

Legal Protection of Registered Marks given Law Number 20 of 2016 concerning Brands and Geographical Indications

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Abstract

This research examines the legal protection of registered trademarks based on Law Number 20 of 2016 and handles registered trademark disputes in legal protection initiatives. Even though this research is descriptive and analytical, the author uses normative legal techniques. Article 35 of Law Number 20 of 2016 states that brand protection only applies to registered marks. Ten (10) years are allowed to protect a registered trademark upon receipt, and this period may be extended. The purpose of protecting a registered trademark is to give the owner of the trademark exclusive (special) rights and specific legal remedies that he can take. If there is substantial similarity or malicious intent behind the trademark issue,

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INTRODUCTION

As an intellectual work, a brand plays a significant role in initiating and increasing the trade in goods or services. Trademarks are also a tool to distinguish goods and services made by a company. A trademark indicates the characteristics and origin of a good or service, which at the same time distinguishes it from other goods and services. (Wulur, 2023)

Trademark Law Number 15 of 2001 replaced Law Number 14 of 1997, later repealed and replaced with Law Number 20 of 2016, which concerned Trademark Rights and Geographical Indications. The goal is to protect registered goods owners who have trademark rights from violating the law. Brands vastly accelerate the trade of products and services. A trademark symbolises distinguishing power used in a product or service trade, as stated in Law Number 20 of 2016 concerning Trademark Rights and Geographical Indications, Article 1 Number (1). These signs can be images, logos, words, letters, numbers, colour schemes, or a combination. (Peraturan Pemerintah RI, 2016)

Two things must be noted to register trademark rights: 1). The brand must distinguish itself from other brands. 2). The brand must be unique, meaning any other person or organization of another company has never used it. (Gultom, 2018)

Law No. 20 of 2016 concerning Trademark Rights and Geographical Indications: Geographical Indications are characteristics that display the place of origin of an object or product due to environmental factors and human actions that give a reputation, quality, and special uniqueness of the goods or products produced. Geographical indications provide a protection signal in the form of identification that identifies the origin of the product and its distinctive quality. In addition, human intervention and natural factors impact regional indications, which may have resulted in the creation of distinctive items.

Infringement of Famous Brand Rights is widespread in Indonesia. Whether in traditional markets, small shops, or peddled on the sidewalk, we can easily detect various products with famous brands. These items are usually offered at cheaper prices and even very cheap compared to the original product. Customers who cannot

identify the goods that are actually protected by the trademark rights will easily buy counterfeit goods because they are cheaper. This clearly shows that trademark infringement occurs when counterfeit products are made or sold, usually sold at a lower price and known as KW goods from well-known brands. As a result, consumers will not be interested in buying products with original brands. (Kusmiah, 2022)

The most serious impact can sometimes befall goods with well-known brand rights that are imitated or counterfeited by irresponsible parties. In other cases, the company that owns the Famous Brand Rights may go out of business or even go bankrupt. Vans shoes are one example; Some of its original locations have been closed. This is the result of counterfeit goods being produced and sold. (Kusmiah, 2022)

Keeping all of the above in mind, it is very important to protect the Right to Famous Brands in Indonesia to provide a safe and friendly business climate for the companies that operate in Indonesia. Furthermore, regarding the legal consequences or sanctions that must be received by those who violate the Right to Famous Brands in Indonesia, strict sanctions must be given to deter everyone and provide legal certainty.

METHOD

The author uses a normative juridical approach, which means that the law is interpreted as what is written in the laws and regulations (*law in book*) or as rules or principles that develop into norms of behavior accepted by society. The main and secondary sources of law that are the subject of this normative law study are those related to the norms of laws and regulations.

This study uses normative legal research using literature, secondary data sources, and data collection techniques. Some legal documents, including those listed below for primary, secondary, and tertiary legal materials, are used to collect and source this data as follows:

1. The author uses original legal data from sources such as the Criminal Procedure Code and Law Number 20 of 2016 concerning Geographical Indications and Trademark Rights.
2. The authors use a variety of secondary legal data sources, such as books, papers, journals, scientific papers and research findings, supporting court decisions, and other online legal resources.
3. Tertiary legal data is information that functions as a guideline for primary and secondary legal information. The Great Dictionary of Indonesian (KBBI) and the encyclopedia are two of the many sources of tertiary data used by the author.

