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IP Factsheet: Hong Kong

CHINA IPR SME HELPDESK

For free, confidential, business-focused IPR advice within three working days E-mail: question@china-iprhelpdesk.eu
1. THE FACTS: Business in Hong Kong for EU Companies

**SIZE of Market (2018):**
- EU exports to Hong Kong: EUR 36.6 billion
- EU imports from Hong Kong: EUR 9.8 billion
- Total trade in goods: **EUR 46.4 billion**

- Hong Kong is the EU’s 20th largest trading partner in goods overall and 8th largest trading partner in Asia.
- The EU is Hong Kong’s 2nd largest trading partner overall (after China).

**Key INDUSTRY SECTORS:**
- EU exports to Hong Kong mainly consist of machinery and transport equipment, telecommunications equipment, chemicals and other semi-finished products.
- Hong Kong’s key export items to the EU include machinery and transport equipment and telecommunications equipment.
- The EU’s business presence in Hong Kong covers a large variety of sectors, including financial and business services, trading, logistics, construction and retailing.

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1 Source for the Facts: DG Trade.
2. IPR in Hong Kong for SMEs: BACKGROUND

**Intellectual Property Rights for SMEs: Why is this RELEVANT to you?**

Intellectual Property (IP), as intangible assets, are a key factor in the competitiveness of your business in the global economy. Protecting IP is a primary method for securing a return on investment in innovation and is particularly relevant to Small and Medium-sized Enterprises (SMEs) as they internationalise their business to areas such as Hong Kong. Although SMEs often have limited time and resources, it is important to be aware of how IP can be valuable to your business. Not only a way to help you protect your innovations from competitors, IP assets can also be an important source of cash-flow for SMEs through licensing deals or selling IP, as well as a significant pull-factor when attracting investors.

**SMEs** are businesses which have fewer than 250 employees and turnover of less than EUR 50 million or balance sheet total of less than EUR 43 million. SMEs represent 99% of all enterprises in the EU, and account for about 70% of jobs. Their flexibility and growth potential is seen as a major motor of future innovation and job creation, which is pivotal for the prosperity and economic competitiveness of Europe as a whole.

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**IP TIPS and WATCH-OUTS in Hong Kong**

- Hong Kong operates under a ‘first-to-file’ system, meaning that the first person to file an IP right within the Hong Kong jurisdiction will own that right once the application is granted.

- Hong Kong maintains a separate legal system from Mainland China. To gain broad protection proprietors must register in both Hong Kong and Mainland China. To obtain protection in Hong Kong and the Mainland, proprietors must register in each region separately.
Infringement is one of the most common concerns for businesses when dealing with countries across Asia, and its impact on your company could be substantial. It can lead to loss of business, revenue, reputation and competitive advantage, which affects SMEs both abroad and in their core domestic markets, and the inadequate protection of inventions and creations can jeopardise prospects for maintaining a competitive advantage.

**How does Hong Kong’s IP legal framework compare to INTERNATIONAL STANDARDS?**

Hong Kong has a well-established and comprehensive IP legal framework, and is generally considered as one of the most sound in the East Asian region. Hong Kong is a party to the following international agreements in relation to IPR: the Paris Convention for the Protection of Industrial Property, the Berne Convention for the Protection of Literary and Artistic Works, the Universal Copyright Convention, the Nice Agreement Concerning the International Classification of Goods and Services, the Geneva Convention for the Protection of Producers of Phonograms Against Unauthorised Duplication of their Phonograms, the Patent Cooperation Treaty, the Convention establishing the World Intellectual Property Organization (WIPO), Copyright Treaty and the WIPO Performances and Phonograms Treaty. However, currently, Hong Kong is not a party to the Madrid Protocol which allows for a one-time registration of trade marks across multiple jurisdictions. To enjoy protection there, trademarks must still be registered directly in Hong Kong. This is, however, set to change. The Trade Marks (Amendment) Bill of 2019, gazetted on 8 February 2020, provides a basis for the application of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks (Madrid Protocol) to Hong Kong. It is estimated that the Madrid Protocol will apply to Hong Kong around 2022 to 2023.

As a Special Administrative Region of the People’s Republic of China, Hong Kong has a high degree of autonomy and will retain its own legal system until 2047. Under the basic law, for intellectual property purposes, Hong Kong remains as a separate jurisdiction from the rest of China. Hong Kong’s legal system and IP laws are separate and significantly different to those of Mainland China. Therefore IPR registered or protected in Hong Kong will not automatically extend to Mainland China and vice versa.

