



## Legal Protection of Famous Brands Based on Law Number 20 Of 2016 Concerning Brands and Geographical Indications

Donny Agus Prakoso 1\* Jeane neltje sally 2

*Universitas Warmadewa*

Email: Donny.205182003@stu.untar.ac.id, jeanes@fh.untar.ac.id

**Abstract** - Law Number 20 of 2016 on Marks and Geographical Indications, replacing Law Number 15 of 2001, regulates brand protection in Indonesia, especially for well-known brands. Despite existing regulations, brand disputes persist, often due to fundamental similarities. This thesis focuses on the "Legal Protection of Famous Brands Based on Law Number 20 of 2016 on Famous Brands and Geographical Indications," utilizing normative legal research methodology. It aims to address whether well-known trademarks in Indonesia are adequately protected under Law Number 20 of 2016 and if this law offers the best protection for renowned brand ownership. The author concludes that Law Number 20 of 2016 does provide protection for well-known brands, citing specific provisions such as Article 83(2) and Article 21(1)(b) and (c) which expressly offer this safeguard. Detailed explanations in the law further support this conclusion. However, the study also finds that due to inadequate implementation, Law Number 20 of 2016 falls short in ensuring the ownership rights of well-known brands in Indonesia. The District Court and Supreme Court Judge Panels have often disregarded the directives of this law, highlighting deficiencies in its application.

**Keywords:** Brand Protection, Famous Brands, Brand Counterfeiting

### I. INTRODUCTION

The following things are on the list of things that It is being considered to approve Law Number 20 of 2016 on Geographical Indications and Marks: In order to comply with international treaties that Indonesia has ratified and to adjust to the requirements of the global commerce period, trademarks and geographical indications play a critical role. These cases illustrate the challenges and risks faced by famous brands due to unauthorized use or infringement by third parties. By highlighting these challenges, the discussion emphasizes the importance of robust legal protection mechanisms for famous brands, as mandated by Law Number 20 of 2016. This law aims to safeguard the interests of brand owners and prevent dilution or unauthorized exploitation of their brand equity. Therefore, the focus remains on the significance of legal protection in preserving the integrity and value of famous brands in Indonesia, rather than delving into excessive case details that may detract from this main point

This is especially true when it comes to protecting consumers' needs, maintaining fair competition, maintaining domestic industry, and micro, small, and medium-sized businesses. This law was also designed to provide legal certainty and support statutory regulations concerning geographical indications and more appropriate brands. These regulations will help the business, the trading and investment domains adeptly manage regional, national, international, and local economic advancements. while also improving services. International law has regulated the provisions for ratification in a conference held in the city of Vienna in 1969, (Hippy, 2013). Another reason for the necessity for a replacement is that the provisions of the previous law, (Undang-Undang Nomor 7 Tahun 1994 Tentang Ratifikasi Perjanjian

Pembentukan Organisasi Perdagangan Dunia 2001. Undang-Undang Nomor 15 Tahun 2001 Tentang Merek 2016. Undang-Undang Nomor 20 Tahun 2016 Tentang Merek Dan Indikasi Geografis, 1994) concerning Trademarks, are still insufficient and unable to meet the community's evolving needs in the area of Geographical Indications and Trademarks (Chandra et al., 2020). Furthermore, they don't sufficiently protect regional and national economies. One could claim that Law Number 20 of 2016 concerning Trademarks and Geographical Indications was created to shield legitimate trademark owners from third-party trademark infringement. All brand owners should feel empowered and protected by Law Number 11 of 2020 regarding Job Creation, which fortified the previous version of the law. Law Number 20 of 2016 regulating Geographical Indications and Trademarks governs Indonesia. Stated by (Erlina, 2018) A brand is a representative of a product both quality, price, value and prestige. A brand is a product differentiator one with another. Brands have a very important role for owner of a product or service. However, many product names continue to be targets of imitation and counterfeiting, which is detrimental to numerous parties. Both consumers who use the products and services and business owners who hold or retain the rights to the brand suffer losses.

Due to the widespread practice of copying well-known corporations in Indonesia in bad faith, trademark disputes have been brought before District Courts and even the Supreme Court's cassation level of review. The following are some of the conflicts that these well-known brands are facing: First up is the Hakubaku brand dispute case. Hakabaku Co Ltd is a company registered under Japanese law, and its main office is in Masuho-cho, Minamikomagan Yamanashi-ken, Japan. The factory of PT Tona Morawa Prima, which produces "Hakubaku," is situated in Deli Serdang, Medan, North Sumatra. However, PT Tona Morawa Prima accused Japan of Hakubaku's fame in a June 2019 District Court case, arguing that it did not adhere to Indonesian regulations because it was only registered in a few countries. PT Tona Morawa Prima claims that the Hakubaku brand isn't as well-known as the Coca-Cola, KFC, or McDonald's brands. In fact, the people of Hakubaku claim that it was the first to be registered in Cambodia, Laos, and Vietnam. Moreover, local Hakubaku already has a class 30 brand as of January 10, 2013, with registration data number IDM000483240, for the following product categories: rice, vermicelli noodles, coffee, tea, chocolate, wafers, sugar, coffee drinks, tea drinks, and wheat flour.