RESULTS AND DISCUSSION

1. Registered trademarks are legally protected by Law Number 20 of 2016.

Better protection of the technology used in the manufacturing process is needed due to the rapid expansion of industry and trade. The brand of the product must ultimately be protected from breaking the law after it has been marketed. (Dewi & Baskoro, 2019)

Since the 1840s, intellectual property rules have been in force in Indonesia. The Dutch Colonial Government at that time enacted the first law on the protection of IPR in 1844. In addition, the Dutch government created regulations regarding copyright in 1912, patents in 1910, and trademarks in 1885. Indonesia was still known as the Dutch

East Indies at that time. Participated in the Treaty of Madrid from 1893 to 1936, the Treaty of Paris to Protect Industrial Property from 1888, and the Treaty of Berne to Protect Literary and Artistic Works from 1914 to the present. Between 1942 and 1945, when Japan occupied the country, the IPR regulations were still in effect. (Wicaksono, 2015)

In Indonesia, the importance of trademark protection is shown by Law Number 21 of 1961 concerning Trademarks which has been amended by Law Number 12 of 1992, Law Number 15 of 2001 concerning Trademarks, and Law Number 20 of 2016 concerning Trademarks and Geographical Indications.

Law Number 21 of 1961 concerning Trademarks which has been revised by Law Number 12 of 1992, Law Number 15 of 2001 concerning Trademarks, and Law Number 20 of 2016 concerning Trademarks and Trademarks are examples of how important brand protection is in Indonesia.

If the requirements for trademark registration applicants are met, then there is no way that anyone carelessly violates a trademark. Unauthorized use of a brand to gain an advantage from a product can take many forms, including piracy (counterfeit brands) or taking advantage of the brand's reputation, which is considered equal by customers. (Putra, 2014)

The state also offers brand owners who want safe, convenient, and secure legal protection so that they are not deceived into buying goods with counterfeit brands. Well-maintained brand owners are legally protected and may even have a certificate proving their ownership.

Only registered trademarks are protected by trademark laws. In Indonesia, trademark protection is based on the constitutive principle of registration and the principle of first application. In other words, the only way to protect a trademark is to register the trademark with the Ministry of Law and Human Rights. In this case the Ministry of Intellectual Property is responsible for its protection. Industry players who have products or services with a brand but do not register them will lose legal protection for their brands. (Budiman et al., 2021)

Competitor brands are more protected through trademark registration, especially if the brand is dealing with similar or identical trademarks. While many companies understand how important it is to use their brand to differentiate themselves from competitors' products, not everyone understands the importance of maintaining their trademark through registration. (Purwaka, 2017)

Enforcement of trademark regulations is under the authority of the state. Therefore, the trademark owner can file a lawsuit in court in case of infringement. Realizing social justice is one of the goals of the law, and justice is achieved through this protection. The rights of legal trademark owners are protected by law. (Haryono, 2012)

A protected trademark is any symbol in the form of an image, logo, name, word, letter, number, color combination, two or three dimensions, sound, hologram, or combination of two or more elements used to distinguish a product or service from one another. Services provided by persons or entities in carrying out a business in the field of trading goods and services, as referred to in Law Number 20 of 2016 Article 2 Paragraph 3.

If the mark resembles any of the marks, either in whole or in part: a) A trademark registered in one's own name or another person's name for similar products and/or services; b). well-known trademarks of similar products and/or services owned by

other parties; or c). Well-known trademarks owned by third parties and used for different products and/or services that meet certain criteria. (Peraturan Pemerintah RI, 2016)

Another important aspect of trademark protection is that applications made by individuals with a bad reputation cannot be used to register a trademark. This goodwill criterion is difficult to measure objectively because it is bad faith to register a brand with similar or even identical qualities by imitating the brand and its packaging design. Therefore, one of the methods to maintain a brand's reputation is through this ethical registration. In addition, trademark law states that an application is refused to retain a well-known mark if the trademark bears any of the following similarities: (a) There is a significant similarity between the trademark and a mark that has been registered by a third party for a similar product or service; (b) The brand is very similar to another person's well-known brand or a mark for a comparable product or service. (Santoso, 2016)

According to Law Number. 20 Of 2016, the registered trademark is protected from infringement for ten (10) years after the date of receipt, in accordance with Article 35. This protection can be extended for up to an additional 10 years. In the government's efforts to simplify the trademark registration process, there are two methods to register and update trademarks, namely electronically or manually.

