



Legal Implications of Changing Commercial Identity Through Naming Rights Agreements

Muhammad Nur Alamsyah, Moh. Sigit Gunawan

Faculty of Law, Swadaya Gunung Jati University, Cirebon, West Java, Indonesia

Email alamsyahxips4@gmail.com

Abstract

Background. The development of *naming rights* practices in Indonesia shows an increasingly significant shift in commercial identity in modern business activities. However, these developments have not been matched by specific, comprehensive legal arrangements.

Aims. This study aims to analyze the legal arrangements related to *naming rights* agreements and their implications for legal certainty and the parties' protection.

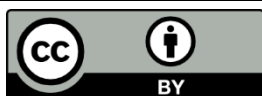
Methods. The research method used is normative legal research, employing a statutory and conceptual approach.

Result. The results of the study show that *naming rights* agreements are formally valid under the principle of freedom of contract as stipulated in Article 1338 of the Civil Code, but there remains a substantial legal *vacuum* in their regulation.

Conclusion. In addition, notaries, as public officials, face the risk of legal liability if the deed they prepare does not take into account legal protection and trademark law provisions. Therefore, a special regulation is needed to govern the practice of *naming rights* in Indonesia to ensure optimal legal certainty and protection.

Implication. This void raises various legal implications, including legal uncertainty, inadequate protection for brand owners and sponsors, and potential losses for third-party consumers.

Keywords: Naming Rights, Commercial Identity, Brand Law, Consumer Protection, Legal Certainty.



© 2026 The Author(s). This article is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/), which permits use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source.

INTRODUCTION

Globalization and the development of the business world have created increasingly fierce business competition. Under these conditions, business actors are not only required to produce quality products or services but also to build a strong commercial identity through brands, business names, logos, and business reputation. Commercial identity has high

economic value because it is closely related to consumer loyalty and corporate image. In its development, commercial identity is no longer only seen as a tool to distinguish products or services, but has become an economic asset that can be used in various forms of business cooperation, one of which is through *naming rights* agreements. *Naming rights* agreements are a form of commercial cooperation in which the sponsor acquires the right to use certain names or commercial identities in public facilities, buildings, stadiums, bus stops, or certain activities.

The practice of *naming rights* has grown rapidly in various countries as part of the marketing strategy and to increase the economic value of assets. In Indonesia, this practice began to be seen in the naming of public transportation stops, commercial buildings, and other public facilities. However, the development of this practice has not been followed by clear and specific legal arrangements. Until now, the regulation of *naming rights* in Indonesia still depends on the general provisions of treaty law in the Civil Code (KUHPerCiv) and the provisions of intellectual property law, especially Law Number 20 of 2016 concerning Trademarks and Geographical Indications. This condition creates a legal *vacuum* that can lead to uncertainty and disputes between the parties. In addition to having an impact on the legal relationship of the parties, changes in commercial identity through *naming rights* can also affect the public as consumers. Changing the name of a public facility or the identity of certain services can cause public confusion if it is not accompanied by adequate information transparency. Based on this description, this study is important to examine the legal implications of changing commercial identity through *naming rights agreements*, especially in the perspective of treaty law, trademark law, and consumer protection.

The practice of *naming rights* has developed as an instrument for the commercialization of business identity, providing economic value for asset owners and sponsors. Previous studies have generally examined naming rights from the perspectives of marketing, sponsorship, and brand licensing. In Indonesia, existing research focuses primarily on brand protection, intellectual property rights licensing, and consumer protection against misleading brand use. Meanwhile, from the perspective of contract law, the practice of naming rights is still considered a means of implementing the principle of freedom of contract under Article 1338 of the Civil Code. However, the development of the practice of changing commercial identity through *naming rights* has not been balanced with a comprehensive legal study of its implications for legal certainty, consumer protection, and notary responsibilities in the preparation of such agreements.

LITERATURE REVIEW

Commercial Identity Theory

Commercial identity is important in the business world because it distinguishes one business from another. This identity includes the business name, brand, logo, and image attached to a company. In law, commercial identity is a form of intellectual property with economic value that is protected by law.

