



**CONSTITUTIONAL COURT
OF THE REPUBLIC OF INDONESIA**

**SUMMARY OF DECISION
FOR CASE NUMBER 162/PUU-XXI/2023**

Concerning

**Requirement of No Substantial and Overall
Similarities in Trademark Registration**

Petitioner	: Djunatan Prambudi
Type of Case	: Judicial Review of Law Number 20 of 2016 concerning Trademarks (Law 20/2016) against the 1945 Constitution of the Republic of Indonesia (1945 Constitution)
Subject Matter	: Article 21 paragraph (1) of Law 20/2016 is contrary to 1945 Constitution
Verdict	: To dismiss the Petitioner's petition in its entirety
Date of Decision	: Tuesday, 30 July 2024
Overview of Decision	:

The Petitioner is an individual Indonesian citizen who feels disadvantaged by the norm of Article 21 paragraph (1) of Law 20/2016 which according to the Petitioner has the potential to give rise to multiple interpretations and uncertainty regarding the meaning of a trademark which is considered to have substantial and overall similarities to another trademark that has been registered. The Petitioner believes that the multiple interpretations have led to legal uncertainty.

Regarding the Court's authority, because the Petitioner petitions for a review of the constitutionality of norms of Law, *in casu* Article 21 paragraph (1) of Law 20/ 2016 Law against 1945 Constitution, since it is one of the authority of the Court, therefore the Court has the authority to hear 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 described the causal relationship (*causal verband*) between the alleged constitutional loss and the implementation of the legal norms being petitioned for review, namely as an individual Indonesian citizen, working as an MSME entrepreneur, he believes that his right to trademark is vulnerable, he may be sued by the parties who feel that there is an attempt to imitate the trademark name or other matters since there is no clear criteria for similarities in the norms of Article 21 paragraph (1) of Law 20/2016. Therefore, if the *a quo* petition is granted, the presumed constitutional loss as described will no longer occur. Therefore, regardless of whether the unconstitutionality of the norms being petitioned for review is proven or not, the Court is of the opinion that the Petitioner has the legal standing to act as Petitioner in the *a quo* petition.

Regarding the petition for judicial review of Article 21 paragraph (1) of Law 20/2016, there is a different legal basis for review between the *a quo* petition and the case number 50/PUU-XX/2022 which has been decided by the Court. The difference being the addition of Article 27 paragraph (1) and Article 27 paragraph (2) of the 1945 Constitution as the legal basis for review, the substance regulated in Article 21 paragraph (1) of Law 20/2016 has never been considered and its constitutionality has never been decided by the Court in the previous cases. Therefore, regardless of whether or not the Petitioner's petition is legally justified, pursuant to the provisions of Article 60 paragraph (2) of the Constitutional Court Law and Article 78 paragraph (2) of Constitutional Court Regulation 2/2021, since the legal basis used in the *a quo* petition is different from the one used in the previous petition, which has been decided by the Court as mentioned before, but since it is evident that the substance of the judicial review of Article 21 paragraph (1) of Law 20/2016 has never been considered and its constitutionality has never been decided by the Court, the *a quo* petition may be resubmitted;

Whereas the provision of Article 21 paragraph (1) of Law 20/2016 which is being petitioned for a review, in general, it is a norm that regulates the rejection of trademark registration applications, which substantially outlines the criteria for trademarks that cannot be registered. This provision is a necessity because Law 20/2016 states that registration is a requirement for someone to have the right to a trademark. Where the right to a trademark is an exclusive right granted by the state to the owner of a registered trademark for a certain period of time to use the trademark for himself/herself or giving permission to another party to use it (license agreement). The consequence of such an exclusive right arising from the trademark registration is that there are requirements that must be met in order for a trademark to be registered. One of the basic requirements is that there must be a difference between the trademark to be registered and the trademark that has been registered or that there is a distinguishing feature between the two trademarks. This is important to avoid the trademark users or consumers to mistake certain trademark, because substantially a trademark is a sign to distinguish the goods or services of a company from the goods or services of another company. This trademark differentiation is enforced and implemented in the spirit of protecting the exclusive rights to the registered trademarks.

The provisions regarding the requirements that a trademark must not have substantial or overall similarities as regulated in Article 21 paragraph (1) of Law 20/2016 have also been substantially regulated in the previous laws on trademarks. Historically, the substance of these regulations was contained in a number of laws concerning trademarks and the protection of rights to trademarks prior to the enactment of Law 20/2016. This provision has been included since the first law on rights to trademarks, namely Law Number 21 of 1961 concerning Company Trademarks and Commercial Trademarks (Law 21/1961), Law Number 19 of 1992 concerning Trademarks which was amended by Law Number 14 of 1997 concerning Amendments to Law Number 19 of 1992 concerning Trademarks, Law Number 15 of 2001 concerning Trademarks which later replaced Law 14/1997, furthermore Law 19/1992 also contained regulations concerning the distinguishing requirements for a trademark to be registered. Therefore, the use of the phrase "having substantial and overall similarities" as a criterion in determining whether or not there is a distinguishing feature in a trademark to be registered has been applied in legislation long before the formulation and enactment of Law 20/2016. In fact, even in the several amendments and replacements of the law concerning trademarks, the use of the term or phrase "having substantial or overall similarities" remains one of the elements that is kept. This shows that the distinguishing feature in registering a trademark is the most important element in the requirements for registering a trademark, and that this distinguishing requirement is formulated in a phrase which essentially states that a trademark must be rejected if it has substantial or overall similarities to another trademark of similar goods/services that has been registered previously. Therefore, the Court is of the opinion that the restrictions regulated by Article 21 paragraph (1) of Law 20/2016 are a necessity in providing protection of trademark rights.