On November 29, 2019, Hakubaku Co. Ltd.'s lawsuit was dismissed. The Central Jakarta District Court ruled that the Hakubaku Co Ltd. complaint was invalid. Even though the Hakubaku Trademark is owned by Hakubaku Co. Ltd. Japan has already established businesses in a variety of countries, such as Australia, the US, Singapore, and Thailand. It was really registered as an international trademark in 2013 and has been a well-known brand in Japan since 2016. An interested party may file a lawsuit for the cancellation of a registered trademark based on the grounds as intended in Articles 20 and/or 21, and the owner of an unregistered mark may file a lawsuit as intended after submitting an application to the Minister, according to Article 76 paragraph (2) of Law Number 20 of 2016 concerning Marks and Geographical Indications, which the plaintiff has also cited. Decree Number 790 K/Pdt.Sus-HKI/2020, which deems the defendant to be the legal owner of all Hakabaku trademarks and dismisses Hakubaku Co. Ltd.'s whole plaintiff application, was decided upon by the judge after taking into account all of the points that had been previously provided. The Supreme Court then overturned the initial ruling, Number 35/Pdt.Sus-Merek/2019/PN.Niaga.Jakarta Pusat, and found in favor of PT. Hakubaku.Co.Ltd. in decision Number 8 PK/Pdt.Sus-HKI/2022.

The Hugo Boss Brand dispute case is the second case. Hugo Boss is the plaintiff in this lawsuit, although Teddy Tan, the defendant, and the Government of the Republic of Indonesia, the co-defendant, disagree. The Plaintiff now owns the Hugo Boss trademark and its variants, as per Supreme Court Decision Number 868K/Pdt.Sus-HKI/2019. The popular brand Hugo Boss has been registered in Indonesia since 1989. Hugo is the class 25 mark that is the focus of the complaint; the two are nearly identical. With regard to the mark, the defendant intends to cause harm, cancels it, gives the co-defendant instructions to remove the mark, and covers the cost of the action. In a quo case, the plaintiff relied on a retroactive legal basis; the plaintiff

misrepresented the issue of dispute; and the plaintiff's behavior was imprecise (libelous). These are only a handful of the exclusions put up by the accused party. Defendant I later filed a reconvention on May 28, 2019, but it was completely rejected after the convention was approved in its entirety. A request for cassation was submitted on June 11, 2019, and the cassation notice was received on June 25 of the same year. The Cassation Respondent then submitted a countercassation document on July 24, 2019. The Supreme Court rules that the law was appropriately implemented, hence Teddy Tan's appeal for a cassation order must be rejected and the costs incurred by the cassation level court must be repaid.

The third case involves a brand dispute between Polo Motorrad Und Sportswear GmbH. In the third case, which pitted Polo Motorrad Und Sportswear GmbH (the plaintiff) against John Wibowo Andi the defendant and the defendant-government of the Republic of Indonesia were the subjects of a February 28, 2019 Supreme Court decision number 892K/Pdt.Sus-HKI/2019. In response to the petitioner's petition, the respondent for cassation submitted a counter-memorandum on July 10, 2019. Legal acceptance of the case memoranda is possible due to the Plaintiff's exclusive rights over the FLM mark, as well as the fact that the Plaintiff initially registered the mark in Germany and designated it as a well-known mark. Furthermore, all court costs will be covered by the Cassation Respondent. The dispute over the GS Yuasa Brand comes up at number four on the list. In GS Yuasa Corporation (Plaintiff) v. PT.GSJ (Defendant) and the Ministry of Law and Human Rights (Co-Defendant), the Supreme Court rendered Decision Number 68 K/ Pdt.Sus-HKI/2020. The Plaintiff is the owner and the first registrant of the GS mark in Indonesia, as well as the well-known brand, and the GSJ mark is substantially similar to the Plaintiff's GSJ mark. The ruling further states that the Defendant registered the mark in bad faith and that the Co-Defendant was ordered to comply with the ruling. The defendant will have the GSJ mark revoked in their name and will also be responsible for paying the litigation's costs.

The defendant then raised the main exception, arguing that the special power of attorney was null and unenforceable and that the claim was ambiguous. Regarding this principal exemption, the Supreme Court holds that: The legislation was correctly applied by the Central Jakarta District Court's Commercial Court; it was determined that GS was the first firm in Indonesia's class 9 in 1958. The following pieces of evidence were submitted: P7, P8, P9, P10, and P11. If GS is a well-known brand, the GSJ mark is shown to be strikingly similar to the GS mark, and the defendant attempts to replicate the mark, the cassation petition must be rejected and GSJ/the cassation petitioner must fund the case at the cassation level.

