



Question Q214

National Group : AIPPI Indonesia

Title : **Protection against the dilution of a trade mark**

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Date : March 29, 2010

Questions

I. Analysis of current law and case law

The Groups are invited to answer the following questions under their national laws:

1. ***Do the laws of your country provide for protection against dilution of a trademark? If so, which laws?***

There are no specific provisions concerning the likelihood of dilution and or confusion. However, Article 6 of Law No 15 of 2001 concerning Trademarks, stated that an application for registration of a mark shall be refused if it has a similarity in its essential part or in its entirety with a mark owned by another party which has previously been registered for the same kind of goods and/or services or with a well-known mark.

2. **Is there a legal definition of dilution in your legislation or case law?**

No.

- 3.1. ***Which trademarks are afforded protection against dilution? What are the eligibility criteria? (Please only briefly list the eligibility criteria here; more detailed explanations will be required below).***

Well-known marks are usually afforded protection against dilution. There are no specific provisions concerning the eligibility criteria. However, to be considered well-known marks, the following are the least that a plaintiff should provide to the court:

- registration certificates in several countries;
- advertising in public knowledge;
- proof of investments for promoting the marks.

In practice, the court decision or jurisprudence is also considered by judges.

3.2. *To be eligible for protection against dilution, does a mark need to be distinctive? If so, does the protection depend upon the mark being inherently distinctive or are marks that have acquired distinctiveness through use also protected?*

Yes, to be eligible for protection against dilution, a mark needs to be distinctive. It could be inherently distinctive or it could acquire its distinctiveness through use.

3.3.1. *To be eligible for protection against dilution, does a mark need to have a reputation or be well-known or famous? If so, when does a mark have a reputation, when is it well-known or when is it famous? Are the factors mentioned in paragraph 15 and 22 above relevant for determining whether a mark has a reputation, is well known or famous? For what point in time does this have to be assessed?*

Yes, to be eligible for protection against dilution, a mark needs to have a reputation or be well-known or famous.

The Elucidation of Article 6 paragraph (1b) of Trademark Law No. 15 of 2001 explain that the reputation of a well-known mark could be attained through heavy promotion, investment in several countries, and application of the mark in a number of countries.

As we have mentioned earlier, there are no specific provisions concerning well-known marks. Hence, WIPO Recommendations concerning well-known marks (paragraph 15 and 22) are also relevant for determining whether a mark has a reputation, is well known or famous.

3.3.2. *For a mark to have a reputation or to be considered well known or famous, must it meet a certain knowledge or recognition threshold? If so, what is that threshold? What percentage of population awareness is required? How widespread must the awareness be across the country? If a mark is well known or famous in one country, what effect, if any, does this have with regard to other countries?*

There are provisions as to specific percentage of population awareness required in order to be considered a well-known or famous mark. However, in the Elucidation of Trademark Law No. 15 of 2001, it stated that the Commercial Court could instruct an independent institute to perform a survey to find out public awareness concerning the mark.

3.3.3. *What is the relevant population in determining the knowledge, recognition or fame of the mark, the general public at large or the relevant sector of public? Is recognition or fame in a limited product market (“niche market”) sufficient?*

This not specifically ruled in the Indonesian Trademark Law.

- 3.4. *To be eligible for protection against dilution, is it required that the mark has been used in, or that the mark has been registered or that an application for registration of the mark has been filed in the country where protection is being sought?***

The Indonesian Trademark Law adopted the constitutive system, i.e. the first to file system – no registration, no protection.

According to Article 61 paragraph (2a) of Trademark Law No. 15 of 2001, if a mark is not used in 3 consecutive years as of the filing date or the last usage date, the mark could be deleted by the Directorate General.

- 3.5. *Are there any other criteria a mark must comply with to be eligible for protection against dilution?***

No.

- 3.6. *Is eligibility for protection against dilution a matter of law or an issue of fact?***

Eligibility for protection against dilution is a matter of law.

Who bears the burden of proof regarding the eligibility criteria?

The Plaintiff bears the burden of proof regarding the eligibility criteria.

How does one prove that a mark meets the eligibility criteria?

