Registration may be renewed for further periods of 10 years.

Hong Kong maintains its own trade marks system. Separate registrations are necessary if you want to protect your trade marks in both the Hong Kong Special Administrative Region and other parts of China.

The Trade Marks Ordinance contains provisions relating to “well-known trade mark” which is entitled to protection under the Paris Convention.

## PASSING OFF

Registered and unregistered trade marks, trade names or get-up of a product may be protected by the common law action of passing off.

To succeed in a passing off action, the plaintiff has to prove goodwill

or reputation in his mark or business in Hong Kong. He must also prove a misrepresentation made by the defendant in the course of trade to customers, which causes (or is likely to cause) damage to the plaintiff’s business or goodwill.

In practice, it is usually more difficult to establish a passing off action than an infringement of a registered trade mark.

## PATENTS

The owner of a patent has a monopoly on an invention. A patent may be granted if the invention is new, involves an inventive step and is capable of being utilized industrially.

The Patents Ordinance (Cap.514) provides for registration of two types of patents in Hong Kong i.e., “standard patent” and “short-term patent”:

### Standard patent

Standard patent will be granted for an invention on the basis of a patent for the same invention granted by one of the following designated patent offices :

- Chinese Patent Office
- U.K. Patent Office
- European Patent Office (where the United Kingdom has been designated for the patent)

Once granted, the Hong Kong standard patent will be independent of the designated patent granted in the designated patent office.

The maximum term of a standard patent is 20 years from the filing date of the corresponding designated patent application.

### Short-term patent

Short-term patent will be granted by the Hong Kong Patents Registry for an invention on an original application. There will only be examination as to formal requirements. The applicant has to submit a patent search report by a prescribed searching authority as to the prior art in relation to the invention. There will not be any substantive examination as to the patentability of the invention.

A short-term patent will remain in force for a period of 8 years from the filing date (subject to payment of a renewal fee at the end of the 4th year).

Since there is no substantive examination of the validity of short-term patent by the Hong Kong Patents Registry, the proprietor has to prove the validity of the short-term patent in court proceedings for the enforcement of the patent.

## REGISTERED DESIGN

The Registered Designs Ordinance (Cap.522) provides for registration and protection of designs in Hong Kong.

“Design” means features of shape, configuration, pattern or ornament applied to an article by any industrial process, being features which in the finished article appeal to and are judged by the eye.

To be registrable, a design must be new, original and not purely functional. The design should be different from a design which has been registered or published in Hong Kong or elsewhere. In order to preserve the registrability under the Ordinance, a new design should not be published before a design application has been filed.

In general, the maximum term of a design registration is 25 years, subject to payment of renewal fees every 5 years. Registration confers an exclusive right to manufacture and trade in articles made according to the design.

## TRADE SECRET AND BREACH OF CONFIDENCE

Trade secrets, proprietary or confidential information may be protected by the common law action of breach of confidence.

To succeed in a breach of confidence action, the plaintiff has to prove the following :

- The information must possess the necessary quality of confidence as trade secret or confidential information;
- The recipient must have obtained the information in circumstances in which a duty of confidentiality (or other legal duty) will be imposed;
- The recipient must have acted (or be about to act) in a manner which was in breach of his duty of confidentiality (or other legal duty).