### 3. IP Rights in Hong Kong THE BASICS

#### A. Copyrights

**WHAT are Copyrights?**

Copyright is the right given to owner of an original work. This right can subsist in literary works such as books and computer software, musical works, dramatic works, artistic works, sound recordings, films, broadcasts, cable programmes and the typographical arrangement of published editions of literary, dramatic or musical works, as well as artists’ performances. Copyrightable work is not required to have an aesthetic value, nor does it have to be clever or very creative. Copyright can even exist in an item such as a simple photograph taken by an ordinary person.

**Copyrights in Hong Kong: What you need to know**

For copyright to subsist and be protected by the copyright laws, the original work must be reduced into a material form of expression i.e. a tangible form. A mere idea in a person’s mind, however ingenious and elaborate, is not protected by copyright. If the idea is orally communicated to another person who writes it down, copyright will belong to the person who exerts skills and efforts in writing it down.

The copyright owner has the exclusive right to exploit their work for commercial gain and in particular to copy the work, issue copies of the work to the public, rent copies of the work to the public, make available copies of the work to the public, perform, show or play the work in public, broadcast the work or include it in a cable programme service or to make an adaptation of the work.

In addition, the author of a literary, dramatic, musical or artistic work and the director of a film enjoys moral rights, i.e. the right to be identified as the author or director.

**HOW do I register?**

There are no formalities required to obtain or register copyright protection for works in Hong Kong. Copyright is an automatic right that arises upon the creation of the work by the author. Works of authors from any place in the world, or works first published anywhere in the world, qualify for copyright protection in Hong Kong. Since there is no general registration system for copyright works, it is recommended that copyright holders keep good records of the process of creating the work as this record is useful evidence for enforcement purposes and also in defending against claims of copyright infringement.
How LONG does legal protection last?

<table>
<thead>
<tr>
<th>Nature of work</th>
<th>Duration of Copyright</th>
</tr>
</thead>
<tbody>
<tr>
<td>Literary, dramatic, musical and artistic works</td>
<td>50 years from the end of the year in which the author dies</td>
</tr>
<tr>
<td></td>
<td>Where the author is unknown, 50 years from the end of the year in which the work is made, or 50 years from the end of the year in which it is made available</td>
</tr>
<tr>
<td></td>
<td>For joint ownership, 50 years after the death of the last author</td>
</tr>
<tr>
<td>Sound recordings</td>
<td>50 years from the end of the year in which it is made or 50 years from the end of the year in which it is released</td>
</tr>
<tr>
<td>Films</td>
<td>50 years from the end of the year after the last of the principal director, author of the screenplay, author of the dialogue or composer of music specially created for and used for the film dies</td>
</tr>
<tr>
<td>Broadcasts and cable programmes</td>
<td>50 years from the end of the year in which the broadcast was made or the programme was included in a cable programme service</td>
</tr>
<tr>
<td>Typographical arrangements</td>
<td>25 years from the end of the year in which the typographical arrangement was first published</td>
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</tbody>
</table>

Copyrights WATCH-OUTS in Hong Kong

There is no way to register copyright in Hong Kong – Thus good records proving ownership are essential, as Hong Kong refers to the English Common Law tradition supplemented by local legislation.

The author of a work (intellectual creator) is the first owner of any copyright in it. Subject to certain exceptions, where a literary, dramatic, musical or artistic work, or a film, is made by an employee in the course of his employment, his employer (for example a company) is the first owner of any copyright in the work.

In Hong Kong, besides copyrights intellectual creators also enjoy the so called "moral rights", namely the right to be acknowledged as author (authorship right) and the right to oppose distortions to the work (integrity right). Moral rights do not expire – they are continuous.
B. Patents

WHAT are Patents?
Patents are an exclusive right granted by a government to an inventor to manufacture, use, or sell an invention for a certain number of years. A patent gives the inventor an exclusive right to use his invention. An invention which is new and involves an inventive step can be patented in Hong Kong by registration as long as it can be ‘industrially applied’ and does not belong to the excluded classes of inventions. A patent protects the patent owner by giving the patent owner a legal right to prevent others from manufacturing, using, selling or importing the patented invention.

Patents in Hong Kong: What you need to know
There are two types of patents granted in Hong Kong, namely standard patents and short-term patents. Hong Kong patent system recently underwent major changes. Effective from 19 December 2019, the grant of a standard patent in Hong Kong can be based on:

a) the re-registration of a corresponding patent granted by one of the three designated patent offices in Mainland China, the United Kingdom or the European Patent Office (for patent applications designating the United Kingdom); or

b) the new and direct local original grant patent route.

