

## Non-Traditional Trademarks in Indonesia: Protection under the Laws and Regulations (An Intellectual Property Law)

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### Article Info

### Abstract

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*Non-traditional Trademarks also known as non-conventional trademarks develop due to business demands. The development of new trademarks like the sound, scent, three dimensions, and hologram are defined as non-traditional trademarks and non-conventional trademarks or modern trademarks. The international and national regulations of the trademarks are done through several instruments. In Indonesia, they are governed in Act No 20 of 2016 and the regulations of the Ministry of Law and Human Rights No 67 of 2016. Despite their regulations which are accommodated in the Act No 20 of 2016, the implementations of the regulation in Indonesia are as well-developed as that of other countries. The problems in the implementation of the non-traditional trademark protection are the responsibilities of the General Directorate of Intellectual Property especially in preparing the facilities and human resources.*

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## INTRODUCTION

THE RAPID advancement of technology in the globalization era has inevitably caused a very significant development to intellectual property. One product or service created in one country will soon be able to be presented in another country or other countries. The existence of the product or service whose production process has already utilized an intellectual property will automatically acknowledge the intellectual property when it is launched to the market. The need to protect the intellectual property increases as the need to protect the respective goods or service as commodities in trade increases. The intellectual property protection will prevent from the abuse of rights or illegal use of the product or service without consent from the intellectual property right owner(s).

The function of the law is to give protection for the owner of the intellectual property right from abuse of right like counterfeiting, fraud, unhealthy competition, etc. In order to give the necessary protection, law needs to keep updated at all times following the advancement of the technology and era. The more advanced the technology is, the more advanced the law needed. One of the examples of law development on intellectual property right in Indonesia is trademark rights. It is realized by the issuance of Act No 20 of 2016 on Trademarks and Geographic Indications. The background of passing the law is that the minimum and inability of the previous law to cope with the development of the society necessity for trademark protection and geographic indication and the protection of local and national economic potentials. Therefore, the law needs to be changed. For this purpose, the House of Representatives of Indonesia has put the latest Trademark Acts into effect in 2016.

The implementation of the Act No 20 of 2016 results in the cancellation of other previous Acts on trademarks. It covers the regulations of famous trademarks and a wider scope of trademarks so that it can accommodate non-traditional trademarks. Non-traditional trademarks also known as non-conventional trademarks develop due to business demands for protecting their trademarks either in the national or international markets. Since the trademark regulations covered in the Act No 15 of 2001 still contain flaws, they need to be revised. Several instances of the flaws are that the trademarks are related to conventional trademarks only, the trademark registration process took a relatively long time, the minister did not have power to revoke registered trademarks, there was no regulation on the government authority in registering collective trademarks, there was no regulation on the proposal of international trademark registration, there was no regulation on the imposition of criminal sanctions, and there were on few things covered in the geographic indications.

A trademark is a communication medium recognizable by one of the five human senses. A trademark is divided into two types namely, Traditional

and Non-Traditional Trademarks. The traditional trademarks are those that include any signs, labels, etiquettes, names, letters, numbers or the combination of thereof. The development of technology has triggered the emergence of a new category in the modern trademarks or known as the non-traditional trademarks.

In the trademark development, we know non-traditional trademarks as the extension of the traditional ones. Toni P. Ashton and David N. Katz said: “non-traditional trademarks are trademarks consisting of such things as: Sound, Smell, Taste, Touch, Hologram and Kinetic Mark”. According to them, the meaning of non-traditional trademarks is those consisting of such things as sound, aroma, taste, touch, hologram and kinetic marks.<sup>1</sup> It is considered to be a non-traditional, because a trademark consists of elements which are developed from other known trademark element in general. In some countries, advertising slogans are also considered trademarks and may be registered in the trademark registration office. A number of countries also allow unusual forms of trademarks to be registered, such as the Three Dimensions sign (product form, packaging, or position of a sign), audible (Sound) or Aroma. However, aroma is very rarely regulated as a trademark including in Indonesia, because it utilizes a high technology in its application.

