



Annual Review of Legal Studies
ISSN 3047-7581 (Print) 3047-7875 (Online)
Vol. 1 Issue 2 (2024) 323–346
DOI: <https://doi.org/10.15294/arls.vol1i2.6155>
Available since: May 31, 2024

**Annual Review of
Legal Studies**

Registration of Trademarks Rejected in Other Countries in Accordance with *Ratification of the Madrid Protocol* *Pendaftaran Merek Yang Ditolak di Negara Lain Sesuai Dengan Ratifikasi dari Protokol Madrid*

Hayyu Sasvia ^a✉, Dewi Sulistianingsih ^a

^a Faculty of Law, Universitas Negeri Semarang, Semarang, Indonesia

✉ Corresponding email: hayyusasvia@students.unnes.ac.id

Abstract

Current globalization has had an impact on goods, services, labor, etc. that flow freely between countries in the world. Indonesia itself is no exception to this global phenomenon. The free flow of trade in and out of Indonesia makes products from Indonesia vulnerable to being imitated if they are not protected, especially protecting their trademarks. Not only brands from Indonesia must be protected domestically, but they also need protection abroad. Efforts to protect brands from Indonesia can be carried out through country or international registration mechanisms. This article attempts to explain that international registration can be carried out effectively through the Madrid Protocol, which provides for centralized trademark registration at the World Intellectual Property Organization (WIPO), rather than registering trademarks centrally. Trademarks in the



Copyrights © Author(s). This work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International License. (CC BY-SA 4.0). All writings published in this journal are personal views of the author and do not represent the views of this journal and the author's affiliated institutions.

respective countries where the goods or services are intended to be traded. The purpose of this article is to find out how the implementation of trademark registration based on the Madrid Protocol after its ratification in Indonesia and how the impact of trademark registration carried out in Indonesia has had an impact in other countries that have implemented and ratified this system.

KEYWORDS *Globalization, Brands, Madrid Protocol*

Globalisasi saat ini telah berdampak pada barang, jasa, tenaga kerja, dan lain-lain yang mengalir bebas antar negara di dunia. Indonesia sendiri tidak terkecuali dengan fenomena global ini. Bebasnya arus perdagangan keluar masuk Indonesia membuat produk asal Indonesia rentan ditiru jika tidak dilindungi, terutama perlindungan terhadap merek dagangnya. Tidak hanya merek asal Indonesia saja yang harus dilindungi di dalam negeri, namun juga perlu mendapatkan perlindungan di luar negeri. Upaya perlindungan merek asal Indonesia dapat dilakukan melalui mekanisme pendaftaran per negara maupun internasional. Artikel ini mencoba menjelaskan bahwa pendaftaran internasional dapat dilakukan secara efektif melalui Protokol Madrid, yang menyediakan pendaftaran merek terpusat di Organisasi Kekayaan Intelektual Dunia (WIPO), daripada mendaftarkan merek dagang secara terpusat. Merek dagang di masing-masing negara di mana barang atau jasa tersebut dimaksudkan untuk diperdagangkan. Tujuan dari artikel ini adalah untuk mengetahui bagaimana pelaksanaan pendaftaran merek berdasarkan Protokol Madrid setelah ratifikasinya di Indonesia dan bagaimana dampak pendaftaran merek yang dilakukan di Indonesia berdampak dinegara lain yang sudah memberlakukan dan meratifikasi sistem tersebut.

KATA KUNCI *Globalisasi, Merek, Protokol Madrid*

Introduction

A brand is the most important part that functions as an identity and differentiator for goods and services. Apart from that, a brand is also useful for providing distinctiveness and differences between a product or service

and one brand from another. In the current era of global trade, the role of brands is very important, especially in maintaining healthy business competition. A brand is the result or creation of someone's intellectual work and is very important for legal protection. According to Law Number 20 of 2016 concerning Brands and Geographical Indications, a brand is a sign that can be displayed graphically in the form of images, logos, names, words, letters, numbers, color arrangements, holograms and many more to differentiate goods or services.¹

Intellectual Property Rights are rights to property obtained from human intellectualism. It is called human intellectualism because only humans are capable of creating something in the fields of science and technology. Humans create literary works through their creativity. The term 'intellectual' reflects that the intellectual property of an object contains the ability to create creativity and the results of human thought. Therefore, every work in the field of science and technology that is created through human reason or creativity is basically included in the scope of Intellectual Property Rights (IPR).²

The World Intellectual Property Organization (WIPO) is a global entity that facilitates services, policy-making, dissemination of information, and collaboration in the realm of intellectual property rights. Established in 1967 via the WIPO Convention, it now boasts a membership of 193 countries. WIPO's objective is to foster an equitable and efficient global intellectual property framework that nurtures innovation and creativity for the benefit of all. Within WIPO, the *Madrid System*—also known as The International Trademark System—enables the registration of trademarks. This system originated from the Madrid Agreement (1891) and its subsequent Protocol (1989). To register a trademark, the standard fee is *653 Swiss francs*, or *903 Swiss francs* if the trademark is in color, with additional charges varying based on the specific trademark, as well as the number and type of goods

¹ Asti Amalia Suci and Erlina, "Implementasi Pendaftaran Merek Internasional Berdasarkan Protocol Madrid (Studi Pada Kemenkum Ham Lampung)," *Journal of Innovation Research and Knowledge* 1, no. 8 (2022): 489.

