

Legal Protection of Well-Known Brands in Different Classes of Goods Case Study of Starbuck Corporation

(Analysis of District Court Decision No: 51/Pdt.Sus/Merek/2021/PN
Niaga Jkt.Pst Juncto Supreme Court Decision Number 836 K/Pdt.Sus-
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Ari Suswandaru

Pancasila University, Indonesia

Correspondent: ari@gmail.com

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ABSTRACT: Mark is a part of Intellectual Property Rights (HKI) which functions as a differentiator between one product and another, and a sign to identify the origin of goods and services. Not infrequently there are parties who have bad intentions to find shortcuts to success by piggybacking on the reputation (passing off) of a well-known brand. Even though this has been regulated in Indonesia, it cannot be separated from the problem of infringement of trademark rights which has led to disputes in court, one of which is a trademark dispute between STARBUCKS CORPORATION and PT. SUMATERA TOBACCO TRADING COMPANY. The purpose of this study is to find out the regulation of trademarks and geographical indications governing well-known brands, how is the legal protection of well-known brands when there are registrations of other brands which have divisions into different classes, and how is the legal protection of the Starbuck brand, which has similarities in principle to the Starbuck brand registered in a different class, case study of District Court decision No: 51/Pdt.Sus/Merek/2021/PN Niaga Jkt.Pst Juncto Supreme Court decision No: 836K/Pdt.Sus-HKI/2022. The approach used is a normative juridical approach, and is descriptive in nature with secondary data sources which include primary, secondary and tertiary legal materials. The technique used in library research uses qualitative methods. The results of the study found that the lawsuit between the Plaintiff's Starbucks brand and the Defendant's Starbucks brand had similarities in principle. The researcher is of the opinion that the panel of judges is right in giving their legal considerations, namely there are similarities, similarities in the form of arrangement and number of letters, as well as the similarity in sound and assessment of the Plaintiff's Starbucks brand with the Defendant's Starbucks brand.

Keywords: HKI, legal protection, trademark, Starbucks



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INTRODUCTION

Intellectual Property Rights are rights that are born or originate from human creativity which can

be grouped into 2 (two) namely Copyright and Industrial Property Rights, which are again divided into Trademarks, Patents, Trade Secrets, Industrial Designs and Layout Designs of Integrated Circuits. Protection of Intellectual Property Rights (IPR) is given on the basis of fairness and justice, that someone who has devoted his efforts to create/invent something should have a natural or basic right to control and control his creation.

Trademark is a part of Intellectual Property Rights (IPR), which in trade practice functions as a differentiator between one item and another, and is a sign to identify the origin of goods and services. In addition, Brand is the most important and vital part in the trading business world. With a brand as an identification mark for the identity of a product, both services and goods, that has been produced by producers can be recognized directly by consumers, besides that, brands are used as guarantees for the value of their products, especially with regard to product quality. Every trader must use the brand to promote their wares and to expand the market. But for consumers, a brand is needed to make a choice of a product to be purchased. It is unimaginable if a product does not have a brand, of course the product in question will not be recognized by consumers. Therefore, to find out whether a product is good or not, one must have a brand as an identification. In fact, it is not impossible that a brand that is widely known by consumers because of its price and quality, will always be followed, imitated, "pirated", perhaps even counterfeited by other producers who compete unfairly (fraudulently).

Brand is a very important thing in the world of trade industry or in the business world. When associated, the brand is very closely related to the world of commerce in the form of trading in goods or offering services. The main function of a brand in the trade industry is so that consumers can differentiate the results of a particular product from other products for a similar product or service. Brand is an identification of a product or company results that are sold in the market. The function of the brand develops along with the development of the national and international economy.

Well-known marks in various classes of goods and/or services are carried out by taking into account the general knowledge of the public regarding said marks in the relevant business sector. Well-known brands are brands that have a high reputation obtained due to vigorous and large-scale promotions, investments made in several countries around the world. by the owner and accompanied by proof of registration, each application for registration in the country of Indonesia for a class of goods and/or services must contain a description of the type of goods and/or services said.

The benefits of such a large brand, especially for brands that are well known and have a good reputation, often make other parties have bad intentions to find shortcuts to success by piggybacking on the reputation (passing off) of the famous brand. Piggybacking this reputation can be done by imitating or simulating their brand with a well-known brand. Piggybacking reputation (passing off) itself is a form of unlawful act. Djumhana and Djubaedillah provide an understanding of reputation piggybacking (passing off), as follows:

“Actions that try to gain profits through shortcuts by all means and pretexts by violating business

ethics, moral norms and the law. This action can occur by copying or resembling the property of another person who already has a good reputation. This way of piggybacking on reputation can occur in the fields of brands, patents, industrial designs, and copyrights.”

Violation of the mark is not only due to passing off, imitating or simulating a brand with a well-known brand whose products are of the same class and the same type, but also to the similarity of a well-known brand, different classes of goods can lead to potential trademark infringement. This is a form of unfair competition .

Fading of well-known brand reputation is caused by imitation of well-known brands by other business actors for different products or types of goods (dilution). Dilution of a brand when one party uses the same brand as another party's brand in a different class of goods can reduce the strength of the brand so that resulting in consumer confusion as a buyer regarding the source of origin of the brand.

Actors who work in certain business fields already know whether a brand is a well-known brand or not, even though the goods are not distributed in Indonesia. Such an act in the international world is known as trademark squatting or brand mafia. Trademark squatting is an act of registering another person's mark that has not been registered, thus making the actual brand owner unable to register his trademark.

Because there was a need to overcome this problem, laws and regulations were made to provide protection for holders of well-known marks in Indonesia, one of which was through Law Number 20 of 2016 concerning marks and geographical indications.

Even though it has been regulated, in Indonesia it is still inseparable from the problem of infringement of trademark rights which has led to the emergence of disputes in court, one of which is a trademark dispute between STARBUCKS CORPORATION and PT. SUMATRA TOBACCO TRADING COMPANY cq. The Government of the Republic of Indonesia, cq. Ministry of Law and Human Rights of the Republic of Indonesia cq. Directorate General of Intellectual Property cq. Directorate of Marks and Geographical Indications. The dispute began with a lawsuit filed by Starbucks Corporation as the Plaintiff, which is the owner of the well-known brand "Starbucks", which is registered in various countries. The Plaintiff filed a lawsuit against the cancellation of the Starbucks brand as a cigarette brand with registration number IDM000342818 in class 34 (thirty four) belonging to the Defendant.

The class 34 classification of goods from the defendant includes: All kinds of cigarettes, clove cigarettes, white cigarettes, klobot cigarettes, cigarette paper, tobacco, matches (ignition-ignitioners). -frozen sugar, chocolate, candies and confectionery, ground coffee and whole coffee beans, cocoa, tea (foliage and non-foliate), coffee, tea, cocoa and espresso drinks, and beverages-drinks made with the basic ingredients of coffee and/or espresso, drinks made with the basic ingredients of tea, cocoa powder and vanilla; sauces; baked goods including muffins, biscuits or small baked cakes made of cream and eggs (scones), biscuits, pastries, flour dough (cakes) and breads Bread, buns covered with meat, cheese and vegetables (sandwiches), whole wheat grains

(granola), ready-to-drink coffee, ready-to-drink tea, and types of Class 40 goods include: Restaurant, cafe, cafeteria services , places to sell snacks, coffee shops and coffee shops, restaurants serving take-out meals and restaurant services serving take-out meals, catering services, coffee supply services for offices, coffee offering services, food contract services, preparation food, food preparation and sale.

