



**CONSTITUTIONAL COURT
OF THE REPUBLIC OF INDONESIA**

**SUMMARY OF DECISION
FOR CASE NUMBER 144/PUU-XXI/2023**

Concerning

**Deletion of Trademark Filed by Third Party to the Commercial Court
After an Uninterrupted Period of 3 (Three) Years of Non-Use**

- Petitioner** : **Ricky Thio**
- Type of Case** : Judicial Review of Law Number 20 of 2016 concerning Trademarks and Geographical Indications (Law 20/2016) against the 1945 Constitution of the Republic of Indonesia (1945 Constitution)
- Subject Matter** : Judicial Review of Article 74 of Law 20/2016 against Article 28D paragraph (1), Article 28H paragraph (4), and Article 33 paragraph (4) of the 1945 Constitution
- Verdict** :
1. To grant the Petitioner's petition in part.
 2. To declare the phrase "3 (three) years" in the norm of Article 74 paragraph (1) of Law Number 20 of 2016 concerning Trademarks and the Geographical Indications (State Gazette of the Republic of Indonesia of 2016 Number 252, Supplement to the State Gazette of the Republic of Indonesia Number 5953) is contrary to the 1945 Constitution of the Republic of Indonesia and does not have binding legal force to the extent that it is not interpreted as "5 (five) years". Therefore, the norm of Article 74 paragraph (1) of Law Number 20 of 2016 concerning Trademarks and Geographical Indications (State Gazette of 2016 Number 252, Supplement to the State Gazette of the Republic of Indonesia Number 5953) reads in full "The deletion of a registered Trademark may also be submitted by an interested third party in the form of a lawsuit to the Commercial Court on the grounds that the Trademark has not been used for an uninterrupted period of 5 (five) years in the trade of goods and/or services since the date of registration or its last use."
 3. To declare the phrase "other similar prohibitions" in the norm of Article 74 paragraph (2) letter c of Law Number 20 of 2016 concerning Trademarks and Geographical Indications (State Gazette of 2016 Number 252, Supplement to the State Gazette of the Republic of Indonesia Number 5953) is contrary to the 1945 Constitution of the Republic of Indonesia and does not have

binding legal force to the extent that it is not interpreted to include the phrase "including in force majeure". Thus, the norm of Article 74 paragraph (2) letter c of Law Number 20 of 2016 concerning Trademarks and Geographical Indications (State Gazette of 2016 Number 252, Supplement to the State Gazette of the Republic of Indonesia Number 5953) reads in full "c. other similar prohibitions, including in force majeure as stipulated by the Government Regulation."

4. To order this decision to be published in the State Gazette of the Republic of Indonesia.
5. To dismiss the remainder of the Petitioner's petition.

Date of Decision : Tuesday, 30 July 2024

Overview of Decision :

Whereas the Petitioner is an Indonesian citizen, who works as a Micro, Small and Medium Enterprise (MSME) entrepreneur selling class 8 computers and CCTVs under the trademark name "HDCVI&Logo" which has been registered with the Ministry of Law and Human Rights under the registration number IDM000553432, dated 25 February 2014 to 25 February 2024, then it received an extension until 25 February 2034;

Whereas the Petitioner received a lawsuit from a foreign company from the People's Republic of China named Zhejiang Dahua Technology CO., LT, the lawsuit was filed to the Central Jakarta Commercial Court under the case number 28/Pdt.Sus-HKI/Merek/2023/PN Niaga Jkt.Pst, in essence the company requests the Central Jakarta Commercial Court to delete Ricky Thio's trademark, namely the "HDCVI & LOGO" trademark which has been registered with the Ministry of Law and Human Rights under the registration number IDM000553432. The lawsuit was filed on the basis of Article 74 paragraph (1) of Law 20/2016.

Regarding the Court's authority, the Petitioner petitions for a review of the constitutionality of statutory norms, *in casu* Law 20/2016 against the 1945 Constitution, therefore the Court has the authority to decide on the *a quo* petition.