² Andry Setiawan, Dewi Sulistyaningsih, and Leo Bernado Aglesius, "The Implementation of International Trademark Registration in Indonesia Post-Ratification of Madrid Protocol," *Varia Justicia* 14, no. 2 (2018): 51–60

and services covered. Utilizing The International Trademark System for brand registration streamlines the process, allowing for automatic registration across multiple nations, thereby simplifying protection and reducing expenses.³

This certainly provides convenience and benefits for companies that are developing with limited funds, especially for companies that want to market local products overseas. Based on the law in Presidential Regulation of the Republic of Indonesia Number 92 of 2017, it can also attract foreign investors to invest in our country. If a brand owner wants to register his/her brand abroad, before accession the brand owner must submit a separate application in each destination country. After accession through the Madrid system the brand owner in Indonesia only needs to submit one application through the DKJI Directorate General of Intellectual Property to be forwarded to destination countries according to the owner's request with one payment.⁴

The aim of branding a product is to build the presence of unique goods and services that have the best quality to be attractive in the electronic commerce market and to help get and retain prospective consumers who are loyal to using our goods or services. Effective trademark branding means that it conveys an impression of the product it creates in the minds of potential consumers regarding the function and advantages of the brand it will market, which is the most important thing when marketing advertising that is centered on the trademark.⁵

Millennials when starting or starting a startup business should provide IPR protection for their product brands. Because IPR protection for a product's brand can actually be a valuable asset for securing that product in a startup business in difficult times. Brands can also act as a shield for the products produced, because IPR protection for product

³ Bayu Sujadmiko, Desi Aini, and Muhammad Saputra, "How Indonesia Harmonize the International Trademark System," 2020

⁴ Asti Amalia Suci and Erlina, "Implementasi Pendaftaran Merek Internasional Berdasarkan Protocol Madrid (Studi Pada Kemenkum Ham Lampung)," *Journal of Innovation Research and Knowledge* 1, no. 8 (2022): 489"

⁵ Wizna Gania Balqis, "Perlindungan Merek Sebagai Hak Kekayaan Intelektual: Studi Di Kota Semarang, Indonesia," *Journal of Judicial Review* 23, no. 1 (2021): 41.

brands can provide protection against attacks from competitors and/or business actors who have large capital, as well as from acts of infringement of a product's brand. Efforts to legally protect trademarks in startup businesses include using registration procedures in each country and/or internationally. However, the decision to register trademarks in each country is deemed insufficient to protect trademarks. Brand holders of start-up creative products receive maximum international legal protection. So brand holders can register their marks widely with the Madrid Protocol. This is because international trademark registration through the Madrid Protocol is very important for startups to protect creative products that are traded electronically.⁶

The Madrid Protocol began with the Madrid System, where the Madrid System itself began with the birth of an agreement from 5 (five) countries, namely: France, Switzerland, Tunisia, Spain and Belgium. In 1891, the five countries signed an agreement in the city of Madrid (Spain) with the idea of establishing an international registration system that could provide trademark protection among its member countries. In this case, member countries of the agreement still have sovereignty in implementing their national trademark laws. The signing of the agreement in the city of Madrid is called the Madrid Agreement.

The Madrid Agreement regulates the procedures for applications and the effects of the application, the official language used, the period of protection and extension, changes to trademark registration, as well as the possibility of canceling international trademark registrations. According to this agreement, every party in a member country of the agreement that already has a trademark registration in their country (country of origin) can submit an application for international trademark registration to the International Bureau of the World Intellectual Property Organization (WIPO) through the Trademark office in the country of origin.

What is meant by country of origin is the applicant's country of residence or the country where the applicant is a citizen of that country or the country where the applicant has real and effective industrial and trade

⁶ Hanung Widjangkoro, "Perlindungan Hukum Atas Merek Produk Kreatif Startup Dengan Sistem Protokol Madrid Dalam Perdagangan Elektronik," *Perspektif* 28, no. 1 (2023): 25–38

activities. The advantage of international trademark registration through the Madrid Agreement system is that the trademark owner can transfer the rights to the trademark, change the name/address of the trademark registration, and extend the trademark registration in one application through the International Bureau for all international trademark registrations in several countries.⁷

Applicants for trademark registration in Indonesia are still dominated by foreign trademark owners, including applicants who use the Madrid Protocol facilities, most of whom are foreign trademark owners. The percentage of domestic trademark registration applicants is still very small compared to the number of Indonesian business actors, which number approximately 67 million business actors. One of the main considerations for trademark owners, and with the Madrid system for international trademark registration can be cost saving, time efficient, easy with the registration of one application in one language in several countries.

This illustrates that there are still many trademarks that are not registered through the Madrid Protocol to protect their brands universally, so that the process is efficient, transparent, and provides benefits to brand owners and is the main door to obtaining global protection effectively and efficiently. Thus, the Madrid Protocol effectively encourages increased foreign investment into Indonesia by making it easier for businesses to protect their trademarks here, thereby increasing confidence in investing and trading.⁸

To maintain the originality of writing this article, the author added previous research which became a reference material for the author in conducting research so that it could add to the theory used in reviewing research and simplify the systematic steps in compiling articles both from a theoretical and conceptual perspective, previous research that Also included is research related to the topic taken by the researcher, namely the Madrid Protocol.

⁷ Nurul Hidayati and Yuli Ester, "(Trademark Protection Urgency Through the Madrid Protocol)," 2017, 171–84.

