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REVIEWING THE APPROACHES OF INDONESIA TO TRADEMARK DILUTION DOCTRINE

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Abstract

Rights to well-known trademarks need legal protection. The well-known trademark case relates to the trademark dilution doctrine. This research aims to analyze and determine the legal doctrine of trademark dilution in Indonesia. The research used a normative juridical approach so that secondary data was collected by using library research methods. The conclusion of the research is that the regulation of the trademark dilution doctrine in Indonesian national law is still implied. However, provisions related to the trademark dilution doctrine in the Paris Convention for the Protection of Industrial Property Rights and the Agreement on Trade-Related Aspects of Intellectual Property Rights can be applied. The resolution of violations of the trademark dilution doctrine in Indonesia under the Trademark Law is not optimal. The well-known trademark cases studied in this research meet the trademark dilution doctrine which contains the concept of passing off. The regulation on the trademark dilution of well-known trademark in Indonesia is still not perfect, so it is necessary to improve its legal substances.

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I. INTRODUCTION

The role of the welfare state in the field of Intellectual Property Rights (IPR) is realized by Indonesia through laws and regulations. Specifically for trademarks as IPRs, it is regulated in the provisions of Law Number 20 of 2016 concerning Trademark and Geographical Indication (Trademark & GI Law). Trademarks are closely related to economic and trade activities. Companies often spend a lot of time and money to prevent others from using their trademark. The reputation of the company relating to trademark is a very valuable thing that needs to be protected by law (Firmansyah, 2013).

Trademark dilution is closely related to well-known trademark arrangement because there is no dilution without a well-known trademark. Protection of well-known marks has existed in trademark law in Indonesia since the issuance of the Decree of the Minister of Justice Number M.03-HC.02.01 of 1991 concerning Rejection of Applications for Registration of Famous Marks or Marks Similar to Famous Marks Belonging to Others or Belonging to Other Entities (Decree of the Minister of Justice No. M.03-HC.02.01 of 1991), then this arrangement is present in Law Number 19 of 1992

concerning Marks (Mark Law) and the trademark law after that, namely the Trademark & GI Law, however, there is not a single word of dilution on the existing legal basis on trademark.

The last two trademark laws that apply regulate the protection of well-known marks in Article 6 paragraph (1) letter b jo. Article 6 paragraph (2) of the Trademark Law or currently regulated in Article 21 paragraph (1) letter b and c of the Trademark & GI Law. In Article 6 paragraph (2) of the Trademark Law and Article 21 paragraph (4) of the Mark & GI Law, it is mandated to have derivative regulations regarding the rejection of marks which are the same in principle or in whole as well-known marks. There are no derivative regulations from the Trademark Law. Minister of Justice Decree No. M.03-HC.02.01 of 1991 can be considered as a derivative regulation of the Trademark Law because there is no replacement rule or regulation that revokes the Decree of the Minister of Justice No. M.03-HC.02.01 1991 when the case was rolling. Meanwhile, a derivative regulation of the Trademark & GI Law has been issued, namely the Minister of Law and Human Rights Regulation Number 67 of 2016 concerning Trademark Registration (PERMENKUMHAM No. 67/2016). PERMENKUMHAM No. 67/2016 regulates well-known marks in Article 16 paragraph (2) letters b and c jo. Article 17 jo. Article 18 jo. Article 19 PERMENKUMHAM No. 67/2016. In essence, these articles regulate the rejection of applications for registration of marks that have similarities with well-known marks for products that are not similar or similar.

