



## Protecting Well-Known Marks Related to Territorial Principle: From Substantive Similarity to the Distinctiveness Theory

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**Abstract** - Well-known marks are vulnerable to violations, including in Indonesia. Registered trademark disputes often occur between well-known and local mark owners regarding substantive similarities with well-known marks. Ironically, the dominant dispute resolution protects local marks with the rationality of mark protection based on Territorial Principles. The purpose of this study is to clarify how well-known marks are protected related to the exception applying the Territorial Principle to substantively similar marks and to examine the advantages of the Distinctiveness Theory for more legal certainty. The study used a normative legal research method. Study reveals that the Territorial Principle applies to mark protection through Article 6 of the Paris Convention, Article 15 of TRIPs, Article 3 of Indonesian Law No.20/2016 on Mark and Geographical Indication. Protection of Well-Known Marks is excluded from the Territorial Principle as agreed in 1925 by member countries of the Paris Convention. The exception arrangements are through Article 6bis of the Paris Convention, Article 16 of the TRIPs Agreement, and Article 21 of Law No.20/2016. Marks that are substantively similar with similar elements in visuals, phonetics, and concepts are important for mark examiners, law enforcers, and the public to understand. Understanding the mark distinctiveness theory from the weakest to the strongest, namely: Generic, Descriptive, Suggestive, Fanciful, and Arbitrary as an alternative solution for advantages in mark registration. That will also minimize mark disputes. Good faith in the mark registration is referring to uniqueness theory, it is able to differentiate items or services.

**Keywords:** Distinctiveness Theory, Substantively Similar To, Territorial Principle, Well-Known Mark

### I. INTRODUCTION

Ownership of a registered mark for a company is one of the important pillars in increasing the economic value and development of the company, especially for Small and Medium Enterprises (SMEs). In the context of enhancing economic value, products and/or services already trademarked have the potential to enter the modern market like supermarkets and even more, that is enter the global market. Customers benefit from the product's reputation and quality and/or service through the distinctive mark marks attached to the goods and services. A product that is protected by mark law is accepted by consumers and that means that market access for the company that owns the product is economically wider, and this in turn has implications for increasing the economic value of the company and also for the surrounding community who work for the company.

Mark law exists to protect mark owners as well as consumers from economic loss (Simon, 2020). Concerning mark protection from an economic perspective, Richard Posner,

et.al (1967) underlined that there would be two separate expenses associated with not enforcing markings. One is in the market for products with trademarks, and the other is in the unique (and unusual) market for languages. The advantages of trademarks in lowering consumer search costs are dependent on the manufacturer of a trademarked product maintaining a constant level of quality over time and among consumers, according to distinct expenses associated with the market for products with trademarks.

On the other hand, in the context of the market in languages it is clear that a completely different advantage of mark protection comes from the incentives it provides to devote resources to creating new words (or symbols, or, less obviously, design elements utilized as trademarks) rather than preserving quality (Landes & Posner, 1987). Legal protection of marks not only provides benefits for producers but also protection for consumers. Consumers are protected from counterfeiting of goods or services that use a mark illegally (Balqis & Santoso, 2020). Mark protection is fundamentally granted by the State. Marks that are registered for the first time in a country and for recognizable trademarks that are registered in multiple nations aim to protect not only the mark owners but also consumers. Especially when consumers buy products that fall into the Well-Known Mark category. Consumers can truly feel justice and benefit because the products they buy are truly renowned and high-quality products.

TRIPs Agreement: The Paris Convention and the Trade-Related Aspects of Intellectual Property Rights Agreement are two examples of international intellectual property rights agreements that govern how well-known marks are protected. However, there is no explicit definition or concept of what is meant by Well-Known Marks. This condition creates confusion regarding other established reputation hierarchies. The 'well-known' branch proper is one of the distinctions made by the French Intellectual Property Code and the 'famous' ('renomme') branch (Blakeney, 2003). As a member country, Indonesia's compliance with the World Trade Organization (WTO)-TRIPs Agreement in relation to mark protection can be seen through several revisions to the mark law which have been carried out in the last decade until the enactment of the new Indonesian Mark Law, namely Law No. 20 of 2016 on Mark and Geographical Indication (Law 20/2016). Mark protection through registration is regulated in Article 1 number 5 of Law 20/2016 which is intended not only for large companies but SMEs. Registration of marks is the basis for obtaining protection.

