

INTELLECTUAL PROPERTY RIGHTS REGARDING LEGAL CERTAINTY OF BEAUTY CLINIC PRODUCT LOGO BRAND

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Received : 2 January 2025

Revised : 5 January 2025

Accepted : 12 January 2025

Published : 16 January 2025

DOI : <https://doi.org/10.54443/morfai.v4i4.2378>

Link Publish : <https://radjapublika.com/index.php/MORFAI/article/view/2378>

Abstract

This study aims to analyze the judge's considerations and legal consequences of the cancellation of registered trademarks and determine the party who has the right to be the actual holder of trademark rights to the issuance of intellectual property rights trademarks and product logos. Law Number 20 of 2016 concerning Trademarks and Geographical Indications states that registered trademark owners can file a lawsuit against other parties who without the right to use the Trademark that has similarities in principle or all for similar goods and/or services by filing a lawsuit for compensation and/or termination of acts related to the use of the Trademark. With this article, it can benefit registered trademark owners to be able to file a lawsuit against parties who try to piggyback on their brands to make profits. The problem is that the use of trademarks that contain similarities is basically proven to violate the provisions of Article 21 paragraph 1 of Law Number 20 of 2016 concerning Trademarks and Geographical Indications, showing that trademark law enforcement in Indonesia has not been carried out effectively that the theory of legal effectiveness according to Soekanto which states that the effectiveness of law enforcement can be influenced by certain factors, including legal factors, law enforcement factors, community factors, and cultural factors. In conclusion, the Judge has an important role in deciding the Trademark dispute case because it is to interpret the law so that it is possible for the judge to find legal value and even create a legal rule as contained in case law. These reasons or arguments are intended as the judge's accountability rather than his decision to the community, so that therefore they have objective value.

Keywords: *intellectual property rights, legal certainty, trademark law and geographical indications.*

INTRODUCTION

In the world of commerce, brands are an important part of a product. With a brand, a product can be easily recognized by consumers. So that it can help consumers to dig up information about the advantages and quality of products from a brand, therefore consumers can choose the products they need. Products that have advantages and quality will be able to grow consumer trust, so that they can increase sales. Thus, brand owners compete to gain consumer trust. This condition causes unfair competition such as imitation or counterfeiting of brands. Regulations on brands have been regulated in Law Number 20 of 2016 concerning Brands and Geographical Indications which replaces Law Number 15 of 2001 concerning Brands which still has shortcomings and has not been able to accommodate the development of community needs in the field of Brands and Geographical Indications and has not guaranteed the protection of local and national economic potential. Brands in this Law include trademarks and service marks.

The Trademark Law applies the first to file system principle so that the trademark that is registered first in good faith in accordance with the procedure is the trademark that is recognized as the trademark holder and receives legal protection.¹This is clarified in Article 3 of Law Number 20 of 2016 concerning Trademarks which states that after a trademark is registered, it will obtain rights to the trademark. The clause "registered" means that after the applicant submits an application through the process of examining the requirements, the announcement process, and the substantive examination process, then a certificate is issued with the approval of the Minister. The legal consequence of trademark registration is the birth of protection of rights to the trademark and vice versa if it

¹Khoirul Hidayah, Intellectual Property Law, Malang: Setara Press, 2020, p. 59.

is not registered, it will not receive legal protection because the Trademark Law adheres to the constitutive principle.²

A brand is required to have distinguishing power, this is because brand registration is related to granting a monopoly over a name or symbol (or in verbal form), legal officials throughout the world are reluctant to grant exclusive rights over a brand to business actors. This reluctance is caused because granting exclusive rights will prevent others from using the brand. Therefore, a brand must contain a distinguishing power that can distinguish the goods or services of the business actor from the goods or services of other similar business actors.³

A registered trademark is protected for a period of 10 years from the date of filing. This period can be extended for an indefinite period of 10 years upon payment of a fee. However, the owner must apply for an extension 12 months before the trademark expires. The trademark will be extended only if the owner continues to use the trademark in trade in goods and/or services.⁴

If a registered trademark turns out to have similarities in principle to a previously registered trademark, it can be said that the registrant has bad intentions.⁵ The definition of bad faith in Law Number 20 of 2016 states that what is meant by "an applicant with bad faith" is an applicant who is suspected of having the intention of registering his/her trademark to imitate, plagiarize or follow another party's trademark for the sake of his/her business interests, creating unhealthy business competition conditions, deceiving or misleading consumers.⁶

Article 83 of Law Number 20 of 2016 concerning Trademarks and Geographical Indications states that registered trademark owners can file lawsuits against other parties who unlawfully use Trademarks that are essentially or wholly similar to similar goods and/or services by filing a lawsuit for damages and/or termination of acts related to the use of the Trademark. With this article, it can benefit registered trademark owners to be able to file lawsuits against parties who try to piggyback on their trademarks to gain profit.