There is no division of terms or types of trademark infringement in the Trademark Law and the Trademark & GI Law (Disemadi & Mustamin, 2020). Whereas in the literature, doctrine, and law several countries recognize terms such as trademark infringement and dilution (US and United Kingdom or UK) and passing off (UK, Australia, New Zealand) (Jened, 2017; Aristidou, 2014). This ambiguous arrangement causes several articles of protection for well-known marks to be interpreted as an indirect dilution arrangement. Dilution is a well-known trademark protection concept coined by Frank Schechter. The definition of dilution according to INTA (International Trademark Association) is: "Trademark dilution refers to actions that weaken the uniqueness of a well-known trademark (famous trademark), usually as a result of blurring or tarnishment of a well-known trademark. Unlike trademark infringement, dilution involves the use of the mark on goods or services that do not compete with the goods or services associated with the well-known mark. For example, a law on trademark dilution could prevent a harmonica manufacturer from adopting the FERRARI trademark on its products, although no consumer would be confused about whether the harmonica was made or associated with a well-known car company. Hence, dilution represents the proposition that some well-known trademarks deserve protection beyond the standard confounding probability analysis to determine trademark infringement."

Similarity with well-known trademark means there is a potential for dilution to occur. A well-known mark has been protected from other marks that have similarities with it since registration. The prohibition against dilution is the destruction of the distinctiveness or distinguishing value of a well-

known trademark even if the trademark is attached to a non-competing product. Distinctiveness or uniqueness is one of the fundamental trademark functions. As a result, protecting the distinguishing power or uniqueness of the trademark becomes crucial, regardless of whether or not the product is similar or not to which the trademark is attached. Dilution regardless of the likelihood of confusion (Harris & Holbrook, 2008). What needs to be proven is only the possibility of dilution, not dilution that actually occurs (International Trademark Association, 2020).

Blurring is the original concept of dilution and dilution broadly. The real injury in infringement cases is the uniqueness of the trademark. The selling value of modern trademark is to make consumers recognize and buy products that previously provided a good experience for consumers. Coined marks and arbitrary marks (consisting of words that are used generally but, when used to identify specific goods or services, do not describe the material, quality, or significant characteristics of the goods or services [e.g. "APPLE" for computers; "OLD CROW" for whiskey] is best able to fulfill this function because they are only associated with the product of the owner and certainly stimulate memories of the product of the owner, not the product of others (Gader-Shafran, 2013). This uniqueness is threatened by the use of the trademark on similar or dissimilar products because it causes consumers to recall original products and junior products (Fhima, 2011). Every second use reduces the uniqueness of coined or arbitrary marks so a right is needed that allows senior trademark users to exclude all uses of junior marks, but only where the trademark is very unique (Fhima, 2011).

Schechter's journal article "The Rational Basis of Trademark Protection" shows several concepts of asynchronous thinking (Dreyfuss & Ginsburg, 2014). This has resulted in the development of the dilution doctrine, the idea was born that dilution only applies to dissimilar goods. Just a decade before Schechter wrote, in the infamous Borden case, the appeals court for the Seventh Circuit ruled that the use of the "BORDEN" brand on ice cream did not violate the registration of an identical trademark for milk (Dreyfuss & Ginsburg, 2014). This growing concept of dilution sees dilution in a narrow sense, limited to dissimilar goods.

³⁴ Article 6 of the Paris Convention jo. Article 16 paragraph (3) of TRIPS has previously prohibited the existence of marks (including imitations, reproductions, or translations) that can cause confusion with well-known marks in a country even though both marks are attached to products that are not the same. The use of which mark may give rise to an indication of the relationship between the product and the owner of the registered mark, and the interests of the registered mark owner may be damaged by such use. This concept is not much different from the concept of dilution.

TRIPS in Article 1 paragraph (1) has stipulates that its member countries apply the provisions of TRIPS using the appropriate method to conform to the national legal system and practice. Indonesia as a member country may apply broader protections than those required by TRIPS but, it

must not conflict with the provisions of TRIPS. So, it is appropriate that the dilution provisions in Article 16 paragraph (3) of TRIPS are applied in Indonesia.

Protection of internationally renowned trademarks is also regulated in **2** the Joint Recommendation Concerning Provisions on the Protection on the Protection of Well-Known Marks (JPWM). Indonesia **as** a member **of** the Paris Convention and WIPO is also subject to this treaty (Article 1). The word dilute and its concept are mentioned directly in JPWM. A trademark, business identifier and domain name are categorized as contradictory to well-known marks at least when all three or their essential parts are reproductions, imitations, translations, or transliterations of well-known marks and can unfairly damage or weaken the distinctiveness of well-known marks (Articles 4, 5, and 6 JPWM).