A commercial name is not only a marker but also a business asset that can be transferred, licensed, or used in a business partnership, including in a naming rights agreement. Therefore, any change in commercial identity must be made with due regard to the rule of law to avoid future problems.

Treaty Theory

In civil law, an agreement is an agreement that creates a legal relationship between two or more parties. To be valid, the agreement must meet several conditions, namely:

1. There is an agreement between the parties.
2. The parties have legal capabilities.
3. There is an object or thing that is agreed.
4. The goal is not to violate the law

A naming rights agreement is an agreement that involves the rights and obligations of both parties, such as the use of the name, compensation payments, the term of time, and limitations on the use of commercial identity. In its implementation, the principle of good faith is very important to avoid harming either party.

Intellectual Property Law Theory

A trademark is a mark used to distinguish products or services in trade. In Indonesia, trademark protection is regulated in Law Number 20 of 2016 concerning Trademarks and Geographical Indications.

In the naming rights agreement, the use of the trademark by other parties must pay attention to several things, namely:

1. There must be permission or license from the brand owner.
2. Do not infringe on trademark rights or cause disputes.
3. Not damaging the reputation or good value of the brand

If not clearly regulated, the use of a trademark in an agreement can cause legal problems, such as infringement of trademark rights and a decrease in the economic value of the trademark.

Consumer Protection Theory

Changes in commercial identity also have an impact on consumers as third parties. In the principle of consumer protection, business actors are obliged to provide clear, honest, and open information to the public.

If the name change through naming rights is not properly conveyed, it can cause:

1. Confusion for consumers.
2. Decline in public trust.
3. Unclear who is legally responsible.

Therefore, consumer protection is essential in analyzing the legal impact of a change in commercial identity.

Theory of the Law on the Notary Position (UUJN) in the Making of Deeds.

A notary is a public official who has the authority to make an original deed that can be trusted as written evidence. According to Law Number 2 of 2014 concerning Amendments to Law Number 30 of 2004 concerning the Notary Position (UUJN), Article 1 number 1 of the UUJN, a notary is a public official who is authorized to make authentic deeds and has other authorities regulated in the law.

In civil law, an authentic deed is very important because it provides legal certainty, protection, and guarantees for the parties. Therefore, any agreement that has significant legal and economic consequences, including a naming rights agreement, should ideally be written in the form of a notary deed so that it has stronger legal force than an agreement made underhand.

Notaries are responsible not only for recording the parties' wishes but also for ensuring that the deed's contents do not conflict with the law, public order, or morality. This is in accordance with the principle of prudence inherent in the work of a notary as a public official. Notaries are morally and juridically responsible for providing the parties with legal explanations of the consequences of the agreement.

Based on Article 16 of the UUJN, notaries are not only "recorders" of agreements, they are also responsible for maintaining legal certainty and legal protection for the community. This article also states that notaries must act in a trustworthy, honest, thorough, and independent manner, and not take sides in legal matters.

The role of the notary is very important in naming rights agreements because the use of trademarks and commercial identities is very valuable. The notary must ensure that the brand owner has granted a valid permission or license to use the name or brand in the agreement. In addition, notaries should pay attention to clauses relating to the time limit of use, types of compensation, the time limit for the use of commercial identities, and dispute resolution methods.

If the notary does his job wrongly, such as not meeting the formal requirements for making a deed or making a deed that is contrary to the law, the deed can lose its legitimacy as an authentic deed and can even be canceled. In addition, if it is proven that the notary has violated the law in carrying out their duties, they can be held civilly, administratively, or criminally liable.

Brand Licensing Theory and Licensing Agreements

Trademark rights, which are part of intellectual property rights, have legal protection and financial value. In trade activities, a trademark serves as the identity of a product or service, distinguishing it from others. Brands can be granted the right to use them to others through the licensing mechanism because they are so valuable.

Law Number 20 of 2016 concerning Trademarks and Geographical Indications regulates trademark licensing in Indonesia. Article 42 of the Act states that the owner of a registered trademark may grant a license to another party to use his trademark, either in whole or in part, under a license agreement.

A trademark license agreement is a legal relationship between the trademark owner (licensor) and the licensee. In this agreement, the trademark owner allows the licensee to use the trademark without transferring its ownership rights.

