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# JURIDICAL REVIEW OF TRADEMARK DISPUTES IN INDONESIA: Case Study of the Trademark

"Buddha To Buddha Bv" in Supreme Court Decision Number 1014k/Pdt.Sus-HKI/2016

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#### **ABSTRACT**

Brands play an important role in the business world, which is related to the rapid growth of the trade sector and even unites the business world as a single market. Even so, what happened in this area was not as anticipated by Law no. 15 of 2001 which has been modified into Law no. 20 of 2016 No. 3, namely that there are still many violations and disputes found. This writing applies a normative juridical approach. The type of research used is descriptive research. The data used is secondary data in the form of primary legal data, secondary legal data and tertiary legal data. The results of this research are that Utami Silver violates Article 76 and can be charged under Article 91 of the Trademark Law no. 15 of 2001 because Utami Silver markets jewelry with similar products. Through Buddha to Buddha By.

#### Keywords: Brand, Trade Dispute, Infringement

#### INTRODUCTION

Trademarks are a clear part of intellectual property that play a vital role in the economic cycle of an industry in the field of trading goods and services. One of them is that the brand becomes an image of product quality and helps attract consumer interest in new products<sup>1</sup>. Considering the importance of brand benefits, legal protection is very necessary to provide legal certainty. The government has formulated special regulations regarding brands themselves to regulate them, Law Number 20 of 2016 concerning Trademarks and Geographical Indications (UU MIG) stipulates that the definition of a brand is:

"A brand is a sign that can be exhibited through graphics in the form of images, logos, names, words, letters, numbers, color arrangements, in 2 (two) dimensions and 3 (three) dimensions, sounds, holograms, aka a combination of 2 (two) then "Moreover, this aspect is to differentiate goods and/or services processed by persons or legal institutions in goods and/or trading activities"

Based on this understanding, it can be said that a brand can be used as a distinguishing mark between a trademark or service mark and a similar trademark or service mark. Article 2(2) Law no. 20 of 2016<sup>2</sup>, Brands are divided into 2 (two) groups, namely trademarks and service marks. A trademark is a brand that is applied to goods sold by a single person or many individuals or legal entities in order to differentiate them from other similar goods. Meanwhile, a service mark is a service used for transactions by one person or various people or legal institutions to differentiate it from similar service marks.

From here, brands play an important role in the business world, which is related to the rapid growth of the trade sector and even unites the business world as a single market. Even so, what happened in this area was not as anticipated by Law no. 15 of 2001 which has been amended by Law no. 20 of 2016 No. 3, namely that there are still many violations found, such as borrowing new brands of wells - other known brands that have previously existed. Thus, a company will create a personality for its products through

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<sup>&</sup>lt;sup>1</sup> Rahab.Penerapan Manajemen Merek Pada Usaha Kecil Dan Menengah (Ukm). Jurnal Bisnis dan Ekonomi (JBE). Vol. 16 No. 1.2009. Fakultas Ekonomi. Universitas Jendral Soedirman Purwokerto.

<sup>&</sup>lt;sup>2</sup> Pasal 2 ayat (2) UndangUndang Nomor 20 Tahun 2016 tentang Merek Dagang





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the brand<sup>3</sup>, in the hope of developing a business reputation for using the brand. However, if an established reputation is damaged by a competitor, the company will likely try to prevent its competitors from copying the brand. As a result, every entrepreneur tries to cancel the registration of a valid mark which is a duplicate of the mark he uses, as a result it is not uncommon for this to be taken to court. Therefore, to avoid trademark duplication, operators must register their own trademarks, and there is no duplication of trademarks. Trademark registration is registered with the Directorate General of Intellectual Property (Dirjen IPR), Ministry of Law and Human Rights of the Republic of Indonesia.4

Based on its provisions, a registered trademark has the exclusive power to prevent other parties from using a similar mark without the permission and knowledge of the mark holder. If another party uses a registered trademark, the registered trademark holder is able to file a lawsuit in the Commercial Court based on Article 76(1) of the 2001 Trademark Law:

- (1) The holder of a registered trademark may sue another party for the illegal use of a trademark which is in principle identical or generic to similar goods or services by means of: litigation, and/or b. Stop all actions related to the use of the trademark.
- (2) The trial as regulated in paragraph (1) is referred to the Commercial Court.

Even though Indonesia's Law Number 20 of 2016 regulates brands and geographical indications, it cannot be denied that brand disputes still occur from time to time.<sup>5</sup>. An example of a silver utami dispute between Buddha and Buddha. Combining facts T-3 to T-5, it can be determined that the BTB brand silver jewelry distributed to jewelry sellers in Bali is produced by Krisna Silver. By considering these factors, the judge decided not to accept the plaintiff's lawsuit.