There are already regulations regarding implied dilution in Indonesia. However, it is still very minimal and too abstract to say enough. The changes in trademark law mean that Indonesia is fully aware of the need that well-known marks need to be protected. Several elements of dilution are: 1) Occurs in well-known or highly reputable trademarks that have their own uniqueness; 2) The junior mark used without the permission of the senior mark owner has the same or identical as the senior mark; 3) Both trademarks protect similar and dissimilar products (compete or not); and 4) Not based on public confusion and unfair business competition.

Dilution needs to be regulated in Indonesia to protect the owner or holder of trademark rights, promote the economy, maintain fair business competition, protect consumers and implement ratified international law. Not being given the maximum protection that well-known trademarks deserve is a form of underestimating the investment, effort, cost, and time of well-known trademark owners to build the uniqueness of their trademark. Indonesian law seems to have developed to serve the needs of the wider community and the world as well as respond to social and economic developments. Famous trademarks are strong in theory but vulnerable in fact. There are already cases that are actually cases of dilution. For example, the cases of the brands “IKEA”, “Davidoff” (Decision number 013 K/N/HaKI/2003) and “SEPHORA” (Decision number 166 K/Pdt.Sus-HKI/2016).

31 Indonesia as a state of law in the view **of** progressive law must actively make its people happy, without being asked. The legal state of Indonesia is still in the process of becoming, much needs to be clarified and strengthened (Mahmodin et al., 2011). Including the issue of protection of well-known trademarks from dilution. The law still needs to be changed according to the needs of the community and answer the legal problems that occur. According to Development Law Theory, positive national law as a means of community renewal still needs to be updated and fostered (Kusumaatmadja, 2006). Given the importance of the role of legislation in the context of community development, the executive and legislative bodies need to play a more role than just presenting new laws, the majority of which are copies of the old laws (Mahmodin et al., 2011).

II. RESEARCH METHODS

³² The issue of trademark rights protection related to trademark dilution can be studied by using a normative juridical research approach. This research method is based on an analysis of legal principles and norms, both analyzing the law written in the legislation, as well as the law as court decisions (Zulham, 2018). The data needed is secondary data sourced from data that has been documented in the form of legal materials (Diantha, 2016). ¹⁶ The data collection technique used in this research is literature study. The data analysis method used is descriptive analytical through research on trademark law and decisions related to trademark dilution.

³⁶ III. RESULT AND DISCUSSION

3.1. The Solutions for the Trademark Dilution Doctrine in Indonesia

¹⁵ Decision number 264 K/Pdt.Sus-HKI/2015 (Putusan 264) was a landmark decision in 2016 regarding the trademark rights case between Inter IKEA System B.V. (IKEA Sweden) and PT Ratania Khatulistiwa (Ratania). This case started from 2013 to 2015 where the trademark law that applies is the Trademark Law. The Trademark Law has been replaced by the Trademark & GI Law so that both of them become a reference for analysis.

IKEA Sweden has the brand "IKEA" registered in class 20 (IDM000277901 dated 27 October 2010) and 21 (IDM000092006 dated 09 October 2006) in Indonesia. Meanwhile, Ratania is a national company engaged in the furniture industry. In 2013, Ratania submitted an application for registration of the "ikea" mark for grades 20 and 21 (BBC News Indonesia, 2016). This application was rejected by the Directorate General of Intellectual Property Rights, now called the Directorate General of Intellectual Property based on Presidential Regulation Number 44 of 2015 concerning the Ministry of Law and Human Rights (DJKI) by reason of having similarities with the "IKEA" brand registered under the name IKEA Sweden. In the same year Ratania re-filed the registration of the "ikea" mark and the lawsuit for the deletion of the "IKEA" mark. The reason is that the "IKEA" brand has not been used for three consecutive years. On 17 September 2014, the Central Jakarta Commercial Court ordered the "IKEA" mark in grades 20 and 21 to be revoked. IKEA Sweden filed an appeal which was ultimately rejected by the Supreme Court (MA) (Novianti et al., 2017). The case of the "IKEA" brand became a landmark decision in 2016 (Saputra, 2017).