Standard patents applied for under the new original grant patent route are referred to as standard patents (O) while standard patents applied for under the re-registration route are referred to as standard patents (R). Standard patents (R) are issued following a two-stage formal registration procedure. In the first stage, applicants file a “request to record” with the Patents Registry of Hong Kong Intellectual Property Department, which has to be based upon a pending application in the UK, Europe or China (the “designated patent application”). In the second stage, once the patent has been granted by the designated patent offices, applicants need to file an application for registration and grant of the patent in Hong Kong. The re-registration route for a standard patent (R) in Hong Kong requires a formality examination only, however, once granted the patents are independent of the corresponding patents granted by the relevant designated patent offices and are enforceable before the Hong Kong Courts. Registration of a standard patent (R) usually takes about six to nine months (as this is merely a re-registration of the corresponding patent granted by the PRC, EU or UK Patent Offices).

To obtain a standard patent (O), the applicants need to file a standard patent application directly with the Hong Kong Intellectual Property Department. For the new original grant patent route, there will be substantial examination by the Registrar of Patents for determining the patentability of the underlying invention, in addition to the formality examination.

SMEs should keep in mind that it is not possible to file a standard patent (O) application directly from the PCT application. International PCT applications must still follow the re-registration route of standard patents (R).

The direct filing of short-term patents for inventions with a shorter commercial viability is also available with a maximum protection term of 8 years. Applications are made directly to Hong Kong Patent Registry and are granted subject to a formal examination only. Applicants for short-term patents in Hong Kong can enjoy a right of priority in respect of their corresponding applications in a Paris Convention country or WTO member; protection therefore exists from the date-of-filing of the application in the corresponding country. A short-term patent may be registered in under 6 months assuming all relevant formalities are complied with upon application. Please note that the short-term patents for inventions granted in Hong Kong are not the same as the utility models available for registration in Mainland China, but protection may serve a similar purpose.

Short term patents are not required to undergo the ‘substantive examination’ process which is more thorough. This means that a patent grant will not be refused on the grounds that the invention is assessed to be not patentable. The Registrar can refuse to record and grant the patent if the publication or working of the invention is contrary to public order. However, effective from 19 December 2019, a short-term patent application may contain up to two independent claims and post-grant substantive examination may be requested by the patent owner or a third party having reasonable grounds or legitimate business interests. The substantive examination will result in the issuance of a “certificate of substantive examination” confirming the validity of the patent. Such substantive examination request or the certificate is also a prerequisite to commencing an enforcement action.

How LONG does legal protection last?
Standard patents (both R and O) in Hong Kong have a term of protection of up to 20 years from the date of filing, subject to payment of annual renewal fees starting from the end of the third year.

Short-term patents in Hong Kong have a protection term of up to eight years from the date of filing, subject to payment of renewal fee at the end of the fourth year.
HOW do I register?
The grant of a standard patent (R) in Hong Kong is based on the re-registration of a patent granted by one of the three designated patent offices. An application for a standard patent (R) is made in two stages:

(i) A ’request to record’ the designated patent application within six months after the date of publication of the corresponding patent application. The request should be filed on form P4. The filing fee is due within one month of application. Form P4 and a fee listing are available at http://www.ipd.gov.hk/eng/forms_fees/patents.htm.

(ii) A ’request for registration’ and grant within six months after the date of grant of the corresponding patent by the designated patent office or publication of the request to record in Hong Kong. The request should be made on Form P5. Form P5 and a fee listing are available at http://www.ipd.gov.hk/eng/forms_fees/patents.htm.

To obtain a standard patent (O), applicants are requested to file an application directly with the Hong Kong Intellectual Property Department. The application has to be made on Form OP1. Applicants need to file a request with the Registrar for substantive examination of a standard patent (O) application by submitting Form OP2 within three years after its date of filing or the earliest date of priority claimed (if applicable). Should applicants fail to do so, their application will be considered as being withdrawn. Forms OP1, OP2 and the fee listing are available at: https://www.ipd.gov.hk/eng/forms_fees/patents.htm

The grant of a short-term patent in Hong Kong is based on filing a search report from an international searching authority or one of the three designated patent offices (Mainland China; United Kingdom; European Patent Office). A short-term patent application is made by filing a request for grant supported by documents and information as specified in the Hong Kong Intellectual Property Department (IPD) website. The application should be made on Form P6. Form P6, P6A and listing of the current filing fee are available at http://www.ipd.gov.hk/eng/forms_fees/patents.htm.

Please refer to the IPD website (www.ipd.gov.hk) for details and further information on the application and registration process. Registrations can be filed by post or in person at the address below:

Patents Registry, Intellectual Property Department
24/F, Wu Chung House, No. 213 Queen's Road East, Wanchai, Hong Kong China
+852 2838 6315

WHO can register?
The owner(s) of the invention can apply for a patent. If the person filing the Request to Record or Registration of Grant of a standard patent (R) or application for standard patent (O) is not the same as the applicant for the designated patent, a statement setting out the person's entitlement to file should be included upon the request. If the person making the application for a short-term patent is not the inventor, a statement of his entitlement to apply for grant of the patent should be included upon application. There are no restrictions as to nationality or residency of the applicant. However, a Hong Kong address must be provided for service, to which correspondence from the Registry will be sent.