A Dutch company that processes jewelry with the brand "Buddha to Buddha" aka abbreviated as BTB has registered its goods with the Ministry of Law and Human Rights on July 6 2011 or by contacting the Ministry of Law and Human Rights, IDM No. 000382184, Competition Decision No. 01/HKI.MEREK/2016/PN.Niaga.Sby sued the jewelry shop owned by Utami Silver at the Surabaya Commercial Court, Ubud, Bali for deliberate and unlawful trading in BTB branded jewelry and the gallery owned by Utami PeraK. In his reply letter, Utami Silver admitted that he was Small traders who usually buy and sell BTB brand jewelry are produced consistently from Artshop Kharisma Silver owned by Wayan Pasek Duriawan, but due to legal considerations, said the jury. The main defendant is Krisna Silver as the producer, not Utami Silver who is registered as the person carrying out the transaction, even consideration of the letter of proof based on connection P-5.

Based on the explanation above, the author wishes to write a paper entitled "JURIDICAL REVIEW OF TRADEMARK DISPUTES IN INDONESIA: Case Study of the Trademark "Buddha To Buddha Bv" in Supreme Court Decision Number 1014k/Pdt.Sus-HKI/2016"

#### RESEARCH METHODS

## Formulation of the problem

Based on the background above, this research has a problem formulation, namely:

- 1. How is the Buddha to Buddha BV Trademark legal protected in Indonesia?
- 2. What is the basis for the Panel of Judges' consideration in deciding the Buddha To Buddha BV and Utami Silver Trademark dispute?

<sup>&</sup>lt;sup>3</sup> Suyud Margono dan Amir Angkasa. 2002. Komersialisasi Aset Komersial Aspek Hukum Bisnis. Jakarta: PT. Gramedia Widiasarana Indonesia. Hlm. 147

<sup>&</sup>lt;sup>4</sup> Dwi Rezki Sri Astarini. 2009. Penghapusan Merek Terdaftar. Bandung: Alumni. Hlm.10.

<sup>&</sup>lt;sup>5</sup> Undang-undang Nomor 20 Tahun 2016 tentang Merek dan Indikasi geografis





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#### **Research purposes**

The aims of this research are:

- 1. To find out about the legal protection of the famous Trademark Buddha to Buddha BV in Indonesia.
- 2. To analyze the basic considerations of the Panel of Judges in deciding the Buddha To Buddha BV and Utami Silver Trademark dispute.

#### **Research methods**

This research applies a normative juridical approach. The type of research applied is descriptive research. Using secondary data in the form of primary legal data, secondary legal data and tertiary legal data. The main legal materials include criminal law and criminal procedural law. Secondary legal materials include books related to research, journals, research results, or legal expert arguments. The third category of legal materials includes legal dictionaries, encyclopedias and other library materials. This writing applies a library research model for data collection, namely searching for and researching case resolutions through the subpoena method, then carrying out qualitative analysis, then applying deductive data analysis methods.

#### **RESULTS AND DISCUSSION**

#### A. How is the legal protection of the Buddha to Buddha BV Trademark in Indonesia

The Big Indonesian Dictionary (KBBI) explains that protection is about (acts and so on) protecting. Meanwhile, the definition of law referring to the legal dictionary is various rules that have a coercive nature and regulate human behavior in social life. 6Referring to JCT Simorangkir and Woerjono Sastropranoto, law is a decree that has a coercive nature, determining human behavior in social life, which is regulated by formal legal institutions, violations of these rules will result in punishment.<sup>7</sup>

A brand is a sign that can be represented graphically as an image, logo, name, word, letter, number, color scheme, in two or three-dimensional form, sound, hologram, or a group of people and legal entities in the activity of selling goods and services. A brand is a part of intellectual property in the form of a sign attached to goods or services produced or traded from other parties. Brands cannot be separated from the world of marketing goods and services, because brands hold closely to the image, quality and reputation that represent the product. Sometimes a brand becomes something that is very valuable, sometimes even more meaningful than the assets of the company itself.

Trademark registration is very important because trademark registration is related to the rights to the brand itself. Prand registration also plays a role in broader product sales so that it can reach every level of society. 10 In Indonesia, trademark rights are obtained after the trademark is registered with the DJKI. This has another term, namely constitutive stelsel or first to file system. 11 This means that the person who is the first to register their trademark is considered by law to be the first trademark

<sup>&</sup>lt;sup>6</sup> Tim Panca Aksara, 2020, Kamus Istilah Hukum, Temanggung: Desa Pustaka Indonesia, hal 93.

<sup>&</sup>lt;sup>7</sup> Ishaq, 2012, Dasar-Dasar Ilmu Hukum, Jakarta: Sinar Grafika, hal 3.

