

MECHANISM FOR REMOVAL OF TRADEMARK PROTECTION BASED ON LAW NUMBER 20 OF 2016 CONCERNING TRADEMARKS AND GEOGRAPHICAL INDICATIONS

Firman,¹

Hamzah²

Sepriyadi Adhan S.³

Universitas Lampung

Chatibfirman12@gmail.com

Abstract

Trademarks are included in the category of intellectual property that has significant economic value and requires legal protection. According to Law Number 20 of 2016 concerning Trademarks and Geographical Indications, trademark protection is not absolute and can be revoked under certain conditions. Revocation can be carried out by the Directorate General of Intellectual Property through administrative procedures or at the request of a third party for certain reasons, such as if the trademark has not been used for three consecutive years or violates applicable laws and regulations. This procedure serves as a control tool to ensure that trademark rights are actively used and not misused. Therefore, trademark revocation is an important contribution to maintaining legal certainty and ensuring balanced trademark protection in Indonesia.

Keywords: Brand, deletion, legal protection, Law Number 20 of 2016, intellectual property.

A. INTRODUCTION

Brands play a vital role in the success of any marketing organization, whether it is a commercial or non-profit company, a

manufacturer or service provider, or a local or international organization. Attraction to global brands is generally influenced by perceptions of superior image, good quality (both physical and tactile), a desire to emulate the lifestyle of developed countries, a preference for status symbols, a cosmopolitan outlook, and an openness to the global world.

Brands also play an important role in ensuring business continuity and increasing competitiveness in national and international markets. Adequate legal protection of trademarks protects consumers from potential losses due to trademark infringement. For the general public as consumers, it is often difficult to distinguish between reputable brands and counterfeit brands that have significant similarities.¹ Awareness of the importance of trademark registration is still relatively low in Indonesia. In the competitive goods and services sector, every product must be legal and distinguishable from other products. Although many companies are aware of the uniqueness of their products compared to similar companies, many are still unaware of the importance of trademark registration.² In fact, trademark registration is very important to protect one's work legally and avoid disputes such as identity theft, financial losses, and other legal problems.³

Trademarks have been known for centuries as part of intellectual property rights (IPR) and play an important role in trade. Trademarks serve to identify the origin of goods or services and are an important element in advertising and marketing. The quality, image, and reputation of a product are often associated with a particular brand. Therefore, trademarks can be valuable assets and often even more valuable than the company itself.

¹ Tomi Suryo Utomo. 2010. *Intellectual Property Rights in the Global Era*, Graha Ilmu, Yogyakarta, p. 209.

² Fajar Nurcahya Dwi Putra. 2014. *Legal Protection for Trademark Rights Holders Against Trademark Infringement Acts*, Journal of Legal Science Vol 1 No. 6 pp. 97-108.

³ Iswi Hariyani. 2010. *Correct Procedures for Managing Intellectual Property Rights*, Pustaka Yustisia, Yogyakarta, p. 88.

The Trademark and Geographical Indications Law is intended to provide legal protection for brand owners and provide sanctions for misuse or unauthorized use of registered brands. However, even though this law has been enacted, trademark infringement still often occurs in Indonesia and causes losses to various parties. One example of a trademark infringement case is a lawsuit filed by Monster Energy Company, the owner of the Monster brand. Monster filed for the cancellation of the brand because it had not been used in commerce for three consecutive years. Monster Energy Company introduced the Monster brand in 1992 and initially marketed it in the United States as an energy drink in cans. Over time, Monster branded energy drinks were distributed throughout the world, including in Indonesia.

In addition, the Monster brand has gained widespread recognition through sponsorship activities in various international extreme sports such as motocross, mountain biking, extreme cycling, snowboarding, car racing, surfing, and skateboarding. Monster is even the main sponsor of the annual MotoGP motorcycle racing world cup. Financially, Monster Energy Company has managed to generate more than \$20 billion in global retail sales of Class 5 energy drink products.