Which LANGUAGES can I use
Applications for patent registrations may be made in English or Chinese but the title and abstract of the patent application must be shown in both English and Chinese.
Patent WATCH-OUTS in Hong Kong

- The standard patent (O) would be most beneficial to SMEs who are interested in obtaining patent protection only in Hong Kong (not in Europe or in China). Applicants who consider filing patents in Hong Kong, Mainland China, Europe or the UK can find the existing re-registration system for standard patents (R) more cost effective. Thus, European SMEs wishing to obtain patent protection both in Mainland China and Hong Kong are recommended to use the re-registration filing route.

- It is not possible to apply for a standard patent (O) via using the international PCT filing route. The SMEs who consider using the international PCT filing route need to apply for standard patent (R) according to the re-registration system.

- There is no substantive examination to obtain a short-term patent. However, in case of infringement, to enforce short-term patents, patent owners must show a request for substantive examination or a certificate of substantive examination. It is thus recommended that short-term patent owners wishing to enforce their patent consider filing an early request for substantive examination. At the same time, before patent owners file such a request, they should at first make sure that the short-term patent would meet the criteria for validity.

- A person who threatens another person with infringement proceedings relating to an unexamined short-term patent must, upon request, provide adequate information for identifying the patent in question. Otherwise, the aggrieved party may take action against the patent owner for groundless threat of infringement proceedings.

- The new Patents Ordinance also restricts the use of confusing or misleading titles or descriptions in certain circumstances, including “registered/certified patent agent” and “registered/certified patent attorney”, in Hong Kong.

How much does it COST?

<table>
<thead>
<tr>
<th>Fee for Standard Patent (R)</th>
<th>HK$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application for request to record</td>
<td>$380 for application, $68 for advertisement</td>
</tr>
<tr>
<td>Application for registration and grant</td>
<td>$380 for application, $68 for advertisement</td>
</tr>
<tr>
<td>Renewal</td>
<td>$450 per year for 4th to 10th year, $620 per year for 11th to 15th year, $850 per year for 16th to 20th year</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Fee for Standard Patent (O)</th>
<th>HK$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Filing fee</td>
<td>$480 for application, $68 for advertisement</td>
</tr>
<tr>
<td>Request for substantive examination</td>
<td>$4000 for substantive examination</td>
</tr>
<tr>
<td>Renewal</td>
<td>$450 per year for 4th to 10th year, $620 per year for 11th to 15th year, $850 per year for 16th to 20th year</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Fee for Short-term Patent</th>
<th>HK$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application</td>
<td>$755 for application, $68 for advertisement</td>
</tr>
<tr>
<td>Renewal</td>
<td>$1,080 per year</td>
</tr>
</tbody>
</table>

Please refer to the IPD website for information on patent application forms and fees (http://www.ipd.gov.hk/eng/forms_fees/patents.htm).
C. Trade Marks

WHAT are Trade Marks?
A trade mark is a sign that distinguishes the goods and services of one trader from those of others. Typically a trade mark can be words (including personal names), indications, designs, letters, characters, numerals, figurative elements, colours, sounds, smells, the shape of the goods or their packaging or any combination of these. A sign must be capable of being represented graphically in order for it to be registered as a trade mark.

Trade Marks in Hong Kong: What you need to know
In order to be eligible of being registered as a trade mark, the mark must be:

• A sign such as words (including personal names), indications, designs, letters, characters, numerals, figurative elements, colours, sounds, smells, the shape of goods or their packaging or a combination of such signs.
• Capable of being represented graphically.
• Capable of distinguishing the goods and/or services of the applicant from those of other undertakings.
• Inherently or factually distinctive of the goods or services.

A trade mark is not registrable if:

• It is descriptive i.e. consisting exclusively of signs that designate the kind, quality, quantity, intended purpose, value, geographical origin, time of production of goods or rendering of services or other characteristics of the goods or services. ‘Apple’ for example may be used for electrical products but not for fruits.
• It is a term that is generic of the goods or services.
• It is contrary to accepted principles of morality or likely to deceive the public.
• Its use is prohibited in Hong Kong under or by virtue of any law.
• Its application was made in bad faith.
• It contains the national/regional flag or emblem or design or the flag of any country that is a party to the Paris Convention.
• It is identical to an earlier filed trade mark for identical goods/services.
• It is identical or similar to an earlier filed trade mark for similar goods/services or identical goods/services respectively and is likely to cause confusion to the public.
• It is identical or similar to a well-known trade mark.
• A mark which consists of a sign that exclusively designates geographical origin is not registrable in Hong Kong unless it has acquired distinctiveness as a result of use. Names of countries and major cities around the world are unlikely to be able to acquire distinctiveness through use.