Based on several well-known trademark dispute cases that were previously reviewed, the author finds that, generally speaking, the goal of Law Number 20 of 2016 concerning Trademarks and Geographical Indications is to give each and every trademark holder protection and rights. The goals of Law Number 20 of 2016 governing Geographical Indications and Trademarks have not, however, been fully achieved in terms of implementation. This is because the judges on the Panel of Judges in the aforementioned trademark cases (Hakubaku, Hugo Boss, Polo Motorrad Und Sportswear Gm BH, and GS Yuasa) did not apply Law Number 20 of 2016 concerning Marks and Geographical Indications, which contains criminal sanctions in accordance with Articles 100–102. If someone trades counterfeit goods or commodities produced from illicit conduct, they risk a five-year prison sentence and a fine of up to IDR 2,000,000.00 (two billion rupiah).

Problem Identification and Formulation, Given the above indicated setting, the author highlights the following problems:

1. A well-known brand has a radiant force that is both bright and enticing due to its tremendous reputation. Any type of product offered under a well-known brand creates familiarity (familiar attachment) and a mythical setting for consumers. The success of a well-known brand causes third parties to duplicate it for malicious purposes, which has negative implications.
2. Both comparable and distinct products are imitated by popular brand names.

3. Imitations of well-known trademarks cause losses for both the original owner and the customers, implying a connection between the owner of the well-known brand and the items.
4. The protection of well-known trademarks against infringement and copying highlights a deficient and badly implemented legal framework for brands.

The author starts with the previously discussed issues and moves on to the next two issues:

- a) Is Indonesia guaranteed protection for famous brands under Law Number 20 of 2016 respecting Famous Marks and Geographical Indications?
- b) Is the best feasible protection for renowned brand ownership in Indonesia being provided by the proper implementation of Law Number 20 of 2016 respecting Geographical Indications and renowned Marks?

The following are the objectives of this study: To ascertain whether Law Number 20 of 2016 concerning Geographical Indications and Famous Marks has measures guaranteeing the legal protection of well-known trademarks in Indonesia, To ascertain whether Law Number 20 of 2016 concerning Geographical Indications and Famous Marks is being implemented to provide the greatest level of legal protection for well-known Indonesian brands.

## **II. METHOD**

This study uses normative or dogmatic legal research technique because it does not look at how laws are applied. According to Johnny Ibrahim, normative legal research uses seven (seven) techniques. By employing normative legal research, the study can assess the extent to which election organizers comply with established legal standards and principles, thereby providing insights into the effectiveness of legal mechanisms in ensuring fairness and legality in electoral procedures. This approach allows for a comprehensive analysis of legal texts and precedents, facilitating the identification of legal norms, interpretations, and precedents that inform the actions and decisions of election organizers. Among the seven groups of techniques are: The strategies outlined below are as follows: Lawmaking, Conceptualizing, Analyzing, Comparing, Historical, Philosophical, and Case-Based are the seven categories. The approaches outlined in statutes, cases, and history, the comparison approach, and the conceptual approach are the five (five) various types of approaches that can be utilized in normative legal study, according to Peter Mahmud Marzuki.

## **III. RESULT AND DISCUSSION**

### **I. Study of the Law Number 20 of 2016 Concerning Brands and Geographical Indications for the Legal Protection of Famous Brands**

#### **A. Legal Defense by Imposing Sanctions on Those Who Forge Well-Known Brands in Line with Law Number 20 of 2016 Concerning Trademarks and Geographical Indications**

Brand infringement can be divided into three categories: copying, counterfeiting, and imitating product packaging or labels. It makes sense to acknowledge that well-known companies' infringements of intellectual property rights have a detrimental effect on society. Another factor that contributes to well-known trademark infractions is a deterioration in brand quality. A brand's position is critical in the era of global trade, and it can only survive in a climate of healthy economic rivalry. In addition to copyright rights that are no less important is the protection of confidential information, according to (Munawaroh Siti, 2006). Violations of well-known trademark rights can result in criminal or civil penalties in Indonesia. Legal action may be taken by the owners of the rights to a registered mark against anybody who willfully and without authorization uses or counterfeits a mark that substantially or entirely imitates the goods and/or services of a well-known mark.

People who infringe trademark rights may be held liable for damages in civil cases because they exploited the rights without first getting permission and approval from the owner or right holder of the registered mark. This state is brought on by the loss of the trademark holder's economic and commercial worth. The act in question may be considered an Unlawful Act (PMH) in compliance with Criminal Code Article 1365, which requires restitution from anyone

who injures another person due to their own fault. Additionally, as mentioned in Articles 100-102 of Law Number 20 of 2016 regarding Marks and Geographical Indications, which applies to people who participate in this activity, trafficking counterfeit goods using well-known brands may be prohibited by the Trademark Law. Items derived from unlawful activities may face penalties of up to IDR 2,000,000,000.00 (two billion rupiah) and/or five (five) years of incarceration.

