

Well Known Trademarks

In Indonesia, the term “trademark” is familiar to most of us. One simple meaning of trademark is a certain word(s) and/or logo that leads us to a particular brand. It is used to differentiate one brand from another. As business competition is growing rapidly, the Indonesian public is starting to become more aware of trademarks as distinctive marks and/or logos created to ensure the target markets recognize and remember the related brands. There are therefore many trademarks which most of us consider famous or well-known.

Indonesia’s Law No. 15 of 2001 on Trademarks (“**Trademark Law**”) does not actually provide a clear definition of “a well-known trademark”. The reference to a well-known trademark is provided in Article 6 of the Trademark Law, and may be applied to similar or different types of goods/services.

Article 6.1(b) of the Trademark Law states that a trademark application will be rejected by the trademark examiners if the trademark shows some similarity in principle or in its entirety to a well-known trademark of another party for similar goods and/or services. Meanwhile, Article 6.2 states that Article 6.1.b may be applied to different types of goods/services if certain requirements, to be specified under a Government Regulation, are satisfied. However, to date, such Government Regulation has yet to be issued.

According to the elucidation of Article 6.1(b), the Trademark Office will reject an application of a mark which has some similarity in principle or in its entirety to a well-known trademark by observing the public awareness of the trademark in the relevant business, the reputation gained from marketing efforts, investments in a number of countries and evidence of registrations in other countries. It even states that if according to the court, the mark falls short in any of these aspects, a survey may be conducted to determine whether the trademark is, in fact, well-known.

Indonesia has a registration system to provide protection to registered trademarks. The Trademark Law adopts the “first to file” system which prioritizes the party which registers a trademark first. It is therefore not uncommon for a local trademark, which is similar to a well-known trademark (accidentally or purposely), to be registered before the internationally well-known trademark. If the internationally well-known trademark has already been registered in Indonesia, the relevant trademark already enjoys protection under the Trademark Law. On the other hand, if the internationally well-known trademark has not yet been registered in Indonesia, a dispute could arise when the owner of the internationally well-known trademark wishes to register its trademark in Indonesia, only to find that another party has already registered a similar or even the same trademark.

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The dispute will likely arise (i) during the opposition period, or (ii) in court. The opposition period is three months after the trademark application passes the substantive examination and is then published in an announcement. During this period any party can file an objection to the trademark application published on the announcement board in the Trademark Office. Accordingly, the owner of the internationally well-known trademark may file its opposition against the relevant trademark application if the owner believes it has grounds to file the opposition under Article 6.1 (b) or Article 6.2. Of course, in many cases the owner of the internationally well-known trademark may not be aware of the registration process or opposition period.

In our experience, when submitting an opposition, one should present evidence of the trademark’s registration in other countries, the scope and extent of the product’s distribution and sales, and marketing efforts, such as a global website or similar (if possible), as explained in the elucidation of Article 6.1 (b). However, in practice, we cannot ascertain whether the Trademark Office has actually

accepted the grounds used in an opposition as the Trademark Office never provide its reason to approve or disapprove the opposition. The trademark application will then be registered if no objection is filed by any third party or the Trademark Office rejects the opposition filed. If this is the case, the owners can file a trademark cancellation suit over the registered trademark in the Commercial Court.

Notwithstanding the above, we understand that the result of an opposition depends on the personal knowledge and judgment of the examiner. The likely outcome of any opposition therefore remains uncertain. Furthermore, in practice, even though the owners of unregistered well-known trademarks may file an opposition, their chance to 'win' the opposition is very slim as the Trademark Law adopts the "first to file" system.

Filing a lawsuit in the courts is a legal alternative for the owners of unregistered or registered well-known trademarks. We have a better understanding here of how judges determine whether a trademark is "well-known" or not as we can learn their considerations from their rulings and decisions.

Judging by previous trademark cancellation suits, presenting proof of trademark registrations in other countries seems to be sufficient (especially if the well-known trademark is not yet registered in Indonesia), although in some cases the court has actually refused to declare a trademark well-known if sufficient supporting evidence of public knowledge, marketing efforts or investments was not also presented. However, in previous cases the court's decision has more often been in favor of the well-known trademark's owner particularly for registered well-known trademarks. Nevertheless, as Indonesian Law does not recognize precedent, there is no guarantee that a court will base its decision on the considerations used in, or the judgments of previous cases.

Therefore, even though internationally well-known trademark owners have won their lawsuits in court cases, it remains uncertain how Article 6 of the Trademark Law will continue to be enforced as there are no clear or decisive procedures/guidelines/regulations which specifically address what is a well-known trademark. Given the first to file principle, it is also advisable to immediately register any trademark to be used in Indonesia to obtain legal protection under the Trademark Law, even though the holder of a well-known trademark can prove that in fact its trademark is an internationally well-known trademark.

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