The lawsuit was filed on the basis that the “STARBUCKS” brand as a cigarette brand owned by the Defendant has similarities in principle with the “STARBUCKS” brand owned by the Plaintiff, and that the registration of the “STARBUCK” brand owned by the Defendant is reasonably alleged to have been filed in bad faith to piggyback on the reputation of the “STARBUCK” brand. The lawsuit was rejected by the Panel of Judges at the Central Jakarta District Court through Decision No: 51/Pdt.Sus/Merek/2021/PN Niaga Jkt.Pst., on the basis that no element of bad faith was found in the registration of the brand "STARBUCKS" Registration number IDM000342818 was classified class 34 belonging to the Defendant.

Not accepting the Decision of the Central Jakarta District Court, the Plaintiff then filed an Cassation. In cassation, all lawsuits from the Plaintiff were granted by the Panel of Supreme Judges through Decision No: 836 K/Pdt.Sus-HKI/2022.

Settlement of disputes regarding trademarks registered through the Commercial Court in the jurisdiction or place of residence/domicile of the defendant, if one of the parties resides outside the area, a lawsuit is filed with the Central Jakarta District Court and further legal remedies are not through appeals in the High Court but immediately appealed to the Supreme Court.

Based on the background mentioned above, in this case the author is interested in conducting research in the form of a thesis with the title "LEGAL PROTECTION OF FAMOUS BRAND IN DIFFERENT CLASS OF GOODS CASE STUDY STARBUCK CORPORATION (Analysis of District Court Decision No: 51/Pdt.Sus/Merek/2021/PN Niaga Jkt.Pst Juncto Supreme Court Decision Number 836.K/Pdt.Sus-HKI/2022).

METHOD

Well-known brands have special features because they are different from ordinary brands, because of their status and bearing as well-known brands, there are things in legal protection that only well-known brands have, in other words, this protection cannot be owned by ordinary brands, but only by well-known brands. In the following sections will be explained.

1. Include Goods of Different Classes

Legal protection for well-known brands according to international agreements, one of which is regulated in the Agreement On Trade Related Aspects Of Intellectual Property Rights (TRIPs Agreement). This international agreement greatly influences Indonesia in providing legal protection, especially for well-known brands.

Indonesia entered as a participating country as a party to the agreement, thus giving consequences

for Indonesia to participate in carrying out its international obligations.

Article 16 paragraph (3) stipulates that:

“Article 6 bis of the Paris Convention (1967) shall apply, *mutatis mutandis*, to goods or services which are not similar to those in respects of which a trademark is registered, provided that use of that trademark in relation to those goods or services would indicate a connection between those goods or services and the owner of the registered trademark and provided that the interest of the owner of the registered trademark are likely to be damaged by such use.”

Based on Article 16 paragraph (3) of the TRIPS Agreement, there are privileges for well-known brands, namely, it is an extension of the legal protection of well-known brands which regulates goods or services that are not similar (goods or services are not similar) based on criteria based on the impression of a link between goods and services. who uses the mark with the manufacturer, and if the use or registration by another person for a different class of goods can be detrimental to the interests of the owner of a well-known mark.

Indonesia's position as a country party to the TRIPS Agreement which has the obligation to provide guarantees for the protection of well-known brands for different classes of goods, trade will not develop properly if well-known brands for different classes of goods do not receive adequate legal certainty and protection in a country. Imitation of well-known brands for different class of goods is very detrimental to the owners of well-known brands which has an impact on other countries' distrust of the guarantee of protection for well-known brands provided by the government of the Republic of Indonesia.

The TRIPS Agreement agreement is used as a basis by countries that are members of the Paris Convention and the World Trade Organization (WTO) to be able to provide protection for well-known brands.

A well-known brand owner may prevent other business actors from using his brand, even for non-competitive products. Furthermore, the Lanham Act defines dilution as the fading of the reputation of a well-known brand, caused by imitation of a well-known brand by another business actor on a different type of goods or products from that of a well-known brand, thus allowing confusion and fraud to arise in society.

The doctrine of brand dilution is a principle in trademark law that allows well-known brand owners to prohibit other parties from using their brand in ways that can threaten the uniqueness of the brand. A brand is diluted when one party uses a brand that is the same or identical to another party's brand in non-competitive goods (different class goods) which can reduce the strength of the brand so that it can result in consumer confusion regarding the source of origin of the brand. The definition of dilution according to Black's Law Dictionary is:

“The act or an instance of diminishing a thing’s strength or lessing its value; the impairment of a famous trademark’s strength, effectiveness, distinctiveness through the use of the mark on an unrelated product, usually blurring the trademarks’s distinctive character or tarnishing it with an unsavory association. Trademark dilution may occur even when the use is not competitive and creates no likelihood of confusion”.

Dilution according to the International Trademark Association (INTA) is:

“Dilution is the unauthorized use of a highly distinctive mark by another in a manner which tends to blur its distinctiveness or tarnish its image even without any likelihood of confusion. Dilution is when the unauthorized use of a famous mark reduces the public’s perception that the mark signifies something unique, singular, or particular”.

In general, dilution of a product is based on 3 (three) rights, namely:

- a. Favorability, the attractiveness of a product that can give the impression of being related to one product to another;
- b. Strength, brand strength that can provide memory to the consumer community;
- c. Uniqueness, the image of a brand that has an appeal to consumers is brands that are very unique, as said by Volvo and Qantas;

In a dilution violation as a protection of a well-known mark there are three things that must be shown:

- a. Trademark is well – known or has reputation
- b. Similarity of trademarks but goods and services are dissimilar. (brands have similarities in principle, especially for different goods);
- c. There is dilution or tarnishment or blurring reputation without due cause.

Furthermore, there are opinions stating that related to protection from dilution: “Around the world, a trend is developing towards greater protection in this area beyond the minimum standard set by TRIPs Agreement, in the form of an “anti dilution” right which is available in the absence of confusion or deception of the public”.

It can be concluded that dilution is the reduction in the value of a brand (differentiation/uniqueness) in well-known brands in the form of obscuration or pollution as a result of the use of the mark without permission by other parties who are not responsible for products of different class of goods or similar goods, regardless of any confusion about the origin of a product to consumers and whether there is competition or not in the market. Protection of well-known brand dilution based on reputation protection, protection of the quality of the differentiating power of well-known brands from parties that can damage or tarnish well-known brands, regardless of consumer confusion over the source of the product or competition between the two.

This aims not to harm the interests of producers as owners of well-known brands, and also to protect well-known brands which include different class of goods with the background that it will not harm and mislead the public. The "confusion of business connection" factor as a consideration to determine whether the same brand as a well-known brand but registered for a different class of goods can be rejected or cancelled.

In the same vein, it is emphasized that the use of the mark with respect to these objects or the services in question will provide an "indication of the existence of a relationship" between the goods and services of the owner of the registered mark and the interests of the owner of the registered mark will tend to suffer losses because of that use. .

There are two types of dilution which are grouped based on their consequences for perceptions that occur in consumers, namely blurring dilution and tarnishment dilution. Dilution due to blurring occurs when there is a brand that has similarities in principle or in its entirety with well-known brands where the two brands are substantially different products so as not to cause consumer confusion. In essence, the uniqueness of a well-known brand (distinguishing power) has diminished or even disappeared. Fading occurs when the strength of a brand is weakened through its identification for different products, even though the brand similarities do not cause confusion among consumers of the two products, but each reduces the differentiating qualities of the respective brands. An example of a case of dilution of obscurity is the case with a lingerie retailer, Victoria's Secret, who sued a shop for men's needs with a similar name, namely Victor's Secret.

Dilution due to pollution occurs because when the use of a well-known mark by another party uses it contrary/not in accordance with the impression that has been formed and maintained by the owner of the famous mark. Damage to well-known marks occurs as a result of unauthorized use by the defendant to fade, reduce, or diminish the distinguishing qualities of a mark. An example of a case of pollution dilution is when there is a polo brand where the horse rider falls off the horse, so this can contaminate the original Polo brand.