Regarding the Petitioner's legal standing, the Court is of the opinion that the Petitioner has been able to specifically describe his constitutional rights which, according to him, have been violated by the enactment of the norm being petitioned for review. The Petitioner has also been able to describe the alleged constitutional loss that has a causal relationship (*causal verband*) with the enactment of the legal norms being petitioned for review, namely as an individual Indonesian citizen, who works as an MSME entrepreneur having a registered trademark, he feels that there is a legal uncertainty regarding the trademark rights he owns because he may be sued by an interested third party if the trademark is not used for an uninterrupted period of 3 (three) years pursuant to the enactment of Article 74 paragraph (1) of Law 20/2016, even though the protection for trademarks is 10 years as regulated in Article 35 of Law 20/2016. Therefore, if the *a quo* petition is granted, the alleged constitutional loss as described will no longer occur. Therefore, regardless of whether or not the unconstitutionality of the norms being petitioned for review is proven, the Court is of the opinion that the Petitioner has the legal standing to act as a Petitioner in the *a quo* petition.

Whereas before further considering the issue, the Court needs to first state the following:

1. Whereas a trademark is defined as a sign that can be displayed graphically in the form of an image, logo, name, word, letter, number, color arrangement, in 2 (two) dimensions and/or 3 (three) dimensions, sound, hologram, or a combination of 2 (two) or more of these elements to distinguish goods and/or services produced by a person or legal entity in the trading of goods and/or services. As part of intellectual property rights, trademark is closely related to economic activities and trade in goods and services that may be crossing

national borders and therefore it must receive legal protection. Moreover, amidst the strong developments in information technology and transportation facilities, an adequate trademark regulation is urgently needed to provide protection for national brands. In this regard, trademark regulation in Indonesia has undergone continuous development since 1961. It began with the enactment of Law Number 21 of 1961 concerning Company Marks and Trademarks (Law 21/1961), which was later replaced by Law Number 19 of 1992 concerning Trademarks (Law 19/1992), because Law 21/1961 was deemed no longer in line with the increasingly rapid communication and trade patterns between nations which were no longer bound by national borders. Therefore, it creates interdependence between nations in terms of needs, capabilities, and technological progress which drives the world's growth as a market for the produced products of goods or services. The amendments contained in Law 19/1992 are intended to expand the regulations to further improve the healthy and responsible trade in goods and services by, among other things, including materials that regulate trademark registration under the priority rights in accordance with the Paris Convention for the Protection of Industrial Property.

2. Whereas the regulation concerning the "Deletion and Cancellation of Trademarks" in Indonesia has been in effect since Law 19/1992 where the deletion of trademark registration may be done due to a request from the trademark owner himself or due to the initiative of the "Trademark Office" on the grounds that the trademark has not been used for an uninterrupted period of 3 (three) years or more in the trade of goods or services since the date of registration or its last use; or the trademark is used for a type of goods or services that do not correspond to the type of goods or services for which registration is requested [*vide* Article 51 of Law 19/1992]. The deletion of the trademark registration is then recorded in the General Register of Trademarks and announced in the Official Trademark Gazette. In addition to the provisions regarding the deletion of trademarks, Law 19/1992 began to regulate the mechanism for trademark cancellation lawsuit that may be filed by interested parties for reasons such as, for example, being contrary to morality and public order or not having distinguishing power or the trademark resembles the name of a famous person, photo, trademark and name of another legal entity owned by another person who is already well-known, except in the event that the entitled party grants a written consent for the matter [*vide* Article 5 and Article 6 of Law 19/1992]. A lawsuit to cancel the trademark registration must be filed within 5 (five) years from the date of trademark registration. In the event that the trademark contains any elements that are contrary to morality and public order, a cancellation lawsuit may be filed at any time without limitation.

In its development, Indonesia has entered into agreements in relation to the trade aspects related to Intellectual Property Rights (Agreement on Trade Related Aspects of Intellectual Property Rights/TRIPs) as the results of various multilateral negotiations and the multilateral negotiation agreement has been ratified with the issuance of Law Number 7 of 1994 concerning Ratification of the Agreement Establishing the World Trade Organization, with the purposes of supporting national development activities and providing protection for trademark owners. In relation to these purposes, improvements were made to Law 19/1992 with the issuance of Law Number 14 of 1997 (Law 14/1997). One of the improvement is by amending the provisions regarding the "Deletion and Cancellation of Trademarks". Regarding the deletion of trademark, it is reaffirmed that the Trademark Office remains to have the authority to delete trademarks either based on its own initiative or due to the request of the relevant trademark owner. Regarding the deletion of trademark registration based on the initiative of the Trademark Office, this may be done if: (a) the trademark has not been used for an uninterrupted period of 3 (three) years or more in the trade of goods and/or services since the date of registration or its last use, unless there is a reason acceptable to the Trademark Office; or (b) the trademark is used for a type of goods and/or services that does not correspond to the type of goods or services for which registration is requested, including the use of a trademark that does not correspond to the registered trademark. There are several exceptions to these provisions, namely: in the event of any import restrictions; any restrictions related to permits for the distribution of

