
ANALYSIS OF THE BASIS OF THE JUDGE'S CONSIDERATIONS IN CANCELING A WAFFELICIOUS REGISTERED TRADEMARK ON THE BASIS OF REGISTRATION IN BAD FAITH (RULING STUDY NUMBER 5/PDT.SUS.HKI.MERREK/2021/PN SMG)

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ABSTRACT

This study aims to identify the premise and types of legal protection for trademark rights, to analyze the judge's considerations in making a decision on Waffelicious trademark registration. This study conducts a comparative analysis of legal literature, focusing on books on Trademark Rights as the primary data source. Data is collected, analyzed, categorized, and aggregated drawn. The results of this study are that trademark law must provide a clear understanding of the interpretation of good faith so that in its application it does not cause differences in interpretation between judges, so that each Supreme Court decision has the consistency of legal certainty that can provide legal protection to trademark owners.

Keywords: intellectual property rights, judge's considerations, trademarks

INTRODUCTION

Indonesia is a country that is a member of the WTO (World Trade Organization Agreement) and upholds the principles of international trade law. The WTO Agreement contains provisions on Intellectual Property Rights as contained in the attachment, namely Annex 1C, entitled Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs Agreement). Indonesia is one of the countries that has ratified TRIPs (Trade Related Aspects of Intellectual Property Rights), so that Indonesia has a legal basis for the protection of intellectual property rights (IPR) such as copyright, patents, brands, industrial designs and trade secrets. (Pasarengi, 2011), WIPO (World Intellectual Property Organization) defines intellectual property rights as "creations resulting from the human mind which include inventions, literary and artistic works, symbols, names, images and designs used in commerce".

Intellectual property rights are material rights, the right to an object that originates from the work of the brain and the work of human reason. The results of human work that examines, on the other hand there are also the results of emotional work, the results of the heart's work in an abstract form known as a sense of unity, so that the results of rational and emotional work give birth to a work that is called intellectual work. Intellectual property here means not only based on physical material objects but also immaterial objects such as songs, poetry and other non-objects (Utomo, 2010).

Intellectual property rights in Indonesia can be recognized in the form of trademarks through Law Number 20 of 2016 concerning Brands and Geographical Indications. This law was actually formed in order to protect and support the interests of citizens who own brands and geographical indications registered through the Directorate General of Intellectual Property Rights at the Ministry of Law and Human Rights. The aim is to regulate the limitations of rights and protect these rights (IPR) from acts of infringement as regulated in the law.

A brand is one part of a form of intellectual work which has an important role in the smoothness and improvement of trade in goods and/or services in trade and investment activities that occur in the current development of globalization. To the importance of the role of this brand, legal protection is attached, namely as an object to it regarding the rights of individuals or legal entities. Article 1 of Law Number 20 of 2016 concerning Marks and Geographical Indications states that the definition of a brand is, "a sign in the form of an image, name, word, letters, numbers, color arrangement, or a combination of these

elements which has differentiating power and is used in goods and services trading activities. A brand is the identity of a product. This inherent identity is the selling power of a product."

Brand disputes often occur in the economic world. Brand disputes that occur result in disputes to maintain rights for commercial interests. Brand disputes that often occur in Indonesia include disputes over trademark registration in bad faith. Registration of a trademark in bad faith is an act that is expressly prohibited in Law Number 20 of 2016 concerning Marks and Geographical Indications.

Brand infringement in the form of trademark registration in bad faith often occurs in connection with the actions of business actors who cheat in conducting business competition. Registration of a brand in bad faith certainly has an effect in the form of losses on two sides, firstly real losses for the supposed brand holder (owner of a brand), secondly for consumers who also buy products with that brand with quality that is not the same as expected (Suherman, 2018). The effects of losses on consumers are not always felt directly, it is only the original trademark owner who suffers real losses, one of which is loss of economic rights.

So that trademark registration at the Directorate General of Intellectual Property Rights' trademark base goes through a fairly strict inspection process. The examination starts from the administrative stage to the substantive examination. This inspection is carried out to ensure that the mark that will be registered and declared passed is a mark that is registered in accordance with the provisions of the laws in force in Indonesia.

Based on Law no. 15 of 2001 in conjunction with Law no. 20 of 2016 concerning Trademarks and Geographical Indications then gives rights to anyone who feels an interest and objects to the registration of a particular mark that was registered in bad faith. A party who feels aggrieved can file a legal remedy, namely a Trademark Cancellation Lawsuit as regulated in Article 76 which states that a Lawsuit 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.