Courts have different opinions about well-known brands due to obscurity. In Indonesia, there are many well-known brand conflicts and disputes. This can be seen from the case of famous brands. Cases such as the 2022 PS Glow and MS Glow Dispute, the 2019 Ayam Geprek Bensu and Neurobion and Bioneuron are examples of companies with brand disputes. So that with the existence of Law number 20 of 2016 concerning Trademarks and Geographical Indications, especially Articles 4 to 19, regulating the trademark registration process in Indonesia. In general, after the trademark application is received, the Director General of Intellectual Property will announce the trademark registration application received. (Hidayatullah et al., 2023)

With legal protection, it functions to provide justice, benefits, and legal certainty. Investment will increase and investor confidence to run their business in Indonesia will grow if registered trademark protection is carried out. Otherwise, this will hamper the capacity of investors to raise funds and manage their companies in Indonesia, thus weakening the country's economy.

Since the principle of recognition and defense of human rights essentially aims to limit and impose responsibility on society and governments, legal protection against government actions stems from this concept, according to Western history.

2. Registered Trademark Dispute Resolution Efforts to Realize Legal Protection

Basically, no reputable and registered brand owner wants a brand conflict; however, sometimes there are two brands that are very similar to each other which causes disputes. As an illustration, see the Supreme Court Decision Number. 332K/Pdt.Sus.HKI/Brand/2021, where Harwood Private Limited and PT. Unilever Indonesia, Tbk. disputed the stroong brand, which is owned by both companies. Harwood Private Limited claims that they have a certificate of rights to the brand as their corporate brand. (Achmad et al., 2024)

Upon their registration with the DJKI, the two brands in the "Strong" trademark dispute have been given protection. This is evidenced by the "Strong" brand owned by Hardwood Private Limited which has been protected since July 9, 2008 and is

included in the DJKI intellectual property database. Furthermore, as of September 25, 2019, PT. The brand "Pepsodent Strong 12 Hours" from Unilever Indonesia Tbk. has been granted protection for its intellectual property rights. (Achmad et al., 2024)

Hardwood Private Limited's "Strong" brand must be legally protected, according to a constitutive analysis. Because the "Strong" brand was registered earlier than the Pepsodent Strong 12 Jam brand owned by PT Unilever Indonesia, Tbk. According to Rahmi Janed (2015), junior brands that have substantial similarities with senior brands must be rejected by the DJKI. Therefore, the last registered trademark must be removed. (Achmad et al., 2024)

Legal protection of trademark ownership is very important in resolving disputes involving registered and well-known marks, this will be reviewed from the perspective of the owner's theory that resolves all issues related to trademark rights, dispute resolution theory, this is expected to be a legal discovery hypothesis that supports the idea that trademark ownership is actually protected by law. Regarding trademark issues, there are two things that need to be considered. First, there is a debate about registered and well-known brands. The second is the element of equality, intention, and similar goods and or services. The rightful owner of a brand is entitled to legal protection. Consequently, these conflicts must be resolved in the Commercial Court. According to Law Number 15 of 2001 concerning Trademarks and Law Number 20 of 2016 concerning Trademarks and Geographical Indications. A trademark must be registered, by applying the constitutive principle technique or *first to file*, the trademark registration procedure guarantees that the registered trademark will obtain legal protection.

Two types of legal protection are available in Indonesia to apply and provide legal protection. The first is Preventive Legal Protection, which allows interested parties to voice complaints or views before the government makes a final decision. Repressive Legal Protection comes in second; The goal is to resolve disputes. Trademark registration adheres to *the first-to-file* theory, the first to file is entitled to register.

A trademark can be revoked if it is not used for three consecutive years, in accordance with Law No. 20 of 2016 concerning Trademarks and Geographical Indications, which amends Article 61 paragraph (2) of Law Number 15 of 2001 concerning Trademarks.