How LONG does legal protection last?
Trade marks are registered for a period of 10 years from the date of filing and may be renewed for further periods of 10 years upon payment of renewal fee.

Protection begins from the date of registration which upon grant is backdated to the filing date. However, no infringement proceedings may be commenced until the date the registration is entered into the register – i.e. the date of grant.

HOW do I register?
Before submitting an application to register a trade mark, it is recommended to perform a trade mark search to find out if someone else has already registered or has applied to register the same or similar trade mark. SMEs can perform trade mark search at the Trade Mark Registry at: esearch.ipd.gov.hk. In addition, the Trade Marks Registry offers a Search and Preliminary Advice services to anyone for HK$400.

To register, applicant must submit to the Trade Mark Registry a completed form (Form T2), together with the applicant’s name and address, a clear graphical representation of the trade mark, a list of goods and/or services for which registration is sought, classified according to the International Classification of Goods and Services for Registration prescribed by the Nice Agreement, a statement about whether the trade mark is being used
or intended to be used and the prescribed fee. A copy of Form T2 and fee listing is available at https://www.ipd.gov.hk/eng/forms_fees/trademarks_559.htm.

There are four stages in the process of examining an application for registration, (i) deficiency checking, (ii) substantive examination against the requirements under the Trade Marks Ordinance, (iii) acceptance of application and publication for opposition and (iv) registration and issue of certificate of registration.

If there is no problem in the application and all requirements for registration are met, the application will be accepted for registration. The particulars of the trade mark will be published in Hong Kong’s Intellectual Property Journal for opposition for a period of 3 months, and a certificate of registration will be issued to the applicant thereafter.

The average time for a smooth registration of a trade mark in Hong Kong without any issues or objections is between six and nine months. The time required will take much longer if there is any opinion or office action from the Registry.

Please refer to the IPD website (www.ipd.gov.hk) for details and further information on the application and registration process. Registrations can be filed by post or in person at the address below:

Trade Mark Registry, Intellectual Property Department
24/F, Wu Chung House, No. 213 Queen’s Road East, Wanchai, Hong Kong China
(852)2838 6082 / (852)2574 4345

**WHO can register?**

The owner of a trade mark can make an application for a trade mark. There are no restrictions as to nationality or residency of the applicant. However, a Hong Kong address must be provided for service, to which correspondence from the Registry will be sent. Where the trade mark application is submitted by an agent, a Hong Kong address where the agent resides or carries on business activities must be provided.

**Which LANGUAGES can I use?**

Applications for trade mark registrations may be made in English or Chinese.

**How much does it COST?**

<table>
<thead>
<tr>
<th>Fee</th>
<th>HK$</th>
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<tbody>
<tr>
<td>Application fee</td>
<td>$2000 plus $1000 per each additional class. A list of the goods/services classes can be found here: <a href="http://www.ipd.gov.hk/eng/intellectual_property/trademarks/how_to_classify.htm">http://www.ipd.gov.hk/eng/intellectual_property/trademarks/how_to_classify.htm</a></td>
</tr>
<tr>
<td>Renewal fee</td>
<td>$2670 plus $1340 per each additional class</td>
</tr>
</tbody>
</table>

**Trade Secrets WATCH-OUTS in Hong Kong**

Separate laws and systems regulate the registration of company names, business names and trade marks in Hong Kong. A company name registration with the Companies Registry or a business name registration with the Inland Revenue Department is not the same as a trade mark registration with the Trade Marks Registry. A business or company name registration is not an indication of trade mark rights or the rights to use the name as a trade mark in promoting or dealing in goods or services.

Preparatory work for the implementation of the Madrid Protocol is underway pending the second reading of the Trade Marks (Amendment) Bill. The Hong Kong Government hopes to implement the Madrid Protocol around 2022 to 2023.
D. Registered Designs

WHAT is a Registered Design?
A registered design covers features of shape, configuration, pattern or ornament applied to an article by an industrial process. Two-dimensional designs such as those appearing on textiles or wallpaper may also be registered provided that they appeal to and can be judged by the eye in the finished product.

The owner of a registered design has the right to stop others from using his design to manufacture, import, use, sell or hire without his consent. A registered design right therefore assists the owner in protecting his market share. The right may also be licensed or assigned to third parties for a fee or royalty.