The license agreement must be made in writing and recorded to the Minister in order to have legal consequences for third parties. License recording is done to ascertain who has the right to use the trademark and to prevent future disputes.

Brand licensing, such as sponsorship and naming rights, is often used in contemporary business practices. Basically, the use of the company name in stadiums, bus stops, buildings, and public facilities constitutes a form of commercial identity closely related to brand licensing. Therefore, when someone uses a trademark under a trademark rights agreement, they must ensure they do not infringe the trademark owner's exclusive rights.

A licensing agreement consists of several important components, including:

1. Identity of the parties.
2. The object of the license is the trademark used.
3. Scope of use of the brand.
4. License term.
5. Rights and obligations of the parties.
6. A form of royalty or compensation.
7. Prohibition of using a trademark that is detrimental to the reputation of the trademark owner.
8. Dispute resolution mechanisms.

To provide legal protection to the parties, these clauses are very important. If use of the trademark is not permitted or exceeds the set limits, it may constitute a violation of trademark rights and result in a civil or criminal lawsuit.

Since the sponsor's use of a commercial identity is essentially a limited grant of the right to use a trademark, the naming rights agreement is closely related to the theory of brand licensing. Therefore, the licensing element is an important to consider when entering into a naming rights agreement to ensure legal security for all parties.

In addition, brand licenses protect a brand's reputation (goodwill). If the licensee uses the trademark inappropriately, contrary to the desired quality and image standards, the brand's reputation and economic value will be lost. Therefore, oversight of trademark use is an important component of the licensing relationship.

In the practice of naming rights, there is a potential legal risk if:

1. The use of the trademark is done without official permission.
2. The agreement does not clearly set the limits on the use of the mark.
3. There is no provision regarding the termination of the use of the trademark
4. There is a use of a trademark that damages the reputation of the trademark owner
5. The use of commercial names causes public confusion.

Therefore, the theory of trademark licensing provides a strong legal basis for examining the legal impact of changes in commercial identity through trademark rights agreements, particularly regarding trademark use, the protection of brand owners' exclusive rights, and legal certainty for all parties.

METHODS

This research uses a normative legal research method (normative juridical), which involves examining primary, secondary, and tertiary legal materials related to the problem under study.

The approaches used in this study include:

1. Statute Approach, which is by examining legal provisions related to treaty law and trademark law.
2. Conceptual Approach, which involves examining legal concepts regarding *naming rights*, commercial identity, brand law, and consumer protection.

The primary legal materials in this study include the Civil Code and Law Number 20 of 2016 concerning Trademarks and Geographical Indications. Meanwhile, secondary legal materials include journals, books, scientific articles, and relevant research findings.

DISCUSSION

Legal Regulation of Naming Rights in Indonesia

The practice of *naming rights in Indonesia* is based on the principle of freedom of contract, as stipulated in Article 1338 of the Civil Code. Based on this principle, the parties are free to determine the agreement's content and form, provided they do not conflict with the law, public order, or morality. In practice, *naming rights* agreements can be made in the form of a deed under hand or an authentic deed before a notary. However, to date, there is no specific regulation that explicitly governs the naming rights *mechanism* in Indonesia. The absence of special arrangements means the practice of naming rights depends solely on the general provisions of contract and intellectual property law. In fact, the change in commercial identity is not only related to the parties' private relationship but also to the use of economically valuable and legally protected trademarks. From the perspective of intellectual property law, the use of a name or trademark in *naming rights* must be made with the authorized permission or license of the trademark owner. The use of a trademark without a clear arrangement can lead to legal disputes, infringement of trademark rights, and even a decline in brand reputation. In addition, there are no regulations regarding the term of the agreement, the mechanism for terminating the agreement, or the use of identity after the contract ends, which is one of the legal loopholes that has the potential to trigger disputes.

Implications for Legal Certainty

Legal certainty is one of the main goals in the formation of agreements. However, this study found that the existence of an authentic deed in a *naming rights* agreement does not necessarily guarantee legal certainty if the clauses drafted are still weak and open to multiple interpretations. In practice, many *naming rights* agreements focus only on promotional and branding aspects without regulating in detail:

1. Limits on the use of commercial identities;
2. Terms of use of the name;
3. Mechanism for termination of agreements;
4. Liability for reputational damage;
5. Use of the name after the contract ends.