Ratania is not a third party with an interest in filing a lawsuit for the removal of the "IKEA" mark as regulated in Article 63 jo. Article 61 paragraph (2) UUMI or also regulated Article 74 UUMIG. Due to the lack of reflection of the intended interests and the proposed arguments, it shows Ratania's bad intentions. The first postulate is that Ratania is an export-oriented national company that is actively operating and providing benefits to the national economy while IKEA Sweden is a foreign company. In fact, based on Article 2 of the Paris Convention for the Protection of Industrial Property Rights 1883 (Paris Convention), Indonesia is obliged to provide the same protection to IKEA Sweden

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which is established under Dutch law, one of the member countries of the Paris Convention. The state still benefits from economic activities carried out by anyone, not only by national companies. There is no guarantee that Ratani will bring greater economic benefits. Ratania's transaction had ended at least in 2010 according to evidence at trial. Ratania's inactivity can also be seen from the last copyright in 2002 on Ratania's website. There has been no production activity at the Ratania factory since at least 2013 (Saputra & Tarigan, 2016; BBC News Indonesia, 2016).

The second argument is that the business expansion plan is trademark building because the interest in Ratania's products is increasing. During active business, Ratania can use any trademark. But, it wasn't until 2013 that they chose the "ikea" brand. If consumer interest in Ratania's products increases, at least the latest transaction evidence can be presented, namely transactions in 2014 or 2013, not transactions in 2010. No market interest means that trademark building is not needed.

The next argument is the acceptance of applications for registration of the "ikea" mark in grades 20 and 21 **3** by the DJKI as well as registration of copyright for the "ikea" logo. The right to a mark is born and is valid for 10 (ten) years **8** starting from the date of receipt after passing a substantive examination and being accepted for registration (Article 28 of the Trademark Law or Article 35 of the Trademark & GI Law. **2** Acceptance of the application for registration of the "ikea" mark does not mean the right to a trademark. Ratania's "ikea" trademark was born. Moreover, the application was only received on December 20, 2013 while Ratania's lawsuit was registered on December 24, 2013. The substantive examination has not yet begun (Article 18 paragraph (1) of the Trademark Law or also regulated in Article 23 paragraph (3) Trademark & GI Law). IKEA Sweden does not own the copyright to "IKEA" to date. If the lawsuit is not granted and/or Ratania does not acquire the rights to the "ikea" mark, Ratania can still use "ikea" in copyright form. Ratania's "ikea" logo copyright application is on record.

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The IKEA brand is a well-known trademark according to the criteria in Article 6 paragraph (1) letter b jo. Article 6 paragraph (2) of the Trademark Law or regulated in Article 21 paragraph (1) letters b and c of the Trademark & GI Law. **10** IKEA is a distinctive trademark, widely recognized and traded across national borders. The "IKEA" brand includes the coined mark or invented mark. Coined mark is a found mark and has no meaning in the dictionary. This trademark is the most powerful of the other types of marks and deserves the greatest degree of protection because it is very difficult for others to claim they are innocently creating very similar marks for the same goods or services (Bouchoux, 2016). Courts tend to protect coined marks from unauthorized use (Attorney, 2018). Products with the "IKEA" brand are available in many countries and can be reached by consumers anywhere via the website.