⁸ Zulvia Makka and Roisah Kholis, "Reformasi Asas Prioritas Merek Dagang Berlandaskan Protokol Madrid Di Era Liberalisasi Perdagangan," *Jurnal Pembangunan Hukum Indonesia* Volume 5 (2023): 433–54.

The first is an article written by Yohanes Adi Putra Mahardika and Irna Nurhayati in 2019 entitled "Analysis of International Mark Registration Applications for MSMEs After the Issuance of Presidential Regulation No. 92 of 2017 concerning Ratification of the Madrid Protocol" discusses how to implement trademark registration using the Madrid Protocol for MSME business owners. The research method used in this research is normative legal research and prioritizes library research to obtain secondary data to collect a number of data including library materials sourced from books.⁹

Next is an article written by Zulvia Makka and Kholis Roisah in 2023 entitled "Reform of Trademark Priority Principles Based on the Madrid Protocol in the Era of Trade Liberalization" discussing how this era of globalization encourages Indonesia to enter the international trade system. The research method used in this research is a normative juridical approach, this activity is a process of finding the law that regulates the priority principle in the Madrid Protocol, especially for trademarks. The specifications of this research follow the type of descriptive analysis, where this research also provides a description and writes and reports an object or event and draws general conclusions from the problems discussed.¹⁰

The last article used as a reference by the author is an article written by Asti Amalia Suci and Erlina in 2022 entitled "Implementation of International Mark Registration Based on the Madrid Protocol (Study at the Lampung Ministry of Law and Human Rights)" discussing how to register a mark based on procedures that have been determined based on Madrid Protocol. The research method used in this research is a normative juridical and empirical juridical approach. The normative juridical approach is used to study theories, concepts, views, legal norms related to

⁹ Yohanes Adi Putra Mahardika and Irna Nurhayati, "Analisis Permohonan Pendaftaran Merek Secara Internasional Bagi UMKM Setelah Diterbitkan Peraturan Presiden No. 92 Tahun 2017 Tentang Ratifikasi Protokol Madrid," *JIPRO: Journal of Intellectual Property* 2, no. 2 (2019): 1–13

¹⁰ Makka and Kholis, "Reformasi Asas Prioritas Merek Dagang Berlandaskan Protokol Madrid Di Era Liberalisasi Perdagangan."

this research. Meanwhile, an empirical juridical approach is used to obtain clarity and understanding based on existing reality.¹¹

Method

This research uses normative or doctrinal legal research methods. This is normative juridical legal research or normative legal research which is basically an activity that will examine the internal aspects of positive law. This is done as a consequence of the view that law is an institution that autonomous and does not have any relationship with other social institutions. So, to solve existing problems, what is seen as a problem in research using this approach is only limited to problems that exist within the legal system itself, not to human behavior that applies legal regulations.

Normative legal research focuses more on the scope of legal conceptions, legal principles and legal rules. It can be concluded based on existing doctrine, that normative legal research is a type of legal research methodology that bases its analysis on applicable laws and regulations that are relevant to the legal issues that are the focus of the research.

Result and Discussion

The Madrid Protocol (Madrid Protocol) is an additional agreement to reduce the weaknesses of the Madrid Agreement by introducing new innovations in the international trademark registration system, so that the Madrid System continues to develop and more countries join it. To date, 115 (one hundred and fifteen) countries have joined the Madrid System, including:

Afghanistan, African Intellectual Property Organization (OAPI), Albania, Algeria, Antigua and Barbuda, Armenia, Australia, Austria, Azerbaijan, Bahrain, Belarus, Belgium, Belize, Bhutan, Bosnia and Herzegovina, Botswana, Brazil, Brunei Darussalam, Bulgaria, Cabo Verde, Cambodia, Canada, Chile, China, Colombia, Croatia, Cuba, Cyprus, Czech Republic, Democratic People's Republic of Korea, Denmark, Egypt, Estonia, Eswatini, European Union, Finland, France, Gambia, Georgia, Germany, Ghana, Greece, Hungary, Iceland, India, Indonesia, Iran, Ireland, Israel, Italy, Jamaica, Japan, Kazakhstan, Kenya, Kyrgyzstan, Lao

¹¹ Asti Amalia Suci and Erlina, "Implementasi Pendaftaran Merek Internasional Berdasarkan Protocol Madrid (Studi Pada Kemenkum Ham Lampung)," *Journal of Innovation Research and Knowledge* 1, no. 8 (2022): 489"

People's Democratic Republic, Latvia, Lesotho, Liberia, Liechtenstein, Lithuania, Luxembourg, Madagascar, Malawi, Malaysia, Mauritius, Mexico, Monaco, Mongolia, Montenegro, Morocco, Mozambique, Namibia, Netherlands, New Zealand, North Macedonia, Norway, Oman, Pakistan, Philippines, Poland, Portugal, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Rwanda, Samoa, San Marino, Sao Tome and Principe, Serbia, Sierra Leone, Singapore, Slovakia, Slovenia, Spain, Sudan, Sweden, Switzerland, Syrian Arab Republic, Tajikistan, Thailand, Trinidad and Tobago, Tunisia, Turkiye, Turkmenistan, Ukraine, United Arab Emirates, United Kingdom, United States of America, Uzbekistan, Vietnam, Zambia and Zimbabwe.