In Indonesia, there is also a Monster trademark owned by Andrias Thamrun (as defendant) and has been registered as a trademark by the Directorate General of Intellectual Property (as co-defendant) since 2010. Due to the similarity of the trademark to the trademark owned by Monster Energy Company, the company filed a lawsuit against the trademark registered by Andrias Thamrun. This lawsuit is based on several interests, namely: interests arising from the trademark registration application, protection of the company's good name, and Monster Energy Company's investment expansion plan in Indonesia. As the inventor, rights holder, and first registrant of the Monster trademark worldwide, the company feels disadvantaged by the existence of a similar trademark that has never been used in trade since its registration on January 13, 2010.

According to Article 74(1) of the Trademark Law, interested third parties can file a lawsuit with the Commercial Court for the

cancellation of a registered trademark if the trademark has not been used in trade for goods and/or services for three consecutive years from the date of registration or last use in trade. In this case, the similarity between the plaintiff's and defendant's Monster trademarks gives rise to a legal interest for Monster Energy Company in defending its trademark rights. Against this backdrop, the author deems further investigation of this issue necessary: **Mechanism for Removal of Trademark Protection Based on Law Number 20 of 2016 Concerning Trademarks and Geographical Indications**. From the background description, the main problem can be formulated as follows:

1. What is the Mechanism for Removing Protection of a Registered Trademark Based on Law Number 20 of 2016 Concerning Trademarks and Geographical Indications?
2. What are the legal consequences after the removal of a registered trademark Based on Law Number 20 of 2016 Concerning Trademarks and Geographical Indications?

B. RESULTS AND DISCUSSION

1. Mechanism for Removal of Protection for Registered Trademarks Based on Law Number 20 of 2016 Concerning Trademarks and Geographical Indications.

Registered trademarks have legal consequences: Trademarks must be used in accordance with the registration application. The Trademark Law requires trademark owners to use their trademarks honestly. This means that the use of the trademark must be in accordance with the class of goods or services registered, and the form used must be the same as that stated in the certificate. If the trademark is not used in accordance with these provisions, its registration can be cancelled. The provisions for cancellation of trademarks are regulated in Article 74 paragraph (1) of the Trademark Law. According to this law, interested third parties can file for cancellation of a registered trademark by filing a lawsuit with the Commercial Court if the trademark has not been used in the trade of goods and/or services for three consecutive years from the date of registration or last use.

The use of a trademark for an inappropriate type of goods or services either in the same or different class can also be a reason for cancellation. These variations can be in the form of changes in the spelling of letters, word forms, or differences in color. This often occurs when trademark owners feel that the appearance of their registered trademark is less attractive and therefore choose another version that is considered more appropriate. In addition to regulating the reasons for cancellation, the law also recognizes three forms of trademark cancellation:

1. The Trademark Directorate has the authority to carry out repressive supervision actions. These actions are carried out ex officio based on the mandate of the law. Within the scope of this task, the Trademark Directorate can cancel trademark registration. Evidence that can be used in this process includes:
 - a. Official documents (certificates);
 - b. Statements from witnesses, experts, or trademark owners;
 - c. On-site inspection by the Trademark Directorate to gather facts related to the non-use or misuse of the trademark.

If there is sufficient evidence, the trademark is canceled by being removed from the General Trademark Register and announced in the Official Trademark Gazette. This ends the legal protection of the trademark.

2. Trademark owners can file for cancellation of some or all types of goods or services registered in a class. This is usually because the trademark no longer provides economic benefits or advantages to its owner.
3. Cancellation of registered trademarks upon application from third parties based on court decisions. Cancellation of registered trademarks upon application from third parties is regulated by law. Third parties have the right to file a request for cancellation of trademarks by:
 - a. Filing a lawsuit with the Commercial Court;

- b. Examining and processing the request in accordance with applicable procedural law.