SMEs are one of the important pillars in economic development in Indonesia. Bali which is famous for its tourism destination in the world is one of the many examples (Dharmawan, N.K.S., Kasih, D.P.D., Dewi, A.A.I.A.A.A., Kurniawan, I. G.A., Pranajaya, 2020). Mark registration policies, apart from being regulated through Law 20/2016, have also been regulated through the Ministry of Law and Human Rights Regulations No. 12 of 2021 on Amendments to Minister of Law and Human Rights Regulation No. 67 of 2016 on Mark Registration (MoLHR Regulation 12/2021). In the context of access for SMEs and accelerating the completion of the mark registration process, several articles of the mark legal provisions were amended through Article 108 of Law No. 6 of 2023 on the Stipulation of Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation into Law (Law 6/2023). Provisions regarding mark protection are continuously disseminated to educate the public about the importance of mark protection for SMEs' creative economy products.

Various education and outreach activities on mark protection in Indonesia seem to have produced results. In line with the policy of accelerating the process of completing mark registration under MoLHR Regulation 12/2021, people who own goods and/or services are increasingly aware of the importance of mark protection, marked by an increase in the number of mark registrations. However, there are still complaints from product and/or service owners whose mark registrations have been rejected because of their substantial similarities (persamaan pada pokoknya). Meanwhile, several registered marks appear to have substantive similarity and give rise to mark disputes, including well-known marks. For example, the case of the famous mark CORNETTO with the Campina Cornetto Ice Cream product (Collection of Supreme Court Decisions on Mark Cases, 2004;21-22) (KARTAWIDJAYA, 2017), IKEA vs local IKEA with case number 264 K/Pdt.Sus-

HKI/2015(Rofik & Sari, 2024), case of PT Kosmetika Global Indonesia and PT Kosmetika Cantik Indonesia MS Glow) with PT Pstore Global Bersinar Indonesia (PS Glow), Pure Kids with Pure Baby (Sulasno et al., 2023), and various other mark cases.

Mark protection as one of the intellectual property legal regimes emphasizes differentiating power. In other words, the sign that is used as a distinguishing power must really be different. Theoretically, there is what is known as the theory of differentiating power, starting from the weakest differentiating power to the strongest. Starting from generic to arbitrary, this is what should also be emphasized in mark education, so that the public is not always faced with disputes or legal issues related to the existence of registered marks that are substantively similar. By paying attention to the crucial nature of mark cases, this study examines the regulations and criteria for marks with substantive similarity (*persamaan pada pokoknya*) and alternative solutions for understanding the distinctiveness theory in mark protection.

This study aims to explore the protection challenges that small and medium-sized enterprises (SMEs) face in securing trademark rights, especially as they attempt to enter larger markets. SMEs often struggle with mark protection due to limited resources, which can make them vulnerable to issues such as territorial disputes and conflicts with well-known brands. In this context, securing trademark rights becomes crucial for SMEs to safeguard their identity and compete effectively in both domestic and international markets.

## **II. METHOD**

This study uses the Statute Approach, Conceptual Approach, and other normative legal research methods, Comparative Approach, Analytical Approach, and Case-Based Approach. This study employs a normative legal research method, utilizing five approaches to provide a comprehensive analysis. The Statute Approach examines relevant legislation to interpret legal provisions; the Conceptual Approach clarifies key legal concepts foundational to the study; the Comparative Approach contrasts laws across jurisdictions to highlight differences and similarities; the Analytical Approach scrutinizes legal principles to draw deeper insights; and the Case-Based Approach assesses real-life cases to illustrate practical applications and implications.

The legal materials consisted of TRIPs Agreement, Paris Convention, Law 20/2016, MOLHR Regulation 12/2021, Law 6/2023, and various literature as well as journal articles relevant to mark protection. All those legal materials analyzed by using descriptive qualitative analysis.

