



<< Left  
**Rina Sinaga**  
Consultant  
rina.s@tilleke.com

<< Right  
**Wongrat Ratanaprayul**  
Director, Indonesia  
wongrat.r@tilleke.com

## Apparel Company Has Legal Success in Combating Knockoffs in Indonesia

A leading apparel company based in Spain, Original Buff, S.A., designs and produces apparel for outdoor, active, urban, and everyday wear. Their flagship product is a multifunctional, seamless, tubular headgear item, first created in 1992, with the mark BUFF, which was registered in Spain in 1994, followed by registrations in over 110 countries worldwide in class 25 (clothing).

In Indonesia this registration was obtained in 2010, but by June 2011, a similar mark (for similar goods) had been submitted by a local Indonesian business for trademark registration, seemingly trying to take unfair advantage of the well-known reputation of the Original Buff's highly recognized BUFF products. The similar mark was "RUFF," and Original Buff filed an opposition when it was published in 2014. However, in 2015 the Directorate General of Intellectual Property (DGIP) rejected this opposition and finally approved the RUFF mark for registration.

### Going to Court

In 2019 Original Buff filed a cancellation lawsuit asking the Indonesian Commercial Court to invalidate the RUFF mark because of the mark's substantial similarity to the BUFF mark, coupled with an indication of bad faith because of the similarity of the goods bearing the mark—even down to the pattern used on the products.

After the case went through multiple hearings, in January 2020 the Indonesian Commercial Court of Central Jakarta issued a favorable decision for Original Buff regarding the cancellation action against the RUFF mark. The court determined that the RUFF mark in class 25 must be invalidated from the Indonesian General Register of Trademarks as the mark bears substantial similarity to the well-known BUFF mark owned by Original Buff. In addition, the court ruled that the defendant had registered

the RUFF mark in bad faith, and ordered the defendant to pay a nominal amount in court fees.

In its verdict, the court concluded that the BUFF and RUFF marks are similar in sound, if it is sounded in the Indonesian language, and the difference in writing is only in the prefix "B" and "R". This would result in the BUFF mark's consumers or users being deceived or misled by the RUFF mark. The court also ruled that the BUFF mark can be categorized as a well-known mark based on evidence of continuous use and the promotional materials submitted as evidence. They further determined that the RUFF mark was filed with the intention to ride on the well-known reputation of the BUFF mark—that is, it was filed in bad faith.

The court also refused the defendant's counter-claims that the expiration date for submission of a cancellation lawsuit had passed, that there were problems with the plaintiff's formality requirements (power of attorney and articles of association), and that the cancellation lawsuit lacked a party because the DGIP was not a co-defendant. Instead, the court concluded that the cancellation lawsuit had fulfilled the timing and formality requirements for cancellation lawsuit proceedings, and that the absence of the DGIP as co-defendant did not mean the cancellation lawsuit lacked a party.

Although the defendant submitted an appeal against the decision with the Supreme Court, and the decision of the appeal has not yet come out, the favorable decision at the first instance is a promising sign for Original Buff after nearly a decade of fighting against the RUFF mark.

Options for combating a registered mark in Indonesia are notably limited. Essentially, a party could either seek private negotiations with the owner of the registered mark in question, or take it to court by proceeding with a cancellation lawsuit. In the case described in this article, Original Buff had been acting since before the offending mark was even registered, with their opposition to the mark. After their opposition was rejected and the mark registered, they eventually decided to seek recourse from the courts, even though filing a cancellation lawsuit can be both costly and slow. What's more, claims of compensation are not available under cancellation lawsuits, as in Indonesia, such claims are only available in an infringement lawsuit. Nonetheless, Original Buff realized that control of their intellectual property was essential for the longevity and sustainability of their business in Indonesia. While the appeal is still working its way through the courts, the initial victory is encouraging and appears to lay the groundwork for the elimination of a perennial threat to their intellectual property rights in Indonesia. 🦊