A third party is any person who has a legal interest, including public officials or public prosecutors. A trademark official may also file a lawsuit with the court itself if it is deemed more appropriate than acting directly on his/her own initiative. A trademark cancellation lawsuit by a third party must be filed with the competent commercial court at the defendant's place of residence or domicile. Because trademark disputes are closely related to economic and business activities, their resolution requires a special judicial forum, namely the Commercial Court. This court was chosen because it is considered capable of resolving cases more quickly and efficiently.

2. Legal Protection for Notaries for Deeds They Make Related to Notary's Civil Liability

Article 74 paragraph (1) of the Trademark Law provides a legal basis for interested third parties who wish to file for trademark cancellation. This is possible if it can be proven that the trademark in question has not been used in trade for three consecutive years since registration or since its last use. In this case, the plaintiff can prove that the defendant's trademark is no longer actively used, which is a legitimate reason to file a cancellation lawsuit. Article 1 paragraph (1) of the Law also contains an important principle: a registered trademark must be used in trade for goods or services in accordance with its intended use. Therefore, a registered trademark must be used effectively and consistently. If this obligation is ignored, the trademark may lose its legal protection and be cancelled in accordance with applicable provisions.

To support the trademark cancellation lawsuit, the plaintiff refers to the provisions of the Trademark Law regarding the obligation to use a trademark. The plaintiff successfully presented convincing evidence that the defendant's trademark had not been used in trade, especially for certain types of products, for three consecutive years since its last registration or use. To prove this, the plaintiff conducted

a direct and comprehensive market study to determine whether the defendant's trademark was actually used in the beverage trade. The results of this study are important evidence supporting the plaintiff's lawsuit because they provide concrete findings that can be legally verified.

The defendant's actions violate the principle of trademark obligation. This principle means that the right to a trademark arises not only through registration in accordance with the terms and conditions, but the trademark must also be actively used in commercial transactions. If the trademark is not used, there is a risk that the trademark will be removed from the General Trademark Register as part of the legal process. The plaintiff reiterates that the defendant's trademark must not only meet the registration requirements but also make a real contribution to commercial transactions. By filing a trademark cancellation lawsuit as a third party, the plaintiff seeks to ensure that the principle of trademark obligation not only remains a formal rule, but is also implemented effectively to maintain the integrity of the trademark system and market security.

In the decision of the *A quo* case, the judge firmly supported and granted all of the plaintiff's claims. This decision confirms that the plaintiff is recognized as a third party who has a legitimate interest in the lawsuit to cancel the trademark registration. Thus, the judge confirms the plaintiff's position as a party who has a strong legal basis to file a lawsuit to challenge the trademark registration. Furthermore, it has been proven that the defendant has not actively used its trademark rights in running its business for three consecutive years—either since the first or last trademark registration. The implications of this decision are very important legally, especially for registered trademark owners, because actions that lead to the cancellation of trademark registration are a clear indication of the inactivity or non-use of the trademark during that period.

Based on Article 68 paragraph (5) of the Trademark Law, cancellation of trademark registration results in the termination of trademark protection in whole or in part. This emphasizes the

importance of the legal process in determining the status of trademark protection. In this case, the panel of judges granted the plaintiff's request, so that this decision has permanent legal force (inkrah). This removes the defendant's exclusive rights to his trademark. Concretely, this means that the trademark owner no longer has the exclusive right to use, market, or protect his trademark, thus opening up the possibility for other parties to use his trademark without limitation. This decision emphasizes how great the influence of the legal process is on trademark rights and trademark protection.

The loss of exclusive rights to a trademark has significant implications, as others can now use the trademark without the prior rights holder's permission. This poses a significant risk of loss to the original rights holder, both commercially and legally. The loss of control over the trademark can lead to confusion in the marketplace, as multiple parties use the same trademark, ultimately damaging the brand image and reducing consumer confidence. From a legal perspective, this situation can also reduce the value of the trademark due to the loss of distinctiveness, while increasing the risk of unfair competition, consumer confusion and significant negative consequences for the rights holder, both commercially and legally.

