

106–107). The Court found that the website did target consumers in Hong Kong (paras 107–108). This finding was however overturned by the Court of Appeal in *Hugo Boss Trade Mark Management GMBG & Co KG & Anor v The Britain Boss International Co Ltd* [2018] 3 HKLRD 401, [2018] HKCU 2259, [2018] HKCA 381 at para 32. The Court of Appeal held that in considering whether websites targeted customers in Hong Kong, it is necessary to take into account all the relevant circumstances relating to the website in question, and the facts that the defendants own the ‘BOSSUNWEN’, ‘博斯紳威’ and ‘BOSSCO’ trade marks on the Mainland; that the defendants and their licensees have a substantial network of stores carrying goods under those marks on the Mainland; the Chinese language script on the websites uses simplified, rather than traditional, characters; the lack of any operations of the defendants in Hong Kong; and the lack of evidence of sales activity in relation to goods manufactured by the defendants in Hong Kong (apart from the two purchases made by the plaintiffs’ solicitors, which for the reasons explained above cannot at this stage be laid at the defendants’ door), show that it must be well arguable that the websites were not targeted at Hong Kong consumers. See also *Argos Ltd v Argos Systems Inc* [2019] FSR 3 at para 14, where the English Court of Appeal explained that ‘targeting’ is the criterion which the law has adopted for determining whether a foreign website which is accessible from the state in which the trade mark is protected should be treated as ‘using’ a sign in the course of trade in relation to goods or services in that state, and is in essence a jurisdictional requirement because trade marks are territorial in effect and those who are doing business exclusively outside the United Kingdom should not have their dealings subjected to the trade mark law of the United Kingdom (paras 17 and 48). The Court rejected to grant an interlocutory injunction and an Order for summary judgment for infringement under s 18(1) of the Trade Marks Ordinance for the reason that the use of the purported infringing sign was very insignificant and that since the claim relating to s 18(3) would inevitably go to trial, it would be undesirable for the s 18(1) claim to be decided summarily at the risk of inconsistent findings. For an example of trade mark infringement proceedings concerning charity bodies, see *Operation Smile Inc v Beam International Foundation Ltd* [2018] 1 HKLRD 120, [2017] HKCU 3080.

### [18.03] Definitions

For ‘owner’, see s 2(1) above; for ‘Paris Convention’, see s 2(1) above; for ‘registered trade mark’, see s 2(1) above and s 47 below; for ‘trade’, see s 2(1) above; for ‘trade mark’, see s 3 above; for ‘well-known trade mark’, see s 4(1) above; for ‘use (of sign)’, see s 6 above; for ‘use (likely to cause confusion)’, see s 7 above; for ‘licensee’, see s 32 below.

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## 19. Exceptions to infringement

- (1) This section applies notwithstanding section 18 (infringement of registered trade mark).
- (2) A registered trade mark is not infringed by the use of another registered trade mark in relation to goods or services for which the latter is registered (but see section 53(9) for the

effect of a declaration of invalidity of registration).

- (3) A registered trade mark is not infringed by—
- (a) the use by a person of his own name or address or the name of his place of business;
  - (b) the use by a person of the name of his predecessor in business or the name of his predecessor's place of business;
  - (c) the use of signs which 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; or
  - (d) the use of the trade mark where it is necessary to indicate the intended purpose of goods or services (for example, as accessories or spare parts), provided the use is in accordance with honest practices in industrial or commercial matters.
- (4) A registered trade mark is not infringed by the use by any person in the course of trade or business in Hong Kong of an unregistered trade mark or other sign in relation to goods or services if the unregistered trade mark or other sign has been so used in Hong Kong by that person or a predecessor in title continuously from a date preceding the earlier of—
- (a) the date of first use in Hong Kong of the trade mark which is registered; and
  - (b) the date of registration in Hong Kong of that trade mark.

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#### [19.01] England

Cf s 11 of the Trade Marks Act 1994 [Eng].