## **B. Analysis of the Forms of Legal Protection for Bad Faith in the Registration of Famous Marks**

Trademarks, especially well-known brands, are protected by the state and can only be registered if the owner applies in good faith and complies with the Good Faith Principles. The Brand addresses this issue by utilizing the First to File System philosophy. This gives only registered brands serving valid objectives legal protection. Therefore, the state has the right to maliciously reject the applicant's application.

Article 21 paragraph 3 of Law Number 20 of 2016, which governs trademarks and geographical indications, specifies that an application filed by an applicant with the intent to find the trademark owner is not eligible for registration. The purpose of the constitutive system is to prevent the state from mistakenly granting legal protection and trademark rights to people who are not entitled to them. Even though constitutive law is a part of the Indonesian legal system, only those who apply in good faith will be able to register a trademark. Because of this, If a registrant has ill intentions, the Directorate General of Intellectual Property has the authority to cancel their registration; only individuals who have good intentions are protected by the law.

Any use, fraud, or counterfeiting of another person's trademark without that person's consent permission is called "unfair competition" and is considered to be an attempt to make money. This includes any copying, duplicating, appropriating, or capitalizing on the success of a well-known foreign brand. unethically (profiting unfairly).

The dishonest registration process utilized by trademark registrants operating in bad faith is not supported by the fundamental principles of trademark registration in Indonesia. It is possible to classify what qualifies as bad faith in a trademark registration using the following criteria:

1. The act of duplicating or using an already registered mark that is already well-known and valuable.
2. The dishonest registrant's employment of deceptive methods to outbid already-registered brands with market value, ignoring the owner's rights in order to profit personally.
3. The trademark registrant's actions in bad faith that intentionally commit an illegal act in order to cause injury to the trademark, which has already been registered, is well-known, and has a high market value.

Unfair competition is deemed to have occurred when someone copied a well-known trademark and used it in such a way that the brand on the goods or services produced was almost identical to the brand on the goods or services. We refer to this as brand counterfeiting, which, is previously well-known for comparable goods or services in order to convey the impression to the public that the generated goods or services are the same as those that are produced using previously well-known techniques.

## **C. Bad Faith in Counterfeiting Famous Foreign Brands**

One of the fundamental principles that directs the process of trademark registration is "good faith." The Good Faith Principle offers defense for a trademark registered in Indonesia. The concept of good faith may serve as the foundation for a trademark cancellation action concerning the validity of a registered trademark in addition to being employed when the application for trademark registration becomes an absolute basis (Khairandy, 2003).

The definition of "good faith" in civil law is ambiguous. According to Article 1338 paragraph (3) BW (Burgerlijk Wetboek), "the parties are obliged to act appropriately and appropriately towards each other" is a common definition of good faith. "Good faith" was divided into

"subjective good faith" (subjective goedetrouw) (Article 1977 BW) and "objective good faith" (objective goedetrouw) (Article 1338 BW) by author J.H. Nieuwenhuis. Djasadin Saragih translated his work "Hoofdstukken Verbintenissenrecht" into "Principles of Engagement Law" in 1985. In relation to the individual sense Generally speaking, being too good to be true and acting as though a situation is counterfeit or fake are examples of ill faith. The position of this subjective good faith is contained in the law of objects. Conversely, objective good faith is a comprehensive definition of good faith that characterizes the expected conduct of contractual parties acting in good faith or ill faith. However, if the fault was not known at the time, there is a requirement for forgiveness when applying Article 1977 BW. Good faith is defined as "a concept of thought or attitude which includes (1) the absence of intent to deceive or seek unreasonable advantage, (2) adherence to reasonable commercial standards in fair transactions in trade or particular business, (3) loyalty to one's duties or obligations, and (4) honesty in beliefs or goals" in Black's Law Dictionary (Frey & Black, 1934).

However, in actuality, the parties often make mistakes that result in financial losses for the other party. There were several factors that contributed to this deliberate error. These deliberate errors ignore the requirement of "good faith," as specified in paragraph (3) BW of Article 1338. As previously mentioned, Article 1338 BW, paragraph (3), requires contracts to be fulfilled in good faith. Furthermore, agreements are enforceable by laws, conventions, appropriateness, and nature, according to Article 1338, paragraph (3) BW.

