

# Licences in respect of registered trade marks and applications

## Licensing the use of a mark

The use of a registered trade mark, or a trade mark that is the subject of an application for registration, can be licensed, or sub-licensed (see sections 27(1), 29(2)(b), 31(3) and 33(6)). A licence must be in writing, signed by or for the grantor (section 33(3)).

A licensee's rights depend on the terms of the licence and on the Ordinance (sections 32 – 37).

A licence may be limited, for example, to some but not all of the goods or services of the registration or application (section 33(2)(a)).

An exclusive licence is a right granted to one licensee. The grantor of an exclusive licence cannot grant a licence to any other person (except in respect of other goods or services, or in respect of use in another location) nor can he use the mark himself (section 32, definition of “exclusive licence”).

## Application of the ~~new law~~ Trade Marks Ordinance (Cap. 559)

The grant of a licence for a registered trade mark, or for a trade mark that is the subject of an application for registration, is a registrable transaction (sections 29(2)(b) and 31(3)).

Unless particulars of a licence are filed for registration, the licence is ineffective as against a person acquiring a conflicting interest without knowledge of it (sections 29(3)(a) and 31(3)). Additionally, unless particulars of the licence are filed for registration, the licensee does not have the rights of a licensee under the Ordinance, including rights in relation to infringement (sections 29(3)(b) and 31(3)).

Unless particulars of the licence are filed before the end of the period of 6 months beginning on its date, the licensee will not be entitled to damages or an account of profits for infringements for the period before particulars of the licence are registered (sections 29(4)(a) and 31(3)).

It is ~~no longer~~not necessary to produce the licence when applying to register particulars (of a licence of a registered mark) or when giving notice to register particulars (of a licence of a mark that is the subject of an application for registration) if the application, or notice, is signed by or for the grantor of the licence (rule 62(3)). If the application or notice is not signed by or for the grantor, documentary evidence to establish the licence, for example a copy of the licence, has to be filed and will be open to public inspection (rules 62(3) and 69(1)(r)).

## **Examining applications/notices to register particulars**

Factors to be considered in examining applications/notices to register particulars of licences are listed below:

- Is the application to register particulars (relating to registered mark(s)) or notice to register particulars (relating to application(s) for registration) made on Form T11 (rule 62(1))?

- Was the specified fee (Fee No. 19) paid on filing? An application/notice to register particulars of one registrable transaction can relate to more than one registered mark or application for registration.
  
- Is the application made by, and signed by or on behalf of, the grantor (section 29(1)(b)) or the licensee (section 29(1)(a))? If the application is signed by or on behalf of the grantor it need not be accompanied by documentary evidence of the transaction (rule 62(3)). If the application is not signed by or on behalf of the grantor of the licence, it must be accompanied by documentary evidence of the transaction, for example, a copy of the licence (rule 62(3)) which will be open to public inspection (rule 69(1)(r)).
  
- Does the application/notice state:
  - the licensee’s name and address (rule 63(1)(c)(i));
  
  - the fact that the licence is an exclusive licence, if it is (rule 63(1)(c)(ii));
  
  - if the licence is limited, a description of the limitation (rule 63(1)(c)(iii));  
and
  
  - the duration of the licence, if it is for a definite period (rule 63(1)(c)(iv)); for example, “the licence is granted from [date] to [date]”?

## **Registering particulars of a licence**

The following matters are entered in the register:

- the licensee’s name and address (rule 63(1)(c)(i));

- the fact that the licence is an exclusive licence, if it is (rule 63(1)(c)(ii));
- if the licence is limited, a description of the limitation (rule 63(1)(c)(iii));
- the duration of the licence, if it is for a definite period (rule 63(1)(c)(iv));
- the date of application, or notice, to register particulars (sections 29(3) and 29(4)(a));  
and
- the date on which the entry in the register is made (rule 63(2)).

## **Amendment or removal of registered particulars of licence**

For registration of the particulars of amendments to or the removal of registered particulars of a licence, the application or notice is dealt with in the same way as an application or notice to register particulars of licence (see *Examining applications/notices to register particulars* above), except:

- In the case of an application or notice to register the particulars of amendments to licences, if the application or notice is signed by or on behalf of the grantor *and* the grantee of the licence, it need not be accompanied by documentary evidence of the amendments (rule 64(2)).
- In the case of an application or notice to register the removal of registered particulars of a licence, if the application or notice is signed by or on behalf of the grantee of

the licence, it need not be accompanied by documentary evidence showing that the registered particulars have ceased to have effect (rule 64(3)).

Any documentary evidence filed will be open to public inspection (rules 64(2), 64(3) and 69(1)(t)).

## **Transitional provisions**

~~The new law applies to applications to register particulars of licences (relating to a registered mark or marks) filed on or after the commencement date (section 97; section 9 of Schedule 5).~~

~~Applications filed before the commencement date under the old law, to register a registered user, and which are pending on the commencement date are treated as applications to register particulars of a licence under the new law (section 97; section 9(4) of Schedule 5). We may require the applicant to amend his application to register a registered user to conform to the requirements of the new law (section 97; section 9(5) of Schedule 5).~~

~~Proceedings to vary or cancel the registration of a registered user that are pending on the commencement date are dealt with under the old law (section 97; section 9(6) of Schedule 5).~~

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