The intensive and massive promotion of "IKEA" products is carried out through easily searchable advertisements on the internet, a special website for Swedish IKEA stores for each country, accounts on several social media such as Youtube and Instagram. The "IKEA" catalog can

also be accessed and obtained free of charge from any Swedish IKEA website, in Swedish IKEA stores, via e-mail, mobile short message or certain addresses such as facilities in the US. The cost for promotions like this is certainly not small. The IKEA Group invests in renewable energy. Not counting the investment in every Swedish IKEA store in the world. In Indonesia, this retail company has at least made an investment in 2013-2014 of US\$ 100,000,000 (one hundred million US dollars) for a store in Alam Sutera, Tangerang (Ariyanti, 2013). IKEA Sweden carries out its social responsibility through organizations such as WHO (World Health Organization) and UNICEF (United Nations Children's Fund).

IKEA Sweden has at least an active "IKEA" brand registration for classes 20 and 21 in New Zealand, Canada, Israel, Mexico, Malaysia, Singapore and Indonesia. Not including the registration of the "IKEA" mark and its combination in other classes. According to the description, "IKEA" is a well-known brand. There is no need to survey the fame of "IKEA".

IKEA Sweden is also the first registrar of the "IKEA" brand in Indonesia so that it has exclusive rights including prohibiting other parties from using a mark that has a complete or similar resemblance to the "IKEA" brand (World Intellectual Property Organization, 2006). The "IKEA" brand has continued to be used since 1943 in line with the development of the "IKEA" business, including in Indonesia. When the lawsuit for the removal of the "IKEA" brand was filed, the distinctive Swedish IKEA official store building was already in although it had not yet been opened to the public. The use of the "IKEA" brand is postulated and proven by IKEA Sweden on pages 29 to 40 of Decision 264. IKEA Sweden's commercial activities in Indonesia have been started since 1990. Its business network in Indonesia has existed since 2010 and exports products made in Indonesia (Saputra & Tarigan, 2016).

IKEA Sweden requests protection of its trademark by proving the use of the "IKEA" brand at the production and trading stages. Evidence for the production stage is an affidavit legalized before a notary from Chou Der Liang, President Director of PT Karya Sutarindo (5 June 2014) and Zainudin Daud, Director of PT Findora Internusa (11 June 2014), two Swedish IKEA producers. Unfortunately, this evidence was ruled out without legal consideration due to survey evidence from Ratania conducted by an unreliable institution regarding the non-use of the "IKEA" brand for three consecutive years. In fact, affidavit can at least be considered as written evidence (Article 1866 of the Civil Code). Other supporting evidences are original product, photos of product packaging, and original product packaging. Two products (exhibit numbers T-13.A and T-14.A) were produced by local Indonesian producers (see page 9 Decision 165). Photo of the packaging of the two products (page 30 Decision 264) bearing the brand "IKEA", the words "made in Indonesia", "IKEA of Sweden" and IKEA Sweden. The news about the production of the "IKEA" brand in Indonesia since more than seven years before 2013 also supports the Swedish IKEA argument.

The waiver of the Swedish IKEA evidence even though the evidence is crucial regarding **13** the use of the mark violates **19** the principles of civil law. The principle of audi et alteram partem in Article 4 paragraph (1) of Law Number 48 of 2009 concerning Judicial Power (Law on Judicial Power) which must be given fair treatment, opportunity to give opinions, and equal attention to litigants (Sunarto, 2015). The principle of equality between the two litigants before the court means that the judge may not give a decision by not giving the opportunity to hear the parties. Judges must **27** be fair in giving the burden of proof to the litigants so that the opportunity to lose or win for the parties remains the same (Ali & Heryani, 2012).

The use of the “IKEA” brand at the production stage should have been the basis for the use of the Swedish trademark by IKEA. As per the definition of last use in UUM1, IKEA Sweden only needs to prove the last date of production. Only Swedish IKEA and designated local manufacturers know the exact last date of production. Meanwhile, the survey from Ratania can only find out the circulation of the product.

Evidence of trade in “IKEA” brand products in grades 20 and 21 is found in evidence in the form of sales invoices from 2006 to 2013 in Indonesia. Clear and unequivocal evidence of the use of the “IKEA” brand in the buying and selling process and distribution from numbers T-19A to T-54B are supported by photos of the two products on page 39 of Judgment 264. So, the “IKEA” brand was used continuously in Indonesia until 2013.

