

**COMPARISON OF LEGAL PROTECTION GUARANTEE
IN TRADEMARK RIGHTS IN USA AND IN INDONESIA**

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ABSTRACT : Trademarks in trade activities have uses as promotional tool, guarantor for quality and quantity of services and goods produced, and tool to show the origin of services and goods produced. United States of America uses registration system in process of protecting trademark rights, which guarantees legal protection of every person and every company whose trademark rights meet requirements of trading activities. Whereas Indonesia uses constitutive system in process of protecting trademark rights, which guarantees legal protection to first person and first company to register their trademark rights. In this journal, author uses a normative and juridical research method, meaning that legal writing is carried out through analysing secondary legal materials or library materials to find solutions to legal problems that arise and using a problem approach based on the law or general legal rules about protection of trademark rights that apply to present and approach to problems based on a conceptual basis. Results of writing show that United States of America uses process of fulfilling requirements for intention to carry out trade activities or use process so that its Trademark Rights are protected, whereas, Indonesia uses process of registering Trademark Rights so that its Trademark Rights are protected.

Keywords: Indonesia; Protection of Trademark Rights; United States of America

INTRODUCTION

Registration of Trademark Rights in Indonesia is growing sharply and high. This is shown by the number of registered trademarks which has increased considerably, since April 26th, 2016 there have been 818.580 registered trademarks at the Ministry from Law and Human Rights Directorate General from Intellectual Property.¹ While the process of fulfilling the requirements for the intention to carry out trade activities or the process of using trademark in United States America has also increased sharply and rapidly. This is indicated by the number of recognized trademarks that has increased quite significantly, from April 26th, 2016 there have been 632.658 trademarks that had been recognized with United States Patent and Trademark Office.²

¹ Direktorat Jenderal Kekayaan Intelektual, Syarat Pengajuan Permohonan Pendaftaran Merek, accessed on 18th April 2020, accessed from <https://www.dgip.go.id>.

² United States Patents and Trademarks, Apply for A Trademark, accessed on 18th April 2020, accessed from <https://www.uspto.gov>.

Trademark rights in trading activities have the use as identification to sort out services and goods produced by someone with another person or those produced by a company with another company, promotional tools, a means of guaranteeing the quality and quantity of services and goods produced, and as a sign the origin of the services and goods produced. Meanwhile, in the opinion of an expert named Abdul Kadir, trademark rights in trading activities have the following uses:³

1. As an identification tool, which makes it easy to sort out services and goods produced by someone with another person or that is produced by a company with another company.
2. As a promotional tool, which provides convenience and simplicity in terms of carrying out promotion of the services and goods produced, namely by way of referring to product trademarks only.
3. As guarantee from the quality and quantity from services and goods produced.
4. As a sign to show the origin of services and goods produced.

Therefore, trademark rights can provide an advantage in the form of economic rights to owners of trademark rights and are always associated with the services and goods they produce. So, that the services and goods produced are a tangible form of the trademark rights.⁴ Trademark rights in trading activities also have certain characteristics, which are as follows:⁵

1. Symbol or sign.
2. Something that can be graphically illustrated or illustrated.
3. Something that is used to sort out services and goods that are one with the services and other goods produced from a person or other person or that is produced from a company or other companies.

So that the trademark must have a symbol or sign that illustrates or illustrates a product that is produced graphically in accordance with the actual circumstances, conditions and situations. Therefore, the trademark must be able to be used as a distinguishing tool for services and goods that are one with the services and other goods produced by a person or other person or produced from a company or other companies. Trademark guarantees an exclusive right to a product that has been registered by the owner of the trademark right, that is, a right that is in possession of the trademark right to prevent the misuse of the identical trademark as a whole or identical trademark in principle by another person or another company without permission and written approval from the Trademark Rights Owner.⁶

The registration process for trademarks in Indonesia is regulated in Article 4 to Article 8 from

³ Abdul Kadir Muhammad, 2001, *Kajian Hukum Ekonomi dalam Hak Kekayaan Intelektual*, PT. Citra Aditya Bakti, Bandung, p. 33.

⁴ Cassavera, 2009, *Kasus Sengketa Merek yang Terjadi di Indonesia*, Graha Ilmu, Yogyakarta, p. 8.

⁵ Lionel Bently dan Bred Sherman, 2001, *Intellectual Property Rights Law*, Oxford University Press, New York, p. 761.

⁶ Barton Bee, 2004, *The Semiotic of Trademarks Law*, UNCLA Law Review, University of California Los Angeles, California, p. 624.

