

TARGET

Intelligence Report

VOLUME XXIII No. 219

THURSDAY

October 7, 2021

SOUTH CHINA VOCATIONAL EDUCATION GROUP COMPANY LTD: WHAT'S IN A NAME ? TO MANY PEOPLE: EVERYTHING !

South China Vocational Education Group Company Ltd (中國華南職業教育集團有限公司) (Code: 6913, Main Board, The Stock Exchange of Hongkong Ltd) found itself with its knickers, tightly twisted not too far from its (proverbial), very private lower extremities – when it found itself in receipt of a demand letter, penned by a member of a solicitor's firm, based in the **Hongkong Special Administrative Region (HKSAR)** of the **People's Republic of China (PRC)**.

The solicitor's letter made the claim of being the legal counsels to Lingnan Education Organization Ltd (嶺南教育機構有限公司), and, as such, *'Lingnan Education would be entitled to commence legal proceedings against our Company (South China Vocational Education Group Company Ltd) for passing off, unless the demands in the letter were complied with, in which case Lingnan Education Organization would be prepared to withhold commencement of proceedings (the "Potential Claim").'*

At Pages 75 and 76 of the Global Offering Prospectus of South China Vocational Education Group Company Ltd, the above matter was explained, thusly:

'Our Company was incorporated in the Cayman Islands as an exempted company with limited liability on August 15, 2018 under the name of Lingnan Education International Holdings Limited (嶺南教育國際控股有限公司) and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance in Hong Kong under the same name. SCV Education HK (South China Vocational Education Group [Hongkong] Ltd [中國華南職業教育集團(香港)有限公司]), a wholly-owned subsidiary of our Company, was incorporated in Hong Kong as a limited liability company on September 4, 2018 under the name of Lingnan Education Group (Hong Kong) Limited (嶺南教育集團(香港)有限公司). Our Group has been using the brand name of "Lingnan Education" for carrying out education business in the PRC since 1993 when Lingnan Education was established. Our Lingnan Institute of Technology (嶺南職業技術學院) was established in May 2002 to provide diploma education and vocational training and our Lingnan Modern Technician College (嶺南現代技師學院) was established in July 2005 to provide vocational education and training.'

‘On January 5, 2021, we received a demand letter from legal counsels to Lingnan Education Organization Limited (嶺南教育機構有限公司) (“Lingnan Education Organization”), a company established in Hong Kong, on behalf of Lingnan Education Organization, alleging that since the prominent and distinctive parts of both the English and Chinese names of our Company and SCV Education HK were identical to that of Lingnan Education Organization, Lingnan Education Organization would be entitled to commence legal proceedings against our Company for passing off, unless the demands in the letter were complied with, in which case Lingnan Education Organization would be prepared to withhold commencement of proceedings (the “Potential Claim”). Pursuant to the said demand letter, Lingnan Education Organization demanded that we cease doing business or operating in Hong Kong by reference to the name “Lingnan Education International Holdings Limited (嶺南教育國際控股有限公司)” or any other company name which incorporates “Lingnan Education”, or any words visually or phonetically similar thereto, and procure SCV Education HK to cease doing business or operating by reference to the name “Lingnan Education Group (Hong Kong) Limited (嶺南教育集團(香港)有限公司)” or any words visually or phonetically similar thereto. For the avoidance of doubt, such request does not apply to our operations in the PRC and will not prevent us from using “Lingnan Education” or “Lingnan” in the PRC.

‘Without admission of any liability whatsoever, we changed the name of our Company to “South China Vocational Education Group Company Limited (中國華南職業教育集團有限公司)”, effective on February 5, 2021, and changed the name of SVC Education HK to “South China Vocational Education Group (Hong Kong) Limited (中國華南職業教育集團(香港)有限公司)”, effective on February 17, 2021. We also updated the registration of our Company as a non-Hong Kong company under Part 16 of the Companies Ordinance in Hong Kong under the changed name on March 3, 2021. Such new names of our Company and SCV Education HK did not include any of the terms of “嶺南教育”/“嶺南” and/or “Lingnan Education”/“Lingnan”. We also agreed we will not in future do business or operation in Hong Kong by reference to the previous names of our Company or SCV Education HK or any other company/business names which include “嶺南教育”/“嶺南” and/or “Lingnan Education”/“Lingnan” or any words visually or phonetically similar to them such as to cause a likelihood or confusion on the part of the public that the goods/services of our Company and SCV Education HK are those of associated with or endorsed by Lingnan Education Organization. As the names of the relevant companies in our Group have been changed and the Group did not, and will not, conduct its business in Hong Kong under the previous names of our Company and SVC Education HK (other than for the purpose of preparing for the Listing and the Global Offering prior to the name changes), and based on our communication with the legal counsels to Lingnan Education Organization, we believe the matters relating to the Potential Claim have been fully settled. No legal

proceedings have been commenced by Lingnan Education Organization or any party against our Group in relation to the matters in the Potential Claim. Our legal counsels, Wilkinson & Grist (高露雲律師行), are of the opinion that, there is no risk of legal proceedings against our Group in relation to matters in the Potential Claims, as our Company and SCV Education HK have already fully complied with the terms of the settlement agreement between the parties, and will not in future do business or operation in Hong Kong by reference to the previous names of our Company or SCV Education HK or any other company/business names which include “嶺南教育”/“嶺南” and/or “Lingnan Education”/“Lingnan”. As a result, we carry out business in Hong Kong under names that are different from our brand names in the PRC, and we may not be able to benefit from our well-known brand name in the private formal vocational education service industry in the PRC.’

Being ... [CLICK TO ORDER FULL ARTICLE](#)

While TARGET makes every attempt to ensure accuracy of all data published, TARGET cannot be held responsible for any errors and/or omissions.

*If readers feel that they would like to voice their opinions about that which they have read in **TARGET**, please feel free to e-mail your views to editor@targetnewspapers.com. **TARGET** does not guarantee to publish readers' views, but reserves the right so to do subject to the laws of libel.*