## **III. RESULT AND DISCUSSION**

### **1) Mark Protection in the Context of Substantive Similarity from National and International Viewpoints**

Since 1994, Indonesia has been a member country of the WTO-TRIPs Agreement, which is the most comprehensive international instrument regulating the protection of intellectual property rights, including mark protection. As a member country, Indonesia's obligation to comply with international agreements has been written into national law through the Mark Law, currently Law 20/2016. According to Law 20/2016's Article 1 Point I, a mark is any symbol that can be graphically represented as drawings, logos, names, words, letters, numerals, colors, shapes in two or three dimensions, sounds, holograms, or combinations of two or more of those elements in order to distinguish goods and/or services produced by an individual or legal entity in the course of trading goods and/or services. By looking at the definition of a mark, it can be stated that "distinctiveness" which is capable of distinguishing is a very essential element in mark protection. In an international viewpoint, A sign or any combination of signs that can be used to identify a good or service can and will be regarded as a mark under Article 15 (1) of the TRIPs Agreement.

Protection for registered mark owners who have registered a mark with a sign that is truly distinctive means that the mark owner is given the right to the mark by the state, namely the exclusive right to the mark owner for a certain period of time to use the mark himself or

give permission to other parties to use it. The mark protection period is 10 years and can be extended for the same period, and so on. The exclusive rights protection given to registered mark owners is essentially a form of justice for those who, with their intellectual abilities and creative thinking, produce works that are beneficial to people's lives. From the perspective of the Theory of Justice from the Philosopher Aristotle, it can be understood that individuals who are creative and fair have the right to receive compensation for the hard work they do, for the investment or sacrifice of energy, time, costs, even family in order to produce creative works that are useful for human interests. In the context of IPR, incentive theory, reward theory, and recovery theory and public benefit theory have emerged (Roisah, 2015). Exclusive rights essentially provide rewards to the mark owner to obtain economic benefits from owning the mark. Exclusive rights to marks are regulated explicitly in Article 16 of the TRIPs Agreement.

The sole power to stop a third party from using identical or similar signs for identical goods or services rests with the owner of a registered trademark or similar to the registered trademark in the course of business without the owner's consent, provided that doing so would increase the likelihood of confusion, as stated in Article 16 (1) of the TRIPs Agreement. In this context, it can be argued that the mark for which registration is requested must not have similarity (*persamaan pada pokoknya*) or identical (*pesamaan pada keseluruhan*) with other parties' registered marks for similar goods and services. In relation to the protection of Well-Known Marks, there must be no identical and no similar whether for similar or dissimilar goods or services as regulated in Article 16(1), 16 (2) and Article 16 (3) TRIPs Agreement. In reality, Article 6Bis of the Paris Convention is expanded upon by the protection of well-known marks as outlined in Article 16 of the TRIPs Agreement.

Signed in Paris in 1883, the first intellectual property agreement was the Paris Convention for the Protection of Industrial Property are the source of mark protection from an international standpoint. It was then was revised several times. It established a Union for the protection of industrial property. Historically, in 1883, a diplomatic conference was held in Paris which became known as the Paris Convention for the Protection of Industrial Property. In this Convention, especially in Article 6, it reaffirms the principle of territoriality. Article 6 of the Paris Convention is the legal basis for the adoption of the territorial principle in mark protection. More explicitly, it can be observed that the principle of territoriality is regulated in Article 6 (3) which stipulates that a mark legally registered in a Union country is considered independent from marks registered in other Union countries, including the country of origin. It is highlighted that trademark rights are territorial in nature and reinforced by the independence principle found in Article 6(3).