Registered Trademark Dispute Resolution Furthermore, conflict is defined as the absence of a common goal or a gap of interest between the parties involved, in accordance with the Dispute Resolution Theory developed by Dean G. Pruitt and Jeffrey Z. Rubin that differences of opinion or differences of interests of the parties are the root cause of the conflict. Differences in interests are caused by different demands or requirements from each party. (Soekanto, 2014)

Since trademarks serve as a sign of origin, personal property, and cultural resources, the state must protect trademark rights (Gunawan, 2022) as follows:

- 1) A trademark serves as an original mark because it can show a close bond between the goods, services, or brand holder and the origin of the goods;
- 2) Brands function as personal property because the existence of a brand is a very valuable asset for its owners; and;
- 3) Brands have cultural resources because they can be associated with the culture of a country.

Granting to the trademark rights holder, (monopoly rights) the ability to use the trademark itself or authorize others to use it for its benefit is one way to maintain the rights to a trademark. This is consistent with the findings of Cooter and Ulen, who stated that "there would not be enough information produced if there was no legal monopoly, but very little information would be used if there was a legal monopoly." This implies that nothing can be produced or developed from an intellectual property right item without a monopoly on brand rights. However, monopoly rights can be granted legally, thus opening up a variety of options, including the development of intellectual property rights for the benefit of the wider community and brand rights holders. (Gunawan, 2022)

As part of Intellectual Property Rights, trademark rights must be objectively protected through trademark law enforcement, both in administrative, civil, and criminal terms. One way to make legal discoveries is the percentage of decisions. Legal findings are a legal development process used by judges to implement universal law in certain legal conditions. The process of applying law is known as the term concretization and individualization of law (*Das Sollen*) to certain problems. (Gunawan, 2022)

The Supreme Court can resolve trademark disputes in law enforcement efforts. Every procedure and evidence is presented in accordance with the rules of the court. A registered trademark can be defeated for a number of reasons when a trademark case is settled for the sake of settlement:

- 1) The lawsuit has ended;
- 2) filed prematurely without first going through the Trademark Appeal Commission;
- 3) The brand has not been used for three years;
- 4) The goods in dispute are different;
- 5) The brand is not well-known;
- 6) The evidence provided is not in accordance with the relevant provisions.

Although the MIG Law regulates this settlement technique, most existing trademark disputes in Indonesia are resolved through the Commercial Court and not through the legal system. Throughout the investigation, a claim for trademark infringement can be filed by the registered trademark owner or the registered trademark licensee to avoid further losses. A request by the brand owner or licensee to stop production may be granted by a judge, the sale, and exchange of products and services by anyone who uses the brand without permission. They may even request that products that have the trademark be handed over without permission. The judge is authorized to order the return of goods or their value after the court determines that they become permanent laws and regulations. The public still believes that the courts are necessary to exercise judicial authority and resolve conflicts involving registered and well-known brands.

An important aspect of trademark protection is that applications made by individuals with a bad reputation cannot be used to register a trademark. Since the registration of a brand with the same or similar characteristics to the brand of its wrapping design is done in bad faith, it is difficult to visually assess the measure of good intentions. Therefore, ethical registration is one way to maintain a brand's reputation.

Furthermore, in order to protect well-known brands, the Trademark Act states that an application will be rejected if there are any of the following: (a) a striking

resemblance to a mark registered by a third party for the purpose of an equivalent product or service; or (b) a striking resemblance to a reputable third party brand or an equivalent product or service. (Santoso, 2016)

Trademark registration to the DJKI is a way of recognizing intellectual works. This allows the official trademark owner to gain public recognition because the trademark has been registered patentably as well as recognized by law. (Achmad et al., 2024)

CONCLUSION

Only registered trademarks receive legal protection based on Law Number 20 of 2016, especially Article 35. Legal protection of a registered Trademark is granted for a period of ten (10) years from the date of its receipt and may be extended for a further period of five years. The purpose of trademark legal protection is: to provide the trademark owner with exclusive rights, special rights, and appropriate legal remedies. It is clear that both criminal and civil law can be used by the owner of the offense to carry out legal action. In order to maintain a registered and well-known trademark, disputes may be resolved in the Commercial Court, through arbitration, or through alternative out-of-law dispute resolution. A trademark should not be registered if the purpose of the trademark dispute is to intentionally imitate a comparable product or service or to demonstrate a significant degree of similarity.

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