## NON-TRADITIONAL TRADEMARKS: A GENERAL OVERVIEW

INDONESIAN Legislation has recently accommodated non-traditional trademarks as a trademark. Previously, in Act No. 15 of 2001 non-traditional trademarks were not accommodated as a trademark. It can be seen in the Article 1 of Act No. 15 of 2001 which says, “a trademark is a sign in the form of pictures, names, words, letters, numbers, color arrangement, or combination of those elements which have differentiating power and is used in activity of trading of goods or services.” The article did not mention the form of three dimensions, hologram, sound, and aroma as a protected trademark. Later, products having the characteristics like three dimensions, sound, hologram or aroma need to be protected, because they distinguish them from other products.

Regulations which have not accommodated non-traditional trademarks in Indonesian law certainly become a particular concern for the trademark creators especially if the trademark is considered to be a well-known one since it is possible that others have possibility to copy freely or plagiarize the trademark without getting any sanction. The most copied

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<sup>1</sup> Toni P. Ashton, David N. Katz, “Non-traditional Trademark”, *Journal of Federation International des Conseils*, Munich, 2010, 3.

trademarks are those that are profitable or well-known, since they have gained a good reputation from the public and are often used or consumed by the public at large. In addition, the investors who want to invest by setting up a factory that produces the product also becomes worried about the sustainability of the product, because there is no future legal protection guarantee.

The elements of pictures, names, words, letters, numbers, color arrangements, or the combinations of these elements will not be sufficient to act as distinguishing characteristics of the trademark. There are new elements that can be expressed as distinguishing characteristics of the trademark like the aroma, sound, hologram, three dimensions. For example: the fragrance of CK and *Bulgari* are so distinctive that everyone who has been familiar with the scent of the perfume will directly be able to identify the trademark of the scent. Another example is sound. Everyone who has heard of a jingle of a product like “Indomie Seleraku” will spontaneously be able to immediately know that the jingle belongs to a product of *Indomie* noodles that is introduced to the consumers through sound.

The above examples are elements of distinguishing characteristics which can be considered to be a trademark itself. Therefore, the use of these elements has to be developed in order to give protection to the marketed products. The development of new trademarks like sound, aroma, three dimensions, and hologram are defined as the non-traditional trademarks or called non-conventional trademarks or modern trademarks. Thus, the trademark classification consists of traditional and non-traditional and in its definition, there are elements which can be considered as trademarks. Aside from the traditional and non-traditional trademarks, there are several characteristics of the trademarks like visible signs which mean that the trademark is visible, and non-visible signs which mean that the trademark is not visible but sensible, like sound and aroma.

## THE REGULATIONS *of* NON-TRADITIONAL TRADEMARKS

THE regulations of non-traditional trademarks internationally and nationally are governed in several instruments. In Indonesia, they are governed in the Trademark Acts NO 20 of 2016 and the regulation of the Ministry of Law and Human Rights No 67 of 2016 on Trademark Registration.

The article 15 paragraph 1 of Trade-Related Aspects of Intellectual Property Rights agreement mentions that: “Any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark. Such signs, in particular words including personal names, letters, numerals, figurative elements and combinations of colors as well as any combination of

such signs, shall be eligible for registration as trademarks. Where signs are not inherently capable of distinguishing the relevant goods or services, Members may make registrability depend on distinctiveness acquired through use. Members may require, as a condition of registration, that signs be visually perceptible”.

What needed to be done with the Non-Traditional Trademarks is that the trademarks owner makes efforts to introduce them to the consumers widely. For example, bad eyesight or blind consumers do not necessarily mean that they cannot know and distinguish one product from the others. For this condition, the owner of the trademarks has to try to introduce the trademark through sound like a jingle, an aroma through the sense of smell, gesture through touch and so forth. Consequently, a consumer who has physical limitations will be able to distinguish one product from the others. That is the causing factor that these kinds of trademarks grow, Trademarks owners attempt to their trademarks to the market widely regardless of one's physical condition which may limit their ability to distinguish one product from the others. The need for new trademarks has expanded to various other businesses so that the development of new trademark types seems to be very urgent for the sustainability of the trademarks in the future.