According to Article 6(3), a mark that is properly registered in one of the Union's member states will be considered independent of marks that are registered in the other Union member states, encompassing the nation of origin. In this context, independence is a sign of affirming the character of adhering to the territorial principle in mark protection. Apart from the Territorial Principle, the Paris Convention is also based on the Principle of National Treatment (Article 2) and the Principle of Priority Rights (Article 4A). The Territorial Principle essentially gives authority to a member country to regulate the registration of intellectual works and protect them within their territorial borders. Protection is only given within a country's territorial borders, not internationally (Medina & Enggriyeni, 2023). The territorial principle in the TRIPs Agreement relating to mark protection can be observed through Article 1 (Nature and Scope of Obligations), especially Article 1.1, Article 3, Article 4, and Article 15. However, Well Known-Mark protection adheres to more exclusive protection, more pre-village protection, namely that it does not adhere to the territorial principle as is the case for mark protection in general. Well-Known Marks are exempt from the territorial principle as stipulated in TRIPs Agreement Article 16 and Paris Convention Article 6bis.

From a historical perspective, in 1925 member countries to the Paris Convention agreed to an exception to the territoriality principle of trademarks by adding Article 6bis (Nichols, 2020). The 1883 Paris Convention has been revised many times. The 1925 revision was carried out in the Hague on November 6, 1925, namely with the addition of Article 6bis for the protection of Marks in the Well-Known Marks category, namely regulating exceptions

to the Territorial Principle. In other words, it can be argued that the Territorial Principle does not apply to Well-Known Marks. It can be observed that Article 6bis regulates three (3) important substances, namely:

- 1) If their laws allow it, the Union's member states agree ex officio to refuse or cancel registration, or in response to an interested party's request, to prohibit the use of a reproduction-based trademark that could cause confusion of a mark that the country's competent authority is widely recognized in that nation as already belonging to a person who is eligible to receive the benefits of this Convention and is utilized for items that are same or comparable. These rules will also be applicable if the mark's primary component is an imitation that could lead to confusion with another well-known mark or a reproduction of such mark.
- 2) Requests for the cancellation of such a mark must be made at least five years following the registration date. The Union's member states may stipulate a time frame for requesting a use prohibition.
- 3) Requests to have registered or utilized in bad faith marks cancelled or to have their use prohibited are not subject to a time limit.

By looking at how The TRIPs Agreement and the Paris Convention regulate registered trademark protection internationally, it can be stated that these international instruments have very firmly regulated that trademark protection generally adheres to the Territorial Principle as confirmed in Article 6 of the Paris Convention and Article 15 of the TRIPs Agreement, which is based on first to file system, which is the first registration system in a country and is only protected in the region where the mark is registered. Meanwhile, for the Well-Known Mark's protection, a more special arrangement is provided, namely in the form of an exception from the Territorial Principle. Understanding of the Well-Known Marks category refers to Articles 16.2 and 16.3 of TRIPs Agreement, recognize that services are covered by Article 6bis of the 1967 Paris Convention, *mutatis mutandis*. Members shall take into account the mark's recognition in the relevant public sector, as well as any pertinent Member information acquired through mark promotion, when assessing whether a trademark is well-known. Goods and services that are not similar to those for which a trademark is registered are nevertheless covered by Article 6bis of the 1967 Paris Convention, *mutatis mutandis*, as long as the use of the trademark in connection with those goods and services will show a connection between them.

In 1999, WIPO issued a joint recommendation about provisions pertaining to the protection of well-known marks contains guidelines for member nations on how to protect well-known marks under Article 2, determines the criteria for assessing whether a mark is a mark that is widely known in Member States, taking into account the following factors: 1. degree of familiarity with or recognition of the mark in the relevant public sector; 2. the length, scope, and geographic region of any mark's use; 3. the length, scope, and geographic region of any mark promotion, such as publicity, advertising, and product displays at shows or exhibitions of goods and/or services that use the mark; 4. the length of time and region in which the trademark was registered and/or applied, to the extent that this indicates the trademark's usage or recognition; 5. a history of effectively enforcing the mark's rights, specifically the degree to which the relevant authority has acknowledged the mark as well-known; and 6. the mark's associated values Joint Recommendation Regarding Well-Known Mark Protection Provisions, held during the Thirty-Fourth Series of Meetings of the WIPO Member State Assemblies, September 20–29, 1999 Geneva, 2000 (World Intellectual Property Organization, n.d.). WIPO emphasizes that these factors are guidelines to help authorities in a country determine whether the mark is a Well-Known Mark. The scope of protection of Well-Known Marks ranges from Bad Faith, Conflicting Marks, Conflicting Business Identifiers, and Conflicting Domain Names.

