

MEXCHAMHONGKONG

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MS. S K LEE
Deputy Director of
Intellectual Property
The Government of the Hong Kong
Special Administrative Region
Intellectual Property Department

Created in 2008 and officially registered in this SAR in 2012, MEXCHAM is an organization that gathers the Mexican business community in Hong Kong to promote and develop trading, investments and relations between Mexico and Hong Kong.

Since 2013, MEXCHAM has experienced an increasing presence in this cosmopolitan city. In March 2013, MEXCHAM was finally recognized by the local authorities as member of the international business community. This recognition is preceded by the declaration of the Mexican Ministry of Foreign Affairs conceding full legal personality to MEXCHAM.

MEXCHAM is seeking to invigorate trading and friendship between Mexico and Hong Kong on a path of prosperity and harmony. That explains our firm believe that the protection of intellectual property stimulates international trade and investment, and encourages transfer of technology, which are both essential for economic growth. The Mexican economy and society are already living the benefits of its affiliation to the *Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks* with an increasing registration of marks and consequently, the expansion of Mexican SME's.

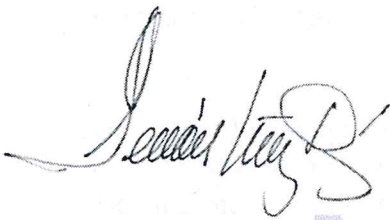
This provision is important for Mexican businesses in its process of internationalization. A flexible and cost-effective mechanism allowing trademark owners to pass from one system to the other would alleviate the administrative and financial burden on trademark owners, and especially on SME's for which trademarks are sometimes the only intellectual property right of use. It would also be an important step towards the objective of a seamless international system of trademark protection which is becoming essential in the increasingly integrated global economy.

MEXCHAM therefore express its support to the Hong Kong authorities and urges all parties involved (especially in the *Legislative Council*) in the debate not to leave aside this issue, but to start working towards achieving, in the near future, a link between Hong Kong and the Madrid system which has real advantages for trademark owners. The rapid creation of such a link will have practical advantages for trademark owners, but only if the system's mechanics allow flexibility and cost-savings. We heard some complains about the complexity of the double taxation system and the fiscal burden applied to royalties obtained overseas by Hong Kong based companies. It is a complex problem that we recommend to study and to be considered.

MEXCHAM invites the parties involved to refocus on the original objective of the exercise complementing the effort of consultation. This is to establish the legislative procedures and the formal request of the national authorities in Beijing to stablish a system which would make it cheaper and easier for trademark owners to protect their trademarks in Hong Kong and world-wide.

Every progress in this subject will enable a new space of creation and economic growing for the Hong Kong economy in the great benefit to all but particularly to SME's.

Truly yours,



Germán Muñoz Díaz
President
The Mexican Chamber of Commerce in Hong Kong

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