

Informed Counsel

Analysis of Recent Legal Developments in Southeast Asia



contents

- 1 **Changes in Opposition Process**
Amendments to Indonesia's Trademark Law introduce a number of significant changes to the publication and substantive examination stages.
- 2 **New Annuity Payments**
Indonesia's new Patent Law changes how annuity payments are calculated.
- 3 **Combating Online Infringement**
Last year's amendments to Thailand's Copyright Act provide for preliminary injunctive relief for copyright infringement on computer systems.
- 4 **Suggestive Marks**
A decision on distinctiveness was recently issued by the Supreme Court of Thailand that should have a lasting impact on the registrability of suggestive marks.
- 5 **Franchising in Myanmar**
This article discusses the process for establishing a franchise business in Myanmar.
- 6 **Plant Variety Protection**
In Thailand, plant varieties are protected under the Plant Varieties Protection Act. This article discusses how a new plant variety can be protected under the law.
- 7 **Intellectual Property Linkage**
Intellectual property linkage refers to connecting an IP office to other government agencies that work on IP. This system has a raft of benefits, and should be utilized more.
- 8 **Qualified Investment Projects**
Cambodia offers an investment scheme that has some of the most attractive incentives in the region.
- 9 **Direct Sale and Direct Marketing**
Draft amendments to the Direct Sale and Direct Marketing Act will introduce significant changes which will impact both business operators and consumers.
- 10 **EPC Agreements**
This article explores devising a sound contractual framework for renewable energy projects.
- 11 **Termination for Work Performance**
While it is not easy to terminate employees for poor performance in Thailand, it is entirely possible if the correct steps are taken.
- 12 **Tilleke & Gibbins Updates**
Our firm has received top rankings across Southeast Asia and an award for the advancement of women.

Indonesia's Amended Trademark Law: Major Change to Opposition Process

Somboon Earterasarun | Director, Indonesia
somboon.e@tilleke.com



The Indonesian Parliament approved amendments to Indonesia's Trademark Law on October 27 this year. Indonesia's amended Trademark Law will take effect on or before November 26, 2016, introducing a number of significant changes to the publication and substantive examination stages, among other things.

Under the new law, there is now a two-month publication stage before examiners conduct the substantive examination of a trademark application. All trademarks that pass an initial formality examination will proceed directly to publication and will be open to potential oppositions. This change is intended to lessen the burden on examiners by allowing them to review any oppositions at the same time as conducting the substantive examination on confusingly similar trademarks and matters of distinctiveness.

Examiners are still obligated to, on their own initiative, reject a bad-faith or confusingly similar application during the substantive examination stage. As applications will be published before they are substantively examined, time will not be wasted by "reexamining" marks when oppositions are filed. Prior to the amendments, an examiner who examined an application also had to review any oppositions that were filed during the publication stage, which took place after the substantive examination stage.

Under this change, the only opportunity that trademark owners have to oppose a third party's application is during the two-month publication stage. While this push for greater efficiency is laudable, all examinations will fall within examiners' subjective discretion, which may lead to unpredictable outcomes.

Although the specific impact of this procedural change remains uncertain, it is possible that the new opposition process may result in more bad-faith applications. This is especially problematic in Indonesia, where trademark squatters are already a major issue. Unless trademark owners have in place an effective system for monitoring trademarks in local publications, bad-faith applications may escape through to registration.

In order to manage risk, trademark owners should pay considerably more attention to monitoring published trademarks that may be confusingly similar to their own trademarks, so that they can file oppositions in time to protect their own rights. Trademark owners can do this by supporting their oppositions with relevant evidence for the examiner's consideration. In Indonesia, it is particularly important for trademark owners to proactively defend their rights during the opposition process because once a confusingly similar mark has been successfully registered, the only recourse available is to proceed with invalidation/cancellation through the Court of Commerce—a procedure that is costly and complicated.

While the new approach to the publication and opposition process is by far the most notable change, Indonesia's new Trademark Law will introduce a number of other changes to existing provisions. Notably, there will now be a six-month grace period for renewal of a trademark after expiration. In addition, the new Trademark Law will introduce provisions on nontraditional marks and the Madrid Protocol, and it will clarify certain procedures such as the process of obtaining a preliminary injunction. These changes appear to be a step in the right direction to developing clearer and more effective trademark protection and enforcement in the country. 