By observing the guidelines from WIPO regarding the elements should be taken into account in determining a mark, including well-known marks, as well as the regulation of exceptions to the Territorial Principle in mark protection as regulated in Article 16 paragraph (2) of the TRIPs Agreement and Article 6bis of the Paris Convention, as a TRIPs member

country it is appropriate to understand and comply with what has been agreed. In the Principle of Pacta Sun Servanda, it can be understood that agreements made become law for those who make them. Indeed, not all member countries of the TRIPs Agreement immediately comply with and recognize the protection of well-known marks based on exceptions to the territorial principle. The United States is one example, even though this country is a second signatory to the TRIPs international agreement. In the United States, the Lanham Act does not explicitly regulate the protection of Famous Marks, which in the Paris Convention uses the term Well-Known Marks. In its development, cases such as ITC and Grupo Gigante which ultimately applied the famous mark doctrine are a reflection of how important it is to adopt the substantive provisions of the Paris Convention and TRIPS into the Lanham Law, to ensure that the main policy of mark law is to protect the public from confusion and deception. The well-known trademark doctrine can prevent infringement of well-known marks. Incorporating the famous mark doctrine into federal law will help ensure that owners of well-known foreign marks are protected and safe from misuse in the United States. If such doctrine were not incorporated into the Lanham Act, the United States would be at risk of continuing to violate its treaty obligations under the TRIPS Agreement and the Paris Convention. This could also lead to reciprocal issues as US businesses look to protect their well-known brands overseas (Faris, 2008).

Along with global developments, famous mark cases in the United States have begun to be resolved based on the famous mark doctrine, which emphasizes the exclusion of territorial principles. From a national perspective, Indonesia has actually complied with its obligations as a member country of the TRIPs Agreement, both for mark protection which is generally based on territorial principles, as well as well-known mark protection based on the doctrine of well-known marks, which does not include territorial grounds. Protection for marks that generally adhere to the Territorial Principle is reflected in several provisions: Article 3, Article 18 Paragraph (1), and Article 21 Paragraph (1) of Law 20/2016. These provisions indicate that mark protection is obtained through a registration system, valid only within the territory of Indonesia, as well as regulations regarding refusal to register a mark if the mark has similarities with a previously registered mark.

The existence of the Territorial Principle is clearly reflected in these provisions. In the context of Well-Known Marks protection which excludes the Territorial Principle, Indonesia also recognizes and adopts it through the provisions: Article 21 Paragraph 1 letters b and c of Law 20/2016, and Article 16 paragraph (2) MOLHR Regulation 12/2021. This provision essentially determines that registration of a trademark is rejected if it contains identical (*persamaan pada keseluruhan*) or is substantively similar to (*persamaan pada pokoknya*) goods and services that are similar or dissimilar to a well-known mark. The definition of Well-Known Marks is not explicitly regulated in Law 20/2016. However, rejection of registration of marks that are identical (*persamaan pada keseluruhan*) or is substantively similar to (*persamaan pada pokoknya*) to Well-Known Marks is based on the Elucidation of Article 21 paragraph (1) letter b of Law 20/2016, the assessment criteria are as follows: pay attention to factors: general public knowledge of the mark in the relevant business field, mark reputation obtained due to intensive and large-scale promotion, as well as the owner's assets and documentation of the mark's registration in many nations.