Ratania's bad faith (Article 4 UUMIG or Article 21 paragraph (3) of the UUMIG along with its explanations) and the intention to ride the reputation of the famous brand "IKEA" can be seen from the lawsuit where Ratania has submitted **15** an application for registration for the trademark "ikea" in 2013 for class 20 and 21 before suing Sweden's IKEA (BBC News Indonesia, 2016). This application was rejected by DJKI on the grounds that it had similarities with the Swedish IKEA brand “IKEA”. In the same year, Ratania filed a lawsuit for the removal of the “IKEA” mark in grades 20 and 21 on the grounds of non-use, which case reached the stage of cassation (Novianti et al., 2017). One year earlier, there had been reports in the mass media about IKEA Sweden preparing to enter the Indonesian market officially and appointing a national company as its franchisee in Indonesia (Tempo.co, 2012).

The obligation to have good faith in trademark registration cannot be separated **30** from the provisions in Article 6 of the Trademark Law or Article 21 of the Mark & GI Law. The party registering the mark must have good faith. The registered mark must be original, indeed made, given or purchased from other parties **35** in good faith and in accordance with the provisions regarding the restrictions on marks that may be registered. Ratania cannot possibly order a survey on the existence of “IKEA” products in the market and then try to register the “ikea” brand which has similarities with “IKEA” if she has good intentions.

Ratania shares its head office at Jalan Raya Rungkut 15-17, Surabaya with Kedaung Indah. These two companies are subsidiaries of Kedaung furniture. This is not the first time that Sweden's IKEA and Kedaung Group have been involved in a brand dispute (Tempo, 2016). First, IKEA Sweden won against Kedaung, in Verdict 128. Second, Angsa Daya (Kedaung Group) which was won against IKEA Sweden in Decision 165. Based on this fact, there has been an intention to imitate the "IKEA" brand by Kedaung Group. Therefore, Ratania's claim that the company was not aware of the existence of the "IKEA" brand is questionable.

Ratania's motive for filing a lawsuit for the deletion of the "IKEA" mark was for the smooth registration of her "ikea" mark. If the mark is deleted, the legal protection of the "IKEA" mark ends (Article 65 paragraph (3) of the Trademark Law or Article 92 paragraph (2) of the Mark & GI Law). Thus, Ratania's chances of getting an "ikea" brand certificate are greater. From this description, it is clear that Ratania's good faith is questionable.

The "ikea" mark and the "IKEA" mark have the following similarities (Article 15 paragraph (1) and Article 16 paragraph (1) TRIPS and Article 5 paragraph (2) of the Paris Convention, Article 6 paragraph (1) of the Trademark Law, Article 21 paragraph (1) letters b and c as well as Article 21 paragraph (2) letter a of the Trademark & GI Law and several jurisprudence such as decision number 279.PK/Pdt/1992 dated January 6, 1998): 1) Form, method of writing, and composition; 2) The combination of elements and elements; 3) Speech sounds; 4) Way of placement and appearance; 5) Class of goods, segments, and marketing areas.

Both brands consist of the same 5 letters and the same order to form the word "IKEA" or "ikea". "IKEA" is capitalized and "ikea" is lowercase. The "IKEA" brand consists of letters. "ikea" consists of letters and images. The main focus is the words "IKEA" and "ikea". Both brands are pronounced the same in Indonesian pronunciation, namely i-ke-a. Both brands are registered to protect goods in class 20 and 21. The segment and region of destination for both brands for households is targeting the Indonesian market.

Good faith in the practice of trademark registration can arise in cases of trademark registration which have similarities in principle and trademark registration without rights because the mark is not the registrant's creation. In this case, it can be seen that there are fundamental similarities between the two brands. The word "IKEA" was coined first by Kamprad, founder of the IKEA Group, not Ratania. Ratania's actions were clearly wrong and reflected bad faith. Ratania has been aware of the existence of the "IKEA" brand and continues to strive to have the "ikea" brand so that Ratania cannot be given legal protection based on the jurisprudence of the "Tancho" brand case number 677 K/Sip/1972 dated December 13, 1972.