The advantages of International Registration of Marks based on the Madrid Protocol are as follows:

- a. Practicality.
- b. Savings in terms of budget, because both registration fees and renewal fees are only done once.
- c. Time savings, because once registered with the IB at WIPO, it automatically applies to all countries party to this protocol.
- d. Expansion of Protection to new countries joining the system.
- e. There is a choice for trademark registrants regarding the filing date, based on national applications or based on national registrations.
- f. There is a longer examination period, namely 18 (eighteen) months, thus providing time flexibility for each trademark registration office in the party country.
- g. A detailed and online database of brands registered through the Madrid System mechanism is available on the WIPO website.
- h. There is income income through "individual fees" for the trademark registration office in the party country where the trademark is registered.
- i. There is a transformation mechanism for every mark that has been registered with WIPO during a trial period of 5 (five) years from the time the filing date at international registration receives a claim from the country of origin or office of origin and it is proven so that the mark registration must be cancelled. The transformation mechanism is given 3 (three) months from the date of cancellation, without re-registration as at the beginning of trademark registration, the filling date is

calculated based on the first registration, and without further registration fees.¹²

The weaknesses of the International Registration of Marks Madrid System based on the Madrid Protocol include:

1. Principle of Dependency in the country of origin The Madrid Protocol applies the principle of dependence (central attack) on registration in the country of origin for the first 5 (five) years, following the international registration filing date. Marks affected by a central attack are permitted to transform international registration into an individual application which must be submitted within 3 (three) months of the cancellation of the international registration.
2. This system is relatively expensive, especially for middle to lower brand owners, because:
 - a. The extent of brand protection depends on the individual fees that the brand owner can afford to pay in each country.
 - b. Settlement of disputes related to international registrations of Marks Madrid System issues follows the dispute settlement mechanism at WIPO, not based on the national mechanisms of each country.
3. The classification of marks in classes of goods and services in the Madrid System is based on the Nice Agreement Concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks, 1957 which has a negative impact, namely in the event of cancellation of one type of class of goods and services in one application that contains several goods and services, this will be interpreted as brand cancellation for all applications.
4. Need human resources who are fluent in foreign languages and sophisticated and thorough technology.
5. Countries that are not ready will become market countries.
6. Countries that are not ready will be trapped in the flow of globalization.

The Madrid system facilitates brand owners to obtain brand protection in many countries with just one application and procedure. Registration can also be done in the owner's country of the trademark.

¹² Nurul Hidayati and Yuli Ester, "(Trademark Protection Urgency Through the Madrid Protocol)," 2017, 171–84

The registration is then forwarded to the target country through the mediation of WIPO which acts as an international bureau. By using this method, a trademark owner who wants to register his or her brand in several countries only needs to make one application for trademark registration through the trademark office in one country. The trademark office will then send the application to each of the target countries.¹³

Both the Madrid Agreement and the Madrid Protocol are essentially one-stop systems for international trademark registration. The reason Indonesia only ratified the Madrid Protocol and not the Madrid Agreement is because the former is a refinement of the Madrid Agreement. The Madrid Agreement still contains several weaknesses, as stated by Syafrinaldi in the Business Law Journal Volume 28 No. 2 of 2009 concerning the Urgency of Harmonization of the Trademark Law and the Madrid Protocol. He said that the concept offered by the Madrid Protocol was actually similar to that offered by the Madrid Agreement in relation to international trademark registration. However, these countries' interest in ratifying the Madrid Agreement is decreasing because they consider the Madrid Protocol to be created to perfect the Madrid Agreement. Conceptually, the Madrid Protocol acts as a trademark application to obtain legal protection in many countries. Therefore, it indirectly provides certainty to brand owners to obtain protection for their marks in many countries by submitting a registration application directly at the trademark registration office in their respective countries or regions.¹⁴

Intellectual property specialist Carlo Cotrone posits that achieving uniformity in trademark laws across all jurisdictions is an unattainable goal. The International Trademark System's objective is not to harmonize laws but to facilitate the "internationalization" of domestic laws. This

¹³ Gede Aditya Pratama, Elfirda Ade Putri, and Aimee Malca Luwinanda, *International Trademark Registration Through Madrid Protocol as a Solution for Trademark Protection from Indonesia, Proceedings of the 3rd International Conference on Business Law and Local Wisdom in Tourism (ICBLT 2022)* (Atlantis Press SARL, 2023).

¹⁴ Andry Setiawan, Dewi Sulistyaningsih, and Leo Bernado Aglesius, "The Implementation of International Trademark Registration in Indonesia Post-Ratification of Madrid Protocol," *Varia Justicia* 14, no. 2 (2018): 51–60

system is designed to enable national legal frameworks to operate in conjunction with it, at least to a significant extent.

The validity of an international trademark registration hinges on the initial five-year period of the basic registration. Should this basic registration cease to exist within this timeframe—due to a central attack or other reasons specified in Article 6(3) of the Madrid Protocol—the international registration will be nullified. Moreover, the extent of protection is confined to the limitations set by the originating country of the applicant. Consequently, if the home country revokes the registration, the trademark's registration in other member countries will also be revoked. Cotrone believes that this dependency contravenes the principle of national treatment, as it precludes applicants from receiving the safeguards provided by their local registries. Thus, imposing restrictions on trademark protection inadvertently enhances the appeal of securing individual national registrations, which allows each nation to not only broaden trademark protection but also to annul it at will.¹⁵

The International Trademark System applies different criteria to applicants based on their country of origin and the nations where they seek trademark protection. The system prioritizes the legal stipulations of the applicant's home country, which may be perceived as a disadvantage for global applicants and as biased against the legal frameworks of other countries, challenging the equilibrium the system aims to maintain. While the system is tasked with establishing an effective administrative mechanism for trademark proprietors, it is not designed to foster innovation within the legal systems of individual parties. Instead, the International Trademark System is expected to accommodate various legal frameworks concurrently, without substantial alterations.