<sup>8</sup> Thoyyibah Bafadhal, "Perlindungan Hukum terhadap Merek Terkenal di Indonesia: Kasus IKEA", Undang: Jurnal Hukum, Vol. 1 No. 1 (2018), hal 25.

<sup>9</sup> Rahmadia Maudy Putri Karina & Rinitami Njatrijani, "Perlindungan Hukum Bagi Pemegang Hak Merek Dagang IKEA Atas Penghapusan Merek Dagang", Jurnal Pembangunan Hukum Indonesia, Vol. 1 No. 2 (2019), hal 195

<sup>&</sup>lt;sup>10</sup> Iffan Kholif Khoironi, "Implementasi Pendaftaran Merek Sebagai Bentuk Perlindungan Hukum Pada Home Industry Eggroll", Unnes Journal Law, Vol. 2 No. 2 (2013), hal 131.

<sup>&</sup>lt;sup>11</sup> 2 Rahmi Jened, 2015, Hukum Merek Trademark Law dalam Era Global & Integrasi Ekonomi, Jakarta: Kencana, hal. 144.





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user. 53 An unregistered trademark will automatically not receive legal protection. 12 So registering a trademark has become a necessity that needs to be carried out by the trademark owner so that the right to the trademark is born on the basis of registration. <sup>13</sup>The final product of trademark registration is the issuance of a trademark registration certificate which states that the trademark has an exclusive right.14

Registered marks have a protection period of 10 years and can be extended for the same period. The regulations regarding this are in Article 35 of the MIG Law. Even though Indonesia applies a first to file system, well-known brands that are not registered in Indonesia must obtain legal protection because Indonesia has ratified several international agreements such as the Trade Related Aspects of Intellectual Property Rights (TRIPS) Agreement through Law no. 7 of 1994 concerning Ratification of the Agreement Establishing the World Trade Organization. <sup>15</sup>In the TRIPS Agreement, protection can be delegated to dissimilar goods or services if they are related to the holder of a well-known registered mark, aka there is an opportunity for the brand holder to experience misfortune that creates market confusion, provided that the brand owner can prove the popularity of the brand.

Other brand protection in the international arena is through the Madrid Protocol System by WIPO. Indonesia itself has become part of the Madrid Union with the ratification of Presidential Decree Number 92 of 2017 concerning Ratification of the Madrid Protocol. As well as implementing the Protocol, brand holders only need to simultaneously register the brand to obtain protection in all Protocol member countries.<sup>16</sup>

# B. The basis for consideration by the Panel of Judges in deciding the Buddha To Buddha BV and Utami Silver Trademark dispute

Based on the legal contract, it was found that the plaintiff was required to be a valid holder of the Buddha to Buddha (BTB) brand and Utami Silver was the one who marketed non-genuine BTB accessories obtained through the Krisna Silver shop. Seeing this legal reality, the panel of judges at the Surabaya Commercial Court considered that the party producing fake jewelry, Krisna Silver, should be prosecuted only as a seller. The panel of judges based their opinion on Article 76 of Law Number 15 of 2001 concerning Marks, which contains:

"The owner of a registered trademark can sue another party for not having the right to use part or all of the same trademark for similar goods and services by:

- Claim,
- Termination of all actions related to the use of the Mark"17

In the latest branding law, Law no. 20 of 2016 concerning Brands, "use of brands" is discussed in Article 83, but in this law there is also no explanation of the characteristics or meaning of branding in Law No. 20 of 2016.

Referring to this regulation, the Panel of Judges explained the meaning that from "other parties

<sup>&</sup>lt;sup>12</sup> Sonny Engelbert Palendeng, Merry E. Kalalo & Deasy Soeikromo, "Penyelesaian Sengketa Merek Dagang Dikaitkan dengan Kepastian Hukum Hak Kekayaan Intelektual", Supremasi: Jurnal Pemikiran dan Penelitian Ilmu-ilmu Sosial, Hukum, & Pengajarannya, Vol. 16 No. 2 (2021), hal. 280.

<sup>&</sup>lt;sup>13</sup> Annisa Siregar, OK. Saidin & Jelly Leviza, "Perlindungan Hukum Hak Atas Merek Pada Usaha Mikro Kecil dan Menengah", Locus Journal of Academic Literature Review, Vol. 1 Issue 3 (2022), hal. 164. <sup>14</sup> Tania Novelin & Pande Yogantara, "Perlindungan Hukum Terhadap Merek Terdaftar Akibat Tindakan Trademarks Squatting di Indonesia", Jurnal Magister Hukum Udayana, Vol. 11 No. 1 (2022), hal. 173

<sup>&</sup>lt;sup>15</sup> Erika Vivin Setyoningsih, "Implementasi Ratifikasi Agreement on Trade Related Aspects of Intellectual Property Right (Trips Agremeent) terhadap Politik Hukum di Indonesia", Jurnal Penegakan Hukum dan Keadilan, Vol. 2 No. 2 (2021), hal 118.