Generally, mistakes or negligence that cause harm to third people are called "bad faith." Some of the problems that give rise to ownership rights disputes involving well-known foreign trademarks in Indonesia include the following:

- a. All attempts to register well-known foreign marks in bad faith fall into the following categories:
  1. Attempts by companies or individuals to imitate popular brands that have previously been registered and are valuable to the market.
  2. The malevolent registrant intentionally competes with well-known registered marks in order to gain personal advantage by ignoring the owner of the registered well-known mark.
  3. The actions of individuals or groups that entail intentional criminal behavior, bad faith trademark registration, and harm to the owner of a well-known brand with significant market value
- b. Actions performed in the implementation of agreements that contain elements of bad faith in foreign brand licensing agreements are among the several factors that might give rise to problems in well-known brand licensing agreements:
  1. The other party is likely to file a lawsuit if either party unilaterally ends the agreement in the middle of a transaction that harms the other party (especially if the licensor is involved).
  2. The licensee's usage of a whole new brand within the duration of the license agreement, which was created to facilitate business expansion. If sales of goods or services sold under the licensed trademark fall as a result of the introduction of this new brand, the licensor might be held liable.
  3. The licensee's goods are of the same caliber as those licensed by the former licensor, even though they are sold under a new brand. This clause may lead to a drop in product sales, which would be detrimental to the licensor and owner of the brand.

Law Number 20 of 2016 regarding Marks and Geographical Indications also defines "bad faith" in the context of trademark registration. According to the statute's Article 21, Paragraph 3, "the application is rejected if it is submitted by an applicant who has bad intentions." In order to profit from the business he owns, a "Applicant with bad intentions" is someone who intends to register a mark with the intention of following, imitating, or copying another party's mark, or who does so in an effort to mislead, deceive customers, and foster an atmosphere that fosters unfair commercial rivalry. For example, a trademark application may show up as a "color arrangement, logo, painting, or writing" that is the exact same as another party's mark or one that the public has long been familiar with. In this case, the "color arrangement, logo, painting,

or writing" is traced in a way that renders it consistent with the identified mark. A well-known brand is one that enjoys a good reputation. All client groups rapidly build a mythological context (mythical ties) and familiarity (a sense of familiarity) with the brand due to its radiant force, which is so seductive and fascinating (Sutedi, 2009).

Imitation of well-known registered brands, especially those with foreign names, is becoming a big problem in Indonesia. To avoid disagreements or legal concerns pertaining to well-known brands, particularly foreign brands, the Indonesian government really established Regulation of Marks and Geographical Indications by Law Number 20 of 2016, specifically Articles 20, 21, and 22, which regulate Marks that cannot be registered and rejected. A trademark cancellation lawsuit is the method used to settle legal problems or disagreements with well-known trademarks in accordance with The Law Number 20 of 2016 governs geographical indications and trademarks. Paragraph (1) of Article 76 regulates the removal of trademark registration-related claims. The regulation states that "A suit for cancellation of a registered Mark can be filed by an interested party based on the reasons as intended in Article 20 and/or Article 21." By submitting a case to the Commercial Court and stating that the trademark has not been used in the trade of goods and/or services for three years after the date of registration or last use, a third party with a legitimate interest may also attempt to have a registered trademark invalidated. The procedure is described in paragraph (1) of Article 74.

As was previously mentioned, Indonesia's protection of foreign brands is predicated on the notion that "imitation of other people's well-known marks is basically based on bad faith". Through the following actions, the Indonesian government is striving to better assure safety and stability within the legal system:

1. Preventive Measures: One type of protection that results in preventive measures is the application of preventive legal protection. This is being done to reduce the likelihood of trademark infringement. Therefore, the state places a strong emphasis on keeping an eye on how brands are used, defending the exclusive rights of brand owners and/or the holders of well-known foreign trademarks, and enticing brand owners to register their marks in order to safeguard their rights. When registering a foreign trademark through priority rights application, the holder or owner is entitled to preferred treatment. The initial trademark registration application in a country party to the Agreement Establishing the World Trade Organization or the Paris Convention for the Protection of Industrial Property must be submitted no later than six months from the date of receipt of this application.
2. Repressive Efforts: Measures taken to confront and resolve a problem that has occurred, especially when trademark rights have been violated, are referred to as repressive legal protection. Consequently, a greater obligation to take legal action against brand breaches rests with the judiciary and other law enforcement agencies, such as the police, the Prosecutor's Office, and Civil Servant Officials (PPNS). In the event that their intellectual property is violated, those who possess rights to well-known foreign trademarks or to a brand even if it isn't registered are not required to pay royalties. This protection can be applied in criminal prosecutions by law enforcement or in court cases for the cancellation of a brand. In the event that a well-known foreign trademark owner files an application for trademark registration in accordance with Article 76 of the Directorate General of Intellectual Property under Law Number 20 of 2016 respecting Marks and Geographical Indications, and a case is subsequently brought for cancellation of a trademark registration.

Additionally, the Directorate General of Intellectual Property will not renew the registration of a registered mark if it becomes out that the mark is substantially or entirely identical to a well-known foreign mark. According to Law Number 20 of 2016's provisions regarding Brands and Geographical Indications, Articles 100–102, brand owners have the option to protect their rights through civil litigation at the Commercial Court as well as criminal proceedings against infringing parties.