In Indonesia, although it has regulated the protection of Well-Known Marks through several articles and explanations which are specifically in accordance with the Paris Convention and the TRIPs Agreement, it has also regulated what is meant by "substantively Similar to" (*persamaan pada pokoknya*), specifically those that result from prominent variables between markings, creating the appearance of similarity in shape, arrangement, writing style, or element combination, as well as similarities in the sound of speech contained in the mark, but in reality there are still frequent and ongoing mark disputes, relatively often disputes between local marks and well-known marks, where most of the court decisions are in favor of local marks while the basis of the assessment is still based on the Territorial Principle. This phenomenon, in international relations, has an unfavorable impact on Indonesia. In fact, in many Intellectual Property forums like Focus Group Discussions, seminars, as well as journal

publications, Intellectual Property observers often regret that court decisions are dominant in favor of local mark owners. In other words, it seems that Indonesia does not understand that the Well-Known Marks are based on exceptions to the territorial principle, or there is also an opinion that it does not want to implement the exception principle adopted by the Well-Known Marks. Other than the mark examining authority, other stakeholders such as judges as law enforcers in court, lawyers and legal consultants, the Regional Research and Innovation Agency, and regional governments whose jobs or duties related to IPR protection need to understand the basic protection of mark in general and well-known marks.

The guideline for understanding the criteria for a mark to be considered to have substantive similarity (*persamaan pada pokoknya*) is by paying attention to the presence of dominant factors. The dominant factor in question is seen from the presence of elements of similarity whether in visual, concept and/or phonetics in the mark for which registration is requested. In the Technical Instructions for Mark Examination by the Directorate General of Intellectual Property of MOLHR of Indonesia (DJKI) (2020), it is stated that "identical" is the similarity in appearance of all mark elements which are identical to other marks without any modification or addition of other elements. If there are additions or modifications, the differences between the two marks must be very small (not significant) so that consumers will not consider them as different product identities. Such trademark applications will be rejected because they will certainly cause confusion among the public in identifying the source of the product. Consumers will assume that the two marks are related and owned by the same party (Directorate of Trademarks and Geographical Indications, Directorate General of Intellectual Property Rights, 2020).

The term "substantially similar to" (Equations in essence) refers to the similarity between the dominant elements of two marks in different owners' names, creating the appearance of similarities in shape, placement, writing style, element combination, and speech sound, which can make people fooled into assuming that there is a connection between one and the other and assuming that both originate from the same party. In other words, to determine "substantively similar to" (Equations in essence) is by comparing similarities in visual, phonetic and conceptual aspects. By having the same understanding between all actors who are related and interested in trademark registration, especially with regard to substantive examinations that contain substantive similarity (*persamaan pada pokoknya*), it is hoped that cases relating to well-known marks can be resolved more wisely without harming the exclusive rights of the owners of the well-known marks, as well as compliance towards obligations as a member country of the TRIPs Agreement, Paris Convention and WIPO.

### **3.2. Distinctiveness Theory in Registered Mark Protection**

Understanding and recognizing the well-known marks doctrine as stated in Article 6bis of the Paris Convention, Article 16 of the TRIPs Agreement, as well as thoroughly understanding the criteria for dominant factors in assessing elements of substantive similarity (*persamaan pada pokoknya*) in trademark registration are crucial in ensuring that well-known marks get legal protection. This protection essentially protects the interests of people who have worked hard to produce creative intellectual work by sacrificing energy, time, thought, money, and even family in producing work that has a reputation and high standards, such as well-known marks. Protection is not only for mark owners. Protection is also for the consumers. Hence, consumers can quickly and efficiently get truly reputable products and avoid the risk of counterfeit products. Another alternative solution that is considered relevant is to understand the Distinctiveness Theory.

In this application, distinctiveness theory relates to how much the sign used or claimed to have differentiating power in conveying information to consumers about the source of the product or service. A protectable mark tells consumers something about the relevant source of a distinctive product or service. In America, mark strength is one of the factors courts generally consider in analyzing the likelihood of confusion. For example, *Polaroid Corp. v. Polarad Elecs. Corp.*, 287 F.2d 492, 495 (2d Cir. 1961). Courts have traditionally evaluated

the distinctiveness of word marks by ascertaining the context-specific meaning of the phrase in question of its use in four categories in order of strength of distinction, namely: (1) generic, (2) descriptive, (3) suggestive, or (4) arbitrary or fanciful (McKenna, 2007). Since a generic term is the name of a good or service, it can never be used as a trademark. Although descriptive adjectives that describe a product or its attributes are not unique by nature, they might become such if they take on a secondary meaning. The term Arbitrary is used as a mark, in fact the meaning of the word is understood, but it is used in an unusual way. Apple for laptop technology products. Fanciful or fantastic terms, terms or words that were invented, made, have not previously existed in the dictionary such as KODAK. This word only became known when it was used as a mark.