goods using the relevant trademark or decisions from the authorities which are temporary in nature; or any other similar restrictions stipulated by the Government Regulation. In this regard, the Trademark Office actively looks for evidence or uses the inputs from the public as consideration to delete a trademark registration based on its own initiative [*vide* General Elucidation of Law 14/1997]. Afterwards, the deletion of the trademark registration is recorded in the General Register of Trademarks and announced in the Official Trademark Gazette. However, if the trademark owner objects to the decision to delete the trademark registration, the owner may submit such objection to the Central Jakarta District Court or another District Court which will be subsequently determined by Presidential Decree [*vide* Article 51 of Law 14/1997].

3. Whereas furthermore, in an effort to maintain a healthy business competition in the global trade era and also to be in line with international conventions that have been ratified by Indonesia, Law 19/1992 as amended by Law 14/1997 was replaced by Law Number 15 of 2001 concerning Trademarks (Law 15/2001). In principle, the provisions governing the materials on the "Deletion and Cancellation of Trademarks" have not undergone many amendments when compared to the provisions contained in Article 61 of Law 15/2001, except in relation to amendments to institutional nomenclature and the addition of any third party who may also file for a trademark deletion. This means that the deletion of a trademark registration from the General Register of Trademarks may be carried out based on the Directorate General initiative or based on the request of the relevant trademark owner. If it is done due to the initiative of the directorate general, the reason is because the trademark has not been used for an uninterrupted period of 3 (three) years in the trade of goods and/or services since the date of registration or its last use, unless there is a reason acceptable by the directorate general; or the trademark is used for a type of goods and/or services that do not correspond to the type of goods or services for which registration is requested, including the use of a trademark that does not correspond to the registered trademark. There are several reasons for exceptions to the deletion of a trademark even if it has not been used for an uninterrupted period of 3 (three) years in the trade of goods and/or services. In principle, the reasons are almost the same as contained in the previous regulation, namely in the events of any import restrictions; any restrictions related to permits for the distribution of goods using the relevant trademark or decisions from the authorities which are temporary in nature; or any other similar restrictions stipulated by the Government Regulation. Afterwards, the deletion of the trademark registration is recorded in the general register of trademarks and announced in the Official Trademark Gazette. If the trademark owner objects to the decision to delete the trademark registration, instead of submitting such objection to the District Court, the owner may submit it to the Commercial Court.

Meanwhile, in relation to a lawsuit over an annulment of Trademark registration, it may be filed by an interested party for reasons, among others, that the Plaintiff acted in bad faith because the trademark does not comply with the applicable laws and regulations and is not in line with the religious values, morality, decency, or public order. The time period for filing a lawsuit to annul a trademark registration is the same as regulated in the previous provisions, namely 5 (five) years from the date of trademark registration. The annulment lawsuit may be filed at any time without limit if the relevant trademark is not in line with the morality, religious values, decency or public order [*vide* Article 69 of Law 15/2001].

The provisions regarding the time limit for the deletion of trademarks that have not been used for an uninterrupted period of 3 (three) years in the trade of goods and/or services from the date of registration or its last use, as stipulated in various trademark laws since 1992 and up until Law 20/2016, are provisions adopted from article 19 Annex IC TRIPs which states that:

If use is required to maintain a registration, the registration may be cancelled only after an uninterrupted period of at least three years of non-use, unless valid reasons based on the existence of obstacles to such use are shown by the trademark owner. Circumstances arising independently of the will of the owner of the trademark which

constitute an obstacle to the use of the trademark, such as import restrictions on or other government requirements for goods or services protected by the trademark, shall be recognized as valid reasons for non-use.