When the owner of an international brand transfers rights to a third party, a notary's involvement in a notarial deed in a rights transfer agreement serves to legally protect the trademark. Only a notary public may execute such an agreement, or must do so in their

presence. A notarial deed's contents are strictly limited under Article 1 Point 7 of the Law on the Position of Notaries. Article 1868 of the Civil Code, which governs authentic deeds, provides the basis for a notarial deed's legitimacy and legal existence in the interim in the following situations:

- a) The deed must be executed in front of a public official;
- b) The terms of the deed are prescribed by law.
- c) Performing the deed in the space set aside for that purpose and in front of the relevant public authority.

#### **D. Standards for Establishing Ownership of Well-Known Brands in Supreme Court Rulings**

In summary, a well-known brand is one that has widespread recognition, is highly esteemed, has a solid reputation, and appeals to a wide range of consumers. Trade Related Intellectual Property Rights (TRIPs) are covered under Article 16 paragraph (3). The paragraph highlights that one way to identify a well-known brand is to consider the knowledge that specific social groups have about it. This includes the knowledge that participating nations have about the mark's current position as a result of the brand's advertising. Law Number 20 of 2016 about Marks and Geographical Indications, Article 21, Paragraph 1. The panel of judges employs three distinct rationales to evaluate whether a brand is a dominating and well-known entity: The b letter: "A well-known brand belongs to another party for goods and/or similar services," letter c, which stands for "A well-known mark belonging to another party for goods and/or services of a similar nature that meet certain requirements," or letter d, which stands for "Registered Geographical Indication." Additionally, the judges applied the criteria outlined in Article 18 paragraph (3) of Minister of Law and Human Rights Regulation Number 67 of 2016, which states:

"The following factors are calculated in determining the prerequisites for a mark to be considered a well-known mark as specified in paragraph (1): the volume of goods and/or services sold, as well as earnings; b. the public's knowledge of the mark as a well-known brand in the relevant industry; Explain the process for registering a trademark or submitting an application to register a trademark in another country. Point H discusses the effectiveness of trademark law enforcement, particularly in relation to the value placed on a mark due to its reputation and assurance of the standard of the goods and/or services it protects, or the recognition of a well-known mark by the appropriate authority. Despite this, a lot of judges still make mistakes in their rulings and ignore the law by examining the previously stated publications. Actually, during the court case involving the well-known foreign brand, these articles were in force.

It seems that the Indonesian legal system's procedure for determining who owns well-known brands has not undergone significant development or adjustment. According to the results of Rando Purba's 2009 study from the Faculty of Law, University of Indonesia, the extent of legal protection afforded to well-known brands is contingent upon the judge's subjective evaluation of the brand in question and his ability to establish significant similarities between the brand and the well-known brand. Furthermore, because Indonesia's legal system does not adhere to the precedent-setting principle, courts there are not bound to follow the decisions made by prior judges in instances that are same or comparable. Because of this, it is commonly seen that different judges will make different decisions in the same case. This case shows how judges' understanding of the criteria used to assess a brand's fame and their ability to make decisions that fairly protect well-known companies are inadequate and unfair (Maulana, 1999).

#### **E. Application of the Law in Indonesia's Supreme Court Decision Regarding the Legal Protection of Well-Known Brands**

Between 2018 and 2020, the Supreme Court of Indonesia used Law Number 20 of 2016 concerning Trademarks and Geographical Indications Article 20, Article 21, Article 74



paragraph (1), Article 76 paragraph (1), Article 77 paragraph (1), and Article 181 HIR to enforce the law and make decisions regarding the (Citra R. Budiman, 2019) legal protection of well-known brands in Indonesia (paying court costs).

The study's conclusions show that the Supreme Court designed its policies with the goal of giving well-known Indonesian businesses legal protection. Take a look at the Table. However, due to decisions made by the Supreme Court, well-known trademarks in Indonesia do not have enough legal protection. This is demonstrated by the fact that the application of criminal sanctions for those who commit offenses linked to branding is very light in contrast to the criminal penalties established in trademark legislation. The Panel of Judges did not consider the terms of Law Number 20 of 2016 respecting Geographical Indications and Trademarks, which penalizes dealers in counterfeit goods and commodities derived from illegal activity. The maximum punishment for these offenses is IDR 2,000,000,000.00 (two billion rupiah), and the maximum sentence for incarceration is five (five) years.