Since ratifying international agreements, Indonesia has made several changes to the first Trademark Law, Law no. 15 of 2001 and the most recent is Law Number 20 of 2016 concerning Marks and Geographical Indications. Legal protection for well-known brands against dilution that occurs in Indonesia does not have strict and specific regulations. However, it is implicitly regulated in Article 21 paragraph (1) letter c of Law Number 20 of 2016 concerning Marks and Geographical Indications.

Article 21 paragraph (1) letter c states:

(1) The application is rejected if the brand has similarities in principle or in its entirety with:
letter c:

Well-known marks belonging to other parties for goods and/or services that are not of the same type that meet certain requirements;

From this provision there is a privilege that is owned by well-known marks, namely that marks cannot be registered even though the similarities in principle are for classes of goods or services that are not of the same type, in contrast to the regulation in ordinary marks only that they cannot be the same as similar brands but for well-known brands of the class of goods or services who are not of the same kind or of a different class.

Based on its relation to dilution in Article 21 paragraph (1) letter c of Law Number 20 of 2016 concerning Trademarks and Geographical Indications, it has actually been regulated regarding the prohibition of registering marks that have similarities in principle or in whole with well-known brands for different product classes. However, the prohibition on similarities with well-known brands for different product classes is still multi-interpreted because Article 21 paragraph (1) letter c of Law Number 20 of 2016 concerning Marks and Geographical Indications regulates "certain requirements" that must be met. Meanwhile, there is no further explanation regarding what is meant by "certain requirements". Even though Article 21 paragraph (4) of Law Number 20 of 2016 concerning Trademarks and Geographical Indications, mandates the existence of an

implementing regulation to explain this, until now the Ministerial Regulation mandated has not been promulgated. As a result, there is a legal vacuum related to dilution. This situation is exacerbated by the Indonesian legal system (civil law or continental Europe) which does not adhere to the principle of precedent, so that judges are not obliged to follow jurisprudence. Therefore, Indonesia does not have clear guidelines in resolving disputes related to these matters.

The absence of clear guidelines related to resolving dilution disputes can be seen in the Philip Stein Holding, Inc. case, which was decided by a Commercial Court Decision at the Central Jakarta District Court Number 62/Pdt.Sus/Merek/2013/PN. Niaga Jkt.Pst., September 10, 2013, as strengthened by the Supreme Court Decision Number 276K/Pdt.Sus-HKI/2014 dated August 27, 2014. The decision ruled that those entitled to the rights to the Philip stein brand are Indonesians, not owner of the famous brand Philip Stein.

Based on the description above, it can be seen that dilution or similarities between well-known brands and ordinary brands because there is a legal vacuum regarding dilution results in judges deciding with different decisions, including that the similarities for different class goods are categorized as trademark violations and there are also judges. those who decide are not included in the category of trademark violations.

Based on the evidence regarding the presence or absence of dilution, the plaintiff who will file a lawsuit related to dilution has the burden of proving that the brand is indeed a well-known brand and its reputation has been tarnished and has become blurred or damaged as a result of this dilution. It is also regulated that the owner of a well-known brand also receives protection in the form of a refund in the event of dilution that harms the distinguishing power of a well-known brand.

2. Principles of National Treatment

The principle of national treatment is one of the privileges of famous brands. This principle is one of those regulated in the Paris Convention. This principle is also called the equal treatment of other countries with their own country. Based on Article 3 paragraph (1) TRIPS Agreement states that: “Each member shall accord to the nationals of other members treatment no less favourable than it accords to its own nationals with regard to the protection of intellectual property....”

Obliges member countries to provide protection without differentiating to citizens of fellow member countries, such as the treatment given to their own citizens. National Treatment, which means that every citizen of a participating country in the Paris Convention can claim other participating countries so that they are treated the same as their own citizens, in terms of providing trademark protection. In this case it provides protection for well-known brands for foreign nationals in law enforcement.

The application of the principle of national treatment is in granting priority rights. This priority right is a manifestation of the principles of national treatment and most favored nation regulated in TRIPS which refers to the Paris Convention. With the ratification of the Paris Convention, one of the objectives of which is that the applicant obtains the right to submit an application for registration originating from a country that is a member of the Paris Convention, it allows the

applicant to obtain recognition that the date of receipt (filing date) in the country of origin is a priority date in the country of origin. the goal of one of the participants in the Paris Convention. Everyone who applies for registration for trademark protection in one of the member countries of the paris convention or those who are entitled for the purpose of registration in other countries, must enjoy priority rights for a certain period in accordance with applicable regulations.

Applications for registration of marks with priority rights are regulated in Article 9 of Law Number 20 of 2016 concerning Marks and Geographical Indications, which states that:

“Applications using priority rights must be filed no later than 6 (six) months from the date of receipt of the application for registration of a trademark first received in another country which is a member of the Paris Convention for the Protection of Industrial Property. or a member of the Agreement Establishing the World Trade Organization.

This provision is intended to accommodate the interests of a country which is only a member of the 1883 Paris Convention for the Protection of Industrial Property (as amended several times) or the Agreement Establishing The World Trade Organization. Legal subjects (individuals and legal entities) who have obtained priority rights will have their rights protected in a foreign country (the country where the person concerned registers his priority rights) just as he gets protection in his own country.

Priority rights for registration are intended to protect well-known brands abroad from trademark infringement. In certain circumstances, foreign owners or well-known brands have not registered their trademarks in Indonesia, so there is a risk that their marks have been registered by other parties for different class of goods or the same product. Registration of well-known marks will obtain maximum legal protection by registering at the Directorate General of Intellectual Property in writing by filling out the form provided in Indonesian.

It can be concluded that priority rights are an effort by holders of trademark rights who are members of international conventions for trademark protection, aiming to grant priority rights to foreign owners who have obtained proof of registration from the Directorate General of Intellectual Property Rights, namely to protect foreign brands in Indonesia from hijacking and pillaging.

Every country is obliged to provide equal opportunity and avoid excessive protection of its local products. Through the provisions of this principle, national borders will no longer be an obstacle to trade traffic because goods and services will be freely traded anywhere, all member countries have united into one free and open market. By providing equal protection and not discriminating against registration with priority rights to foreign brand owners, it must be based on the principle of reciprocity (principle of reciprocity). The Directorate General of Intellectual Property Rights must reject the registration of a mark on the grounds that the principle of reciprocity is not enforced if the applicant is not a member of the Paris Convention.

One example of a legal protection case for a well-known brand that has been registered through

priority rights is the case for the Crocs brand in Indonesia. The Crocs mark has been registered with the Directorate General of Intellectual Property through priority rights, on November 25, 2005 under number D002005026o051, with the owner's name Crocs Inc, domiciled at 6237 Monarch Park Place, Niwot. Previously registered in the country of origin of the United States. In practice, in Indonesia, there are many sandal products from China which are indicated to be similar to Crocs sandals. Legal protection for the well-known Crocs brand originating from the United States in the jurisdiction of Indonesia, can only be carried out by registration through priority rights, due to Indonesia's joining in international agreements with the World Intellectual Property Organization (WIPO).

3. Preventing Cheating Principles

Privileges to protect in support of fair business competition, to prevent competitive actions from entrepreneurs with bad intentions who intend to piggyback on their reputation or prevent producers from committing fraudulent acts.

In terms of providing protection for well-known brands, the Government made Law number 20 of 2016 concerning Marks and Geographical Indications to provide protection for well-known brands against acts of unfair competition or passing off.

The definition of Passing off based on Black's Law Dictionary is as follows:

“The act or an instance of falsely representing one’s own product as that of another in an attempt to deceive potential buyers. Passing off is actionable in tort under the law of unfair competition. It may also be actionable as trademark infringement”.