Regarding the time limit for the deletion of unused trademark (non-use) from the register of trademarks, each country does not regulate it identically as specified in Article 19 Annex IC TRIPs because in principle TRIPs only determines a minimum period of 3 (three) years. This means that the participating countries are given the freedom to determine the period provided that it does not conflict with the minimum period agreed in TRIPs. Therefore, some countries regulate that a non-use trademark is deleted after a period of 3 (three) years, for example the United States, China and Japan. There are also other countries regulating that non-use trademark is deleted after a period of 5 (five) years, for example Singapore, England, Germany and Norway. In general, these differences in regulations are caused by differences in legal systems in each TRIPs Agreement member countries. The countries that adhere to the common law system recognize two trademark principles, namely the principle of first to register (trademark protection is granted to the first person to register the trademark) and the principle of first to use (trademark protection is given to the first person to use the trademark) so that the regulation regarding the period for deleting a trademark is longer, namely 5 (five) years. Distinctively, the countries that adhere to the civil law system tend to use the principle of first to register in context of trademark protection system, thus for a trademark to be protected by the state, it must be registered. In other words, a trademark obtains legal protection after the it is registered. Regardless of the above legal system, since Indonesian legal system is a reflection of Pancasila and as a country influenced by the civil law tradition, Indonesia adheres to the principle of first to register, therefore the state provides protection for a trademark if it is registered. This means that exclusive rights to a trademark will arise and be granted by the state to the trademark owner who has submitted an application for registration and subsequently it has been approved by the authorized institution. Even though there is a trademark that has been used in practice for a long time, if it is not registered, the user may not claim to be the legitimate owner and may not obtain the exclusive protection for the trademark.

Pursuant to the above description, each country being the signatory of TRIPs Agreement has an option to decide its own period of non-use, the most important thing is that the registered trademark is indeed used in the context of trading goods or services. Because the right to a trademark is an exclusive right granted by the state to the owner of a trademark registered in the general register of trademarks for a certain period of time to use the trademark for himself/herself or giving a permission to another party to use it (license agreement). This means that a registered trademark should not only be reserved but should be used in the trade of goods or services so that it can be utilized for the benefit of economic growth and improving public welfare.

Whereas upon considering the above matters, the Court will then consider the Petitioner's argument that the norm of Article 74 of Law 20/2016 is contrary to private property rights which may not be taken over arbitrarily and does not provide justice for registered trademark owners in running businesses on an MSME scale in order to support the national economy as guaranteed in Article 28D paragraph (1), Article 28H paragraph (4), and Article 33 paragraph (4) of the 1945 Constitution. Regarding the *a quo* argument of the Petitioner, in principle, the Court considers the following:

1. Whereas the Petitioner's argument relating the norm of Article 74 of Law 20/2016 to the issue of arbitrariness on the grounds that, according to the Petitioner, Law 20/2016 regulates that the protection of registered trademark is valid for 10 (ten) years and may be extended [*vide* Article 35 of Law 20/2016]. Meanwhile, the a registered trademark is deleted after an uninterrupted period of at least 3 (three) years of non-use. In relation to this, it is important for the Court to affirms that a trademark as part of intellectual property rights is a marker to distinguish one trademark from another which can be displayed graphically in the form of an image, logo, name, word, letter, number, colour arrangement, in 2 (two) dimensions and/or 3 (three) dimensions, sound, hologram, or a combination of 2

(two) or more of these elements order to distinguish goods and/or services produced by a person or legal entity in the trading of goods and/or services [*vide* Article 1 number 1 of Law 20/2016]. A trademark will be protected once it is registered and a trademark certificate has been issued, *in casu* by the Minister of Law and Human Rights. Regarding the rights to the trademark, an exclusive right is given by the state to the owner of the registered trademark for a period of 10 (ten) years from the date of receipt [*vide* Article 35 of Law 20/2016]. This registered trademark is given legal protection for a period of 10 (ten) years from the date of receipt and the protection period may be extended for the same period provided that the trademark is used. Pursuant to the definition of trademark as stipulated in Article 1 number 1 of Law 20/2016, in principle, a registered trademark must be used so that in the world of trade, the consumers can easily search for the goods or services of the relevant trademark. In addition, the used trademark has the potential to increase the consumers' trust in the quality of the product compared to any products without a trademark.