In this research, brand infringement occurred in the Waffelicious brand where the brand was registered in bad faith as in Decision Number 5/Pdt.Sus.HKI.Merek/2021/PN Smg. This is what underlies researchers to raise this problem. This research will discuss the Judge's Basic Considerations in Decision Number 5/Pdt.Sus.HKI.Merek/2021/PN Smg which canceled the Waffelicious trademark on the basis of registration in bad faith.

RESEARCH METHODS

This research is a type of descriptive qualitative research that uses qualitative research techniques with library research methods sourced from books, journals and non-book sources. The approach used is a juridical approach, explaining the legal aspects in providing legal protection for brand rights, both from positive law by explaining the legal components that are used as the basis for brand rights protection. Utilization of primary sources by reviewing laws related to trademark protection, regulations and their derivatives.

RESULTS AND DISCUSSION

Juridical Basis for Brand Protection in Intellectual Property Rights in Indonesia

On the one hand, it first uses the principles in brands that are relevant to a declarative system where legal protection for the brand is obtained without the need to register the mark, but by proving that it is the first user of the mark. on the other hand, it first proposes principles relevant to the constitutive system, where the legal protection of trademarks is obtained through trademark registration. Whoever first registers the brand will receive legal protection.

In a declarative system, The party entitled to the mark is not the party who has officially registered the mark, but must be the party who actually uses or utilizes the mark. those who actually use the mark

cannot simply stop its use by others, even if that person registers the mark. In a declarative system those who do not register their marks are protected, as long as they are the first users. The weakness of this system is that there is no guarantee of legal certainty. Because the person whose trademark is registered can be canceled at any time by another party who claims to be the first user. The declarative system basically relies more on the legal presumption that anyone who uses a brand for the first time in Indonesia has the right to be considered as the party entitled to the mark in question or even as the owner. Those who register brands are also considered to be the first users. This assumption not only creates legal uncertainty, but also creates many problems and obstacles in the business world.

Mark registration using a declarative system provides the status that the registration is considered to be the first user until someone else proves otherwise. In contrast to the declarative system, the constitutive system will only give rise to rights if the mark has been registered. Therefore, in this system registration is a must. In declarative systems, emphasis is placed on the first use. Whoever uses the first mark is considered to have legal rights to the mark in question. So the first use is to create trademark rights, not registration. Registration is seen to only provide prejudice according to the law, the statutory presumption (*rechtsvermoeden*) that the person registering is the first user, namely the person who has the right to the mark in question.

However, if a person can prove that he was the first to exercise this right, then his registration can be canceled by the court and this often happens. For example, in the “Waffelicious” case which was registered by an Indonesian businessman, but was canceled by the court.

Trademark registration by commercial business entities is very important for the protection of products sold, legal protection of business entities, and consumer protection. Trademark registration provides protection against fraud, bad faith and unfair competition for commercial products, so registered brands are safe from counterfeiting and unfair competition. The purpose of trademark registration is to obtain legal certainty and legal protection for intellectual property rights. This shows that brand rights only arise if the owner has registered the mark with the trademark office, in this case the National Intellectual Property Office. Thus, the essence of trademark registration is an obligation that must be fulfilled by the owner; As a result, the right not to be registered will arise, because this right is granted by the state on the basis of “registration”. There are two trademark registration systems in Indonesia, namely the declaration system and the constitutive system according to Law Number 15 of 2001 concerning Trademarks (Atikah, 2019). The registration system adheres to the structural system stipulated by the Constitution, namely Law 19 of 1992 and Law 14 of 1997 concerning Marks.

The legal consequence of an unregistered mark is that there is no state protection. In addition, if the first party who encounters a mark has not registered it, other parties can register a mark with the same name and obtain legal protection because Indonesia adheres to the first applicant system. Legal protection for the mark will be given to the business owner who first trademarked the product, and applications for comparable marks from other business owners will be rejected. In Indonesia, trademark protection refers to several concepts. First, there is preventive protection, which involves protecting well-known brands and marks before a crime or legal violation occurs. Brand owners must register their brands for legal protection in this case (Muhammad Shuhufi, 2022).

In Indonesia, trademark counterfeiting is on the rise, and those who infringe registered trademarks are strictly regulated by law. As previously explained, brand protection is as follows: Legal protection provided by the government aims to prevent potential violations (Alfons, 2017). This is also included in statutory regulations with the aim of preventing violations and providing warnings or prohibitions against certain obligations.

As stated in articles 70 and 71, the government must take action to prevent violations of registered marks in cases where Geographical Indications have been supervised and promoted by the central and regional governments. Where the government has made preventative efforts by educating the public about the importance of protecting Intellectual Property Rights (IPR), where trade in brands is included in (IPR) which is protected by the government and there are laws that regulate who violates them (Aditya

Weriansyah, 2022).

