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Oppositions in Indonesia Based on Unregistered Trademarks

Indonesia has a “first-to-file” trademark system, in which protection over a mark is granted to the first applicant to submit an application for the mark and subsequently obtain its registration. In the course of the trademark registration process, trademark examiners conduct a search to ascertain whether the applied-for trademark is confusingly similar to prior-registered or pending trademarks. If the applied-for trademark is found to be distinctive and not confusingly similar, the trademark application will be published in the *Official Gazette* for three months. During this time, oppositions may be filed, and if there are no successful oppositions, the mark is accepted for registration.

Compared to the practices of other Southeast Asian countries, trademark examiners in Indonesia have relatively broader discretion in conducting substantive examination of the similarities between marks. While this generally means that trademark applicants can more easily register their trademarks, there is a flip side—trademark squatters pose a more significant threat.

Certain trademarks published in Indonesia may be confusingly similar or identical to trademarks that have been registered and/or used in other jurisdictions but not registered in Indonesia. According to Article 3 of Indonesia’s Trademark Law, if a trademark has not been registered in Indonesia, it does not receive any protection. This opens the door to trademark squatters, who can register trademarks in Indonesia that are owned and protected in other jurisdictions.

Intellectual property owners should therefore closely observe trademarks published in Indonesia and be prepared to file oppositions against confusingly similar or identical trademarks. But examiners, who are focused on the first filing of the mark, have often refused oppositions and have instead chosen to stand with their decision. In addition, they rarely recognize the extrajurisdictional rights of owners whose trademarks are unregistered in Indonesia but registered in other countries.

In a move that may signal a departure from the status quo, Tilleke & Gibbins, on behalf of our client Luckytex (Thailand) Public Company Limited (Luckytex), successfully opposed an Indonesian applicant’s published trademark that bore similarities to Luckytex’s trademark, which had not been registered or used in Indonesia. This successful opposition demonstrates a willingness on the part of examiners to accept opposition arguments based on unregistered trademarks, and indicates a shift in approach that aligns with international practice.



Our client’s trademark



The applicant’s published trademark

In this case, Luckytex’s trademark LUCKYTEX had been registered in multiple jurisdictions worldwide including the European Union, China, India, the United Arab Emirates, and Vietnam, among others. The applicant’s trademark, LUCK-TEX, was published in Indonesia before Luckytex had applied to register its mark in the country.

As Luckytex’s trademark had never been registered or used in Indonesia, our opposition against the applicant’s published trademark was based on the registrations of our client’s marks in other countries. In addition, our opposition was based on the elucidation of Article 6 Paragraph 1 Point b of Indonesia’s Trademark Law, which states the following (emphasis added):

“The refusal of a trademark application that has similarity to the basic elements of a well-known trademark for similar goods and/or services shall be made by considering:

- ▶ the general knowledge of the public with regard to the trademark;
- ▶ the reputation of the well-known trademark obtained from continuous and large promotional activities and investment in some countries in the world by the owner; and
- ▶ registrations of the mark in various countries.”

Furthermore, prior to filing the opposition, our client filed a trademark application in Indonesia to demonstrate good faith and an intention to trade products in the country bearing its LUCKYTEX trademark. To support the argument that the trademark LUCKYTEX is a well-known trademark, the trademark application was submitted with copies of our client’s trademark registration certificates obtained in other countries.

After considering our opposition, the examiner issued a decision in our client’s favor, concluding that the applicant’s trademark LUCK-TEX was “free-riding, imitating, or copying the well-known trademark LUCKYTEX which has been registered in various countries and can therefore be categorized as an application filed with bad faith.” Our client’s trademark LUCKYTEX was considered to be well known on the basis of its registration in various countries, and subsequently, the LUCK-TEX trademark was successfully opposed and its registration was rejected.

This decision indicates that Indonesia’s examiners are beginning to recognize the extraterritorial status of trademarks, as opposed to solely adhering to the practices familiar to them under the first-to-file system. This is certainly a step forward for owners of trademarks that are well known in jurisdictions other than Indonesia who wish to register their marks in the country.

In addition, under Indonesia’s draft Trademark Law, all trademark applications will be published prior to the substantive examination stage, which will encourage trademark owners to be more vigilant in monitoring marks in the *Official Gazette* and to file oppositions before similar or identical trademarks proceed to registration. 🏆