Rather than altering the trademark laws of each nation, this system serves as an alternative administrative option for trademark proprietors looking to secure their trademarks internationally. Essentially, this global

¹⁵ Bayu Sujadmiko, Desi Churul Aini, and Muhammad Febriyan Saputra, "How Indonesia Harmonize the International Trademark System."

pathway operates in tandem with existing national trademark registration processes.¹⁶

Furthermore, in incorporating the provisions of international agreements or the Madrid Protocol into national law in accordance with a special adoption system, namely where there must be prior approval by parliament to declare attachment to the international agreement. Therefore, the implications for accession to the Madrid Protocol must be carried out by revising the Trademark Law. Regarding the implications of accession to the Madrid Protocol, there are several provisions in the Law on Trademarks that must be revised, including the following:

The implications of accession to the Madrid Protocol include the need to revise the Law on Trademarks, namely as follows:

a. Application for International Trademark Registration

In connection with the Indonesian government's plan to accession to the Madrid Protocol, applications for trademark registration in Indonesia should also be anticipated where trademark applicants can submit applications for trademark registration to other countries participating in the Madrid Protocol so that revisions to Law no. 15 of 2001 must include provisions regarding applications for international trademark registration using the Madrid Protocol. In the Trademark Bill it is necessary to add provisions regarding "Applications for International Mark Registration", namely regarding: 1) types of applications consisting of applications originating from Indonesia addressed to the International Bureau through the Minister and applications addressed to Indonesia as one of the destination countries received by the Minister from the International Bureau. Apart from that, arrangements are also needed regarding application requirements.

b. Provisions regarding International Mark Registration

The current law, namely Law Number 15 of 2001, does not yet regulate the registration of international marks through the Madrid Protocol system. In the Madrid Protocol system, it is necessary to know the time period for the application submission process, where the time

¹⁶ Fitri Ida Laela, "Analisis Kepastian Hukum Merek Terkenal Terdaftar Terhadap Sengketa Gugatan Pembatalan Merek," *Jurnal Ilmiah Hukum Dan Keadilan* 7, no. 2 (2020): 182–201.

limit for notification of rejection to the WIPO International Bureau is around 12 months to 18 months (can be seen in the Guide to the International Registration of Marks Published by WIPO page No B.III.22).

Further provisions regarding international mark registration based on the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks are regulated by Government Regulation. Applications for international trademark registration must be submitted through the country's trademark office. The trademark office will check the details of the international application including its similarity to the application or registration in that country which is then sent to the WIPO International Bureau (IB). The International Bureau only carries out formality checks including costs, brand classification based on the Nice Agreement. But it is not a substantive examination. If there is a discrepancy, the International Bureau will notify the Trademark Office of the country of origin or applicant and provide time for correction. If there is no improvement, the international bureau will register the mark in the International Register, notify the Trademark Office of the Country of Origin and send a certificate of registration to the holder. Apart from that, the registration will also be published in the WIPO Official Gazette of the international mark and send the details to each country of destination which will be checked under the Trademark Law.¹⁷

If the destination country objects or submits an opposition, it will notify the IB which will then be conveyed to the brand holder and a resolution can be carried out with the help of a local brand agent. Based on the Madrid Protocol, the trademark office must issue a rejection within a period of 12 (twelve) months with the option of an extension of 6 (six) months. If there is no rejection within 12-18 months, the brand must receive protection.¹⁸

In accordance with Article 5 paragraph (2) of the 1945 Constitution of the Republic of Indonesia which states, "The President determines

¹⁷ Marsaa Nasywaa, "Perlindungan Hukum Terhadap Merek Terkenal Asing Ditinjau Dari Ratifikasi Protokol Madrid,".

¹⁸ Robiatul Adawiyah and Rumawi Rumawi, "Pengaturan Hak Kekayaan Intelektual Dalam Masyarakat Komunal Di Indonesia," *Repertorium: Jurnal Ilmiah Hukum Kenotariatan* 10, no. 1 (2021): 1–16.

government regulations to implement the laws as they should." There are six chapters in this regulation. Regarding international trademark registration, it is discussed in chapter three which is divided into seven parts. In the first part, the acceptance and announcement of international registrations are discussed in Articles 10 and 11. In the second part, the regulations regarding substantive examination are explained as outlined in Articles 12 to Article 16. In the third part, Article 17 explains the legal protection of marks based on international registration as follows. "Legal protection for Marks based on International Registration is provided for 10 (ten) years from the Date of International Registration".