Repressive Legal Protection is the final protection provided in the form of sanctions such as fines, imprisonment and other punishments when disputes or violations occur. As stated in articles 100-103, anyone who violates and counterfeits well-known marks will be subject to sanctions and fines.

Article 100 explains that in principle anyone who uses the same mark as a registered mark belonging to a third party is violating that mark. Possible sanctions and penalties. Therefore, what is meant by "equality in essence" is the similarity caused by the presence of prominent elements between one brand and another, which can give the impression of similarity regarding the shape, method of placement, method of writing, or combination of elements or similarities in speech sounds found in these brands.

The Directorate General of Intellectual Property Rights must reject an application for registration if the Mark is substantially the same or in its entirety as a previously registered Mark for a similar product and/or service belonging to a third party. Claims for compensation and/or termination of all actions related to the use of a mark can be filed in a lawsuit filed by the brand owner against a third party who unlawfully uses the same mark in essence or in its entirety for similar goods or services.

Infringement or plagiarism of registered trademarks or well-known marks may result in imprisonment and/or monetary fines. According to Lucky Setiawati, the Trademark Law can also ensnare parties who trade goods that are known or should be known to be the result of violations of Article 100. This is in addition to the ability of the Trademark Law to ensnare parties who intend to produce and/or trade counterfeit goods. If the type of product sold causes health problems, environmental problems and has the potential to cause death, the perpetrator is threatened with a maximum prison sentence of 10 years and/or a fine of IDR 5 billion (Muhammad Shuhufi, 2022).

Articles 253-262 of the Criminal Code (KUHP) regulate, among other things, the protection of criminal law that applies to prohibited acts involving brands (Nahak, 2017). Criminal sanctions are also stated in Law Number 15 of 2001 concerning Trademarks. Article 90-95 The provisions of Article 90 punish anyone who intentionally and without right uses a mark that is the same as a registered mark belonging to another party for goods and/or services that are produced and/or traded identically, to a maximum of five years in prison and a fine. Article 91 determines that anyone who intentionally and without right uses a mark which is substantially the same as a registered mark belonging to another party for similar goods or services produced or traded, is threatened with imprisonment for a maximum of four years and/or a maximum fine of IDR 800,000,000. .

In the event of a violation of intellectual property rights, the state usually uses its administrative legal powers to prosecute and protect the rightful owner. The use of state authority is exemplified through customs, industry standards, broadcasting authority, and advertising standards supervisors (Muhamad Djumhana, 2014).

Judge's Considerations in Deciding Dispute Decision Number 5/Pdt.Sus-HKI.Merek/2021/PN.SMG

According to Article 76 paragraph (2) of the 2001 Trademark Law, a lawsuit for infringement of a registered trademark is filed with the Commercial Court. This means that the authority to adjudicate disputes or trademark infringement lawsuits is in the hands of the Commercial Court as a special judicial body. Empowering the Commercial Court is intended so that trademark disputes can be resolved relatively quickly. This is because brands are part of economic activities or the business world, so resolving brand disputes requires a special judicial body, namely the Commercial Court.

The 2001 Trademark Law also gives judges the right to take certain actions while the examination is still ongoing. Article 78 states that while it is still under investigation and to prevent greater losses, the judge, at the request of the brand owner or licensee as the plaintiff, can order the defendant to stop production, distribution and/or trade in goods or services that use the mark without right. Apart from that, the judge can also order that the delivery of the goods or the value of the goods be carried out after the court decision has closed legal force if the defendant is apparently also required to hand over goods that use the brand without right.

In order to filing a lawsuit to cancel a trademark registration, basically the trademark must have been

registered with the Directorate General of Intellectual Property because with trademark registration it is protected by law. Likewise, the trademark being sued must also be registered, because it is impossible to cancel the registration for an unregistered trademark. The problem with canceling a trademark registration is that there are similarities between the trademarks that have been registered, whether they are similar in essence or in their entirety.

Article 68 paragraph (1) Law Number 15 of 2001 concerning Trademarks states that a lawsuit for trademark cancellation can be filed by an interested party in accordance with the provisions based on the reasons as intended in Article 4, Article 5 or Article 6, while paragraph (2) states that the owner of an unregistered mark can file lawsuit as intended in paragraph (1) after submitting the application to the Directorate General.