In 2024, there was a registered trademark dispute and until now it has not been resolved between the Bening's Indonesia Group Beauty Clinic Products owned by Dr. Oky Pratama, Dipl. AAAM with the Benning brand beauty product owned by Dr. Kristian Sanjaya. According to Ramzy as the Attorney for Bening's Indonesia Group, they have the same rights as the Plaintiff because they both have Trademark Certificates. In fact, his client has 3 trademark certificates, namely:

1. BENNING'S Skincare brand dr. Oky Pratama, class 44 Certificate number IDM 000671944, date May 18, 2017
2. BENNING'S brand, class 44 Certificate number IDM 000906759, date 13 July 2020
3. BENNING'S GLOW brand, class 44 Certificate number IDM 000959033 dated January 31, 2021

The Plaintiff only has 1 BENNING class 44 trademark certificate with certificate number IDM 0032606. According to Expert Witness Adi Supanto, all three trademark certificates owned by Bening's have passed the substantive examination of the Directorate General of Intellectual Property (DJKI). When registering a trademark, there is a procedure for submitting an announcement to provide an opportunity for third parties or other parties to sue. It turns out that in the 2-month announcement process carried out by DJKI, no one objected.

Irfandie as Commissioner of Bening's Indonesia revealed that before this lawsuit entered the trial at the Central Jakarta Commercial Court with Case Register number: 58/Pdt.Sus-HKI/Merek/2023/PN.Niaga.Jkt.Pst, his party had made peace efforts. Through discussions after discussions, finally there was a peace agreement that the Benning brand owned by dr. Kristian Sanjaya and Bening's Skincare owned by dr. Oky Pratama would run together without interfering with each other. However, the agreement was null and void because the Plaintiff asked for a fantastic amount of funds.

Based on what has been described in the background above, there are 2 (two) problems that will be discussed in this research, namely:

1. How does the Judge consider determining the party entitled to be the actual Holder of Trademark Rights for the issuance of the Intellectual Property Rights trademark for the Bening's Beauty Clinic Product Logo?
2. What are the legal consequences of the revocation of Trademark Registration for the party that loses the Intellectual Ownership Rights for the Bening's Beauty Clinic Product Logo Trademark?

²Khoirul Hidayah, Ibid, pp. 62-63.

³Tim Lindsey, Eddy Damian. et al., Intellectual Property Rights An Introduction, PT Alumni : Bandung, 2002, pp. 135-136.

⁴Tim Lindsey, Eddy Damian. et al., Ibid., p. 144.

⁵Delia Pritaria Cantika. (2018). Cancellation of Trademark Rights that Have Been Used as Fiduciary Collateral, Jurnal Yuridis, Vol.5 No 1, Pg. 13.

⁶Dianita Anjar Prasomya, Budi Santoso. (2002). Legal Review of Trademark Cancellation Related to the Principle of Bad Faith in the Trademark Registration System, Notarius, Vol.15 No. 2, P. 8.

METHOD

The type of research method used is normative juridical, therefore this study will use more secondary data sources, more dominantly analyzing existing documents and legal materials (literature study). The main approach of this study uses statutes (statute approach) Law Number 20 of 2016 concerning Trademarks and Geographical Indications as the main legal framework. The approach used is a conceptual approach to understand the legal concepts underlying trademark legal issues. Data obtained from different sources are then analyzed qualitatively. This analysis involves evaluating and interpreting existing legal norms and linking them to the context of the case. This approach helps researchers to more easily understand trademark legal issues in more depth and illustrates how regulations are applied in existing concrete cases. The legal material analysis technique used in this study is the deductive reasoning method. This deductive reasoning method is used to draw conclusions from general matters to specific matters which are then drawn into a conclusion.