This dispute fulfills the elements of dilution. The "IKEA" brand is a unique well-known brand. The junior brand "ikea" has similarities to "IKEA" and was registered in bad faith by Ratania

without the Swedish IKEA license. Both brands protect similar products. This case is also not based on claims of public confusion and unfair business competition.

The 264 ruling, which does not deliver justice, can have far-reaching consequences. Both for future judges and for the country's economy. Indonesia's attractiveness is reduced because Decision 264 does not provide the protection and legal certainty needed by investors or owners of well-known brands. Civil law judges are appointed as mouthpieces of the law. However, this cannot continue to be maintained because of legal breakthroughs that live and continue to develop in line with the times. The power of positivism that progressive law wants to fight without violating the law itself, but by doing rule breaking. Judges must be creative without breaking the law, defending the interests of the right party, even though the party is from a foreign country. Moreover, Indonesia intersects with other countries, has ratified several international legal instruments.

1 3.2. The Ideal Regulation of the Trademark Dilution Doctrine in Indonesia

Dilution protection is regulated in some countries and a well-known brand is required. However, Indonesia still has not regulated it explicitly. According to Development Law Theory, Indonesia must make written laws as a means of reform. The law must be able to oversee development to realize legal order and justice. Like the process of creating the Theory of Development Law, the dilution doctrine originating from abroad, the majority of the common law system, needs to be reformed and adapted according to Indonesian law. Efforts to institutionalize the protection of well-known marks from dilution are carried out through written law. Then, it is realized through law enforcement by law enforcers, the community, and the courts (Rasjidi & Rasjidi, 2016). Responding to legal issues and developments in international law that recognizes the dilution of trademarks, Indonesia can make changes or changes to its trademark law to regulate dilution. Or Indonesia can make a special law that regulates the dilution of brands.

The legal reform needs to be supported by improvements in every sector involved. One of them is community development. Public legal awareness is a factor that supports judicial development in accordance with the main policies in legal development (Kusumaatmadja, 2006). People need to appreciate the quality and authenticity of the product. Entrepreneurs need to appreciate the efforts of other entrepreneurs when starting and building a brand. This mindset can be instilled through legal education and counseling. Supervision and law enforcement must be carried out.

Improvement or replacement of the Trademark & GI Law can be done by studying the regulation of trademark protection and brand dilution abroad. Learning and applying international law includes the act of carrying out legal principles as a means of reform (Kusumaatmadja, 2006). Legal reform is adjusted to the legal awareness of the community (Kusumaatmadja, 2006). Based on the dilution doctrine and its regulation abroad, there are at least seven points that need to be regulated regarding brand dilution in Indonesia, namely: (1) Definition of well-known brand; Giving a