The emergence of new non-traditional trademarks is caused by the development of business demand either nationally or worldwide. This development is inevitable in order that the business competition will benefit each business actors. The development consists of goods and service business in the process of which a legal protection for the goods and the service. The protection available is for the pictures, logos, names, words, letters, numbers, color composition, or the combination between two elements or among the elements. There are more items to be protected like sound, hologram, three dimensions, and aroma. The rapid development of business world is considered to be the cause for protection of other facets of trademarks in the years to come.

**Table 1. The Regulation of Non-traditional Trademarks in the Act No 20 of 2016**

No.	Regulation	Remarks
1.	Paragraph 1 Item 1	A trademark is any sign presented graphically in the form of a picture, a logo, a name, a word or words, a letter or letters, a color composition in two or three dimensions, sounds, a hologram, or combination between two elements or more to distinguish a certain goods or service created or provided by an individual or an entity in a trade activity/ service provision.
2.	Paragraph 4 Item 6	If the trademark is in the form of three-dimensional object, the label attached should be in line with the characteristic of the trademark.

Paragraph 4 Item 7	If the trademark is in the form of sound, the label attached should be in the form of notation or a sound recording.
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Indonesia only provides protections for non-traditional trademark elements such as sounds, a three-dimensional object, and a hologram. The reason why it happens is because they are more difficult to be protected. In addition, Indonesia is still facing a difficulty imposing the implementation of the protection for those elements like in some developed countries, since Indonesia is not ready, both in the regulations and in the government capability in this case the General Directorate of Intellectual Property.

There is no difference between the regulation of traditional trademarks and that of non-traditional. Non-traditional trademarks are just the expansion or the development of the traditional trademarks. The problem is that the non-traditional trademarks are substantially more difficult because they can be in the forms of non-visible signs. A trademark can be registered, unless:

1. it does not conflict with the national ideology, laws and regulations, morality, religions, social norms, or public order;
2. it is not suitable with, related to, or does not state the goods and or services it attempts to register;
3. it does not contain misleading elements about the origin, quality, type, size, kind, purpose of the goods or the service that it attempts to register, or it does not use name of a variety of protected plant for the similar goods or services;
4. it does not contain information which is irrelevant with its quality, use, or benefit from the product and or service provided;
5. it does not have a distinctive characteristic; and or
6. its name belongs to public facility or symbol.

A trademark can be accepted by the examiner if it does not have any similarity either in part or in whole with other registered trademark, such as;

1. the trademark of other party has been registered prior to the similar product and or service;
2. a publicly known trademark of other party with the similar product and or service;
3. a publicly known trademark of other party having certain conditions although not similar with the product and or service; or
4. a registered geographic indication.

A trademark can be rejected if:

1. it is or is similar with a publicly known name of a person or its acronym, a photograph, or a name of an entity of other party, except with a written consent from the right owner;
2. it is an imitation or resembles a name or an acronym, a flag, a symbol or an emblem of a country, or a national or an international institution, except with a written consent from the authority;

3. it is an imitation or resembles a mark or an official stamp used in a country or by a government institution, except with a written consent from the authority.

Based on the above regulations, it is clear that a trademark can be accepted if it does not conflict with what has been governed in the trademark Act and it will be accepted if it does not have any similarity either in whole or in part with a previously registered trademark. The regulations above sum up the protection of non-traditional trademarks in Indonesia.

## CONCLUSION

THE regulations of non-traditional trademarks in Indonesia can be seen in the Act No 20 of 2016 on trademarks and geographic indications. There has been a strong urgency for the non-traditional trademark protection. However, not until the year of 2016 can these regulations be realized. It was because there are some developing products which need to be protected by these regulations. Until recently, there has not been a non-traditional trademark registered as a trademark. This condition is so since the Act No 20 of 2016 was just recently implemented. In addition, there have not been operational regulations which specifically govern the registration of non-traditional trademarks.

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Law Adagium

**LEX NEMINI OPERATUR  
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The law works an injustice to no  
one and does wrong to no one