Law Number 20 from Year 2016 about Marks and Geographical Indication. In Article 4 paragraph (1), it is regulated if the trademark registration process must be carried out from the applicant's party or the attorney's power of attorney for Minister from Law and Human Rights electronically or non-electronically using Indonesian language. The application process for registering trademarks may only be carried out by an applicant in good faith and may not be in conflict with religion, state ideology, decency, public order, morality, or statutory regulations.

Whereas in the United States of America, Trademark Rights in trading activities have functions as a means of guaranteeing the quality and quantity of services and goods produced, as a means of promoting services and goods produced, a tool used to create market demand, and a means of protecting the product is produced so as not to be misused by a third party without permission and written approval from the Trademark Rights Holder. Trademark rights in United States America are recognized and protected not through process of trademark registration, but through the process of fulfilling the requirements for the intention to carry out trading activities or the process of using the mark. So that Trademark registration activities in United States America cannot directly grant Trademark Rights. Therefore, the Trademark registration activities in United States America are carried out in order to obtain economic benefits through the Trademark Rights that have been obtained, particularly through the use of a License by another party with permission of the Trademark Owner concerned.

In accordance with the background that has been written, the authors make various formulations of objectives that arise from the existence of guarantees of legal protection on Trademark Rights, namely:

1. To explain the legal protection guarantee system for trademark rights in United States America.
2. To explain the legal protection guarantee system for trademark rights in Indonesia.

PROBLEMS

In accordance with the background that has been written, the authors make various formulations of problems that arise from the existence of guarantees of legal protection on Trademark Rights, namely:

1. What is the legal protection guarantee system for trademark rights in United States America?
2. What is the legal protection guarantee system for trademark rights in Indonesia?

RESEARCH METHODS

In writing this scientific journal, the author uses a research method that is normative and juridical. Various legal materials that can be used are Laws and Regulations as the main legal materials or main basic materials and also used other legal materials, such as literature and also

scientific works in field from Intellectual Property Rights Law. While various secondary legal materials or various supporting legal materials that have a function as a complement and to supplement a scientific journal, legal dictionaries and also general dictionaries can provide an explanation of the notions related to what is in this journal. Various legal materials that have been collected and then analysed descriptively and juridical to provide a general picture from problem to be explained and a conclusion from an explanation of the results to solve various problems in the scientific journals.⁷

DISCUSSION

I. Guaranteed Legal Protection to Trademark Rights in United States of America

Trademark Rights are a form from Intellectual Property Rights that has a vital position in trading activities, especially trade in the economic sector that is closely related for services and goods produced. Trademark rights can be used for individuals and companies to distinguish the products they produce with the products produced by other people and other companies and to provide guarantees for the services and goods they produce. Therefore, a trademark is an asset that is owned by a person or company to obtain profits from the products it produces. Therefore, the trademark must be guaranteed in the presence of a legal protection so as not to be abused by third parties and without their permission. Various legal protections of Trademark Rights in the opinion of experts Bently and Sherman, are as follows:⁸

1. Legal protection of trademark rights arises because of innovation and creativity. This legal protection can encourage production activities carried out by producers to produce a variety of products that have high quality and quality and can be used by the community as a whole at low prices.
2. Legal protection of trademark rights is used to increase market demand and as a means of communication about information contained in a product between producers who produce and consumers who use. Therefore, legal protection can also be used as a tool to prevent the misuse of the trademark of a product by third parties.
3. Legal protection of trademark rights is based on the existence of the principle of justice. This principle of justice means that using or using a trademark that is already owned by another person or another company and taking advantage of the use and use of the mark is an unfair act. So in this principle of justice, trade activities must be protected from unhealthy self-enrichment and unfair competition.

Therefore, it can be said if the Trademark Rights have economic value in trading activities so that a legal protection of the mark must be guaranteed so that they are not abused by another person or another company without permission and written approval of the Trademark Rights

⁷ Soerjono Soekanto, 2006, *Pengantar dalam Penelitian Hukum*, Universitas Indonesia, Jakarta, p. 43.

⁸ Lionel Bently dan Bred Sherman, 2001, *Op. Cit.*, p. 766.

Holder concerned. Trademark has a purpose as a tool to show the quality and origin from services and goods produced. On the other hand, trademark can describe and illustrate the good faith that is owned by a person or company that produces various products. Trademarks can also provide protection for consumers so they are not wrong in buying or using the product they want.