The strength of this differentiating power is often classified into some categories, namely from the strongest differentiating power to obtain mark protection to the weakest, namely: arbitrary, fanciful, suggestive, descriptive, and generic (Utama et al., 2021). The fundamental of mark protection is the existence of differentiating power. Therefore, to obtain legal protection for a mark without having to prove that it is free from identical or substantive similarity, mark applicants should use distinctive signs to claim their trademarks based on the theory of distinctiveness, preferably by choosing the strongest category of distinctiveness such as arbitrary or fanciful. In Indonesia, it is very important to disseminate knowledge about Distinctiveness Theory continuously to both industrial companies and SMEs so that they understand the true rationality of mark protection. Therefore, they do not imitate registered marks, including well-known marks.

Indonesia has been socializing mark legal policies on an ongoing basis which can be seen from various events that have been implemented by the central and regional governments. For example, by designating 2023 as a mark year with a superior theme, building awareness of love and pride for Indonesian marks. The mark registration process in Indonesia is faster than before. Within the scope of The Association of Southeast Asian Nations (ASEAN) countries, Indonesia is among the countries that promptly issues mark certificates (Wahyuni, n.d.). Another policy by the DJKI is the One Village One Brand movement that seeks to increase understanding of the significance of intellectual property protection for all communities and businesses in a region that share similar products to register a collective mark (One Village One Brand Untuk Wujudkan Merek Unggulan Dari Setiap Desa Di Indonesia, n.d.).

However, simply dissemination itself is insufficient, as injustices in mark registration still persist. On the one hand, mark applicants are rejected due to substantive similarity (persamaan pada pokoknya), while at the same time, there are also marks that appear to be identical, in reality they are accepted as registered trademarks. It ultimately leads to mark disputes. More dissemination on the criteria, measurements, and guidelines for determining a distinctive mark as a mark considered identical or similar that causes the likelihood of confusion is needed to minimize the confusion and legal uncertainty. It is essential to prioritize an understanding of the distinctiveness theory and to establish clear criteria for assessing the presence of dominant elements in marks with substantive similarity (persamaan pada pokoknya), namely visual, phonetic, and conceptual similarities.

#### **IV. CONCLUSION**

Well-known mark protection is susceptible to infringement, including in Indonesia. There are several cases in Indonesia related to the well-known marks, one of them is the EKEA case. Ironically, the dominant dispute resolution protects local marks with the rationality of mark protection based on Territorial Principles. Indonesia as one of the members of the TRIPs Agreement is considered a comprehensive international convention to regulate the protection of Intellectual Property Rights including in trademarks, as been regulated the protection of well-known marks through Law No. 20 of the 2026 concerning Trademark and Geographical Indications. Trademark protection in general based on the Territorial Principle applies to mark protection through Article 6 of the Paris Convention, Article 15 of TRIPs, and Article 3 of Indonesian Law No.20/2016 on Mark and Geographical Indication. Meanwhile, the



protection of Well-Known Marks is excluded from the Territorial Principle as agreed in 1925 by member countries of the Paris Convention. The exception arrangements are through Article 6bis of the Paris Convention, Article 16 of the TRIPs Agreement, and Article 21 of Law No.20/2016. Marks that are substantively similar with similar elements in visuals, phonetics, and concepts are important for mark examiners, law enforcers, and the public to understand. Understanding the mark distinctiveness theory from the weakest to the strongest, namely: Generic, Descriptive, Suggestive, Fanciful, and Arbitrary as an alternative solution for advantages in mark registration. That will also minimize mark disputes. Good faith in the mark registration is referring to the uniqueness principle, it is able to differentiate items or services.

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