RESULTS AND DISCUSSION

Judge's considerations in determining the party entitled to be the actual Holder of Trademark Rights regarding the issuance of the Intellectual Property Rights trademark for the Bening's Beauty Clinic Product Logo Brand

Indonesia is a country based on law, as stated in the Explanation of our Constitution (UUD). In practice, our minds generally jump to the rule of law. This means that the formulation in the UUD is then practiced with the doctrines and principles contained in the rule of law. It seems that this is the way it should be and is the (only) way to practice a "state based on law", which is correct. The position of the state in Indonesia in law also requires special attention, because it is quite different from the figure and presence of the state in the liberal mind of the rule of law. There, society and the state face each other in a confrontational position, and therefore, fences must be made to protect the people.⁷

Law enforcement has 3 elements that must always be considered, namely the element of justice, the element of legal certainty, and the element of benefit. These three elements are something that is aspired to from the purpose of the law itself. One of the principles in state administrative law recognizes the principle of the Principle of Legality (legal certainty) where this principle requires that the rights that have been obtained by a person be respected based on the decision of a state administrative body or official. This principle explains that the birth of a decision by a state administrative body or official becomes the basis for legal procedural law from the legal consequences and legal events that arise from it.

Intellectual Property assets can be exploited commercially by their owners or by other parties with the permission of the owner. Commercialization aims to obtain income that can cover the costs of product development. This can be done by selling (transfer of rights) if the owner does not have experience in marketing his products and does not want to be involved in daily activities in the field of technology. On the other hand, if the owner of Intellectual Property has experience in marketing and wants to obtain additional sustainable income, then Licensing can be a way to exploit the Intellectual Property. The word "License" simply means permission granted by the owner of Intellectual Property Rights for another party to use it based on agreed terms and conditions, for a specific purpose, in a specific territory and for an agreed period of time.⁸

Legal protection in general arises from a legal provision and all regulations that exist in community life with the intention of regulating behavioral patterns between members of society. Thus, legal protection is a depiction of the functioning of the legal function to realize the objectives of the law, so that it can provide justice, benefits, and legal certainty. If legal protection is associated with a Brand, as an object to which the rights of individuals or legal entities are related. The stipulation of Brand protection in national law shows the urgency of Brand protection in Indonesia. Collective brands as one of the Intellectual Property products should be protected considering that Brands are one of the results of human intelligence and work. Trademark protection in general can only be applied to registered Trademarks. The concept of legal protection for Trademark holders refers to the special nature of Trademark rights. These special rights are monopolistic, meaning that these rights can only be exercised by the Trademark holder. Other people may not use special rights. If it is proven that another party uses

⁷Satjipto Rahardjo, *Other Sides of Law in Indonesia*, Second ed., Jakarta: Kompas Book, 2006, page: 11.

⁸Yulianto, Euku Fahmi, and Dewi Ayu Hidayati. (2018). "Development of Marine Tourism Villages in Order to Improve the Welfare of Coastal Communities in Pekon Tejang, Sebesi Island, Rajabasa District, South Lampung Regency," in *Working and Innovating for a Nation Based on Sustainable Development*. Lampung: Institute for Research and Community Service, University of Lampung, pp. 445-51.

the special rights without permission from the Trademark holder, then the party may be subject to sanctions. In Indonesia, in implementing and providing legal protection, there are two legal protection facilities, namely Preventive Legal Protection Facilities, where legal subjects are given the opportunity to file objections or opinions before a government decision gets a definitive form. In addition, there are Repressive Legal Protection Facilities which aim to resolve disputes. The registration of the trademark adheres to the first to file principle, where the rights will be given to the first registrant. If there is a trademark that has been registered but is not actually used by the trademark rights holder, then a deletion of the trademark can be submitted as regulated in Article 61 paragraph 2 of Law Number 15 of 2001 concerning Trademarks which has been replaced by Law Number 20 of 2016 concerning Trademarks and Geographical Indications Article 74 paragraph 1, with the provision that the trademark has not been used for 3 consecutive years.

In this case, products or services that belong to the seller require a brand to show a distinctive characteristic that has become the identity of the product or service owned, and therefore the brand has become one of the assets owned by a company to differentiate the products owned from those owned by competitors, and also become a sign of the authenticity of the product.⁹ Trademark protection is an important thing for companies holding trademark rights to have so that other parties who do not have the right to use and utilize the trademark that is the right of the company.¹⁰ Registered Trademark Owners also have the right to file a lawsuit with the Commercial Court against parties who do not have the right to use a Trademark that has similarities in outline or in its entirety (Trademark Counterfeiting). In Article 83 paragraph 1 of Law Number 20 of 2016 there are 2 types of lawsuits, namely:

- a) Claims for damages, and/or
- b) Cessation of all acts related to the use of the Trademark.