Based on the above understanding, it can be interpreted that passing off is a fraudulent act by piggybacking on the reputation of another brand to deceive potential customers. Regulations regarding passing off are spread out into regulations regarding unfair competition, illegal acts, and trademark violations.

According to a legal expert in the field of intellectual property in Indonesia, the general definition of the passing off doctrine is:

“a common law tort to enforce unregistered trademarks”. According to this definition, there are 2 (two) elements of passing off:

- a) Passing off is a tort (which is often juxtaposed with an unlawful act in Article 1365 BW);
- b) Passing off is a legal action taken by owners of well-known brands that have not been registered to protect their marks from being used by other parties.

The elements required for passing off to work are:

- a) Reputation

That is, if a business actor as a plaintiff has a very good business reputation in the eyes of the public or is well known to the public.

- b) Misrepresentation

With the well-known brand used by the business actor, if another business actor rides on the same brand, the public who is relevant to the brand can be fooled and make a mistake or be deceived.

- c) Loss

A clear element of harm can be caused by the branding of the brand to the reputation that has been built by the brand being matched.

Passing off is indeed a recognized institution in the common law legal system. Brand ride-hailing is often referred to as passing off or reputation ride-hailing where the act of trying to gain profit by piggybacking on the reputation of a well-known or circulating brand.

In Law Number 20 of 2016 concerning Trademarks and Geographical Indications, there are no provisions that specifically regulate passing off because passing off is better known in common law countries. However, there are provisions in the Act that accommodate the interests of well-known mark owners to protect their brands from the fraudulent actions of other parties. These provisions are contained in Article 21 paragraph (3) of Law Number 20 of 2016 concerning Marks and Geographical Indications which states:

"The application is rejected if it is filed by an applicant with bad intentions"

Furthermore, an explanation regarding "A Petitioner with bad intentions" can be found based on the explanation of Article 21 paragraph (3) of Law Number 20 of 2016 concerning Marks and Geographical Indications. The explanation is as follows:

What is meant by "an applicant with bad intentions" is an applicant who should be suspected in registering his mark of having the intention to imitate, plagiarize, or follow another party's mark for the sake of his business creating conditions of unfair business competition, outwitting or misleading consumers.

For example, an application for a trademark in the form of writing, painting, logo, or an arrangement of colors that is the same as a brand owned by another party or a brand that has been known to the general public for many years. imitated in such a way as to have similarities in principle or in whole with the known brand. From this example, the applicant had bad faith, because at least it should be known that there was an element of intent in imitating the known mark.

Passing off occurs when a business that has a reputation does not have a trademark or cannot register its trademark but requires legal protection from the efforts of other parties who want to piggyback on the reputation of the business and this passing off aims to protect both consumers and business actors from business practices. carried out by other parties to gain profit in ways that harm or endanger the reputation of the original perpetrator. Passing off prevents other parties from doing several things, namely:

- a) Presenting goods or services as if they belonged to someone else;
- b) Carrying out its products or services as if it has a relationship with goods or services belonging to other people.

Passing off as a form of unfair business competition practices in trade or commerce. This action causes other parties as brand owners who have registered their trademarks in good faith to suffer losses due to parties who are dishonest (fraudulent) piggybacking or piggybacking their trademarks to gain financial benefits.

Unfair competition in Black's Law Dictionary is:

“ A term which may be applied generally to all dishonest or fraudulent rivalry in trade and commerce, but is particularly applied to the practice of endeavoring to substitute one's own goods or products in the markets for those of another, having an established reputation and extensive sale, by means of imitating or counterfeiting the name, title, size, shape or distinctive peculiarities

of the article, or the shape, color, label, wrapper or general appearance of the package or those such simulations, the imitation being carried far enough to mislead the general public or deceive an unwary purchaser, and yet not amounting to an absolute counterfeit or to the infringement of a trademark or trade name.”

Dishonest competition is an event where a person to attract other people's subscribers to his own company or for the sake of expanding the sales of his company's turnover, uses methods that are contrary to good faith and honesty in trade. Other opinions say that what is considered to be fraudulent competition in particular is as follows:

- 1) All acts of such a nature as to create chaos concerning the goods company or the industrial and commercial business of a concurrent;
- 2) False statements regarding trade which are of such a nature as to discredit the entrepreneur's business or goods, industrial and commercial than a competitor;
- 3) Indication of facts regarding use in the framework of trade which can mislead elements of the general public regarding the nature, process of manufacture, characteristic properties and suitability for the purpose in question, regarding quantity or goods.

In this dishonest competition carried out by business actors with bad intentions by producing goods using brands that are widely known in society which are not their rights. In other words, these business actors in bad faith have piggybacked on the reputation of a well-known brand.

Why do famous brands have privileges as the researchers have described above. Because the brand has become famous and makes it different in general from ordinary brands. There are differences in the legal protection of well-known marks and ordinary marks in general, namely in registration. Developed countries are very interested in providing legal protection for well-known brands because they have an obligation to protect the interests of their citizens wherever they are. In this case, it is only natural that well-known brands receive special protection. Although in Indonesia it is still lacking in terms of providing protection for well-known brands.

B. RESOLUTION OF BRAND DISPUTES

Law No. 20 of 2016 about brands and geographical indications, about the settlement by the parties involved is through civil lawsuits and criminal lawsuits.

a. Civil law.

Settlement of trademark disputes through civil law is regulated in article 83 of Law no. 20 of 2016 concerning marks and Geographical Indications.

(1) The owner of a registered Mark and/or the licensee of a registered mark may file a lawsuit against other parties who unlawfully use the mark they own similarity in principle or in its entirety for similar goods and/or services in the form of:

- a. compensation claim; and/or
- b. cessation of all acts related to the use of the Brand.

(2) The lawsuit as referred to in paragraph (1) can also be filed by the owner of a well-known mark based on a court decision.

(3) The lawsuit as referred to in paragraph (1) is filed with the Commercial Court.

Submission of a trademark cancellation lawsuit was submitted to the Commercial Court, and regarding the procedure regulated in article 85 of law no. 20 of 2016 concerning marks and

Geographical Indications:

(1) The lawsuit as referred to in Article 30 paragraph (3), Article 68, Article 74 and Article 76 shall be filed with the Chief Justice Trading in the jurisdiction of residence or domicile of the defendant.

(2) In the event that one of the parties resides outside the territory of the Unitary State of the Republic of Indonesia, the lawsuit shall be filed with the Head of the Central Jakarta Commercial Court.

(3) The Registrar registers the lawsuit on the date the relevant lawsuit is filed and the plaintiff is given a written receipt signed by the Registrar with the same date as the date of registration of the lawsuit.

(4) The Registrar submits a lawsuit to the Chairman of the Commercial Court within a maximum period of 2 (two) days from the date the lawsuit is registered.

(5) (3) Within a maximum period of 3 (three) days from the date the lawsuit was filed as referred to in paragraph (4), the Chairman of the Commercial Court studies the lawsuit and appoints a panel of judges to determine the day for the hearing.

(6) The summons of the parties is carried out by the bailiff no later than 7 (seven) days after the lawsuit is registered.

(7) The examination session up to the decision on the lawsuit as referred to in paragraph (1) must be completed no later than 90 (ninety) days after the case is received by the panel examining the case and can be extended for a maximum of 30 (thirty) days with the approval of the chairman Supreme Court.

(8) The decision on the lawsuit as referred to in paragraph (1) which contains the complete legal considerations underlying the decision must be pronounced in a session open to the public.

(9) The contents of the Commercial Court decision as referred to in paragraph (8) must be conveyed by the bailiff to the parties no later than 14 (fourteen) days after the decision on the lawsuit as referred to in paragraph (1) is pronounced.