<sup>&</sup>lt;sup>16</sup> Peraturan Presiden Nomor 92 Tahun 2017 Tentang Pengesahan Madrid Protocol

<sup>&</sup>lt;sup>17</sup> Pasal 76 Undang-Undang No.15 Tahun 2001 tentang Merek





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who have no authority to use the mark" only production persons can be the main defendant. because Utami Silver in this lawsuit is only the party that trades/markets jewelry called BTB palsi and obtains BTB brand silver jewelry through Wayan Pasek Duriawan's Artshop Krishna Silver as the party that makes it, therefore the Panel of Judges argued that the Plaintiff's lawsuit was Error in Persona which caused the plaintiff's lawsuit to be decided. by the Panel of Judges.

Based on the considerations of the Panel of Judges above, if we examine it more deeply, the term "use of marks" in Law Number 5 of 2001 concerning Trademarks does not have a specific explanation, but follows the procedures for forming the law, namely, the position of the clause. Article 76 of the 2001 Trademark Law relates to Article 83 of the 2016 Trademark Law, the words "use a trademark" are a "verb" and are interpreted in a limited way, this limitation is indirectly contained in Article 78(1) of the 2001 Trademark Law, which contain:

"During the examination, in order to avoid further misfortune, at the request of the owner, aka the licensee as the plaintiff, the judge can instruct the defendant to stop producing, redistributing and marketing goods or services where the sign is not used properly."

From this article it can be seen that the activities of the party accused of committing brand infringement are production, distribution and/or trade, namely:

- 1. Production is the activity of producing goods and/or services for use in the market, which is carried out by producers or can be referred to as bodies or individuals.<sup>18</sup>
- 2. Distribution of goods and/or services are goods and/or services intended to be offered, promoted, advertised, marketed in mass markets, shopping centers, supermarkets and/or other trading places for consumption, use or use by consumers, as well as storage in warehouses. or other collection places for domestic and imported products<sup>19</sup>
- 3. Trade is the arrangement of activities carried out both within the country and abroad related to the exchange of goods and/or services in order to transfer power from the goods or services in return and compensation.<sup>20</sup>

From this explanation, distributors and transacting parties are often the same, where the seller is the party who distributes through offers, advertising and promotions so that the goods/services sold sell well in the market. This chapter is also emphasized. Article 90 in conjunction with Article 91 of Law Number 15 of 2001 concerning Mergers of Trade Marks and Traders includes:

"Anyone who deliberately does not apply a trademark that is the same... as a registered trademark belonging to another party for the production and/or trade of similar goods and/or services, shall be punished with a crime...."

Referring to the article, what is meant by a party using the same mark as a registered trademark of another party for goods and services that are processed and/or traded. The meaning of the word "and/or" refers to whether someone who "produces and trades or only produces or only trades" can be sued under Article 90 of the Trademark Law No. 15 of 2001.<sup>21</sup>

## **CONCLUSION AND SUGGESTION**

## **CONCLUSION**

The defendant Utami Silver was proven to have purchased BTB branded accessories at Kisna Silver. Therefore, if Utami Silver markets the products it purchases to Krisna Silver, Krisna Silver is responsible as

<sup>&</sup>lt;sup>18</sup> Produsen, https://accurate.id/, diakses 26 April 2023

<sup>&</sup>lt;sup>19</sup> Pasal 1 ayat 3 PERATURAN MENTERI PERDAGANGAN REPUBLIK INDONESIA NOMOR 69 TAHUN 2018 TENTANG PENGAWASAN BARANG BEREDAR DAN/ATAU JASA

<sup>&</sup>lt;sup>20</sup> Pasal 1 ayat 1 UNDANG-UNDANG REPUBLIK INDONESIA NOMOR 7 TAHUN 2014 TENTANG **PERDAGANGAN** 

<sup>&</sup>lt;sup>21</sup> Pasal 90 Undang-Undang No.15 Tahun 2001 tentang Merek.





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a producer. Therefore, Utami Silver as a party to the transaction can file a lawsuit at the Commercial Court where Utami Silver is domiciled as the main defendant.

Referring to Articles 76 and 78 of the Trademark Law no. 15 of 2001, Utami Silver violates Article 76 and can be charged under Article 91 of the Trademark Law no. 15 of 2001 because Utami Silver trades jewelry with similar products. Via BTB.

#### **SUGGESTION**

Handling of trademark crime cases is carried out based on civil procedural law, namely legal provisions that regulate how to ensure compliance with material civil law according to the judge's regulations. To avoid trademark disputes, business owners should carry out research regarding the products to be sold and the trademarks used and not use other people's trademarks that are similar to their own brand, as in this case, so that disputes do not occur.

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