The vagueness of the clause renders legal protection pseudo-certainty (illusory). If a dispute arises, the parties must still resolve it through litigation because the agreement's substance does not provide adequate legal certainty. In addition, this study found a formalistic view that notaries are tasked only with putting the parties' will into the deed. In fact, notaries, as public officials, are responsible for ensuring that the content of the agreement does not conflict with the law and provides balanced legal protection.

Implications for the Legal Protection of the Parties

Naming rights *agreements* are not only related to economic interests, but also concern the goodwill value and reputation of a brand. Therefore, weak arrangements can cause losses for brand owners and sponsors alike.

For brand owners, the risks that can arise include:

1. Decreased brand reputation;
2. Inappropriate use of names;
3. Brand dilution;
4. Economic losses due to uncontrolled use of identity.

Meanwhile, for sponsors, legal risks may arise if, after the contract ends, the commercial identity that has been built is still used by the asset owner without clarity on the right to use. In addition, this study shows that the use of trademarks in naming rights that do not comply with the provisions of the trademark license can have criminal legal consequences as stipulated in the Trademark and Geographical Indications Law. Thus, the preparation of *naming rights* agreements must be carried out in detail and comprehensively to provide optimal legal protection for all parties.

Implications for Consumer Protection

The change in commercial identity through *naming rights* also directly impacts the community as consumers. In the context of consumer protection, business actors are obliged to provide clear, honest, and transparent information to the public.

Changing the name of a particular public facility or service without adequate socialization can cause:

1. Public confusion;
2. Misunderstandings regarding the identity of the service;
3. Unclear of the responsible party;
4. A decline in public trust.

For example, changing the name of a bus stop or public facility through *naming rights* can make it difficult for people to recognize locations or services that were previously widely known. Therefore, the practice of *naming rights cannot be seen only as a private relationship between the sponsor and the asset owner, but must also take into account* the interests of the community as a third party.

Notary Responsibilities in Naming Rights Agreements

This study found that notaries play an important role in the practice of *naming rights*. Not only is the party that executes the authentic deed obliged, but the notary is also obliged to provide legal counsel and ensure that the substance of the agreement does not contravene the law. If the notary continues to execute deeds that are substantially unlawful, such as ignoring the provisions of the trademark license or failing to comply with consumer protection requirements, the notary may be held legally liable. This shows that notaries cannot only be passive and take refuge behind the principle of freedom of contract. Notaries must apply the principle of due diligence so that the deed actually provides certainty and legal protection for the parties.

Although there has been a wide range of research on trademark protection, IP licensing, and treaty law, there remains a gap in research that specifically examines the legal implications of changing commercial identity through naming rights agreements within a single, integrated analytical framework. Previous research has not, in depth, reviewed the relationship among *naming rights*, contractual legal certainty, brand protection, consumer protection, and potential notary liability. In addition, no study has examined the impact of changing the identity of public facilities on the public's right to obtain clear and transparent

information. This study gap is the basis for research on the legal implications of *naming rights* practices in Indonesia. The novelty of this research lies in the development of a multidisciplinary legal analysis of the practice of *naming rights* in Indonesia. The research not only examines aspects of the validity of agreements under contract law but also integrates perspectives from trademark law, consumer protection, and notary responsibility. In addition, this study introduces the concept that changes in commercial identity through naming rights have a legal impact that extends beyond the parties' private relationship, as they also affect the public interest. The study also identifies the urgent need for special *regulation of naming rights* as an instrument to ensure legal certainty, brand protection, consumer protection, and notary accountability in modern business practices

CONCLUSION

Based on the results of the study, it can be concluded that:

1. The legal arrangement regarding *naming rights* agreements in Indonesia still does not have a specific and comprehensive legal basis. The practice still depends on the general provisions of treaty law and trademark law. The change of commercial identity through *naming rights* agreements has multidimensional legal implications that include aspects of treaty law, intellectual property law, consumer protection, and notary liability.
2. Regulatory ambiguity and weak agreement clauses have the potential to cause legal disputes, trademark infringement, reputational damage, and legal uncertainty for the parties.
3. Consumer protection in the practice of *naming rights* is still often ignored, even though changes in commercial identity have a direct impact on society.
4. Special regulations are needed that regulate the practice of *naming rights* in Indonesia in order to create legal certainty and optimal legal protection.