For decisions of the Commercial Court which have been Inrah, only cassation can be submitted, as stipulated in Article 87 of Law No. 20 of 2016: Against the decision of the Commercial Court as referred to in Article 85 paragraph (8) only cassation can be submitted.

b. Criminal law

Settlement of Mark disputes through criminal legal remedies is regulated in article 100 of Law no. 20 of 2016 concerning Brands and Geographical Indications.

(1) Any Person who without rights uses a Mark which is the same in its entirety as a registered mark belonging to another party for similar goods and/or services produced and or traded, shall be subject to imprisonment for a maximum of 5 (five) years and/or a maximum fine of Rp. . 2,000,000,000.- (two billion rupiahs).

(2) Any Person who unlawfully uses a Mark that is similar in principle to a registered Mark belonging to another party for similar goods and/or services produced and or traded, shall be punished with imprisonment for a maximum of 4 (four) years and or a fine of up to a lot of Rp. 2,000,000,000.- (two billion rupiahs).

(3) Any person who violates the provisions referred to in paragraph (1) and paragraph (2), whose type of goods causes health problems, environmental disturbances, and/or human death, shall be

punished with imprisonment for a maximum of 10 (ten) years and or a maximum fine of Rp. 5,000,000,000.- (five billion rupiah).

RESULT AND DISCUSSION

1. Starbucks Corporation Company

Starbucks Corporation, hereinafter referred to as Starbucks Coffee, in this case as the Plaintiff, is a coffee shop chain company from the United States located in Seattle, Washington. Starbucks is the largest coffee shop in the world, with stores in 44 countries. Starbucks Coffee was first opened in 1971 in Seattle by Jerry Baldwin, Zev Siegle, and Gordon Bowker. Since it first opened in Seattle, Starbucks has grown at a rapid pace. Starbucks sells coffee, espresso-based hot drinks, other cold and hot drinks, snacks, and coffee cups and beans. The coffee menu offered by Starbucks is Espresso, Cappuccino, Coffee Latte, Java Chips Frappuccino, Iced Charamel Maciato, Double Chocolate Cream Chips Frappuccino, and Charamel Frappuccino. In addition, as a complementary menu served as a side dish for coffee or other types of drinks, Starbucks provides cakes and bread. Starbucks also offers various kinds of merchandise with the Starbucks logo, such as mugs, tumblers, pitchers, mini thermoses, coffee presses that can be enjoyed by its customers.

The first Starbucks store outside of North America opened in Tokyo, Japan in 1996. Starbucks entered the United Kingdom in 1998 through its acquisition of the Seattle Coffee Company and has 60 stores. In August 2003, Starbucks opened its first store in Latin America, in Lima, Peru. In 2007, the company opened its first store in Russia, ten years after registering a trademark there.

In March 2008, Starbucks purchased the manufacturer of Clover Brewing System. The brand began testing its “fresh pressed” coffee system at Starbucks locations in Seattle, California, New York and Boston.

In Indonesia alone, Starbucks first appeared on May 17, 2002 with the opening of an outlet at Plaza Indonesia. The first shop was followed by the opening of further shops in various places in Indonesia.

Starbucks Coffee is one of the most popular coffee brands in the world and Indonesia because it has the most number of coffee outlets, which are around 300 outlets, and in 1992 the outlets had increased to 165 and in the same year, its shares were listed on the NASDAQ (stock exchange). United States of America)

2. Sumatra Tobacco Trading Company

The Sumatra Tobacco Trading Company, hereinafter referred to as Starbucks Cigarettes, is an Indonesian cigarette company that started as a white cigarette company in Pematang Siantar since 1952 by launching the cigarette brand UNION, for which consumers are in high demand for a number of cigarette products.

Sumatra Tobacco Trading Company, a large cigarette company in Indonesia which was founded on January 11, 1952, was founded by Ng Chin Tan at that time, by launching the first cigarette brand, UNION. Sumatra Tobacco Trading Company first launched the union brand since 1952 with the types of union filter and union non filter brands and in the 1990s or 1980s. Sumatra Tobacco Trading Company was the company that initiated the production of the first filtered cigarettes in Indonesia in 1970 with the union filter king size brand. packaging machine “Hingelid” in 1977 and the cigarette products produced at that time were Hero International and international unions.

Various cigarette brands were launched, such as Marcopolo (Adventurer & Discoverer) which was formerly known for its slogan Brave and Tough. Then there is the Kennedy Blend of USA product with a modern and dynamic slogan and recently launched a new product variant of Hero, namely the Hero Casual series. This company not only markets products from Sabang to Merauke, but this company is also the largest exporter of white cigarettes in Indonesia.

B. STARBUCKS BRAND DISPUTE COURT DECISION

1. Position Case

This case originated from a dispute that occurred between Starbucks Corporation as the world's leading coffee producer from the United States with the Starbucks brand and Sumatra Tobacco Trading Company as a cigarette manufacturer.

Starbucks Coffee was first opened in 1971 in Seattle by Jerry Baldwin, Zev Siegle, and Gordon Bowker. Since it first opened in Seattle, Starbucks has grown at a rapid pace. Starbucks sells coffee, espresso-based hot drinks, other cold and hot drinks, snacks, and coffee cups and beans. The coffee menu offered by Starbucks Espresso, Cappuccino, Coffee Latte, Java Chips Frappuccino, iced charamel maciato, Double Chocolate cream Chips Frappuccino, and Charamel Frappuccino. In addition, as a complementary menu served as a side dish for coffee or other types of drinks, Starbucks provides cakes and bread. Starbucks also offers various kinds of merchandise with the Starbucks logo, such as mugs, tumblers, pitchers, mini thermoses, coffee presses that can be enjoyed by its customers.

The first Starbucks store outside of North America opened in Tokyo, Japan in 1996. Starbucks entered the United Kingdom in 1998 through its acquisition of the Seattle Coffee Company and has 60 stores. In August 2003, Starbucks opened its first store in Latin America, in Lima, Peru. In 2007, the company opened its first store in Russia, ten years after registering a trademark there.

In Indonesia alone, Starbucks first appeared on May 17, 2002 with the opening of an outlet at Plaza Indonesia. The first shop was followed by the opening of further shops in various places in Indonesia.

The first registration of the word mark STARBUCKS was registered in the United States on July 16, 1976 (and/or long before the Defendant submitted his application for

trademark registration. The Plaintiff had trademark registration for the STARBUCKS mark in several countries including Indonesia. In Indonesia the Starbuck mark was first registered in 2005 in class 43.

In 2021 the Plaintiff through his attorney sued PT. SUMATRA TOBACCO TRADING COMPANY to the Commercial Court at the Central Jakarta District Court for trademark cancellation. The Defendant is the owner of the STARBUCK mark (cigarettes) with registration number IDM000342818, which is an extension of the Mark registration number 31762 dated 10 September 1992 and registration number 510284 dated 26 June 2002. The lawsuit for cancellation of this mark is based on the provisions of Article 76 paragraphs (1) and (2)) jo. Article 21 paragraph (3) Law Number 20 of 2016 concerning Marks and Geographical Indications.

Article 76 of Law Number 20 of 2016 concerning marks and Geographical Indications.

- 1) A lawsuit for cancellation of a registered mark can be filed by an interested party based on the reasons referred to in Article 20 and/or 21;
- 2) Mark owners who are not registered can file a lawsuit as referred to in paragraph (1) after submitting an application to the Minister.

Article 21 paragraph (3) of Law Number 20 of 2016 concerning Trademarks and Geographical Indications, states that an application is rejected if it is submitted by an applicant with bad intentions.