In the fourth section, the regulations regarding the extension of the legal protection period for marks based on international registration are explained in Article 18 and Article 19. In the fifth section, the regulations regarding the recording of transfers of rights, changes in names and/or changes of address in Articles 20 to Article 23 are explained. . In the sixth part, the regulations regarding licensing are explained in Article 24. The seventh part of this chapter discusses the cancellation or deletion of marks as described in Article 25 which reads as follows:

- 1) Marks based on International Registration can be canceled or deleted.
- 2) Provisions regarding cancellation or deletion as intended in paragraph (1) are implemented in accordance with the provisions of the Law.
- 3) The cancellation or deletion as intended in paragraph (1) is submitted by the Minister to the International Bureau.¹⁹

¹⁹ Yusuf Gunawan, "Penyelesaian Sengketa Merek Terdaftar Dan Merek Terkenal Dalam Mewujudkan Perlindungan Hukum," *Iblam Law Review* 2, no. 2 (2022): 141–64.

Presidential Regulation of the Republic of Indonesia Number 92 of 2017 concerning Ratification of Protocol Relating to the Madrid Agreement Concerning the International Registration of Mark, 1989

Through Presidential Regulation of the Republic of Indonesia Number 92 of 2017, the Protocol related to Madrid's agreement regarding international trademark registration is approved as follows:

- 1) Ratify the Protocol relating to the Madrid Agreement concerning the International Registration of Marks, 1989 (Protocol relating to the Madrid Agreement concerning International Registration of Marks, 1989) along with the Declaration (Statement) that has been made by the Indonesian Government regarding Article 5 paragraph (2) letter (b) and Article 8 paragraph (7) letter (a) of the Protocol and rule 20bis paragraph (6) letter (b) General Regulations based on the Protocol.
- 2) A copy of the original text of the Protocol relating to the Madrid Agreement concerning the International Registration of Marks, 1989 (Protocol relating to the Madrid Agreement concerning the International Registration of Marks, 1989) along with the Declaration that has been made by the Indonesian Government regarding Article 5 paragraph (2) letter (b) and Article 8 paragraph (7) letter (a) Protocol and rule 20bis paragraph (6) letter (b) General Regulations based on the Protocol in English and its translation in Indonesian as attached are an inseparable part of this Presidential Regulation .
- 3) In the event that there is a difference in interpretation between the translated text of the Protocol in Indonesian and the copy of the original text in English as intended in paragraph (2), the copy of the original text in English that applies.²⁰

²⁰ Lionita Putri Lobo and Indirani Wauran, "Kedudukan Istimewa Merek Terkenal (Asing) Dalam Hukum Merek Indonesia," *Masalah-Masalah Hukum* 50, no. 1 (2021): 70–83.

The accession of the Madrid protocol in Indonesia is mentioned in the regulations regarding international trademark registration in Article 52 paragraph (4) of Law Number 20 of 2016 concerning Marks and Geographical Indications which states that "Provisions regarding international trademark registration in Indonesia are based on the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks and will be further regulated through Government Regulations." The government, in order to implement the provisions in Article 52 paragraph (4) of Law Number 20 of 2016 concerning Marks and Geographical Indications, has stipulated Government Regulation Number 22 of 2018 concerning International Mark Registration Based on the Protocol Related to the Madrid Agreement Concerning International Mark Registration which aims to providing legal protection for brands globally in the era of globalization which has an influence on economic activities and trade in goods and services that cross national borders.

Legal protection for marks based on international registration is explained in Article 17 of Government Regulation Number 22 of 2018 which is granted for 10 (ten) years from the date of international registration and in accordance with the provisions in Article 18 legal protection for marks based on international registration as stipulated in Article 17 can be extended. Furthermore, the provisions regarding the extension are regulated in Article 19 where the extension of international registration intended for Indonesia is notified by the International Bureau to the Minister. The next stage, after receiving notification of the extension of international registration, the Minister records and announces it in the official gazette of the mark. It is explained in Article 19 paragraph (3) that the Minister receives international registration extension fees from the International Bureau.

Indonesia is included in the top 10 list of highest brand registrations among countries with middle class income members of the World Intellectual Property Organization (WIPO).²¹

²¹ Muthia Septarina; and Salamiah, "Upaya Perlindungan Hukum Terhadap Pelanggaran Merek Terkenal Yang Tidak Terdaftar Di Indonesia Berdasarkan UU No. 20 Tahun 2016 Tentang MIG" XII (2020): 89–100.

The impact of Indonesia's integration into the International Trademark System can be evaluated through the Madrid System's influence on several dimensions:

- 1) Legal Dimension, The enactment of Government Regulation No. 22 of 2018 and the incorporation of Madrid System protocols into Law No. 20 of 2016 on Marks and Geographical Indications simplifies and expedites the trademark registration process.
- 2) Organizational Dimension, Addressing the backlog, expanding the team of examiners, and designating the Madrid Unit in Indonesia to oversee the Madrid System's implementation.
- 3) Administrative Dimension, Aligning operational procedures with the Madrid System to match the responsibilities of the Director General of Intellectual Property, serving both as the office of origin and the designated office.
- 4) Technological Dimension, Advancing the DJKI's IT system with the Industrial Property Automation System (IPAS), a platform utilized by Madrid Union countries for trademark registration, enabling automated administrative tasks.
- 5) Educational Dimension, organizing seminars and workshops to provide guidance to stakeholders.