Judges in deciding cases are required to interpret the law so that it is possible for judges to find the law and even create a legal rule as contained in jurisprudence. These reasons or arguments are intended as the judge's accountability of his decision to the community, so that therefore it has objective value.

The existence of these reasons is why the decision has authority and not because of a particular judge who made it where the decision of a judge or court lies in the legal considerations of the judge who tried the case. The work of a judge is not merely technical but more scientific and intellectual. To sharpen his intellectual vision, a judge must always have sensitivity and be responsive to the dynamics of legal developments and social dynamics. A judge is required to actively and continuously follow and trace the law, legal principles, legal theories, legal sources, doctrines, jurisprudence, applicable legal values, especially when providing legal considerations (*ratio decidendi*) the judge must be able to interpret, be logical and argue the law so that his decision is based on the values of justice, the value of benefit, and the value of legal certainty.

Settlement of Registered Trademark and Well-Known Trademark disputes in legal protection efforts where in the judge's decision there is a legal discovery where a trademark with similarities in principle or in its entirety that exists for similar or dissimilar goods/services is owned by a Registered Trademark and Well-Known Trademark where what is regulated in Law Number 20 of 2016 concerning Trademarks and Geographical Indications concerning Trademarks together is different from what happened after the judge's decision.

Legal Consequences of the Revocation of Trademark Registration for the Party Who Lost Intellectual Property Rights for the Bening's Beauty Clinic Product Logo Trademark

The function of legal philosophy, Roscoe Pound¹¹ states that philosophers try to solve the problem of the idea of creating a perfect law that must stand firm forever, then prove to mankind that the law that has been established, its authority is no longer questioned. An attempt to make a solution using the legal system that applies at a certain time and place, by using abstraction of higher legal materials. Legal philosophy provides a rational description of law as an effort to meet the development of law universally to ensure continuity in the future. Legal philosophy plays an important role in the activities of reasoning and reviewing the principles and foundations of ethics and social supervision. In terms of legal philosophy, the first to file principle of the theoretical element of the country where the brand is registered is a general provision that applies in all countries. It is undeniable that in the era of highly developed digital technology, the state plays a role in protecting its citizens, especially well-known brands when they are first registered in the country that has not been categorized as a well-known brand. Whoever

⁹Rianda Dirkareshza, SH, MH, Intellectual Property Rights, Yogyakarta: CV Budi Utama, 2022, page: 70.

¹⁰Yayuk Sugiarti. (2016). "Brand Protection for Trademark Rights Holders Reviewed from Law Number 15 of 2001 Concerning Trademarks". *Legal Window* 3, No. 1, page: 37.

¹¹Roscoe Pound, *Interpretations of Legal History*, Havu : LR Holland, 1972, p : 3

registers the brand first in a country is the one who has the right to claim the authenticity of a brand of goods and/or services. Settlement of disputes between Registered Trademarks and Well-known Trademarks in an effort to protect the law can be done through:

- a. Commercial Court (Law Number 20 of 2016 concerning Trademarks and Geographical Indications Articles 85 – 90)
- b. Alternative Dispute Resolution (Law Number 20 of 2016 concerning Trademarks and Geographical Indications Article 93)

Settlement of Registered Trademark and Famous Trademark disputes that occur in Indonesia related to similarities in principle or all lawsuits choose through the Commercial Court and not Dispute Settlement Outside the Court even though this settlement method is regulated in Law Number 20 of 2016 concerning Trademarks and Geographical Indications. Settlement of Registered Trademark and Famous Trademark disputes through lawsuits for Trademark infringement, namely the owner of the Registered Trademark and/or the recipient of the Registered Trademark License while still under investigation and to prevent greater losses, the owner of the Trademark and/or the recipient of the License as the plaintiff can file a request to the judge to stop production activities, distribution, and/or trade of goods and/or services that use the Trademark without rights and also request the surrender of goods that use the Trademark without rights, the judge can order the surrender of goods or the value of the goods to be carried out after the court decision has permanent legal force. Until now, the community still views the existence of the judiciary as an implementer of judicial power as still needed, as well as for the settlement of Registered Trademark and Famous Trademark disputes.