According to O.K Saidin, if the cancellation of a trademark registration has permanent legal force, the Director General of Intellectual Property Rights can revoke the trademark from the General Register of Trademarks. This process is then announced in the Official Trademark Gazette to inform the public about the change in the status of the trademark.⁴ These steps indicate the legal procedures that will be taken after the decision to cancel the trademark registration has permanent legal force. Saidin also emphasized one more important thing, namely that with the cancellation of a trademark from the General Register of Trademarks, the relevant trademark certificate will also lose its validity period. Cancellation of trademark registration is not only an administrative action, but also has important implications for the end of legal

⁴ O.K Saidin. 2010. *Legal Aspects of Intellectual Property Rights: (Intellectual Property Rights)*, Depok: Rajawali Pers, p. 12.

protection for the trademark. Therefore, the process of canceling trademark registration is not only related to administrative aspects, but also marks the end of legal protection for the trademark.⁵

Cancellation may require the owner of a registered trademark, or the defendant in the case A quo, to fulfill important legal obligations related to the trademark. One of the main responsibilities is to prevent the unlawful use of the trademark by third parties, which requires active prevention of its unauthorized use or marketing. Furthermore, the owner of the trademark may be legally liable to pay damages to third parties who are harmed by the unauthorized use of the trademark. This compensation may also include compensation for financial losses suffered by third parties as a result of the unauthorized use of the trademark, such as misappropriation, infringement of trademark law, or defamation of the trademark.

C. CONCLUSION AND SUGGESTION

Conclusion

From the explanation given in the previous discussion section, the following conclusions can be drawn:

4. The process of canceling a registered trademark based on Law Number 20 of 2016 concerning Trademarks and Geographical Indications can be done in two ways, namely by submitting an application for cancellation of a trademark that has not been used for three consecutive years accompanied by supporting documents to the Directorate of Trademarks or by filing a lawsuit directly with the Commercial Court.
5. Cancellation of a registered trademark based on Law Number 20 of 2016 concerning Trademarks and Geographical Indications allows the applicant to re-use the previously unregistered Monster trademark and continue their business activities. Conversely, parties who do not use a trademark for three consecutive years are no longer entitled to use the Monster trademark for business activities in Indonesia. Furthermore, the Directorate General of Intellectual Property

⁵ *Ibid.*

is required to cancel the registration of the Monster trademark belonging to the original owner from the General Register of Trademarks because it has not been used for three consecutive years.

Suggestion

1. Affected trademark owners should be able to cooperate with the relevant trademark protection authorities so that they can run their businesses smoothly while having a positive impact on the business environment.
2. The Directorate General of Intellectual Property should increase its capacity and effectiveness in monitoring registered trademarks to reduce trademark infringement and prevent trademark registrations that violate the provisions of the Trademark Law.

BIBLIOGRAPHY

Legislation

The 1945 Constitution of the Republic of Indonesia (Amended Result).

Civil Code

Law Number 20 of 2016 Concerning Trademarks and Geographical Indications

Books:

Iswi Hariyani. 2010. *Correct Procedures for Managing Intellectual Property Rights*, Pustaka Yustisia, Yogyakarta.

O.K Saidin. 2010. *Legal Aspects of Intellectual Property Rights: (Intellectual Property Rights)*, Depok: Rajawali Pers.

Sugiyono. 2009. *Qualitative Quantitative Research Methods and R&D*. Alfabeta, Bandung.

Tomi Suryo Utomo. 2010. *Intellectual Property Rights in the Global Era*, Graha Ilmu, Yogyakarta.

Journal:

Fajar Nurcahya Dwi Putra. 2014. *Legal Protection for Trademark Rights Holders Against Trademark Infringement Acts*, Journal of Legal Science Vol 1 No. 6.

Solekan, Dimas Sulistio, and Tetti Samosir. 2022. *Legal Analysis of Unlawful Acts Regarding the Power of Attorney to Sell Which is Considered as Absolute Power (Case Study of Supreme Court Decision Number 3306 K/Pdt/2018)*. Imanot: Journal of Law & Notary Students 2, no. 1.