definition is important to clarify the scope of a well-known mark and help the consistency of court decisions. Examples of the definition of a well-known mark can be seen in the trademark laws of India, Malaysia, Singapore. Definitions in India describe well-known brand phrases. The definitions in Malaysia and Singapore relate to where the well-known mark is registered and who owns the state-protected well-known mark. The definition of brand also needs to be reviewed considering that there are non-traditional brands such as packaging, smells, and movements that have not been recognized by Indonesia but have been recognized in other countries such as Malaysia. If the mark becomes famous and there is a violation of the mark, there is still a legal vacuum in the existing law; (2) Clearer criteria for well-known marks are accompanied by a burden of proof, minimum evidence that needs to be submitted, and methods of proof and harmonization between related institutions so as to produce consistent decisions and decisions; Indonesia has set criteria for well-known marks but, there is no provision of proof. The advantages of well-known brand criteria in India and Singapore are for example the unification of well-known brand definitions, criteria, and related explanations such as relevant sectors in the main trademark law, not derivative rules. Second, setting the number of relevant sectors to establish brand fame. Brands have certain target consumers, not all groups can become consumers of certain brands; (3) Strict coverage of well-known brand protection, after or before the brand becomes famous; This has been regulated in other countries and it is important that it be regulated so that in practice there is no confusion or legal vacuum. Singapore protects well-known marks once they become well-known, unless the junior trademark registration is done in bad faith. Brazil protects well-known marks under ³³ Article 6bis (I) of the Paris Convention, regardless of whether the mark has been registered in Brazil; (4) Definition of dilution; The definition of dilution needs to be adjusted to provide scope for dilution and avoid multiple interpretations. Countries that have provided a definition of dilution are, for example, Singapore and the US. Singapore gives the notion of dilution. AS provides a definition for each type of dilution; (5) Dilution type; Dilution is generally divided into two, namely blurring (erosion of the value of the previous brand's uniqueness) and tarnishment (damage to brand reputation). AS regulates these two types of dilution and provides scope and criteria for each type of dilution to make it easier to determine the type of dilution that occurs. Dilution in Singapore is categorized in three forms of activity. This division is more of a dilution practice. Indonesia can set the definition and criteria for the type of dilution; (6) Dilution proof; This point is also related to proving well-known brands and using brands. Dilution only occurs in well-known brands used in the market. The classification of how a brand can be said to be used is not yet clear in Indonesia. Meanwhile, in Singapore, Japan, and the Dominican Republic, it is clearly regulated in the trademark law. An example of a dilution burden of proof arrangement is from the US where it is required to prove well-known marks, similarity of marks in dispute, and the fulfillment of the criteria for the type of dilution; and (7) Legal protection obtained from the existence of a dilution arrangement. This point relates to the protection that well-known brands get. For example, if the

holder of a well-known mark can file a claim for compensation on the basis of the unauthorized use of his mark on similar products (Article 76 of the Trademark Law or Article 83 of the Trademark & GI Law), then this provision is also extended to products that are not similar. The refusal to register a mark (Article 6 of the Trademark Law or Article 21 of the Trademark & GI Law) may add the reason 'may cause dilution'. Dilution protection in Singapore and the Dominican Republic is in effect from the time the mark is registered. The US refuses to register a trademark which may result in dilution.

IV. CONCLUSION

The regulation of the doctrine of dilution of marks in Indonesia is still implied through the interpretation of Article 6 of the Trademark Law which has now been amended by Article 21 of the Trademark & GI Law which regulates the registration of a mark that must be rejected if it has similarities with a well-known mark belonging to another party. In addition, Article 16 TRIPS jo. Article 6 bis of the Paris Convention also applies as the legal basis for the protection of trademarks from dilution. Articles 4, 5, and 6 of the Joint Recommendation Concerning Provisions on the Protection on the Protection of Well-Known Marks (JPWM) can also be applied by Indonesia as a member of the Paris Convention and a member of WIPO (World Intellectual Property Organization) based on Article 1 of the JPWM.

The solutions of violations of the trademark dilution doctrine in Indonesia under the Trademark Law is not optimal because it only accommodates the protection of well-known marks from other trademarks on similar goods. Meanwhile, for goods of a different kind, it is still unequal, so it is necessary for judges who dare to do rule breaking or who dig deeper into the essence of the Trademark Law. The Trademark Law can provide better protection for violations of the trademark dilution doctrine narrowly and broadly with the existence of a derivative regulation, namely PERMENKUMHAM no. 67/2016. The regulation of the brand dilution doctrine in Indonesia is still not perfect, and so is the practice. In fact, dilution is important for Indonesia to strictly regulate for the progress and development of trademark law, protect the investment climate, protect the public, especially consumers, and implement ratified international law. This arrangement can be incorporated in the trademark law or made separately in the separate trademark dilution law. The application of the dilution doctrine can be accommodated by minimally adding the following arrangements, namely the definition of well-known marks, provisions related to proving well-known marks, determining the range of protection for well-known marks, as well as definitions, types, evidence, and legal protection obtained from the regulation on dilution.

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