Regarding this lawsuit, the Commercial Court at the Central Jakarta District Court has handed down a decision Number 51/Pdt.Sus/Merek/2021/Pn. Niaga JKt.Pst on December 23, 2021, which in its main case rejected the plaintiff's claim in its entirety. The Panel of Judges who examined the case concluded from all the documentary evidence submitted by the Plaintiff that nothing could prove that the Defendant had bad faith in submitting an application for registration of the Starbuck mark with registration number IDM000342818 in class 34 belonging to the Defendant. Based on this, the Panel of Judges was of the opinion that there was no reason to cancel the Starbuck brand with registration number IDM000342818 class 34 belonging to the Defendant.

Based on the decision of the Commercial Court at the Central Jakarta District Court Number 51/Pdt.Sus/merek/2021/PN.Niaga Jkt.Pst, the Plaintiff, namely Starbucks Corporation, did not accept the decision and filed a Petition for Cassation on January 5, 2022 as evident from the Deed of Application Cassation Number 1K/Pdt.Sus-HKI/2022/PN Niaga Jkt.Pst., Juncto Number 51/Pdt.Sus/merek/2021/PN.Niaga Jkt.Pst., on the grounds that the Defendant had bad faith when submitting the request Starbucks trademark registration. In addition, the Plaintiff's Starbuck brand is a well-known brand.

The Supreme Court has handed down Decision Number 1K/Pdt.Sus-HKI/2022/PN. Niaga Jkt.Pst., on August 16 2022 whose decision stated in favor of the cassation request from the cassation applicant, namely the STARBUCKS CORPORATION. Canceled the decision of the Commercial Court at the Central Jakarta District Court Number

51/Pdt.Sus/merek/2021/PN.Niaga Jkt.Pst., December 23, 2021.

2. Commercial Court Decision Number 51/Pdt.Sus/brand/2021/PN Niaga Jkt.Pst Whereas against this lawsuit the Commercial Court at the Central Jakarta District Court has given Decision Number 51/Pdt.Sus/merek/2021/PN Niaga Jkt.Pst, dated 23 December 2021 which orders as follows:

- ☐ Rejecting the plaintiff's claim in its entirety;
- ☐ Punish the Plaintiff to pay the costs incurred in the case which is set at IDR 4,490,000.00 (four million four hundred and ninety thousand rupiah)

3. Supreme Court Decision Number 1 K/Pdt.Sus-HKI/2022/PN Niaga Jkt.Pst The decision of the Supreme Court Number 1 K/Pdt.Sus-HKI/2022/PN Niaga Jkt.Pst, dated 16 August 2022 is as follows:

JUDGE

1. Granted the cassation request from the STARBUCKS CORPORATION Petitioner;
2. Canceling the Commercial Court Decision at the Central Jakarta District Court Number 51/Pdt.Sus/merek/2021/PN Niaga Jkt.Pst;

JUDGE YOURSELF

In exception:

1. Reject the Defendant's exception in its entirety;

In the Matter

1. Granted the Plaintiff's lawsuit in its entirety;
2. Declare that the Defendant had bad intentions when submitting a request for registration of the Starbucks mark Registration number IDM000342818 in class 34 belonging to the Defendant;
3. Cancel the Starbucks mark Registration number IDM000342818 in class 34 belonging to the Defendant from the General Register of Marks with all the legal consequences;
4. Declare the Starbucks brand owned by the Plaintiff as a well-known brand;
5. Ordered the Co-Defendant to submit to and comply with the Court's decision in this case by canceling the registration of the Starbucks brand registration number IDM000342818 in class 34 belonging to the Defendant by crossing out said trademark registration from the General Register of Marks and announcing it in the official brand news in accordance with the provisions of the Law Applicable Trademark Act;
6. Punish the Cassation Respondent to pay the costs of the case at all levels of justice, which at the cassation level amounted to Rp. 5,000,000.00 (five million rupiahs)

C. JUDGES' LEGAL CONSIDERATIONS

1. Decision of the Commercial Court Decision Number

51/Pdt.Sus/merek/2021/PN Niaga Jkt.Pst at the Central Jakarta District Court

The Panel of Judges before dropping their decision, first held deliberations to determine what decision would later be dropped on the case being examined or tried. And in the deliberation the judge will definitely consider matters related to the case that will be decided. This is as stated in Article 14 paragraph (1), (2), (3), Law Number 48 of 2009 concerning Judicial Power which reads:

- 1) The decision is taken based on a confidential deliberative session of judges;
- 2) In a deliberative session, each judge is obliged to submit written considerations or opinions on the case being examined and becomes an integral part of the decision;
- 3) In the event that a unanimous consensus cannot be reached in a deliberative session, the different opinions of the judges must be included in the decision.

In this matter, the judgment of the *judex factie* panel of judges is as follows:

- Considering, that from the description above, the Panel of Judges can conclude that the Co-Defendant who issued the certificate of rights to the Defendant's trademark, the Co-Defendant has examined the application for registration of the Defendant's trademark in accordance with the provisions of the applicable laws and regulations, including checking whether the Defendant's trademark was requested on the basis of bad faith with reference to whether or not there was a similarity in principle or in whole with the registered mark of another party which had been registered earlier, and during the registration process the Co-Defendant did not find any other party's mark which had been previously registered for goods and/or similar services which are similar in principle or in whole to the mark applied for by the Defendant, so that according to the Co-Defendant the application for registration of the Defendant's mark can be registered because it is in accordance with the legal process in force in the field of marks and cannot be qualified into a registered mark. registered on the basis of bad faith by imitating either in principle or in whole the brand owned by the Plaintiff;
- Considering, that from the above description the Panel of Judges concluded that from all the documentary evidence submitted by the Plaintiff there was not a single piece of documentary evidence which could prove that the Defendant had bad faith in submitting an application for registration of the Starbucks brand with registration number IDM000342818 in class 34 belonging to the Defendant, so that there is no sufficient legal reason to cancel the Defendant's mark, which is registered with Registration number IDM000342818 in class 34 belonging to the Defendant;
- Considering, the Panel of Judges concluded that it was not true that the Defendant had bad faith when submitting a request for registration of the Starbuck mark with registration number IDM000342818 in class 34 belonging to the Defendant so that the Defendant's Starbuck mark had no legal reason to be cancelled, so that the Panel of Judges concluded that the Plaintiff unable to prove the main argument of the lawsuit, so the *petitum* based on the main argument of the lawsuit, namely *petitum* number 2, which principally requests the court to state that the Defendant had bad faith when submitting a request for registration of the Starbucks brand registration number IDM000342818 in class 34 owned by the Defendant shall automatically be declared rejected. ;
- Considering, that because the argument of the Plaintiff's lawsuit cannot be proven

and the main petitum has been declared rejected, then the petitum other than and the rest which has the character of "Accessoir" to the main petitum must automatically be rejected and vice versa if the main petitum turns out to have been proven then regarding the petitums other than and the rest will be considered further to be granted or not;

- Considering, that because the main petitum has been declared rejected in this way for petitums other than and the rest have also been declared rejected, there are sufficient legal reasons to reject the Plaintiff's claim in its entirety;

- Considering, that due to the lawsuit for cancellation of the Starbucks registered trademark owned by the Defendant which was filed by the Plaintiff based on legal reasons as referred to in the provisions of Article 77 paragraph (2), Article 76 paragraph (1) and paragraph (3), and Article 21 paragraph (3) of the Law Number 20 of 2016 concerning trademarks and geographical indications, which principally stated that the registration of the Starbucks registered mark belonging to the Defendant was requested on the basis of bad faith, the Panel of Judges concluded as summa summarum that the lawsuit for cancellation of the Starbucks registered mark as referred to by the Plaintiff in the argument for the lawsuit can be filed without a time limit based on the provisions of Article 77 paragraph (2) and Article 21 paragraph (3) of Law Number 20 of 2016 concerning marks and geographical indications;