Furthermore, the purpose of Article 74 of Law 20/2016 is so that there would be no registered but non-use trademark. Therefore, if the Petitioner's argument is linked to Article 35 of Law 20/2016, the legal protection of 10 (ten) years and may be extended is intended for a trademark that has been registered and used by the owner or by other parties under a licensing agreement. Thus, the basic principle is that the registered trademark must be used in trading activities for goods or services, instead of with the intention of reserving the rights to the registered trademark and not using it. Therefore, completely eliminating the norm of Article 74 of Law 20/2016 as requested in the Petitioner's *petitum* is actually not in line with the intent of trademark protection as stipulated in Article 35 of Law 20/2016. Moreover, the trademark protection is not automatic in nature, a person wishing to obtain the trademark rights and protection must submit a registration application to the state [*vide* Article 4 of Law 20/2016]. This means that without registration, exclusive rights to a trademark will not arise, so a trademark will not receive any protection from the state. Therefore, a registered trademark must be used in production and/or trade activities, and if it is not used for an uninterrupted period of 3 (three) years, an interested third party may file a lawsuit to the Commercial Court requesting to delete the trademark [*vide* Article 74 paragraph (1) of Law 20/2016]. The above provisions indicate that a registered trademark must be actively used in trade activities of goods or services by the owner of the right.

If a registered trademark is not used in any production and/or trade activities, it will indeed have a negative impact on the economy. A non-use registered trademark has the potential to become a burden for the state because the state must protect such registered trademark and reject any application for trademark registration that is similar entirely or substantially to the registered trademark.

In addition, the continued use of registered trademark is also in line with the state's goal of protecting intellectual property rights to support national economic growth. In this context, the state has an obligation to protect the trademark owners from any acts of intellectual property theft, counterfeiting, and illegal use by other parties. Such protection aims to create a fair business environment, encourage innovation, and provide incentives for the citizens to develop and maintain their brands which in turn would increase national competitiveness in the global market. Moreover, the Indonesian economic industry has special characteristics and is built on the Micro, Small and Medium Enterprises (MSMEs), therefore regulations and protections are required in accordance with the mandate of the 1945 Constitution embodying the *Pancasila* economy. Therefore, the protection for MSMEs must be given utmost attention.

Whereas the protection for MSMEs is also emphasized in Law 20/2016 providing a philosophical basis that recognizes trademark as not only a business identity, but also a tool to increase the competitiveness of MSMEs. Therefore, the provisions regarding trademark that is registered but not used must be adjusted to the needs and interests of Indonesia.

2. Whereas regarding the time limit for deleting non-use trademark as regulated in the

formulation of the phrase "for an uninterrupted period of 3 (three) years" [*vide* Article 74 paragraph (1) of Law 20/2016], such formulation has been used in the trademark law since 1992, *in casu* Law 19/1992, even though at that time Indonesia had not yet ratified the TRIPs, consistently, every time there is any amendment to the trademark law, such formulation is not amended. Indonesia ratified TRIPs in 1994 [*vide* Law 7/1994]. In principle, Article 19 Annex IC TRIPs does not definitively determine the time limit for deleting a non-use trademark from the register, instead the formulation determines, "*If use is required to maintain a registration, the registration may be cancelled only after an uninterrupted period of at least 3 years of non-use, unless valid reasons based on the existence of obstacles to such use are indicated by the trade mark owner...*". Such provisions describe that there is a time limit for not using a registered trademark which is at least an uninterrupted period of 3 (three) years, unless the trademark owner is able to prove that there is a legitimate reason for the obstacles in using such trademark. Regarding such provisions of TRIPs, each country implements it differently as described in Sub-paragraph [3.12.3].