As there are no specific provisions concerning well-known mark, to prove that a mark meets the eligibility criteria, one could use WIPO Recommendations for well-known marks.

Are sales and advertising figures sufficient or is survey evidence required? Which evidential standard must this proof satisfy?

The Commercial Court will decide whether or not sales and advertising figures alone are enough. According to the Indonesian Trademark Law, the Court may appoint an independent institute to perform a survey in determining whether a mark is well-known or famous.

- 3.7. *Is there any registry of eligible marks in your country?***

There are no registration of eligible or well-known/famous marks in Indonesia.

If so, what is the evidentiary value of registration?

Marks need to be well-known or famous to be eligible for the protection against dilution.

Can it be challenged in litigation?

Yes, it can be challenged in litigation.

- 4. *Does your law require the existence of a 'mental association' or 'link' between the earlier trademark and the later trademark? If so, in which circumstances does a 'mental association' or 'link' between the earlier trademark and the later trademark exist? Are the factors mentioned in paragraph 27 and 28 above relevant for assessing the existence of such a 'mental association' or 'link'? Are there other factors to take into account? Is the assessment of a link a question of fact (so***

something that can be established by market surveys), or is it a question of law to be established by the courts or authorities on the basis of such factors?

No.

5. ***Does such 'mental association' or 'link' between the earlier trademark and the later trademark automatically result in detriment to the earlier trademark's repute or distinctive character? Or does detriment have to be proved over and above the existence of a 'mental association' or 'link'?***

Not applicable.

6. ***Are the same factors taken into consideration to assess the existence of detriment as those already discussed for the link? Are there additional ones?***

Not applicable.

7. ***Must actual dilution be proved or is a showing of likelihood of dilution sufficient?***

Actual dilution must be proven.

Whose burden of proof is it?

The Plaintiff bears the burden of proof.

How does one prove dilution or likelihood of dilution? Does detriment require evidence of a change in the economic behaviour of the average consumer or that such change in behaviour is likely? If so, what is a change in the economic behaviour of the average consumer?

Detriment requires evidence of a change in the economic behavior of the average consumer.

Is reduced willingness to buy goods sold under the earlier mark a change in the economic behaviour?

Yes, reduced willingness to buy goods sold under the earlier mark is a change in the economic behavior.

How do you prove a change in the economic behaviour of the average consumer or likelihood of such change in behaviour?

To prove a change in the economic behavior, one can perform a market survey.

8. ***What is the extent of protection afforded to marks which are eligible for dilution protection? May the owner of the earlier trademark object***

- to the registration of a later trademark?***
- to the actual use of a later trademark?***
- in respect of dissimilar goods only or also in respect of similar goods?***

Yes, the owner of the earlier trademark may object to the registration or the actual use of a later trademark provided that the earlier trademark is a well-known or famous mark. It could either be in respect of dissimilar goods or similar goods.

9. ***What are the legal remedies? May the owner of the earlier trademark file an opposition and/or a cancellation action?***

The legal remedies are that the owner of the earlier trademark owner may file opposition and/or cancellation against the later trademark owner.

May he ask for injunctive relief or preliminary injunctive relief?

Yes, the owner of the earlier trademark may ask for injunctive relief.

Does your trademark office refuse the registration of a later trademark on grounds of likelihood of dilution?

Yes, the Indonesian Trademark Office will refuse the registration of a later trademark on grounds of likelihood of dilution for well-known marks (Article 6 of Law No 15 of 2001 concerning Trademarks).

Summary Of Q214

Protection against the dilution of a trade mark

There are no specific provisions for the protection against the dilution of mark in the Indonesian Trademark Law. However, in Article 6 of Trademark Law No. 15 of 2001, it stated that an application for registration of a mark shall be refused if it has a similarity in its essential part or in its entirety with a mark owned by another party which has previously been registered for the same kind of goods and/or services or with a well-known mark. The Elucidation of Article 6 of Trademark Law No. 15 of 2001 clarify that the reputation of a well-known mark could be attained through heavy promotion, investment in several countries, and application of the mark in a number of countries. Should the afore-mentioned proofs are not sufficient, the Commercial Court may request a survey to be done by an independent institute to determine how famous or well-known is a mark.