



PROTECTING YOUR BRANDS

Who Should You Turn To?



The 2014
Trademark
Survey

Optimizing
Tax in IP
Transactions

Meeting
the
President

Hong Kong Court
Slashes Cross-
undertaking Award

even though they have been accepted in other jurisdictions where the trademark laws are fairly developed, she says. "There are also difficulties in securing registrations for non-traditional trademarks such as sound marks, colour marks or shape marks."

A balance needs to be struck between the need to maintain a good quality register of registered trademarks in Hong Kong and protecting legitimate business needs, says Deanna Wong, a partner at Hogan Lovells in Hong Kong.

In relation to day-to-day practice, Deacons' IP team have noticed that the Hong Kong IP department has speeded up their schedules for formal hearings. It used to sometimes take up to three years for a hearing to be heard from the time of requesting the same.

However, Chan would like to see the trademark registry expedite the application procedure. For example, currently it may take the trademark registry two months to complete the deficiency checking for formalities examination.

In addition, Chan says one should always keep an eye on what happen in other jurisdictions. As *Tsit Wing Group v. TWG* shows, conducting due diligence and implementing a global trademark strategy is vital for business, she says. "It is one of the few court cases that illustrates the application of basic principles to establish infringement and passing-off. It also illustrates potential issues when companies with conflicting brand names with other companies in different jurisdictions seek to expand their business out of their original place of business."

Deacons' IP team suggest trademark owners be aware of

cross-border issues and in particular protecting their trademark in the Greater China region, noting Hong Kong, mainland China, Macau and Taiwan all have separate trademark registration systems.

They further add it is important to come up with Chinese character equivalent marks for their Roman character marks for all Chinese speaking jurisdictions.



On July 8, 2013, India's membership in the Madrid Protocol officially entered into force. The system offers a cost-effective filing system for trademark owners to register their mark internationally. India's accession is generally viewed as a boost for Indian businesses to seek internationally brand protection.

"The Madrid system is attractive to large businesses as well as small and medium-sized enterprises, which are the largest users of the system. In the midst of current global economic conditions, the Madrid system has shown signs of strength, evidence of its advantages in protecting trademarks internationally," says Dipak Rao, a partner at Rajani, Singhania & Partners in New Delhi.

Rao says the Indian Trademark Registry may observe a higher level in the filing of Trademark application after joining Madrid,

Robin Bridge & John Liu

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Solicitors & Notaries



China
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 Health Care
 Intellectual and Industrial Property
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Founded in 1983 in Hong Kong, Robin Bridge & John Liu is a law firm which provides services for, among others, registering trademarks, designs and patents in Hong Kong. Over the years, we have acquired a wide spectrum of clients with internationally acclaimed brands. Our practice also covers contentious intellectual property matters including opposition, invalidation and expungement proceedings at the Intellectual Property Department and law courts.

We have in 2012 established our own Intellectual Property Agency in Beijing, China which allows us to handle trade mark and copyright related matters directly. We also assist clients in relation to seizure of OEM goods by the PRC Customs as well as enforcement actions in PRC. We also handle civil proceedings for infringement of intellectual property rights as well as criminal enforcement via the Customs & Excise Department in Hong Kong.

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and it is expected that most of the international application would be presented at the examination stage.

Once India entered the Madrid system, the India Trade Marks (Amendment) Rules, 2013 also took effect. Srinash Srinivasan, a senior associate at LR Swami Co in Chennai, tells Asia IP the time period for filing notice of opposition, which was three months from the date of advertisement or re-advertisement of an application for registration and extendable by paying extension fees for one month, has been amended. The notice of opposition can now be filed within four months from the date of the advertisement or re-advertisement and is non-extendable.

Srinivasan says the Trade Mark Registry has been conducting public awareness sessions in various IP offices in India to discuss Madrid's implementation in India and to demonstrate the procedure for online filing of international applications. "More of these sessions will be conducted and attorneys will be able to interact with officials from WIPO."

The backlog in the trademark registry system is still one of the biggest concerns facing trademark owners in India today, says Mohan Dewan, principal at RK Dewan & Co in Mumbai. Dewan says delays can be found in both registration and post-registration processes, and that it looks like the Trademarks Registry has somehow reached a bottleneck in dealing with it. "The situation is getting worse as the backlog is not being cleared fast enough and the number of trademark applications per year is on the rise."