3. Whereas the existence of provisions regarding a time limits for non-use trademark which is an uninterrupted period of 3 (three) years does not automatically mean that the trademark will be deleted from the register of trademarks. In this regard, Law 20/2016 regulates the reasons for the exceptions to such deletion. However, the reasons specified in Article 74 paragraph (2) of Law 20/2016 are exactly the same regulations as those that have been regulated since Law 14/1997, there is no evaluation carried out in accordance with current developments. The reasons for these exceptions are due to: (a) import restrictions; (b) any restrictions related to permits for the distribution of goods using the relevant trademark or decisions from the authorities which are temporary in nature; or (c) other similar restrictions stipulated by Government Regulation. In the four amendments and/or replacements of the trademark law, the provisions regarding the reasons for the exceptions were formulated the same and no government regulation was issued as a follow up even though it had been mandated since 1997. Therefore, within the limits of reasonable reasoning, without the Court intending to assess the concrete case experienced by the Petitioner, when all countries impose restrictions on human movement due to the COVID-19 Pandemic, this has implications for the trademark owners as they were unable to use their registered trademarks to produce goods or services unlike under any normal conditions. Meanwhile, if it is linked to the consideration of letter a of Law 20/2016 which states, "whereas in the global trade era, in line with international conventions that have been ratified by Indonesia, the registration of Trademarks and Geographical Indications is very important, especially in maintaining a healthy and fair business competition, providing protection for the consumers, as well as the Micro, Small and Medium Enterprises and domestic industries". In this context, the Petitioner's argument is proven to be in line with the intention of establishing Law 20/2016, which emphasizes the protection of MSMEs. However, revoking the norm of Article 74 paragraph (1) of Law 20/2016 merely to differentiate between the trademarks owned by MSMEs and the ones owned by non-MSMEs may not be fulfilled/carried out, since this would actually be contrary to the principle of national treatment [*vide* the TRIPs Agreement, Annex 1C, Article 3 and Article 4]. In line with the intention of establishing Law 20/2016, the provisions regarding non-use trademarks which is adopted from Article

19 of TRIPs only specify the minimum limit for the non-use trademarks and therefore each country may determine its own time limit. Even though Indonesia adheres to the principle of the first to file, as is the tendency of countries adhering to the civil law system, by taking into account the specific conditions of the Indonesian economy which is built on MSMEs, it is deemed necessary to adjust the time limit for the non-use trademark, which was originally an uninterrupted period of "3 (three) years" is adjusted to "5 (five) years". With this adjustment, sufficient time is given to the registered trademark owners in the event of circumstances/conditions beyond human capabilities (*force majeure*), such as natural disasters and pandemics. The trademark owners, *in casu* MSME entrepreneur still have enough time to resume the production of goods or services under the registered

trademarks. This is also in line with the intention of establishing Law Number 20 of 2008 concerning Micro, Small and Medium Enterprises (Law 20/2008). This means that the government and regional governments also have sufficient time to empower the MSMEs as intended by Law 20/2008 so as to create a healthier business climate in order to strengthen the foundation of the Indonesian economy as intended by Article 33 of the 1945 Constitution [*vide* Article 7 of Law 20/2008]. The adjustment to the time limit for the non-use trademarks is not intended to ignore the development of information and communication technologies, this means the trademark owners may use their trademarks online so that the registered trademarks would not be non-use. Moreover, to determine the deletion of a registered non-use trademark, it needs to be supported by sufficient data regarding the uninterrupted period of non-use of registered trademarks, for example through a clear, measurable and transparent survey process by competent parties with accountable results. In this regard, it is part of the state's efforts to encourage the creation of a healthy competition in business as intended by the formation of Law 20/2016.

4. Whereas furthermore, it is important to adjust the time limit of non-use trademarks to an uninterrupted period of 5 (five) years as this is closely related to the time limit regulated in Article 77 paragraph (1) of Law 20/2016. Even though deletion and cancellation are two different things, the regulations are contained in the same chapter in Law 20/2016, namely the chapter on "Deletion and Cancellation of Trademarks" because both have the same legal consequences. In this regard, the cancellation of a registered trademark may be filed by an interested party due to the reasons as stipulated in Article 20 and Article 21 of Law 20/2016, including because the registered trademark is contrary to state ideology, statutory regulations, morality, religious values, decency or public order [*vide* Article 20 paragraph (1) letter a of Law 20/2016] or if the trademark is substantially or entirely similar to: a. A registered trademark belongs to another party or was previously applied for by another party for similar goods and/or services [*vide* Article 21 paragraph (1) letter a Law 20/2016]. A lawsuit to cancel the trademark registration may only be filed within a period of 5 (five) years from the date of trademark registration. In contrast, if there is an element of bad faith and/or the trademark is contrary to the state ideology, laws and regulations, morality, religious values, decency and public order, then a lawsuit for cancellation may be filed at any time without limit. Therefore, without intending to ignore the tendency of countries adhering to the civil law system, the adjustment of the time limit to 5 (five) years is to provide justice for all registered trademark owners so that the adjustment is in line with the principle of national treatment and in accordance with the provisions contained in the trademark cancellation.

