



Trademark Dilution on Indonesian Investment Based trademark law in Indonesian

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Abstract

Investment activity is growing rapidly in Indonesia. Many people become entrepreneurs or businesspeople to meet their life needs. One specified in the investment law is in the field of business. Penentuan this field of business becomes one of the important determinants or factors under the armpit of people doing business. To be recognized by the public, it is necessary for the public trademark to know about the field of business and the specificity that we run. In practice people often do dilution trademark. Where inadvertently or intentionally takes on a trademark belonging to someone else but with a business line different from the original trademark. This is called trademark dilution. Indonesia regulates this trademark dilution in the Law of the Republic of Indonesia No. 20 of 2016 on Trademarks and Geographical Indications.

Keywords: Trademark, dilution, investment

1. Introduction

Indonesia has an excellent economic activity. Economic activity in Indonesia is supported by the increasing economic growth every year. This economic improvement is supported by several factors. One of them is the entry of the world into the era of globalization. Where everyone can easily invest where as long as in accordance with applicable regulations. Investment plays an important role in economic activity. Both domestic investment and foreign investment, both of these types of investments have an important role in every activity. Indonesia has an excellent economic activity. Economic activity in Indonesia is supported by the increasing economic growth every year. This economic improvement is supported by several factors. One of them is the entry of the world into the era of globalization. Where everyone can easily invest where as long as in accordance with applicable regulations. Investment plays an important role in economic activity. Both domestic investment and foreign investment, both of these types of investments have an important role in every activity. Legal protection is necessary in the implementation of investment activities. Legal protection in investment activities is conducted in various fields. One is the intellectual property contained in an investment. Intellectual property has different forms. The types of intellectual property that can be used by the industry are patents, trademark rights, design industry, and others.

The intellectual property possessed is most likely owned by a capital investment is the trademark. Society has a lot of trademarks used for its business activities. Trademark can be either a symbol or an identifier for the investment being executed, whether the mark is registered or not. The trademark law in Indonesia alone recognizes the provisions in which the party who first registered the mark is considered a party entitled to use the mark. First to file is considered an exclusive right within the trademark Because it entitles the first registrant constitutively to own and use the mark. There has also been a case of trademark disputes in Indonesia concerning the use of the pierre cardien trademark. Where pierre cardine trademark finally decided by the court fell to the hands of citizens of Indonesia.[1]

The meaning of the first to file principle in the registration of trademarks in Indonesia is limited in the Law of the Republic of Indonesia No. 20 of 2016 on Trademarks and Geographical Indications. This restriction is made for famous trademarks. The extension of the scope of legal protection to a well-known trademark in the TRIPs Agreement is contained in Article16 Paragraph (2) and (3) of the TRIPs Agreement. Indonesia which has ratified the Agreement on Estabilizing the World Trade Organization shall also be bound by all provisions of the TRIPs agreement. Accordingly, in relation to the expansion of legal protection against a well-known trademark, Indonesia must perform its international obligations to protect the well-known trademark at least as the standard of legal protection granted by Article16 Paragraph (2) and (3) of the TRIPs Agreement.[2]

Article 6bis of the Paris Convention on which the protection of a well-known trademark is governed. However, Article 6 of the Paris Convention is unable to provide any definitions or criteria of the mark. So the criteria are fully submitted to each country.[3]

According to Article 1 in the Decree of the Minister of the Republic of Indonesia No.M.03-HC.02.01 of 1991 states that the well-known trademark in this decree is a trademark that is generally known and used on goods traded by a person or entity both Indonesian and foreign country.

Intellectual property has one form of Trademark and service. Where most countries provide protection against marks or forms deemed to have reproductive value, or imitations or translations that may cause confusion in the public sector concerned. Famous trademarks are protected, whether they are registered or completely unregistered, in respect of goods and services that are similar to, or equal to, those who have gained fame and trust from the public. Under certain conditions depending on the government of that State then the protection



of goods and services may differ. Until now, many countries or experts who provide beum criteria or definition of a famous brand, many countries take the WIPO Recommendation Together Regarding the provisions of the protection of famous trademarks.[4]

Wipo itself has not given how the definition of a famous trademark. This famous trademark may, to be a problem and a violation of the law in case of use of this famous trademark. The use of well-known trademarks whether intentional or unintentional is prohibited. In Article 21 paragraph 1 of the Law of the Republic of Indonesia No. 20 of 2016 on Trademarks and Geographical Indications said there are several categories that prohibition to register the trademark are:

- a. registered mark of another party or previously requested by another party for similar goods and / or services;
- b. Other well-known marks of other goods and / or services;
- c. Other party's well-known marks for unlawful goods and / or services that meet certain requirements; or
- d. Geographical Indications listed.

Arrangements in letter c that are other party's well-known marks for uniform goods and / or services that meet certain requirements that result in trademark dilution. This dilution trademark arises when creating a trademark that equals or has similarity in essence to a well-known trademark but with a kind of uniform goods and services. Here will arise an obfuscation that can harm both the first consumer and producer using the famous trademark.

Some cases of trademark dilution are like in July 2010, a controversy over a work in Poland where there is a huge poster, made by artist Max Papeschi and he is advertising his art exhibition at a local gallery.[5] The picture on the poster is made by combining the Mickey Mouse image plus the swastika image plus the image of the naked female body.[6]

2. Trademark dilution

2.1 Trademark definition

According to Article 1 Paragraph (1) of the Law of the Republic of Indonesia No. 20 Year 2016 About Trademarks and Geographical Indications shall mean that the Marks are marks which may be displayed graphically in the form of pictures, logos, names, words, letters, numbers of color arrangements, in the form of 2 (two) dimensions and / or 3 (three) hologram, or a combination of two or more of these elements to differentiate goods and services produced by a person or legal entity in the activity of goods and or services.