Evaluating the efficacy of the International Trademark System's application in Indonesia, it appears that the country has adeptly embraced the International Mark System, showcasing a commendable level of preparedness and theoretical backing. This successful adoption is evident through transformative changes across various sectors, aligning with the International Brand System's standards. While the system's implementation carries both pros and cons, it is assessed that the benefits significantly outweigh the drawbacks. The author is of the opinion that the merits of integrating The International Trademark System into the existing trademark registration framework are substantial. Therefore, Indonesia's accession to the Madrid Protocol of 1989 is deemed a judicious move, as it not only streamlines the process for trademark owners but also bolsters Indonesia's international standing and reliability.²²

²² Bayu Sujadmiko, Desi Aini, and Muhammad Saputra, "How Indonesia Harmonize the International Trademark System," 2020"

The implication of the Madrid Protocol in Indonesia is that the international trademark registration system through the Madrid Protocol provides easy facilities by means of one application for several destination countries at once, one choice of language used, one currency for payment, and a single procedure for carrying out extensions and transfer changes. for registered international marks, apart from that, international mark registration through the Madrid Protocol system saves time, is a simple process and is much cheaper than if the mark applicant/owner submits a mark registration application directly to each destination country. On the other hand, trademark registration through national channels can protect the trademark owner abroad by registering directly at the trademark office in each destination country.²³

Carlo Cotrone, a specialist in intellectual property, maintains that it is not feasible to standardize trademark laws across all jurisdictions. The International Trademark System's goal is not to harmonize laws but to facilitate the "internationalization" of domestic legislation. This entails developing a system that allows for the coexistence of national legal frameworks with the international system.

The survival of an international trademark registration is contingent upon the maintenance of the basic registration for the first five years. If the basic registration is nullified within this period, whether due to a central attack or other reasons outlined in Article 6(3) of the Madrid Protocol, the international registration will also be revoked. Additionally, the level of protection is restricted to the confines established by the applicant's home country. Thus, if the home country annuls the registration, the trademark's registration in other countries will be invalidated as well. According to Cotrone, this dependency undermines the principle of national treatment, as it deprives applicants of the safeguards provided by their domestic registries.

Imposing such constraints on trademark protection inadvertently enhances the value of individual national registrations, enabling countries to both extend and retract trademark protection at their discretion. The International Trademark System differentiates between registrants based

²³ Makka and Kholis, "Reformasi Asas Prioritas Merek Dagang Berlandaskan Protokol Madrid Di Era Liberalisasi Perdagangan."

on their origin and the countries where they seek protection, favoring the legislation of the applicant's home country. This could be viewed as a disadvantage for international applicants and as a form of inequity within the legal systems of various countries, despite the system's intent to maintain balance. While the system aims to establish an efficient administrative structure for trademark owners, it is not designed to innovate within the legal integrity of any jurisdiction. Rather, the International Trademark System is expected to support multiple legal systems concurrently, without significant alterations.²⁴

As of 2020, there are 95 brands exported and registered using the Madrid Protocol, while imported products entering Indonesia with registration using the Madrid Protocol are around 985. So it is estimated that the 69,004 registered trademarks will only be around 95. 0.7% registered their brands through the Madrid Protocol.²⁵

Conclusion

This study concluded that the implementation of the International Trademark System in Indonesia has marked a significant milestone in the country's intellectual property landscape, showcasing meticulous preparation and a robust theoretical foundation. This success is manifest across various dimensions. Legally, the incorporation of Government Regulation No. 22 of 2018 and the integration of Madrid System guidelines into the 2016 Law on Trademarks and Geographical Indications have harmonized registration processes and requirements, facilitating smoother operations. Organizationally, the elimination of backlog, bolstered workforce with increased trademark examiners, and the establishment of the Madrid Unit testify to Indonesia's commitment to efficient trademark management. Administratively, operational procedures have been fine-tuned to align seamlessly with the Madrid

²⁴ Sujadmiko, Aini, and Saputra, "How Indonesia Harmonize the International Trademark System."

²⁵ Yohanes Adi Putra Mahardika and Irna Nurhayati, "Analisis Permohonan Pendaftaran Merek Secara Internasional Bagi UMKM Setelah Diterbitkan Peraturan Presiden No. 92 Tahun 2017 Tentang Ratifikasi Protokol Madrid," *JIPRO: Journal of Intellectual Property* 2, no. 2 (2019): 1–13.

System, thereby fulfilling the dual responsibilities of the Director General of Intellectual Property as both the office of origin and the designated office. Moreover, technologically, the Industrial Property Automation System (IPAS) has been instrumental in automating administrative functions, in line with global standards.

However, notwithstanding these advancements, challenges persist for brand owners navigating the International Trademark System. Issues such as insufficient brand information due to limited engagement with local trademark offices, vulnerability to centralized rejection leading to widespread cancellation, restrictions on ownership transfer, and potential revenue decline for Intellectual Property Rights Consultants underscore the nuanced landscape of international trademark management. Yet, amidst these challenges, Indonesia stands to gain substantially from its adoption of the Madrid Protocol. This strategic move reaffirms Indonesia's global reputation as a guardian of brands, fosters foreign investment inflow, augments government revenue through fee collection, and importantly, simplifies the trademark registration process for local proprietors, propelling them onto the international stage with confidence and competitiveness. In essence, Indonesia's embrace of the Madrid Protocol solidifies its position as a dependable custodian of brands and a facilitator of global brand elevation, marking a pivotal step towards international recognition and growth.