Pursuant to all the legal considerations above, the Petitioner's argument questioning the unconstitutionality of Article 74 paragraph (1) of Law 20/2016, especially regarding the phrase "3 (three) years", is legally justifiable.

Whereas the Court will further consider the Petitioner's argument questioning the constitutionality of the norms of Article 74 paragraph (2) and paragraph (3) of Law 20/2016, both *a quo* paragraphs are submitted for review by the Petitioner because they refer to Article 74 paragraph (1) of Law 20/2016. Therefore, according to the Petitioner, they become an integral part of the norm of Article 74 of Law 20/2016. Regarding the *a quo* argument of the Petitioner, the Court considers the following:

1. Whereas regarding the norm of Article 74 paragraph (2) of Law 20/2016, the Court is of the opinion that the *a quo* norm regulates other reasons that may prevent the granting of a trademark deletion lawsuit. The Commercial Court will not immediately delete a trademark if the reason for not using the trademark is because (a) there are any import restrictions; (b) there are restrictions related to permits for the distribution of goods using the relevant trademark or decisions from the authorities which are temporary in nature; or (c) other similar restrictions stipulated by the government regulations.

The Court is of the opinion that the existence of Article 74 paragraph (2) of Law 20/2016 remains relevant and necessary, if the *a quo* Article is declared as unconstitutional in accordance with the Petitioner's *petitum*, it would actually eliminate the reasons for

exceptions which could prevent the granting of a trademark lawsuit filed by a third party on the grounds that the trademark had not been used for a certain period of time. However, upon careful examination, the norms of Article 74 paragraph (2) of the *a quo* Law, especially in letter c, it contains incomplete reasons in regulating the reasons for such exceptions because it only states "other similar restrictions". This formulation does not yet confirm the scope of the "other similar restrictions" because its Elucidation only states "sufficiently clear". In this regard, it is important to clarify the scope of the other similar restrictions, including in the event of any force majeure, among others, any economic and monetary crises, natural disasters, and pandemics. Such circumstances may affect the economic climate of the society, both from the perspective of entrepreneurs or trademark owners and consumers. This means that the force majeure may be one of the factors that causes the trademark owner to be unable to use the registered trademark (non-use) or cannot run their business normally.

Whereas in relation to this matter, without the Court intending to assess the legality of the Government Regulation, in his additional statement, the President has also explained the implementation of the phrase "other similar restrictions stipulated by the Government Regulations" in accordance with the norm of Article 74 paragraph (2) letter c of Law 20/2016. The government has issued, among others, Government Regulation Number 109 of 2012 concerning the Protection of Materials Containing Addictive Substances in the Form of Tobacco Products for Health. The *a quo* Government Regulations regulates restrictions on the use of trademarks related to tobacco products. For anyone who produces and/or imports Tobacco Products, restrictions are imposed on the use of certain words, the promotions of tobacco products are controlled by not using the tobacco product logos and/or brands on non-tobacco products or goods, on any institutional and/or individual activity, the sponsorship of any institutional and/or individual activity may only be done by not using the trademark name and logo of the tobacco products, including the brand image of the tobacco products and the corporate social responsibility may only be done by not using the trademark names and logos of the tobacco products including the brand image of the tobacco products. In addition, the government also issued Government Regulation Number 21 of 2020 concerning Large-Scale Social Restrictions in the Framework of Accelerating Handling of Corona Virus Disease 2019 (COVID-19) and in 2023 the government issued Presidential Decree of the Republic of Indonesia Number 17 of 2023 concerning the Determination of the End of the Pandemic Status of Corona Virus Disease 2019 (COVID-19) in Indonesia. In this regard, the government also stated that the use of a registered trademark does not always have to be conventional (offline) but can also be done digitally (online/marketplace). However, this does not provide clarity regarding the protection for the registered trademark owners being affected by the force majeure having the rights to be excluded from the deletion of their non-use trademark rights as referred to in Article 74 paragraph (1) of Law 20/2016. Moreover, in his additional statement, the President stated that there are no government regulations that specifically regulate or limit the use of trademarks during the COVID-19 Pandemic (*vide* additional statement of President, page 19). Therefore, considering the importance of the existence of the norm in Article 74 paragraph (2) of Law 20/2016, the Court considers it is necessary to clarify the scope of the "other similar restrictions" in Article 74 paragraph (2) letter c of Law 20/2016, including in the event of any force majeure which is an integral part of the reasons for the exceptions as referred to in the norm of Article 74 paragraph (2) of Law 20/2016.