- Considering, that based on the a quo legal reasons and considerations, the Defendant's rebuttal and legal arguments in the exception section regarding the Plaintiff's lawsuit have expired are without legal grounds and must be rejected;

- Considering, that to define a mark as a "famous mark", then the basis for the criteria guideline is the provisions of Article 18 of the Regulation of the Minister of Law and Human Rights Number 67 of 2016 concerning Mark Registration, which basically determines the criteria for "famous mark" i.e. by taking into account the general knowledge of the consumer community or society in general who have good relations at the level of production, promotion, distribution and sales of goods and/or services protected by the said well-known mark. These criteria must consider:

- a) The level of public knowledge or recognition of said mark in the field of business concerned as a well-known mark;

- b) Sales volume of goods and/or services and profits derived from the use of said mark by the owner;

- c) The market share controlled by the brand in relation to the circulation of goods and/or services in society;

- d) Coverage area of use of the brand;

- It is) The span of time for using the brand;

- f) Brand intensity and promotion, including the investment value used for the promotion;

- g) Application or registration of marks in other countries;

- h) The success rate of law enforcement in the field of marks, particularly regarding the recognition of said marks as well-known brands by authorized institutions;

- i) The value attached to a brand is obtained because of the reputation and guarantee of the quality of goods and/or services protected by the mark.

- Considering, that the global criteria as an international instrument for determining "famous mark" and the form of legal protection are the provisions of Article 6 bis Paris Convention For The Protection of Industrial Property Right (Paris Convention, 1967), namely in determining a brand is well-known, the state must take into account knowledge about the mark as well as knowledge obtained from the promotion of the mark concerned;

2. Decision of the Supreme Court Judge Number 836 K/Pdt.Sus-HKI/2022

In its decision the Panel of Judges of the Supreme Court gave its considerations that the cassation objections raised by the cassation Petitioners could be justified, because after carefully examining the cassation memorandum and counter cassation memory linked to judex facti considerations, in this case the Commercial Court at the Central Jakarta District Court, it turns out that judex facti has wrongly applied the law with the following considerations:

- Whereas the Plaintiff can prove the argument for his lawsuit that the Plaintiff's Starbucks brand is a well-known brand as evidenced by evidence P-6 to P-17, the Starbucks brand owned by the Plaintiff has been registered in various countries, the range of use of the brand, the period of use of the brand and based on evidence P-21 to with evidence P-24 proving that there was an intense and large-scale promotion;
- Whereas the Plaintiff's Starbucks brand had been registered or applications for trademark registration had been filed in various countries, long before the Defendant submitted an application for registration of the Defendant's Starbucks brand in Indonesia in September 1992 through Co-Defendant;
- Whereas the Defendant's Starbucks brand actually has similarities in principle to the Plaintiff's Starbucks brand in the form of composition and number of letters as well as the similarity in sound and speech so that the registration of the Defendant's mark on the Register of Trademarks at the Co-Defendant's Office was carried out in bad faith to piggyback on the popularity of the Plaintiff's brand , it is reasonably suspected that in registering his trademark the Defendant had the intention to imitate, plagiarize or follow another party's brand for the sake of his business interests which could create conditions of unfair business competition, outwit or mislead consumers;

D. DECISION ANALYSIS

The judge's decision is the culmination of a case being examined and tried by the judge. Therefore, of course, in making decisions, judges must pay attention to all aspects of it, starting from the need for caution, avoiding as little as possible inaccuracies, both formal and material, to technical skills in making them.

In this thesis, the case that the researcher discusses is the lawsuit for registration of the Starbucks brand with the registration number IDM000342818 in class 34 belonging to the Defendant. In its decision at the District Court, the judex facti panel of judges rejected the plaintiff's claim in its entirety, which the plaintiff then filed for cassation at the Supreme Court. The Supreme Court judge issued a decision to annul the Decision of the Central Jakarta District Court number 51/Pdt.Sus/merek/2021/PN Niaga Jkt.Pst dated 23 December 20221 and granted the Plaintiff's claim in its entirety.

The following is the decision of the Panel of Judges of the Supreme Court in Decision Number 836 K/Pdt.Sus – HKI/2022 whose verdict is as follows:

JUDGE

1. Granted the cassation request from the STARBUCKS CORPORATION Petitioner;
2. Canceling the Commercial Court Decision at the Central Jakarta District Court Number 51/Pdt.Sus/merek/2021/PN Niaga Jkt.Pst;

JUDGE YOURSELF

In exception:

1. Reject the Defendant's exception in its entirety;

In the Matter

1. Granted the Plaintiff's lawsuit in its entirety;
2. Declare that the Defendant had bad intentions when submitting a request for registration of the Starbucks mark Registration number IDM000342818 in class 34 belonging to the Defendant;
3. Cancel the Starbucks mark Registration number IDM000342818 in class 34 belonging to the Defendant from the General Register of Marks with all the legal consequences;
4. Declare the Starbucks brand owned by the Plaintiff as a well-known brand;
5. Ordered the Co-Defendant to submit to and comply with the Court's decision in this case by canceling the registration of the Starbucks brand registration number IDM000342818 in class 34 belonging to the Defendant by crossing out said trademark registration from the General Register of Marks and announcing it in the official brand news in accordance with the provisions of the Law Applicable Trademark Act;
6. Punish the Cassation Respondent to pay the costs of the case at all levels of justice, which at the cassation level amounted to Rp. 5,000,000.00 (five million rupiahs)
7. The decision of the Panel of Judges of the Supreme Court which granted the cassation request filed by the Cassation Appellant. The plaintiff in this case is of the opinion that the judex factie decision of the district court was incorrect and wrong in applying the law, so it must be annulled.
8. As for the judex factie of the Commercial Court at the Central Jakarta District Court in case Number 51/Pdt.Sus/merek/2021/PN Niaga Jkt. Pst., whose verdict is as follows:
9. Rejecting the plaintiff's claim in its entirety;
10. Punish the Plaintiff to pay the costs incurred in the case which are set at Rp. 4,490,000.00 (four million four hundred and ninety thousand rupiah).

AND. LEGAL PROTECTION OF FAMOUS MARKS

1. Evidence of the Fame of the Plaintiff's Starbucks Brand

The dispute over the Strabucks brand was decided by the Supreme Court of the Republic

of Indonesia on August 16, 2022. Indonesia used Law Number 20 of 2016 concerning Trademarks and Geographical Indications when deciding the decision of the supreme court. In addition, Indonesia is also bound by the Decree of the President of the Republic of Indonesia Number 24 of 1979 concerning the ratification of the Paris Convention of industrial Property and convention Establishing the World Intellectual Property Organization.

Protection of well-known marks is regulated in Article 6 bis Paris Convention which requires all its members to protect well-known marks of other citizens for goods that are similar or the same. Besides that, this convention also gives freedom to each member to determine for themselves regarding the fame of a mark while still being guided by article 6 bis of the Paris Convention. From September 20 to September 29, 1999, in Geneva a Joint Recommendation Concerning Provision On The Protection of Well-Known Mark was signed or a Joint recommendation on the provisions of a well-known mark adopted by the Paris Convention Assembly for the Protection of Industrial Property Rights and the General Assembly of Intellectual Property Organizations Dunia (The General Assembly of The World Intellectual Property Organization /WIPO). This recommendation applies to each member of the Paris Convention or WIPO. This recommendation does not contain provisions regarding the definition of a well known mark. Article 2 paragraph (1) states that the competent authority should consider the environmental conditions in which the mark is considered a well-known brand. Whereas Article 2 paragraph (2) states that to determine the fame of a brand, factors that include and are not limited to the following information can be used:

- a) The level of knowledge and recognition of a brand in the relevant sector in society;
- b) The duration, area, and geographical area of each brand promotion, including advertising or publicity and presentation at fairs or exhibitions of goods and/or services where the mark is used;
- c) The length of time, area and geographic area of use of the mark
- d) The time period and geographical area of each trademark registration to the extent that the mark reflects the use or recognition of the mark;

It is) Documents regarding good law enforcement on marks, especially the extent to which the mark is recognized as a well-known mark by the competent authority;

- f) The value associated with the brand.

