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## New Regulation Clarifies Procedures Under Indonesia's Amended Trademark Law

Indonesia recently enacted a regulation as part of the process for implementing its new Trademark Law, Law No. 20 of 2016 on Marks. Effective since February 1, 2017, “Minister of Law and Human Rights Regulation No. 67 of 2016 on Trademark Registration” sets out several key points under Indonesia’s new trademark law system.

The regulation simplifies the formality requirements for trademark registration and renewal, sets out clear criteria for recognition of a well-known mark, provides for the possibility of refusal of a trademark application due to an existing well-known mark for unrelated goods or services, and allows for assignment of trademark applications. This article will provide details of the new procedures.

### Formality Requirements for Registration and Renewal

Indonesia follows the “first-to-file” trademark system. Therefore, the filing date of an application is very important, as it reflects the prior rights of the applicant. In the past, the filing date was obtained only when the formality documents (including Power of Attorney and Statement of Mark Ownership) were provided at the time of application filing. Late filing of these documents was not possible at the Indonesian Trademark Office.

This practice has been changed by Article 4, paragraph 1 of the new regulation, which stipulates that the minimum requirements to obtain a filing date are the trademark application, the specimen of the mark, and the bank payment slip for the trademark application fee. An applicant then has up to 30 days from the filing date to proceed with late filing of the formality requirements. An additional late filing period is available for priority documents, which can be submitted up to three months after the deadline to file the trademark application with priority claim, according to Article 11, paragraph 1.

The new regulation also simplifies the formality requirements for trademark renewals, with Article 24 omitting the requirement to submit a copy of the trademark certificate.

### Criteria for Well-Known Marks

The previous Trademark Law introduced the concept of well-known trademarks, but it was vague about the criteria to qualify as a well-known mark. This issue has been addressed by Article 18, paragraphs 1 and 3 of the new regulation, which states that the determination about whether a mark is well known will depend on the following aspects of the mark:

- ▶ Level of knowledge or recognition of the public toward the mark in the concerned business field;
- ▶ Volume of sales of goods or services and benefits obtained from use of the mark by its owner;
- ▶ Market share of goods or services under the mark;
- ▶ Geographic coverage;
- ▶ Time period of usage;
- ▶ Amount of promotion, including the value of the investment used for the campaign;
- ▶ Registrations or applications in other countries;
- ▶ Level of success of law enforcement for the mark, particularly recognition as a well-known mark by regulatory authorities;
- ▶ Inherent value of the mark acquired due to its reputation and quality assurance of goods or services protected by the mark.

Trademark owners will welcome the clarity provided by these new criteria, which should encourage more applicants to seek well-known status.

### Refusal Based on Well-Known Mark

The regulation provides for the possibility that an Examiner can refuse a trademark application on the basis that it has principal or overall similarity to an existing well-known mark for unrelated goods or services. To effect a refusal on these grounds, the owner of the well-known mark must file an official opposition against the application. Pursuant to Article 19, paragraph 3 of the regulation, the opposition must be based on a *registered* well-known mark—that is, the opposer’s mark must be registered prior to filing the opposition.

This formal opposition process based on a well-known registered trademark with unrelated goods or services appears to be a prerequisite before the Examiner can issue a final rejection of a mark that is similar in principle or in its entirety to a well-known mark. A question remains as to whether or not Examiners will take a well-known mark into consideration during the examination process if no written opposition has been filed.

### Assignment of Applications

Indonesia’s new Trademark Law allows for a pending trademark application to be assigned during the application process, prior to registration. The old law did not allow for assignment of trademark applications; only registered marks could be assigned.

The new law, however, does not allow every pending trademark application to be assigned. As explained by the Indonesian Trademark Office at a recent national seminar, trademark applications filed before the enactment of the new Trademark Law on November 25, 2016, cannot be assigned until they are registered. The regulation affirmed this in Article 52. Thus, only pending trademark applications filed after the enactment of the new law can be assigned.

Overall, the simplified procedures and additional clarity introduced by this new regulation are likely to contribute to smoother and more timely trademark registrations, renewals, and assignments for brand owners. 🍷

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