Registered Designs in Hong Kong: What you need to know
In order to be registered, the design must (i) be new, which means that, at the date of application for registration, the design must not be the same as a design registered or published in Hong Kong or anywhere in the world, or differ from such a design in immaterial details or features which are variants commonly used in the trade, and (ii) have an appearance that appeals to and can be judged by the eye. The following are not registrable as designs:

- A method or principle of construction.
- Features of shape or configuration of an article which are dictated solely by the function the article has to perform or are dependent upon the appearance of another article of which the article is intended by the designer to form an integral part.
- Articles where the appearance is not material i.e. aesthetic considerations are not taken into account to a material extent by persons acquiring or using the articles and would not be taken into account if the design were to be applied to the article.
- Designs where the publication or use of which would be contrary to public order or morality.
- Computer programs and protected layout-designs (topographies).
- Designs for works of sculpture (other than casts or models used or intended to be used as models or patterns to be multiplied by any industrial process), wall plaques, medals and medallions, and printed matter of a primarily literary or artistic character.

It is possible to claim the filing date of an earlier application filed in a country that is a member of the Paris Convention or WTO for protection of the same design, provided that the Hong Kong application is filed within six months of the earlier application. Therefore you should ensure that your design is not disclosed to others until an application has been filed.

Average time to register designs in Hong Kong is less than three months assuming all formalities are correct upon filing.

How LONG does legal protection last?
The registration of a design lasts for five years beginning from the filing date. It may be extended for additional periods of five years, up to a maximum of 25 years from the filing date.

HOW do I register?
To file an application, the applicant must submit to the Designs Registry a completed application form (Form 1 is available at https://www.ipd.gov.hk/eng/forms_fees/design.htm), a set of clear images of the design, and payment of the filing fee and advertisement fee.

Although there is no substantive examination of a design application, the Registry has the power to refuse an application after examination if the application does not satisfy the formal requirements, or if the design appears not to be new or is not registrable for any other reason. The applicant will be given the chance to correct deficiencies.

Once the Registry is satisfied that the application is in order, it will register the design, publish the registration in the Hong Kong Intellectual Property Journal and issue a certificate of registration.

Please refer to the IPD website (www.ipd.gov.hk) for details and further information on the application and registration process. Registrations can be filed by post or in person at the address below:

Designs Registry, Intellectual Property Department
24/F, Wu Chung House, No. 213 Queen’s Road East, Wanchai, Hong Kong China
(852) 2838 6315

WHO can register?
Only the owner of a design is entitled to register a design. There are no restrictions as to nationality or residency of the applicant. However, a Hong Kong address must be provided for service, to which correspondence from the Designs Registry will be sent.

Which LANGUAGES can I use?
Applications for design registrations may be made in English or Chinese.
How much does it COST?

<table>
<thead>
<tr>
<th>Fee</th>
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<tbody>
<tr>
<td>Application fee</td>
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<tr>
<td>Where not a ‘set of articles’</td>
<td>$785 for a single design for each article to which the design is applied</td>
</tr>
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<td>$785 for 2 or more designs for same class of articles, $590 for each other article for which any of the designs is to be applied. Hong Kong is party to the WIPO ‘International Classification for Industrial Designs’ under the Locarno Agreement – to determine class of articles, a full list of the classes can be found here: <a href="http://www.wipo.int/classifications/nivilo/locarno.htm">http://www.wipo.int/classifications/nivilo/locarno.htm</a></td>
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<td>Where ‘set of articles’</td>
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<td></td>
<td>$1,570 for one design</td>
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<td></td>
<td>$1,570 for two or more designs which are for same class of articles, $1,180 for each further design</td>
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<td>$155 for advertisement</td>
</tr>
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<td>Renewal fee</td>
<td></td>
</tr>
<tr>
<td>$790 for first five year extension</td>
<td></td>
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<tr>
<td>$1,200 for second five year extension</td>
<td></td>
</tr>
<tr>
<td>$1,760 for third five year extension</td>
<td></td>
</tr>
<tr>
<td>$2,690 for fourth five year extension</td>
<td></td>
</tr>
</tbody>
</table>

(For more information, see [https://www.ipd.gov.hk/eng/forms_fees/design.htm](https://www.ipd.gov.hk/eng/forms_fees/design.htm))

Registered Designs WATCH-OUTS in Hong Kong

The Hague Agreement provides an international registration system for designs. Hong Kong is not party to the Hague Agreement. Accordingly, applications for registered design protection must be made directly in Hong Kong.

Unlike some other jurisdictions, unregistered designs may, to a certain extent, be protected by copyright in Hong Kong. However, after the end of 15 years from the time when such articles incorporating an unregistered corresponding design are first marketed, the work may be copied by making articles of any description and anything may be done in relation to the articles so made, without infringing copyright in the work.

Even though, limited protection is available for unregistered designs, it is strongly recommended to register design in Hong Kong to enjoy full design rights protection.