Pursuant to all the legal considerations above, the Petitioner's argument questioning the unconstitutionality of the norm of Article 74 paragraph (2) of Law 20/2016, especially regarding the phrase "other similar restrictions" in the norm of Article 74 paragraph (2) letter c, is legally justifiable.

2. Meanwhile, the Petitioner's argument also questions the norm of Article 74 paragraph (3) of Law 20/2016, however it does not provide a clear reason why the *a quo* Article must be declared unconstitutional. Upon careful examination by the Court of the norms of the *a quo*

Article, the Court is of the opinion that there is no constitutionality issue in the said norm because the *a quo* Article is a consequence of the norms of Article 74 paragraph (1) and paragraph (2) of Law 20/2016. Therefore, it is necessary to have the provisions regulating recording and publication matters in the event of any deletion of a registered trademark due to a lawsuit on the grounds that a trademark is not used for a certain period of time (non-use). Therefore, the Court is of the opinion that the norm of Article 74 paragraph (3) of Law 20/2016 does not cause any constitutional loss for the Petitioner, on the contrary, if the *a quo* norm is declared unconstitutional as petitioned by the Petitioner, it will cause legal uncertainty.

Pursuant to the above legal considerations, the Petitioner's argument regarding the constitutionality issue of Article 74 paragraph (3) of Law 20/2016 is legally unjustifiable.

Whereas pursuant to the entire description of the legal considerations above, it has been proven that the norms of Article 74 paragraph (1) and paragraph (2) of Law 20/2016 are contrary to the protection of property rights from arbitrary actions as guaranteed in Article 28H paragraph (4) of the 1945 Constitution. However, the Court's decision is not the same as the one being petitioned for by the Petitioner. Meanwhile, regarding the norm of Article 74 paragraph (3) of Law 20/2016, it has been proven that it does not violate the right to fair legal certainty and equal treatment before the law as guaranteed in Article 28D paragraph (1) of the 1945 Constitution, instead of as argued by the Petitioner, therefore the Petitioner's argument is legally unjustifiable. Therefore, the Petitioner's argument regarding the review of the norms of Article 74 paragraph (1) and paragraph (2) of Law 20/2016 is legally justifiable.

Pursuant to the aforementioned considerations, the Court passes down a decision which verdicts are:

1. To grant the Petitioner's petition in part.
2. To declare the phrase "3 (three) years" in the norm of Article 74 paragraph (1) of Law Number 20 of 2016 concerning Trademarks and the Geographical Indications (State Gazette of the Republic of Indonesia of 2016 Number 252, Supplement to the State Gazette of the Republic of Indonesia Number 5953) is contrary to the 1945 Constitution of the Republic of Indonesia and does not have binding legal force to the extent that it is not interpreted as "5 (five) years". Therefore, the norm of Article 74 paragraph (1) of Law Number 20 of 2016 concerning Trademarks and Geographical Indications (State Gazette of 2016 Number 252, Supplement to the State Gazette of the Republic of Indonesia Number 5953) reads in full "The removal of a registered Trademark may also be submitted by an interested third party in the form of a lawsuit to the Commercial Court on the grounds that the Trademark has not been used for an uninterrupted period of 5 (five) years in the trade of goods and/or services since the date of registration or its last use."
3. To declare the phrase "other similar prohibitions" in the norm of Article 74 paragraph (2) letter c of Law Number 20 of 2016 concerning Trademarks and Geographical Indications (State Gazette of 2016 Number 252, Supplement to the State Gazette of the Republic of Indonesia Number 5953) is contrary to the 1945 Constitution of the Republic of Indonesia and does not have binding legal force to the extent that it is not interpreted to include the phrase "including in force majeure". Thus, the norm of Article 74 paragraph (2) letter c of Law Number 20 of 2016 concerning Trademarks and Geographical Indications (State Gazette of 2016 Number 252, Supplement to the State Gazette of the Republic of Indonesia Number 5953) reads in full "c. other similar prohibitions, including in force majeure as stipulated by the Government Regulation."
4. To order this decision to be published in the State Gazette of the Republic of Indonesia;
5. To dismiss the remainder of the Petitioner's petition.