References

- Adawiyah, Robiatul, and Rumawi Rumawi. "Pengaturan Hak Kekayaan Intelektual Dalam Masyarakat Komunal Di Indonesia." *Repertorium: Jurnal Ilmiah Hukum Kenotariatan* 10, no. 1 (2021): 1–16. <https://doi.org/10.28946/rpt.v10i1.672>.
- Balqis, Wizna Gania. "Perlindungan Merek Sebagai Hak Kekayaan Intelektual: Studi Di Kota Semarang, Indonesia." *Journal of Judicial Review* 23, no. 1 (2021): 41. <https://doi.org/10.37253/jjr.v23i1.4360>.
- Erlina, Asti Amalia Suci and. "Implementasi Pendaftaran Merek Internasional Berdasarkan Protocol Madrid (Studi Pada Kemenkum

- Ham Lampung).” *Journal of Innovation Research and Knowledge* 1, no. 8 (2022): 489.
- Gunawan, Yusuf. “Penyelesaian Sengketa Merek Terdaftar Dan Merek Terkenal Dalam Mewujudkan Perlindungan Hukum.” *Iblam Law Review* 2, no. 2 (2022): 141–64. <https://doi.org/10.52249/ilr.v2i2.80>.
- Hidayati, Nurul, and Yuli Ester. “(Trademark Protection Urgency Through the Madrid Protocol),” 2017, 171–84. <http://ejurnal.peraturan.go.id/index.php/jli/article/download/100/pdf>.
- Ida Laela, Fitri. “Analisis Kepastian Hukum Merek Terkenal Terdaftar Terhadap Sengketa Gugatan Pembatalan Merek.” *Jurnal Ilmiah Hukum Dan Keadilan* 7, no. 2 (2020): 182–201. <https://doi.org/10.59635/jihk.v7i2.38>.
- Lobo, Lionita Putri, and Indirani Wauran. “Kedudukan Istimewa Merek Terkenal (Asing) Dalam Hukum Merek Indonesia.” *Masalah-Masalah Hukum* 50, no. 1 (2021): 70–83. <https://doi.org/10.14710/mmh.50.1.2021.70-83>.
- Mahardika, Yohanes Adi Putra, and Irna Nurhayati. “Analisis Permohonan Pendaftaran Merek Secara Internasional Bagi UMKM Setelah Diterbitkan Peraturan Presiden No. 92 Tahun 2017 Tentang Ratifikasi Protokol Madrid.” *JIPRO: Journal of Intellectual Property* 2, no. 2 (2019): 1–13. <https://doi.org/10.20885/jipro.vol2.iss2.art1>.
- Makka, Zulvia, and Roisah Kholis. “Reformasi Asas Prioritas Merek Dagang Berlandaskan Protokol Madrid Di Era Liberalisasi Perdagangan.” *Jurnal Pembangunan Hukum Indonesia* Volume 5 (2023): 433–54.
- Nasywaa, Marsaa. “Perlindungan Hukum Terhadap Merek Terkenal Asing Ditinjau Dari Ratifikasi Protokol Madrid.” *Angewandte Chemie International Edition*, 6(11), 951–952., 2023, 5–24. [http://repo.iain-tulungagung.ac.id/5510/5/BAB 2.pdf](http://repo.iain-tulungagung.ac.id/5510/5/BAB%202.pdf).
- Pratama, Gede Aditya, Elfirda Ade Putri, and Aimee Malca Luwinanda. *International Trademark Registration Through Madrid Protocol as a Solution for Trademark Protection from Indonesia. Proceedings of the 3rd International Conference on Business Law and Local Wisdom in Tourism (ICBLT 2022)*. Atlantis Press SARL, 2023. <https://doi.org/10.2991/978-2-494069-93-0>.

- Septarina;, Muthia, and Salamiah. "Upaya Perlindungan Hukum Terhadap Pelanggaran Merek Terkenal Yang Tidak Terdaftar Di Indonesia Berdasarkan UU No. 20 Tahun 2016 Tentang MIG" XII (2020): 89–100.
- Setiawan, Andry, Dewi Sulistyaningsih, and Leo Bernado Aglesius. "The Implementation of International Trademark Registration in Indonesia Post-Ratification of Madrid Protocol." *Varia Justicia* 14, no. 2 (2018): 51–60. <https://doi.org/10.31603/variajusticia.v14i2.2104>.
- Sujadmiko, Bayu, Desi Aini, and Muhammad Saputra. "How Indonesia Harmonize the International Trademark System," 2020. <https://doi.org/10.4108/eai.26-9-2020.2302728>.
- Widjangkoro, Hanung. "Perlindungan Hukum Atas Merek Produk Kreatif Startup Dengan Sistem Protokol Madrid Dalam Perdagangan Elektronik." *Perspektif* 28, no. 1 (2023): 25–38. <https://doi.org/10.30742/perspektif.v28i1.836>.

DECLARATION OF CONFLICTING INTERESTS

The authors state that there is no conflict of interest in the publication of this article.

FUNDING INFORMATION

None

ACKNOWLEDGMENT

The authors to express sincere thanks to: Prof. Dr. S. Martono, M.Si, the Rector of Universitas Negeri Semarang, Prof. Dr. Ali Masyhar, S.H., M.H., the Dean of the Faculty of Law at Universitas Negeri Semarang, and Prof. Dr. Dewi Sulistianingsih, S.H., M.H. as the supervisor, for providing guidance, motivation, criticism, and advice with patience. Also for parents, families and closest friends for always giving the authors endless support.

HISTORY OF ARTICLE

Submitted : November 27, 2023

Revised : January 10, 2024; March 12, 2024; May 5, 2024

Accepted : May 15, 2024

Published : May 31, 2024