E. Trade Secrets

WHAT are Trade Secrets?

A trade secret is a particular type of confidential business information. Trade secrets can include an invention, a manufacturing process or industrial distribution process. A trade secret is often extremely valuable to a business as this secret information often gives a business a competitive advantage and would severely harm the business if revealed to a competitor.

Trade Secrets in Mainland China: What you need to know

In Hong Kong, trade secrets and undisclosed commercial information are protected by contract or the common law of confidence. An ‘obligation of confidence’ will arise whenever the information is communicated to or acquired by a person who knows, or ought as a reasonable person to know, that the other person wishes to keep that information confidential.

Precisely because of their confidential nature, trade secrets are not required to be registered to be protected. In order to be protected and enforced under Hong Kong law, trade secret owners must demonstrate that the information (i) has the necessary quality of confidentiality about it, (i.e. the information must not be generally known), (ii) there is commercial value in the information and reasonable steps have been taken to keep the information confidential, and (iii) the information has been imparted in circumstances where an obligation of confidence is clear. A recipient of information from a third party information who receives information knowing that it is in breach of confidence will also owe a duty of confidence.

The remedies available for breach of confidence include injunctions, damages, account of profits and delivery up of materials containing confidential information.

How LONG does legal protection last?

Trade secrets can be protected for an unlimited period of time so long as they do not become common knowledge or become generally available to the public.
Trade Secrets WATCH-OUTS in Hong Kong

The release of trade secrets and undisclosed commercial information would be detrimental to the owners or advantageous to their competitors. Caution must be taken when sharing trade secrets with potential trading partners or investors. Any trade secret should only be shared with a recipient after entering into a Non-Disclosure Agreement (NDA). In the NDA, remedies should be provided in the event that the non-disclosure agreement has been breached.

It is good practice to mark all documents which your business considers to contain trade secrets as ‘Confidential’ or ‘Trade Secret’ in order to make clear to all parties that the piece of information you are seeking to protect was secret information. Most importantly, only reveal trade secrets to those who need to use the information and to no-one else.

4. Using CUSTOMS to block counterfeits

WHAT is Customs?
Hong Kong Customs and Excise Department (Hong Kong Customs) is responsible for enforcing the criminal aspects of infringement of intellectual property rights. It specifically investigates complaints alleging infringement of trademarks and copyright, and complaints alleging use of false trade descriptions. Hong Kong Customs helps IPR owners to enforce their rights in relation to copyright and trade mark goods through border enforcement measures. Please note that complaints alleging infringement of all kinds of patents and registered designs are not included in the jurisdiction of the Hong Kong Customs.

Hong Kong Customs is made up of five branches including the Intellectual Property Investigation Bureau, which, as its name suggests, is focused on IP enforcement matters.

Customs in Hong Kong: What you need to know
Hong Kong Customs has wide powers of search and seizure, powers of arrest and discretion on whether to prosecute an infringer. Hence, the powers of Hong Kong Customs exceed those of customs departments in other regions/countries, as Hong Kong Customs carries out all of the above procedures without encountering bureaucratic conflict with other government departments. It can seize counterfeit goods from anywhere in Hong Kong, not only in harbour or border areas. However, Hong Kong Customs can only take enforcement action against transhipment of counterfeit goods – meaning shipments that are only passing through a port without additional loading or unloading. Because there is no official recordal system via which IPR owners can request that Hong Kong Customs monitor and notify you of suspected infringing goods which are being imported into Hong Kong, IPR owners should not rely on Hong Kong Customs to discover or monitor such shipments on their behalf. Instead IPR owners need to be proactive about monitoring this on their own.

WHAT can be registered?
There is no official recordal system in Hong Kong. However, IPR owners can report copyright infringement and trade mark counterfeiting activities by giving written notice to Hong Kong Customs.

As pre-requisites for criminal investigation, apart from furnishing sufficient evidence to show that an infringement of such rights has taken place, the rights owner has to prove the subsistence of copyright in the work alleged to have been infringed. This can be done by providing the Hong Kong Customs an affidavit on copyright ownership prepared in accordance with the Copyright Ordinance. For alleged trademark infringement complaint, the rights owner has to provide the Hong Kong Customs a copy of the trademark registration certificate.

How LONG does legal protection last?
The IPR owner must file a written notice to Hong Kong Customs to inform them of each suspected shipment.
**HOW do I register?**

The relevant registration involves the submission of a standard form to Hong Kong Customs which contains information of the IPR owner, information including proof of the alleged infringement, details of the authorised licensees/manufactures of the relevant products in Hong Kong or elsewhere, particulars of the expected import, authorisation of an agent (where applicable) and appointment letter in regard to a competent examiner to conduct subsequent seizure identification and undertake to give evidence and testify in court.