A lawsuit to cancel a trademark registration is filed at the Commercial Court in the jurisdiction where the Defendant lives or is domiciled. Article 80 paragraph (1) of Law Number 15 of 2001 concerning Marks), in the event that the Defendant resides in Semarang, the lawsuit is filed at the Central Semarang Commercial Court (Article 80 paragraph (2) of Law Number 15 of 2001 concerning Marks). A lawsuit to cancel a trademark registration can only be filed within 5 (five) years from the date of registration of the trademark, however a lawsuit to cancel a trademark can be filed without a time limit if the trademark in question is in conflict with morality, religion, decency or public order (Article 69 of Law Number 15 of 2001 concerning Trademarks) In the constitutive system adopted by Law Number 15 of 2001 concerning Trademarks, the first to register principle applies, whoever registers first has the right to the trademark. With this principle, brand owners who feel they have registered first can file a lawsuit to cancel the registration of someone else's brand which is similar to their brand.

In the trademark cancellation lawsuit filed by Adi Bagus Kristanto as the Plaintiff to Budhy Cipta Kurniawan Hendra Wijaya as the defendant because the mark was made in bad faith and had greatly harmed the Plaintiff both materially and immaterially. The basis for the lawsuit to cancel the Waffelicious registered mark was carried out because of bad faith, whereas according to Article 69 paragraph (2) that a lawsuit for cancellation can be filed without a time limit if the mark in question conflicts with religious morality, decency or public order and according to the explanation of Article 69 paragraph (2) included in the definition of conflict with public order is bad faith.

This is in line with Article 6 bis of the 1967 Paris Convention states that lawsuits against trademark owners who act in bad faith have no time limit. In accordance with Article 68 paragraph (3) of Law Number 15 of 2001, a trademark cancellation lawsuit is submitted to the Commercial Court, in this case the Plaintiff's lawsuit is submitted to the Semarang Commercial Court because the Defendant resides in the Semarang area (Article 80 paragraph (1) of Law Number 15 of 2001).

The judge's considerations regarding the time period for questioning the sale of Waffelicious even though the outlet had been running and known since 2012 to 2015, even if the 5 (five) year period had passed, the basis for the lawsuit to cancel the Waffelicious registered mark by Budhy Cipta Kurniawan Hendra Wijaya was based on bad faith. owner of the Waffelicious brand.

In accordance with Article 68 paragraph (1) Law Number 15 of 2001 concerning Trademarks states that a lawsuit for canceling a trademark registration can be filed by an interested party based on the reasons as intended in Article 4, Article 5 and Article 6. What is meant by an interested party in the Waffelicious lawsuit against Budhy Cipta is the Defendant who owns the registered mark Numbers 6IDM000682469, IDM000682470, IDM000682468 and DID2020067135 who had bad intentions when registering the Waffelicious brand, this was proven by witnesses and evidence before the court.

The judge's consideration in granting part of the Plaintiff's lawsuit and convicting the Defendant was the evidence submitted by the Plaintiff and the testimony of witnesses which stated that the Plaintiff had been harmed materially and immaterially because the Defendant did not have good faith in the trademark infringement he had committed. The bad faith carried out by the defendant was to take over the waffelicious brand, thereby creating unhealthy business competition where the defendant registered the brand and received a registration number on June 22 2012.

The next act of bad faith carried out by the Defendant was to intimidate the Plaintiff by sending a summons to investors in the outlet managed by the Plaintiff and threatening employees to stop sales. The Defendant also asked the Plaintiff for compensation on the pretext that the Plaintiff used the Waffelicious brand. The Defendant also instigated business colleagues who were collaborating with the Plaintiff, saying that the Plaintiff had committed a lie, this was a form of defamation against the Plaintiff.

For these reasons, the judge considered that part of the lawsuit filed by the Plaintiff was acceptable and punished the Defendant to stop sales, marketing, franchising activities and withdraw all products under the Waffelicious brand from the market. The Plaintiff is also an interested party in canceling the Defendant's registered Waffelicious brand. This section presents the research results.

CONCLUSION

Trademark law must provide a clear understanding of the interpretation of good faith so that its application does not give rise to differences in interpretation between judges, so that every Supreme Court decision has consistent legal certainty that can provide legal protection to brand owners.

The trademark cancellation lawsuit was filed by Adi Bagus Kristanto as the Plaintiff against Budhy Cipta Kurniawan Hendra Wijaya as the defendant because the trademark was executed in bad faith and had greatly harmed the Plaintiff both materially and immaterially. Article 69 paragraph (2) states that a lawsuit for cancellation can be filed without a time limit if the mark in question conflicts with religious morality, morality or public order and according to the explanation of Article 69 paragraph (2) included in the definition of conflict with public order is bad faith.

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