The tremendous backlog reflects some long-term defects in the administrative process in the Indian trademark system. Nikhil Krishnamurthy, a senior partner at Krishnamurthy & Co in Bangalore, says the lengthy and cumbersome process involved in registering the trademarks has long been a roadblock for trademark owners. Currently, it takes approximately 36 to 48 months to register a trademark in India, says Krishnamurthy.

However, with the amendments made to the Trade Marks Act and Rules, the timeframe for trademark registration has mandatorily been reduced to 18 months from the date of application, provided no opposition is received, says Krishnamurthy. "This will certainly reduce the issues with respect to the lengthy and protracted trademark registration process."

Like many emerging markets in the region, counterfeiting remains a serious hazard to trademark owners in India. Purnima Singh, head of IP at Mulla & Mulla & Craigie Blunt & Caroe in Mumbai, says with digital media, access to content, as well as efficiency in communication over the internet, the growth of e-commerce has been exponential. "This has resulted in an alarming rise of counterfeiting incidents in India with respect to the IP rights of both Indian as well as foreign IP owners."

"Sufficient measures to remedy this issue do not appear to be available or if available, not forcefully availed of. This has a detrimental effect on the trade and the rights of IP owners," says Singh. She calls for stronger strategy at all levels of administration for the efficient enforcement of IP laws.

In addition to e-commerce, social media also creates opportunities for infringers. Grover says right holders will face challenges with use of their valuable intellectual property in social media, especially while the law has not caught up with technology, which will create difficulty in enforcement of rights.

Himanshu Sharma, a senior associate at Singh & Associates in New Delhi, agrees that trademark infringement has found its way into cyberspace. "Provisions to protect trademarks from cybersquatting, domain names, and the sale of counterfeit, fake goods online are inadequate in the current law. Yet there has been a rise in such cases especially in metropolitan cities," adds Sharma.

India - Trademark Prosecution

Tier 1	Anand and Anand DePenning & DePenning K & S Partners Lall & Sethi Remfry & Sagar
Tier 2	DP Ahuja & Co Inttl Advocare Krishna & Saurastri Lakshmi Kumaran & Sridharan Lall Lahiri & Salhotra

India - Trademark Contentious

Tier 1	Anand and Anand Lall Lahiri & Salhotra Lall & Sethi Saikrishna & Associates Singh & Singh
Tier 2	Amarjit & Associates Inttl Advocare K & S Partners Remfry & Sagar WS Kane & Co

India: Costs*

Filing Fees	US\$375-450
Associate Rates	US\$350-550
Partner Rates	US\$200-350

Singh points out that the emergence of e-commerce has thrown new challenges at right owners, including infringements, pass-offs and counterfeiting, which are becoming more rampant every day. "These challenges, if not dealt with in an effective and efficient manner, could bring in disastrous outcomes."

To tackle these ever-increasing problems, she suggests India enhance implementation of technologically sophisticated and advanced tools to identify counterfeiting activity particularly in relation to digital and new media. A stringent enforcement mechanism, including specialized forums for swift counterfeit actions such as heavy penal provisions, damages and imprisonments, is also needed, adds Singh.

In addition, Ramesh K Vaidyanathan, managing partner at Advaya Legal in Mumbai, also points out the remedy for passing off tends to be the next challenge for the industry. "Formulating the guidelines for determining passing off and preventing copying of well-known trademarks has become a major challenge," says Vaidyanathan.

Vaidyanathan says this is especially a problem in the FMCG sector. "One of the reasons for passing off remedies becoming a challenge is the absence of any written legislation for the principles

governing this common law remedy. One such problem posing aspect to it is 'trans-border reputation' of a mark. The absence of any decisive definition of 'goodwill' and 'reputation' in the statute forms the basis for the challenge posed in understanding the concept. Courts in India fail to distinguish between these two terminologies and use the terms interchangeably."

Regarding the challenge of passing off, Sagar Chandra, managing partner at Sagar Chandra & Associates in New Delhi, explains that at the moment, under the Indian Trade Marks Act, 1999, Section 134(2) permitted the registered proprietor of a trademark to institute a suit for infringement of trademark at either its place of residence, registered office or where it carries on business or works for gain. However this provision does not extend to a passing off action which has been specifically excluded from Subsection (2) of Section 134, although the Trade Marks Act recognizes a passing off action.

Chandra suggests that the statutory right given to a registered proprietor of a trademark under Section 134(2) be extended to composite suits where passing off is also alleged in respect of the registered trademark.