Whereas the definition of a trademark as stipulated in Article 1 number 1 of Law 20/2016 in essence states that 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. The phrase "to differentiate" is the main essence in the legal regime of trademarks, thus there must be no similarities either overall or substantially. This principle of differentiation is a principle adopted from the provisions of international agreements, namely Article 16 on Trade Related Aspects of Intellectual Property Rights (TRIPs Agreement).

The formulation of Article 21 paragraph (1) of Law 20/2016 states that the application will be rejected if the trademark has substantial or overall similarities to: (1) another registered trademarks owned by another party or for which an application was submitted previously by another party for similar goods and/or services; (2) well-known trademarks owned by another party for similar goods and/or services; (3) well-known trademarks owned by another party for dissimilar goods and/or services that meet certain requirements; or (4) registered Geographical Indications, as explained in the Elucidation of Article 21 paragraph (1) of Law 20/2016. Article 21 paragraph (1) of Law 20/2016 and its Elucidation have covered all aspects and the possibility of both substantial and overall similarities. Furthermore, the description in the Elucidation of the norm contains the meaning that the approval or rejection of a trademark registration is not solely based on the physical or graphic similarity of the trademark, but there is also a substance that needs to be considered, namely by paying attention to the general knowledge of the public regarding a trademark and also the reputation of the trademark. This is also in line with the general principle of intellectual property law that is generally accepted, the principle regulates the types of norms for a trademark to be considered as identical or similar. In this regard, the Petitioner's *petitum* substantially petitions that the interpretation of Article 21 paragraph (1) of Law 20/2016 is given an addition in the form of the phrase "The application will be rejected if a brand has substantial or overall similarities by considering the brand as a complete unit and not just in parts or breaking the brand down word by word", in fact, doing so may create legal uncertainty. Because, implementing such interpretation will result in the need to fulfil the element of identical, whereas the violations most related to piggybacking or use of a trademark in bad faith are precisely when there is similarity element, for example similarities in "words", symbols and logos separately. The addition of phrases or meanings as petitioned by the Petitioner will result in legal uncertainty, especially if it concerns a trademark consisting of 1 (one) word. Under the interpretation as petitioned by the Petitioner, it actually would result in the main objective of Article 21 paragraph (1) of Law 20/2016 being unclear because it obscures the understanding of substantial and overall similarities or dominant similarities, thus giving rise to legal uncertainty. In other words, this interpretation actually narrows the scope for interpretation and implementation of Article 21 paragraph (1) of Law 20/2016. In addition, the Petitioner assumes that there are differences in the assessment of judges and trademark examiners regarding the concept of similarity, however it does not necessarily occur due to the ambiguity or multiple interpretations of the formulation of the norm of Article 21 paragraph (1) of Law 20/2016, because by understanding the entire norm of Law 20/2016 which regulates the rejection of trademark registration application, such norm has clearly provided general criteria regarding the trademarks which cannot be registered. In addition, the authority of the agency appointed by law to implement, examine and test the fulfilment of trademark registration requirements has also been determined by adhering to the principles adopted in the trademark law in Indonesia, which has also adopted the developments and agreements in the international legal instruments regarding trademark law. Pursuant to these considerations, the Petitioner's argument that Article 21 paragraph (1) of Law 20/2016 creates legal uncertainty and therefore in contrary to Article 28D paragraph (1) of the 1945 Constitution is legally unjustifiable.

Regarding the assumption that there is a conflict with the right to work and a decent living for humanity which is guaranteed in Article 27 paragraph (2) of the 1945 Constitution, the Court is of the opinion that if the said rights are linked to the Petitioner's argument that he suffers losses due to the decisions relating to the Petitioner's trademark dispute, then the issue lies within the realm of implementation of norms, and not a question of the constitutionality of norms. The same thing can be said regarding the description of the Petitioner's petition which mentions a number of court decisions relating to trademark disputes or the implementation of Article 21 paragraph (1) of Law 20/2016 which according to the Petitioner contain multiple interpretations regarding well-known trademarks and substantial or overall similarities. This issue is also an issue of implementation of norms where considerations regarding the rejection of trademark registration in this case are applied on a case-by-case basis in accordance with the concrete case of each trademark in dispute. Pursuant to the entire description of the legal considerations, the Court is of the opinion that it is evident that the provisions of Article 21 paragraph (1) of Law 20/2016 are not contrary to fair legal certainty as guaranteed in Article 28D paragraph (1) of the 1945 Constitution and they are not contrary to the right to equality before the law and the government and the right to work and a decent living for humanity as guaranteed in Article 27 paragraph (1) and paragraph (2) of the 1945 Constitution, instead of as argued by the Petitioner. Therefore, the Petitioner's argument is entirely legally unjustifiable.

Accordingly, the Court subsequently passed down a decision which verdict states to dismiss the Petitioner's petition in its entirety.