Wipo provides the definition of trademark as a trademark is a sign capable of distinguishing the goods or services of one enterprise from those of other enterprises. Trademarks are protected by intellectual property rights.[7]

According to the provisions set forth in Trips article 15 concerning trademarks are defined as marks, or combinations of marks, which may cause differences in goods and services performed from various businesses, so as to qualify for registration as a trademark, provided that it can be visually apparent . In the terms of the use of such marks there are Signs such as words for names, letters. It can also be a number, a figurative element and a mix of colors and combinations of all and must also be eligible to apply for trademark registration.[8] The authors conclude that the trademark is a sign with various forms and combinations Where to mark or provide differentiation of goods or services owned as part of owned business

2.2. Trademark Dilution

In the implementation of trademark use for investment or a business, many violations occur. This violation may be the use of the mark by another party without the knowledge of the party owning the mark. This violation can be detrimental to both the party that owns the mark since it was first created and also can make the consumer feel confused because there has been pengkaburan data resulting from the trademark.

In the cornell legal dictionary it is said that In the case of the use of signs or names as trademarks that are either close or close to a well-known mark which may reduce, or may decrease, the public perception that the famous mark has something unique, singular or special. Where dilution has two things that are breaking: obscure and staining. Dilution by blurring occurs when the signature distinctiveness is damaged by associations with other similar trade marks or names.[9]

According to balck law dictionary the definition of dilution is where there is an Action or example that may reduce the strength of the object or reduce its value; and there may also be a disruption of the strength, effectiveness, or uniqueness of the trademark through the use of marks or differentiators on unrelated products, which may typically obscure the character of the trademark or tie it to improperly. Trademark dilution may occur when its use becomes uncompetitive and does not cause confusion.[10]

For a federal dilution claim, the plaintiff must prove:

- the mark is famous and distinctive;
- the mark was used in commerce;
- the use of the mark occurred after the plaintiff's mark became famous;
- the use is likely to cause dilution of the mark's distinctive quality through blurring or tarnishment.

Under the Federal Dilution Revision Act of 2006, the factors for determining whether a mark is famous include:[11]

- the duration, extent, and geographical reach of advertising and publicity of the mark, whether advertised or publicized by the owner or third parties;
- the amount, volume, and geographic extent of sales of goods or services offered under the mark;
- the extent of actual recognition of the mark;
- whether the mark was federally registered.

Through Article 21 paragraph 1 letter c of the Law of the Republic of Indonesia No. 20 Year 2016 About Trademarktrademark and Geographical Indications can be inferred elements in the occurrence of trademark dilution are:

Famous trademark

In the elucidation of article 21 of the Law of the Republic of Indonesia No. 20 of 2016 on Trademarks and Geographical Indications said that. Rejection of an Application which has in common or in common with another Party's well-known Brand for similar goods and / or services is done by taking into account the general knowledge of the public concerning the Mark in the business concerned.

In addition, it is also noted that the reputation of the Mark is obtained due to intense and large-scale promotions, investments in some countries of the world by its owner, and accompanied by proof of registration of such Mark in some countries.

If this is not considered sufficient, the Commercial Court may order an autonomous institution to conduct a survey in order to obtain a conclusion as to whether or not the Mark is the basis for the refusal.

Well-known brand in the Law of the Republic of Indonesia No. 20 Year 2016 About Trademarks and Geographical Indications we see is the general knowledge of society. In addition, Brand reputation, investment in some countries in the world, and accompanied by proof of registration of Mark referred in some countries. This is a well-known brand size that is governed by the laws of the brand in Indonesia.

Under anti-dilution laws, being “famous” is a very high standard reserved for only the most widely recognized marks – for example, the Ninth Circuit has stated that in order for a mark to meet this demanding requirement it must be “a household name.” A leading commentator on U.S. trademark law suggested that a mark should at a minimum be recognized by 75% of the general consuming public.

owned by another party

for uniform goods and / or services

which meets certain requirements;

In the Trademark Dilution Revision Act of 2006 states that: Subject to the principles of equity, the owner of a famous mark that is distinctive, inherently or through acquired distinctiveness, shall be entitled to an injunction against another person who, at any time after the owner’s mark has become famous, commences use of a mark or trade name in commerce that is likely to cause dilution by blurring or dilution by tarnishment of the famous mark, regardless of the presence or absence of actual or likely confusion, of competition, or of actual economic injury

There are two main types of dilution: blurring and tarnishment: [12]

Blurring is a thing that can arise from the similarity between a mark or a trade name that has a well-known brand criterion so that the appearance of the mark may cause damage to the particularity of the brand used. This can be analogous to if there is a bowl of water that is very clear and clean but drop something so that the cleanliness and cleanliness is lost..

Tarnishment is that arise from the similarity and resemblance between trademarks of famous trademarks that can damage the reputation of the famous brand itself. Things like this can happen if the brand is used for things worse than the original brand.

Trademark dilution tries to protect from reputable brand owners who have good faith so that famous trademarks do not become blurring and tarnishment.[13]

3. Conclusion

Famous trademarks have become important enough to be protected in an investment. Any business where the investment takes place in the brand. If the business is already famous brand become famous brand. Actually in the protection of this trademark dilution that is protected is the good faith of the famous brand owner. Indonesia as a State law protects the use of a well-known brand that is regulated in the Law of the Republic of Indonesia No. 20 of 2016 on Trademarks and Geographical Indications for their use to be harmless to others. Use of a mark that is not appropriately designated is prohibited. This prohibition may also impose sanctions on the offenders. The famous brand registration due to trademark dilution has sanctioned the cancellation of the mark.

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