Deletion of trademark registration is a legal process that allows the deletion of registered trademark rights, and its regulations have been regulated in Law Number 20 of 2016 concerning Trademarks and Geographical Indications. The trademark owner has the right to file a trademark deletion in accordance with Article 72 paragraph 1 of Law Number 20 of 2016 concerning Trademarks and Geographical Indications. In addition, Article 72 paragraph 6 stipulates that the Minister has the authority to delete a trademark. Furthermore, Article 74 paragraph 1 of Law Number 20 of 2016 concerning Trademarks and Geographical Indications provides an opportunity for individuals with an interest in a trademark to file a trademark deletion application through the Commercial Court. In this context, the lawsuit must be based on the fact that the trademark in question has not been actively used in the market for 3 years. Inactive use can occur either since the date of trademark registration or since the last time of use.¹²

Cancellation and deletion of trademarks due to similarities are basically caused by business actors with bad intentions who imitate brands that are already known to the public. In this case, business actors intentionally want to mislead the public's perception that the two brands tend to be the same because their products are similar and are considered to come from companies in the same field. These business actors tend to use shortcuts to introduce their brands and products to the public by piggybacking on existing brands. The behavior of using trademarks with similarities in principle ultimately triggers legal disputes with the original brand owners who are already known to the public. In fact, the Indonesian government through various laws has attempted to protect the holders of trademark rights that were first registered so that the good faith of other business actors who piggyback on their brands has the right to sue and file a lawsuit in court to cancel and revoke trademarks that contain elements of similarities in principle.

Cancellation and deletion of registered trademark registration due to similarities in principle results in the trademark no longer receiving legal protection and the trademark name is no longer in the General Register of Trademarks. The cancellation of the trademark automatically means that the trademark owner can no longer file a lawsuit with the court for violation of his trademark rights. In addition, the cancellation of the trademark also results in the trademark owner no longer requesting compensation. This is in accordance with Article 68 paragraph 5 of Law Number 20 of 2016 concerning Trademarks and Geographical Indications, namely "Cancellation and deletion of Trademark registration as referred to in paragraph 2 results in the end of legal protection for the Trademark for all or part of the same type of goods."

Based on the case example of the use of the Beauty Clinic trademark "Bening's" and "Benning" for similar products, the court will eventually order the Director General of Intellectual Property Rights to cancel the license of the last Registered Trademark according to the first to file principle. The legal consequence of canceling a trademark registration based on a court decision that has permanent legal force is the removal of the relevant

¹²Muh. Ali Masnun and Radhyca Nanda Pratama. (2020). "Analysis of the Deletion of Registered Trademarks on the Initiative of the Minister Because They Contradict Statutory Regulations". IUS Journal of Legal and Justice Studies 8, No. 3, pp. 484-99

trademark from the General Trademark Register. The party that deletes the registered trademark after being decided by the Court is the Director General of Intellectual Property by means of deletion. The certificate obtained from the trademark registration owned by the entrepreneur will ultimately no longer be valid from the date of the deletion, so that it also directly results in the legal protection for the rights holder also ending.¹³ The case of the use of trademarks containing similarities in principle has been proven to violate the provisions of Article 21 paragraph 1 of Law Number 20 of 2016 concerning Trademarks and Geographical Indications, indicating that the enforcement of trademark law in Indonesia has not been running effectively. This is in accordance with the theory of legal effectiveness according to Soekanto¹⁴ which states that the effectiveness of law enforcement can be influenced by certain factors, including legal factors, law enforcement factors, community factors and cultural factors.

CONCLUSION

The Trademark Law applies the principle of the first to file system so that the trademark that is registered first in good faith in accordance with the procedure is the party that is recognized as the trademark holder and receives legal protection. This is clarified in Article 3 of Law Number 20 of 2016 concerning Trademarks and Geographical Indications which states that after a trademark is registered, it will receive rights to the trademark. The clause "registered" means that after the registrant submits an application through the process of examining the requirements, the announcement process, and the substantive examination process, then a certificate is issued with the approval of the Minister. The legal consequence of trademark registration is the birth of protection of rights to the trademark and vice versa if it is not registered, it will not receive legal protection because the Trademark Law adheres to the constitutive principle. In conclusion, Judges have an important role in deciding Trademark disputes because they interpret the law so that judges can find legal values and even create legal rules as contained in jurisprudence. These reasons or arguments are intended as the judge's accountability for his decision to the community, so that it has objective value.

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¹³Mardianto, A. (2016). Legal Consequences of Cancellation of Trademark Registration on the Rights of Trademark Licensees According to Law No. 15 of 2001. *Jurnal Dinamika*, Vol. 1 (No. 3), pp. 440 - 469

¹⁴Soekanto, S, *Factors Influencing Law Enforcement*, Jakarta: Raja Grafindo Persada, 2013, page: 45