E-mail: customsenquiry@customs.gov.hk

Customs and Excise Department, Complaints Investigation Group, Departmental Complaints Officer 3/F, Customs Headquarters Building, 222 Java Road, North Point, Hong Kong

Complaints Hotline: (852) 8100 3553 (office hours); or Duty Controller: (852) 3759 2288 (outside office hours);

**WHO can register?**

The owner of a trade mark or copyright in a copyright work or their authorised agents.

**Which LANGUAGES can I use?**

The complaint can be lodged in Chinese or English.

**How much does it COST?**

There is no fee charge for lodging a written notice with Hong Kong Customs.

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**5. Enforcing your IP**

In the case of your IP assets being infringed in Hong Kong, there are three main avenues of enforcement which you can consider which are outlined below: civil litigation, criminal prosecution, and customs seizures (customs are described separately in Part 4 above).

<table>
<thead>
<tr>
<th>IPR Type</th>
<th>Civil</th>
<th>Criminal (carried out by the Customs)</th>
<th>Customs Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Copyrights</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Patents</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade marks</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Registered designs</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade Secret</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Civil Litigation**

Civil litigation proceedings may be instituted for patent, registered designs, copyright or trade mark infringements, and for breach of contracts involving trade secrets and confidential information. In addition, actions based on passing-off may assist in relation to infringing packaging and get-up. The Courts in Hong Kong are sophisticated and well equipped to deal with intellectual property disputes. The remedies which the Court may award include damages (or an account of profits), injunctions, and disposal of infringing goods. Furthermore, successful parties in civil litigation in Hong Kong may be awarded a portion of their legal costs from the unsuccessful party. Whilst civil litigation may at times be lengthy and costly, there are also other shorter and cheaper avenues available in clear cut cases. These may include actions for interim injunctions, summary judgment or default judgment.

**Criminal Prosecution**

This applies mainly to the Copyright Ordinance, Trade Mark Ordinance and Trade Description Ordinance which provide criminal penalties against infringers. The Customs and Excise Department is responsible for enforcing the criminal aspects of infringement of intellectual property rights. Customs is very efficient in Hong Kong and has jurisdiction over both border areas and criminal IP infringements within Hong Kong.
Enforcement WATCH-OUTS in Hong Kong

Criminal enforcement appears attractive to IPR holders since it is funded by the government and may result in criminal sanctions (i.e. fines and imprisonment). However, IPR holders will have little control over the process and Hong Kong Customs will generally act only in the most clear-cut cases. For more complex cases, civil litigation may be the only viable option. Furthermore, damages, award of legal costs, injunctions and other remedies are only available through civil litigation. Litigation can however, be complex and professional advice should be sought if you intend to commence proceedings.

The Patent Ordinance, Copyright Ordinance and Trade Marks Ordinance contain provisions against making groundless threats of infringement. Therefore, any proposed demand letter should be carefully drafted to make clear the legal basis upon which your potential infringement claim is premised. A statement which merely notifies the other party of the existence of a patent, copyright or trade mark does not constitute a threat of proceedings.

6. RELATED LINKS and Additional Information

World Intellectual Property Organisation (WIPO)
http://www.wipo.int/

Intellectual Property Department of Hong Kong (IPD)
http://www.ipd.gov.hk/

Customs and Excise Department of Hong Kong
http://www.customs.gov.hk/

Hong Kong Trade Development Council
http://www.hktdc.com/
The China IPR SME Helpdesk provides free, confidential, business-focused advice relating to China IPR to European Small and Medium Enterprises (SMEs).

**HELPLINE** Submit further questions to the Helpdesk via phone, email (question@china-iprhelpdesk.eu) or in person and receive free and confidential first-line advice within three working days from a China IP expert.

**TRAINING** The Helpdesk arranges training on China IPR protection and enforcement across Europe and China, tailored to the needs of SMEs.

**MATERIALS** Helpdesk business-focused guides and training materials on China IPR issues are all downloadable from the online portal.

**ONLINE SERVICES** Our multi-lingual online portal (www.china-iprhelpdesk.eu) provides easy access to Helpdesk guides, case studies, E-learning modules, event information and webinars.

Prepared by:

If you have any queries on how to protect your Intellectual Property in China contact our Helpdesk service:

If you want more information on additional free services offered by the Helpdesk contact the coordination team:

Follow us on Social Media and stay tuned on new releases of factsheets and other IP content:

www.china-iprhelpdesk.eu

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Before taking specific actions in relation to IPR protection or enforcement all customers are advised to seek independent advice. Neither the European Commission nor the Agency may be held responsible for the use which may be made of the information contained herein.

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