In United States of America, owner of trademark right directly obtains recognition and legal protection for his trademark without registering the trademark right. However, the trademark owner must fulfill the requirements of the intention to carry out trading activities or must have used the mark. In the opinion of an expert named Bitlaw, Trademark Rights in United States America are not developed through registration and are not contained in the Act. The trademark rights are developed through a rights scheme guaranteed by a state law.

So that the Trademark Rights Owner in United States of America does not need to register his trademark with United States Patent and Trademark Office. They just need for prove that trademark they use has another meaning that is used as an element of differentiation and not just a name that describes or illustrates a product that is produced. Protection of trademarks in United States America can be obtained of process of fulfilling the requirements to carry out trade activities or the process of using the mark. However, trademark registration activities can also be done if the trademark owner wants it. The various processes for applying to trademark registration in United States of America are as follows:

1. Federal trademark registration, which is trademark registration activities used and intended for interstate in the United States America. Federal trademark registration process requires more time than trademark registration through the state. However, the legal protection obtained from the federal trademark registration process is higher than the registration of a trademark through the state. Therefore, each Trademark Rights Owner is advised to carry out a federal trademark registration process.
2. Trademark registration through the state. Various advantages possessed by the trademark registration process through the state, namely among others:
 - a. Public notification about the mark which has been registered by the Trademark Rights Holder.
 - b. The trademark that has been registered directly is recorded in database in United States Patent and Trademark Office.
 - c. Trademarks that have been registered are recorded by border protection agencies so that they are not misused by other parties without permission and approval of the trademark rights holders.

⁹ Stuart Graham, dkk., 2013, The UPSTO Trademarks Case Files Dataset: Description, Lessons, and Insight, *Journal of Economics and Managements Startegy*, 22(4), p. 3.

- d. There is a symbol or sign in the form of the letter "R" which proves that the mark has been registered.
- e. If there is abuse or violation of trademark rights, then the matter can be reported and sued in Federal Court.
- f. There are licenses used by other parties with permission and approval from the relevant Trademark Rights Holder. This license can bring economic benefits to the Trademark Rights Owner.

Based on the flow of Common Law adopted in United States of America, owner of trademark right has a special exclusive right, that is guaranteed legal protection from the presence of another person or another company that does not have the right to use identical marks as a whole or identical trademark in principle with the goal is to prevent the emergence of a sense of confusion that occurs on the part of consumers. Trademark law that exists in the Common Law system originates from the English Courts where in ancient times there were clothing merchants who wore trademarks that were identical in their entirety to other clothing traders.¹⁰ As a result of this incident, clothing traders whose trademark rights have been misused suffered a loss to their business, so that since then the abuse committed against trademark rights can be categorized directly as unfair competition. Therefore, the process for applying for trademark registration in a Common Law country is not necessary.

The Federal Court states that the registration process for Trademark Rights does not make the Trademark Rights recognized and protected by law. However, fulfillment of the requirements for the intention to carry out trade activities or the process of using the mark is what makes the Trademark Rights recognized and protected by law. In the process of registering trademark rights, each applicant for trademark rights must have a legal basis in registering their trademark rights in United States Patent and Trademark Office. Main legal basis used is the intention to carry out trading activities and the intention to use the profits from trading activities. Therefore, the Trademark Rights applicant must provide a statement explaining the date that the Trademark Rights was first registered at the United States Patents and Trademarks Office.

The United States Patents and Trademarks Office is an institution within the scope of the Ministry of Trade that has the authority and duty to issue Trademark or Patent Rights to inventors, business people and entrepreneurs for the products they produce or the products they find. This institution also has the authority and duty to assist and carry out the registration process on Trade Marks, Collective Marks, Service Marks, and Certification Marks.¹¹

¹⁰ Stuart Graham, dkk., *Op. Cit.*, p. 7

¹¹ United States Patents and Trademarks, *Op. Cit.*

II. Guaranteed Legal Protection to Trademark Rights in Indonesia

In the opinion of an expert named David A. Aaker mentions if a trademark is name or symbol that functions as a sorting device in form from stamp, packaging, or logo so that it can recognize services and goods that are traded by a particular seller or group.¹² Whereas based on Article 1 paragraph (1) from Law from Republic from Indonesia Number 20 of Year 2016 about Marks and Geographical Indications, trademarks are symbols that can be graphically depicted in form from numbers, images, letters, words, names, logos, and two colored colors, dimension or three dimensions, hologram, sound, or combination from 2 or more from these elements that can be used to sort out services and goods produced by one person and company with another person and other companies in the trading of services and goods. From the explanation above, there are various things that must exist in a trademark, namely:

1. There is a differentiator.
2. There is a sign.
3. Used in trading services and goods of one type.
4. Used in trading services and goods are not one of a kind.