Table 1.1 List of Supreme Court Decisions on Famous Brand Dispute Cases in Indonesia

No	Tahun	Kasus	Catatan Amar
1		<b>Decision Number 8 PK/Pdt.Sus-HKI/2022 Hakubaku Dispute. Co. Ltd. PT Tona Morawa Prima</b>	Cassation granted (Win)
2		The Republic of Indonesia's government and the Hugo Boss v. Teddy Tan brand dispute are the subjects of Decision No. 868K/Pdt.Sus-HKI/2019 from the Supreme Court.	Cassation granted (Win))
3		Polo Motorrad Und Sportswear GmbH v. John Andi Wibowo and the Government of the Republic of Indonesia, Supreme Court Decision No. 892K/Pdt.Sus-HKI/2019	Cassation granted (Win)
4		In GS Yuasa Corporation vs. PT. Golden Surya Jaya and the Ministry of Law and Human Rights, the Supreme Court rendered a decision (No. 68K/Pdt.Sus-HKI/2020).	Cassation granted (Win)

Source: Dr. Muhammad Citra Ramadhan, S.H., M.H Ridha Faulikairiyah, S.H., M. Kn (Dummy Buku, 2023) 'Judge's Consideration of Disputes on Ownership of Famous Foreign Brands, p.11

In Hakubaku Co. brand dispute Ltd. vs. PT. Tona Morawa Prima the Supreme Court issued a ruling (number 790 K/Pdt.Sus-HKI/2020) against the Ministry of Law and Human Rights.

The ruling in the Co. Ltd. PT Tona Morawa Prima case (No. 8 PK/Pdt.Sus-HKI/2022) by the Supreme Court in the Hakubaku dispute is one of the court's decisions that is still unsatisfactory. The court upheld the plaintiff's claim in its entirety, ruling that the plaintiff is the legitimate owner of all trademarks, including those not included in the lawsuit posita:

- a) Hakubaku Co. Ltd., December 7, 2012, Japan, is the owner of Trademark Registration Number 4999907 in Classes 29, 30, 31.
- b) Hakubaku Co. Ltd.'s trademark registration number, 5541247, in Classes 29, 30, and 31 as of December 7, 2012, in Japan.
- c) Hakubaku Co. Ltd.'s trademark registration number, 1261243, in classes 29, 30, and 31; this number was obtained internationally on March 5, 2015.
- d) Hakubaku Trademark Registration Number 1182513, issued internationally on March 1, 2015, in the names of Hakubaku Co. Ltd., Classes 29, 30, and 31.
- e) Hakubaku logo Trademark Certificate Number 4059, issued December 20, 2016, in Japan, under the name Hakubaku Co. Ltd.

- f) On December 20, 2016, in Japan, Hakubaku Co. Ltd. obtained the trademark certificate number 4060 for their logo; (g) On December 20, 2016, in Japan, Hakubaku Co. Ltd. obtained the trademark certificate number 4061 for their logo.
- g) Hakubaku Co. Ltd.'s application for Hakubaku Trademark Registration Agenda Number D002015045641 Class 30, dated October 19, 2015, in Indonesia.
- h) HakubakuCo., Ltd.'s agenda number D002015045641 Class 30 Trademark Registration Application, submitted October 19, 2015, in Indonesia.
- i) Hakubaku Co. Ltd.'s application for trademark registration, Agenda Number D002018056275 Class 30, November 1, 2018, Indonesia.

The Hakubaku trademark and logo, which are mentioned both generically and specifically in the posita of this complaint, are declared to be well-known marks in the name of the Plaintiff.

In the lawsuit's posita, it is said that the plaintiff's business, Hakubaku Co. Ltd., utilizes the Hakubaku trademark and logo as part of its name, both generically and particularly. Establish the defendant's use of the well-known Hakubaku brand and logo is the same as the plaintiff's use of it, using Hakubaku brand Registration Number IDM000483240 Class 30.

Admit that the name of the Defendant's Hakubaku Trademark Registration Number IDM000483240 Class 30 is similar to that of the Plaintiff's business, Hakubaku Co. Ltd.

Prove that the Hakubaku Trademark Registration Number IDM000483240 Class 30 was filed in bad faith by the Defendant. Delete the defendant's trademark registration together with its associated legal ramifications from the General Register of Trademarks and Geographical Indications (IDM000483240 Class 30). Request that the Defendant respect this decision, take down the Trademark Registration Number IDM000483240 Class 30 from the General Register, and take down any Geographical Indications in their name, together with any related legal consequences.

The judge imposed an order on the defendant to pay back the court for all costs incurred throughout the case. Apart from the Hakubaku case, the Supreme Court's Panel of Judges has made numerous less than optimal verdicts regarding well-known trademarks. Claims cases Hugo Boss v. Teddy Tan, the Government of the Republic of Indonesia, Supreme Court Decision Number 868 K/Pdt.Sus- HKI/2019, the Dispute Polo Motorrad Und Sportswear GmbH vs John Andi Wibowo, and Among these decisions are the Supreme Court Decision Number 892 K/Pdt.Sus-HKI/2019 and the Government of the Republic of Indonesia. The Supreme Court of the Republic of Indonesia ruled in No. 68K/Pdt.Sus-HKI/2019, issued February 24, 2020, dismissed the cassation appeal brought by PT Golden Surya Jaya as evidence of the well-known foreign mark GS, along with countless other examples.