#### [19.02] General note

This is not the only section setting out exceptions or defences to infringement of registered trade marks. The acts constituting infringement are specified in s 18 above, which is subject to the exceptions specified in ss 19, 20 and 21: see s 14(2) above. While s 21 makes comparative advertising an exception to infringement, s 20 provides for exhaustion of the rights conferred by a registered trade mark when goods bearing the mark have been put on the market anywhere in the world, that is, parallel importation.

Moreover, a defendant may counterclaim for revocation and/or a declaration of

invalidity of the registration of the plaintiff's marks under ss 52 and 53 below, respectively. There are also provisions relating to acquiescence in s 59 below, as to which see [18.02] above and [59.02] below.

### [19.03] Sub-s (2): Use of a registered trade mark

A trade mark must be registered in relation to specified goods or services: see ss 38(2)(c) and 40 below. Registration confers upon the trade mark owner exclusive rights in the mark: see s 14(1) above. Thus, the use of a registered trade mark in relation to goods or services for which it is registered should not constitute infringement of any other registered mark. This is what s 19(2) seeks to confirm. Note, however, that this subsection contains an express reference to the effect of a declaration of invalidity as set out in s 53(9) below. If a mark is found to have been registered in contravention of s 11 above (absolute grounds for refusal of registration) or s 12 above (relative grounds for refusal of registration), its registration is liable to be declared invalid under s 53 below, in which case it will be deemed never to have been registered, and its use may be challenged by the owner of an earlier trade mark or other earlier right unless there has been acquiescence in such use: see [18.02] above and [59.02] below. In order to rely on s 19(2), the infringing acts complained of must occur after the date of application for registration: *Christie Manson & Woods Ltd & Anor v Chrirts (Group) Ltd & Anor* [2013] 2 HKC 215, [2012] 5 HKLRD 829 at paras 67–68.

### [19.04] Sub-s (3)(a) and (b): Own name defence

Even under the old law, the use by a person of his own name was a defence to infringement under s 34 of the repealed Trade Marks Ordinance (Cap 43) and s 8 of the Trade Marks Act 1938 [Eng]: see for instance *Gucci Co Ltd & Anor v Ng Kwok Pun (t/a Kwok Hang Co)* [1984] HKC 335. Thus, in *Daimlerchrysler AG v Javid Alavi (t/a Merc)* [2001] RPC 42 (p 813) at 846, Pumfrey J opined that the approach in such old cases as *George Ballantine & Sons Ltd v Ballantine Stewart & Co Ltd* [1959] RPC 47 should be applicable in construing s 11(2)(a) of the Trade Marks Act 1994, which, like our s 19(3)(a), makes the use of person's own name or address an exception to trade mark infringement. The UK exception, however, does not extend to the name of a person's predecessor in business or the name of his predecessor's place of business as our s 19(3)(b) does.

It is clear from the decided cases that the 'own name' defence is not limited to natural persons; it also covers the use of a company name: see *Euromarket Designs Inc v Peters and Crate & Barrel Ltd* [2001] FSR 20 (p 288), where *Scandecor Development AB v Scandecor Marketing AB* [1998] FSR 500 was followed, and *NAD Electronics Inc v NAD Computer Systems Ltd* [1997] FSR 380 was doubted. See also *Reed Executive Plc v Reed Business Information Ltd* [2004] EWCA Civ 159 (CA, Eng) at para 116, where Jacob LJ referred to what Lord Nicholls said in *Scandecor Development AB v Scandecor Marketing AB* [2001] 2 CMLR 30 (p 645), [2002] FSR 7 (p 122) (HL) as 'the settled opinion within the United Kingdom'. In *Scandecor*, at para 54, Lord Nicholls (with whom the other members of the House of Lords agreed) said the 'better view is that a company can claim the protection of this provision [s 11(2)(a) of the 1994 Act]'. Even under the old law, 'in case after case, s 8(a) of the 1938 Act ("bona fide use by a person of his own name") was assumed to apply to companies': see *Euromarket Designs Inc v*