Suggestions

1. The government needs to establish special regulations regarding *naming rights agreements*.
2. Business actors need to prepare agreements in detail, systematic, and comprehensive.
3. Brand owners must exercise oversight over the use of their commercial identity.
4. Notaries must apply the principle of prudence and provide legal counseling to the parties.

5. Business actors are obliged to ensure transparency of information to the public regarding changes in commercial identity.

BIBLIOGRAPHY

- Assa, Belalia Jovie. "Regulation for Settlement of Trademark Infringement Based on Law Number 20 of 2016 concerning Trademarks and Geographical Indications." 2019.
- Bafadhal, Faizah, Evalina Alissa, and Suhermi Suhermi. "Brand Protection in the Development of Small and Medium Enterprises in the Creative Economy Sector in Indonesia." *Proceedings: Journal of Civil and Business Law*, 2024.
- Farudin, Muhamad. "The Practice of Using Naming Rights at Stations in Indonesia Reviewed from the Granting of Licenses in IPR." *Journal of Law, Politics and Social Sciences*, 2025.
- Fernanda, Bagus Hoiru, Dewa Ayu Putri Sukadana, and Bagus Gede Ari Rama Sudharma. "Legal Protection for Consumers against Product Identity Misrepresentation (Passing Off) in Brand Law." *Indonesian Journal of Legal Research*, 2025.
- Fitriani, Selvi Nurma, Dyah Octorina Susanti, and A'an Efendi. "Legal Protection of Trademark Rights Holders in Accordance with the Characteristics of Trademark Rights." *Journal of Law*, 2022.
- Hetharie, Josiah. "Nominee agreement as a means of controlling property rights over land by foreign nationals according to the Civil Code." 2019. (Alfreza, 2025)
- Lyu, Dongye, Luis Mañas-Viniegra, and Ziyuan Xu. "Visual Attention Differences Toward Football Stadium's Naming Rights: An Eye Tracking Study." *Asia Pacific Journal of Marketing and Logistics*, 2025.
- Moro-Visconti, Roberto. "Sponsorships and Naming Rights: Economic and Financial Valuation." Wibisono, Dias Bintang, and Dan Mozes Reynaldo Christanto. "Fulfillment of Consumer Rights through Brand Rights Protection." *Journal of Legal Voices*, 2020.
- Arsya, Eudea Adeli, Hanif Nur Widhiyanti, and Patricia Audrey Ruslijanto. "Notary Responsibility for Deeds that are Legally Defective and Not in Accordance with the Provisions for Making Deeds in the Law on the Notary Position." *Scientific Journal of Pancasila Education and Citizenship* 6, no. 1, 2021.
- Bethlen, Andrew, Hulman Panjaitan, and Maria Fransina Matulesy. "Legal protection for well-known trademark owners is reviewed from Law Number 20 of 2016." *Journal of Law* 8, 2022.
- Febriyanti, Susanty. "Legal Certainty of Trademark Registration as an Effort to Protect Brand Rights Ownership." *Journal of Law* 8, no. 2, 2025.
- Sons, I Made Diyama, Titin Titawati, Aline Febriyani L., and Gde Tusan Ardika. "Legal Protection for Trademark Rights Holders in Indonesia." *Ganec Voice* 16, no. 2, 2022.
- Alfreza, Maulana Juansyah. "Legal Protection for Trademark Owners for the Recognition and Use of Their Trademarks by Other Parties for Commercial Purposes (Primagama Brand Case Study)." 2025.
- Aurelia, Hana, Dwita Tarisa Putri, and Zahra Aurelia. "Legal Uncertainty in the Regulation of Naming Rights in Public Facilities with Cultural Heritage Status in a Positive Legal Perspective in Indonesia." *Activism: Indonesian Journal of Educational, Political and Social Sciences* 2, no. 4, 2025.