As mentioned before, some statistics show that foreign and well-known enterprises in Indonesia still have very limited legal protection. Handling also typically costs a lot of money and time. This means that it is no longer possible to view the commercial criminal justice system, which reaches all the way to the Supreme Court from the District Court, as a court system that resolves conflicts involving well-known brands in a simple, expedient, and affordable way.

#### **IV. CONCLUSION**

The author can infer the following conclusions from the discussion in the earlier chapters:

1. Trademarks in Indonesia are protected by Law Number 20 of 2016 regarding Trademarks and Geographical Indications. Trademarks and geographical indications are covered by Law Number 20 of 2016, which governs the protection of well-known brands in Indonesia. This procedure is specifically governed by Article 83 paragraph (2) and Article 21 paragraph (1) letters b and c. The Explanations of paragraph (2) of Article 76, paragraph (2) of Article 83, and paragraph (1) of Explanation of Article 21 letter b then go into detail about it.
2. Due to its improper and irregular implementation, Law Number 20 of 2016 concerning Trademarks and Geographical Indications is unable to provide the best possible protection for the ownership of well-known trademarks in Indonesia. This implies that Law Number

20 of 2016 governing Geographical Indications and Trademarks is not applied fully and uniformly by the judges on the District Court and Supreme Court Panel. For instance, Law Number 20 of 2016 respecting Trademarks and Geographical Indications penalizes the sale of counterfeit goods and commodities derived from unlawful activity. These individuals risk jail time of up to five years or a fine of up to IDR 2,000,000,000.00 (two billion rupiah). But the Panel of Judges was unable to execute this order.

In light of the discussion and conclusions above, the author makes the following recommendations:

1. The author argues that in order to improve the protection of well-known trademarks, Law Number 20 of 2016 respecting Trademarks and Geographical Indications needs to be strengthened in Articles 100–102. This would mean criminalizing the sale of counterfeit goods and imposing jail time on products that are the result of criminal activity. a maximum fine of IDR 2,000,000,000.00 (two billion rupiah) or a penalty of 5 (five) years. Furthermore, permission to do any kind of business will never be granted to an individual or organization proven guilty of copying.
2. In order to help the Panel of Judges more satisfactorily fulfill the mandate of Law Number 20 of 2016 concerning Marks and Geographical Indications, the government should mandate that the Judges use the same legal basis, namely the Regulation of the Minister of Law and Human Rights Number 67 of 2016 concerning Mark Registration (Permenkumham67/2016) and Article 18 of Permenkumham67/2016, as well as international agreements, particularly on conventions (the "Paris Convention") and the Agreement on Trade-Related Aspects of Intellectual Property Rights (the "TRIPS Agreement"). Therefore, the Panel of Judges' decision took into account other factors outside the idea of being the first to file.

## REFERENCES

- Chandra, D. W., Santoso, B., & Sukma, N. M.. (2020). Perlindungan Merek Terkenal Asing yang Belum Terdaftar di Indonesia (Studi Kasus Sengketa Merek KEEN). *NOTARIUS*, 13(1).
- Citra R. Budiman. (2019). Perlindungan Hukum Terhadap Merek Terkenal (Well-Known) Di Indonesia. *Reformasi Hukum*, 23(1).
- Erlina. (2018). *Aspek Yuridis Terhadap Akuisisi Merek Perusahaan*. 5(2).
- Frey, A. H., & Black, H. C. (1934). *Black's Law Dictionary*. University of Pennsylvania Law Review and American Law Register.
- Hippy, K. (2013). *Praktik Ratifikasi Perjanjian Internasional di Indonesia*. ejournal.ac.id. Diakses pada Undang-Undang Nomor 7 tahun 1994 Tentang Ratifikasi Perjanjian Pembentukan Organisasi Perdagangan Dunia 2001. Undang-Undang Nomor 15 Tahun 2001 Tentang Merek 2016. Undang-Undang Nomor 20 Tahun 2016 Tentang Merek dan Indikasi Geografis, (1994).
- Khairandy, R. (2003). *Iktikad baik dalam kebebasan berkontrak*. Ed. 1, Cet. 1 Tahun 2003. Universitas Indonesia.
- Maulana, I. B. (1999). *Perlindungan Hukum Terhadap Merek Terkenal Asing Di Indonesia Dari Masa Ke Masa*. Bandung: Citra Aditya Bakti.
- Munawaroh Siti. (2006). Peran TRIPS (Trade related Aspect of Intellectual Property Rights) Terhadap Hak Atas Kekayaan Intelektual di Bidang Teknologi Informasi di Indonesia. *Jurnal Teknologi Informasi DINAMIK*, 11(1).
- Sutedi, A. (2009). *Hak atas Kekayaan Intelektual*. Jakarta: Sinar Grafika.