So that a trademark must have differences with other trademarks, both in whole or in principle. Thus, the mark can be registered at the Ministry from Law and Human Rights from Directorate General from Intellectual Property and can be addressed within certain period from time to carry out trade in services and goods produced. A trademark is a symbol that has several characteristics, which are as follows:¹³

1. Cultural characteristics. A trademark can describe and illustrate a certain culture that exists in a country. For example, the Mercedes car trademark that illustrates and illustrates the culture of life that exists in Germany, namely a culture of high quality, efficient, and orderly life.
2. Characteristics of attributes on a product. A trademark can remind certain attributes of a product. For example, the watch trademark Sophie Martin that can remind us of a product in the form of a watch.
3. Personality characteristics. A trademark can describe and illustrate a certain personality. For example, the Kijang Innova car trademark that illustrates and illustrates the personality possessed by aggressive and strong deer animals.
4. Characteristics of benefits. A trademark can describe and illustrate a certain form of benefits that are owned by a product, both emotional benefits and functional benefits. For example, the iPhone phone trademark that illustrates a form of benefit from the phone itself.

¹² David A. Aaker, 2013, *Brand Equit Management*, Spektrum Mitra Utama, Jakarta, p. 7.

¹³ Dina Tropika, *Sengketa Mengenai Merek Makanan antara Agar-Agar Merek Bola Dunia dan Merek Swallow Globe*, accessed on 18th April 2020, accessed from <https://dinatropika.wordpress.com/2011/10/22/sengketa-merek-makanan-ager-ager-swallow-globe-brand-%E2%80%93-bola-dunia/>.

5. Characteristics of values. A trademark can describe and illustrate a certain form of value that is owned by the producer of a product. For example, the Polytron television trademark that illustrates and illustrates television producers who make and produce a product that has sophisticated and advanced technology.

As a result of the use of a trademark for a long time, the consumers can sort the trademark with other trademarks even though at first the trademark did not have a distinguishing tool with the other trademarks. This can happen because the mark concerned has been registered with Ministry from Law and Human Rights from Directorate General from Intellectual Property and has obtained legal Mark Right.¹⁴ On the other hand, the law can provide guarantees for protection of trademarks that have been applied for registration processes at the Ministry from Law and Human from Rights Directorate General from Intellectual Property. In the opinion of an expert named Jhering who mentioned that a mark can be protected by the state and obtained legal recognition, if a mark has been registered with the authorized office. However, if a mark has not been registered at the authorized office, then the mark cannot be guaranteed legal protection by the state and cannot obtain legal recognition.¹⁵

In Article 1 paragraph (2), (3), and (4) from Law Number 20 of Year 2016 about Marks and Geographical Indications, it was explained if there are 3 types of marks in Indonesia, namely Trade Marks, Service Marks, and Collective Marks. In Article 1 paragraph (2) from Law Number 20 of Year 2016 about Marks and Geographical Indications, it was explained if Trade Mark is a trademark aimed at an item that is traded from one person or several people, both legally, together, or individually in order to sort one type of goods with other types of goods. In Article 1 paragraph (3) from Law Number 20 of Year 2016 about Marks and Geographical Indications, it was explained if Service Mark is a mark aimed at a service that is traded from one person or several people, both legally, together, or individually in order to sort out one type of service with other types of services. In Article 1 paragraph (4) from Law Number 20 of Year 2016 about Marks and Geographical Indications, it was explained if Collective Mark is a mark aimed at a service or an item having the same character about the characteristics, quality of goods and services, supervision, and the nature of which is traded from one person or several people, both legal entities, together, or individually in order to sort out the types of services and goods one by type of services and other goods.

Indonesia applies a constitutive trademark registration application system, which is a registration process carried out on a mark which is mandatory in order to obtain a Trademark Rights that can guarantee legal protection for a mark. So if a trademark has not been registered

¹⁴ Eddy Damian, 2002, *Hukum Hak atas Kekayaan Intelektual sebagai Suatu Pengantar*, Alumni, Jakarta, p. 136.