Not unlike other countries in the region, the closer you are to a major urban area, the better protection of your intellectual property is likely to be, says Vipul Bhuta, an advocate and patent attorney at Aditya & Associates in Mumbai. "Indian authorities are committed to effective enforcement of IP rights, but the judicial courts and process takes a long time in such matters. Basically, one can expect effective and favourable decisions and action from High Courts in metro cities like Mumbai, Delhi, Chennai, Kolkata, etc., but wherever there is a problem in an internal part of the country in small cities, towns and villages, enforcement is very difficult due to unawareness and lack of training in such places," Bhuta says.

Rao says that over the past two or three years, Indian courts "have become aware of IP protection" and "have started taking IP matters differently which has led to expeditious disposal of such matters and have granted remedies wherever necessary."

Not all is rosy, says Vikram Grover, founder and principal at Groverlaw in Gurgaon. Piracy and counterfeiting remain rampant in India, both physical and over the internet. "One has to be vigilant with the protection of one's intellectual property," Grover says. Practice at the India Patent Office (IPO) lacks consistency and uniformity, though efforts are underway to harmonize IPO work.

Some 170 copyright and trademark cases with damages have been heard in Indian courts since 2005, another positive sign for investors. "Damages have gone completely across the statute," says Safir Anand, a senior partner at Anand and Anand in Noida. "In eight years, we have put together a fairly large mass of case law on damages, and we expect patent cases to join soon. Indian courts have found millions of rupees of damages."

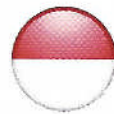
Though difficulties do most assuredly still remain, most lawyers agree the situation is better than it was in the fairly recent past. The improving IP rights enforcement has been a direct response to increased foreign direct investment in India, and has had the benefit of further attracting more foreign investment, says Manisha Singh Nair, a partner at LexOrbis in New Delhi. Nair says that Indian authorities have been giving increased attention to intellectual property protection since the late 1990s and early 2000s, noting that each state in India has appointed officers to combat piracy and counterfeiting, that city police in Delhi, Mumbai, Chennai, Hyderabad, Kolkata, Bangalore and other cities have formed special police forces to handle IP infringement matters and that courts have "invariably granted" interim and

permanent injunctions and exemplary damages in case of blatant IP infringement.

"This has been a result of the increase in foreign investment in the country, but it has nonetheless proven beneficial for the nation's industrial growth," says Nair. "The judiciary has realized that it must also not only provide protection to the corporations, but also for inclusive development of society and industry. And in doing so, the Court's decisions have been extremely just and fair. In the long run, this has proven to be an encouragement to foreign investment in the country and to small business owners all over."

In a 2011 survey conducted by US-based market research firm Harris Interactive, 74% of the adults surveyed in India said that brand names are important to them when choosing clothing and accessories; 89% said that they believe that good brand names translate to quality products.

Although brand awareness has increased, many Indian consumers are not yet fully cognizant of the importance of intellectual property rights, says Raghav Malik, a partner at Lall & Sethi in New Delhi. "People are not exactly aware of what is right and what is wrong. There needs to be more education," he says, noting that the Federation of Indian Chambers of Commerce and Industry and other groups do work with government bodies to raise awareness among the public.



INDONESIA

Indonesia is expected to join the Madrid Protocol by December 2015, but upon accession to the Protocol, the volume of work for IP consultants will likely decrease, says Freddy Karyadi, a partner at Ali Budiardjo, Nugroho, Reksodiputro in Jakarta.

To be on par with Madrid, non-conventional trademarks such as 3-D marks, holograms, and sound marks are likely to be introduced along with an extended six-month grace period after renewal due date in 2014, says Somboon Earterasarun, director at Tilleke & Gibbins in Jakarta.

With the implementation of the Industrial Property Administration System (IPAS), software developed by the World Intellectual Property Organization and used in more than 50 countries, the Directorate General of Intellectual Property is expected to provide better quality of service in regards to trademark application and registration until issuance of certificate, says Hendra Widjaya, founder at Inter Patent Office in Jakarta.

Prior to the renewal stage, the process of substantive examination and registration of marks with no objection or opposition should be expedited, says Gunawan Suryomurcito, a partner at Rouse/Suryomurcito & Co in Jakarta.

The time currently needed for a trademark to be registered is approximately 18 to 24 months, or even longer, says Amalia Roosseno, founding partner at AMR Partnership in Jakarta.

The resources at the trademark office should be improved to provide better services, says Harry Wirawan, head of the trademark and litigation division at Biro Oktroi Roosseno in Jakarta.

The fight against counterfeiting remains the biggest challenge facing trademark owners, says Heru Lukito, founder of HeruLukito & Partners in Jakarta. "We hope that the laws and regulations relating to trademarks will continue to improve."