¹⁵ Sri Sayekti, 2015, *Tinjauan Yuridis Mengenai Perlindungan Merek yang Belum Terdaftar di Indonesia*, *Majalah Ilmiah Pawiyatan*, XXII(2), p. 47.

with Ministry from Law and Human Rights from Directorate General from Intellectual Property, state has not been able to provide trademark rights and guarantees of legal protection of the mark to the trademark rights holders. Based on Article 21 paragraph (1), (2), and (3) from Law Number 20 of Year 2016 about Marks and Geographical Indications, matters which cannot be accepted or denied registration from the Trademark Rights, namely:

1. Application is rejected if the Mark has an identity as a whole or in principle with: a) Trademark that has been registered from another person, another company, or that has been registered in advance by another party for a service and an item of one type, b) Trademarks that have been well-known from other parties or other companies for a service and an item of one type, c) Trademarks that have been well-known from other parties for a service and goods that are not one type that have fulfilled certain conditions, and d) Geographical Indications that have been registered.
2. An application is rejected if Mark: a) Matches or resembles abbreviation of name from legal entity, photograph, or famous person owned by another person or company, except if it has obtained permission from the Trademark Rights Owner, b) Equates or resembles abbreviation from name from flag, emblem, symbol and symbol from state, and the abbreviation from name from flag, emblem, symbol, or symbol that is owned by a national institution or an international institution, except if it has received permission from the Trademark Rights Owner, and c) Match or resemble the official stamp, mark or stamp used by a government or state institution, unless it has obtained permission from the Trademark Rights Owner.
3. An application is rejected if it is made by a person or company that does not have good faith.

Based to Law Number 20 of Year 2016 about Marks and Geographical Indications, that registration application process carried out on a trademark can give exclusive rights for the trademark owner regarded so that his trademark cannot be used by another person or another company, either in whole or in principally freely and irresponsibly. Therefore, this registration process also has the aim to prevent other people or other companies that are not responsible for using a trademark to resemble or resemble another trademark that has been registered and owned by another person or another company first. Therefore, this registration process is carried out with the aim of preventing conflicts among registered trademark holder and not registered trademark holder.

Based on Law Number 20 of Year 2016 about Marks and Geographical Indications, Indonesia has adopted constitutive form from application registration process. This system can only provide legal protection guarantees for applicants for first time trademark registration and applicants for trademark registration in good faith. The application process for registration from mark must be carried out and fulfilled by all trademark rights holders, meaning that a trademark to be registered must include a trademark and colour label that will be used on the

mark accompanied by an explanation of a service and goods that are in the registration application process. On the other hand, based on Law Number 21 from Year 1961 about Company Trademarks and Trade Marks, Indonesia applies a declarative application registration process system. This is regulated in Article 2 paragraph (1) from Law Number 21 from Year 1961 about Company Trademarks and Trade Marks which explains if the special rights are used to use trademarks for the purpose of sorting various commercial products with various enterprise products from various products produced from a person or company that uses the trademark for trading activities in Indonesia for the first time. So this system can only provide guaranteed legal protection for first-time trademark users. Thus in the Act, it is not the registration application process that can give birth to Trademark Rights, but the process of using the first times which can give birth to Trademark Rights.

Some of the scope in terms of guarantee from legal protection guaranteed from state to Trademark Rights Holder, as follows:

1. Protect Trademark Rights Holders to take advantage of exclusive rights of trademarks generated and owned.
2. Protecting Trademark Right Holders to gain profits in trading activities that are still related to the trademarks produced and owned.

CONCLUSION

The form of guarantee of legal protection to mark in United States of America is given based on the process of fulfilling the requirements of the intention to carry out trade activities or the process of using the mark. Therefore, these requirements must be carried out and fulfilled in accordance with the existing trading system in United States of America. So, that application process to registering a trademark cannot guarantee legal protection to mark in United States of America, while the form of legal protection guarantees for a mark in Indonesia is given based on the registration application process for a mark. So, that guarantee from legal protection to mark in Indonesia can only be given from the state to the Trademark Rights Holder if the application for registration of a mark has been carried out.

Indonesia should implement a legal protection guarantee system for a trademark applied by the United States of America where the form from legal protection to trademark is based on two main systems, namely guarantee legal protection for a mark that can be guaranteed based on the process of fulfilling the requirements for the intention to carry out trading activities or the process of using a trademark. This has the aim so that the owner of a trademark right can obtain a guarantee from legal protection given with state for a trademark that is produced and owned

¹⁶ Yahya Harahap, 1996, *Tinjauan Merek Menurut Undang-Undang Merek dan Hukum Merek yang Ada di Indonesia Berdasarkan Undang-Undang Nomor 19 Tahun 1992*, PT. Citra Aditya Bakti, Bandung, p. 183.

quickly and simply. Therefore, the Directorate General of Intellectual Property must examine the trademark process more carefully and more intensively so that there is no conflict between the trademark rights owner who has not been registered with the registered trademark owner.

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