This criterion can be used by the authorities as a guide in determining the fame of a brand depending on each case. In some cases it may be relevant to use all of these criteria, but in other cases it may only be relevant for certain factors or there may not be any relevant factors at all. The freedom of judges to assess the fame of a mark in accordance with the provisions of the Paris Convention and the WIPO recommendation may mean that the determination of the fame of a brand depends on the assessment of the Panel of Judges examining the case and is based on the interpretation of the mark on the disputed mark in relation to existing theory or legislation. .

Based on its relation to the theory regarding well-known marks, it is not explicitly stated in the law on marks and geographical indications, but implicitly can be seen in the explanation

of Article 21 paragraph (1) letter b of Law Number 20 of 2016 concerning marks and geographical indications . According to the elucidation of the article, the definition of a well-known mark is a mark that is known by the public in the field concerned, has a reputation that has been earned due to vigorous and large-scale promotion, investment in several countries carried out by the owner and registered in several countries. There are 2 (two) legal terminologies that have the same meaning as well-known marks, namely: "famous mark" and "well known mark". Here's an explanation

a) Famous mark

Famous marks are required to have a higher reputation than well known marks. Well-known brands in the famous mark category require prior registration, at least in their country of origin for legal protection. This category can be protected from unauthorized use of non-competitive or dissimilar goods and/or services

b) Well known mark

Well known marks are often protected for goods and/or related to their registration only It is difficult to determine the boundaries and sizes between well-known brands in the category of famous marks and well-known marks in the category of well-known marks. Some jurisdictions treat famous marks and well known marks in the same sense. Actually, between famous marks and well-known marks, there is a very slight difference. The limitations of the Indonesian vocabulary cause the two terminologies which, although similar, are actually different, are represented by the term "famous".

2. Evidence regarding the similarity in principle of the Plaintiff's Starbucks brand with the Defendant's Starbucks brand

With the proving of the fame of the Plaintiff's Starbucks brand, according to the next researcher, the researcher will review Article 21 paragraph (1) letter c of the elucidation of Law Number 20 of 2016 Concerning Marks and Geographical Indications which states that the rejection of applications that have similarities in principle or in whole with the brand recognition belonging to other parties for different goods and/or services that meet certain requirements is carried out by taking into account the public's general knowledge regarding the mark. Regarding the notion of similarity in essence, we can see in the elucidation of Article 21 paragraph (1) letter c of Law Number 20 of 2016 concerning marks and geographical indications, namely similarities caused by the presence of prominent elements between one brand and another. , manner of placement, manner of writing, or a combination of elements or similarities of speech sounds contained in these marks.

Furthermore, the panel of judges needs to prove whether or not there are similarities in principle or overall similarities between the Starbucks brand disputes with the risk of confusion and/or misleading consumers/public.

When referring to identical or very similar doctrines, the researcher considers that the two brands have similarities. The similarity can lead to misguidance for the public because they think that the goods in question were produced by the Plaintiff. From all of the above assessments, the dispute over the Starbucks brand owned by the Plaintiff and that owned

by the Defendant is similar in its entirety. The researcher is of the opinion that the panel of judges is right in giving their legal considerations stating that the form, method of placement, combination, elements, sound, speech and appearance are the same between the Plaintiff's brand and the Defendant's brand.

3. Proof of Good Faith

According to Law Number 20 of 2016 concerning Trademarks and Geographical Indications, it provides its definition in Article 21. An applicant with bad faith is an applicant who is suspected of having the intention of imitating, plagiarizing, or following the brand of another party in the interests of his business, creating competitive conditions. unhealthy business, outwit or mislead consumers.

Protection of a mark which in its application for registration is in bad faith is stated in Article 6 paragraph (3) of the Paris Convention which reads as follows:

“No limit shall be fixed for requesting the cancellation or the prohibition of the use of marks registered or uses in bad faith”

This provision implies that there is no stipulated period of time for the owner of the rights to a mark to request the cancellation of a mark registered in good faith where the registered mark has the equivalent of showing bad faith.

Talking about brand issues is closely related to unfair competition. Article 10 paragraph (3) of the Paris convention contains provisions that member countries of the relevant convention provide protection for well-known brands so that unfair competition does not occur. In addition, paragraph (2) states that any act that is contrary to the practice of business actors in the industrial sector and trading is considered a dishonest act. This article determines what actions are prohibited in connection with fraudulent acts that can cause confusion in any way with the origin of goods or industrial and commercial businesses from competition between entrepreneurs.

This dishonest competition can be in the form of an attempt to piggyback or piggyback on the fame of a well-known brand. Efforts to hitchhike are included in the act of pirating, imitating and plagiarizing other parties' well-known brands and then registering them at the Directorate General of Intellectual Property for both the same and different goods. This action can result in losses suffered by other parties, outwit and mislead consumers or confuse the public regarding the nature and origin of goods.

Based on the description above, it can be concluded that unfair (honest) competition is carried out using methods that are contrary to good faith and honesty in the trading industry, this can be said to be an act based on bad faith.

The reason for the cancellation of a mark by the Directorate General of Intellectual Property is based on similarities in principle or in whole with the well-known mark of another party. The existence of basic similarities or all of them is based on bad faith to

piggyback or piggyback on the fame of well-known foreign brands so that they can get large profits in a short time without the need to pay for promotions.

According to the researcher, to find out whether or not there is an element of bad faith, it is necessary to pay attention to the element of similarity in essence or in its entirety contained in the brand. From this description, the researcher can conclude that bad faith arises from similarities in essence or in its entirety.

Referring to the definition of bad faith that the researcher has described above, in the following it will be analyzed whether the Defendant in registering the Starbucks brand with the Directorate General of Intellectual Property had good intentions or just wanted to piggyback on the fame of the Plaintiff's brand which has long been circulating in the world.

- a) That the first Starbucks coffee outlet was established on March 31, 1971 by 3 (three) partners to sell coffee beans and related equipment. They are English teacher Jerry Baldwin, history teacher Zev Siegl, and writer Gordon Bowker;
- b) In 1987, Howard Shultz led a consortium to acquire Starbucks and rename his cafe II Giornale to Starbucks;
- c) The Starbucks mark was registered for the first time in the United States, on July 16, 1976;
- d) In June 1992, Starbucks shares were listed on the NASDAQ (United States Stock Exchange), and in the same year on September 10, 1992 an application for registration of the Defendant's Starbucks mark was filed by the Defendant.

By looking at the facts above, the researcher argues that the Plaintiff's Starbucks brand had been registered or applications for trademark registration were filed in various countries, long before the Defendant filed an application for registration of the Defendant's Starbucks brand in Indonesia in September 1992. With massive promotions in various countries in the world it can be concluded as in the analysis of previous researchers that the Starbucks brand owned by the Plaintiff is included in the well-known brand. With the fame possessed by the Plaintiff's Starbucks brand, it is very possible that there are business competitors who want to take advantage of its fame.

When viewed from the brand used by the Defendant, namely the Starbucks brand, it turns out that it has similarities in principle to the Plaintiff's Starbucks brand in the form of composition and number of letters as well as the similarity of sound and speech. If so, according to the researcher, the Defendant has been proven to have carried a brand name which resulted in unfair competition.

The system adopted in Indonesia is a first-to-file system, which means that the first registrant will be protected, but based on Article 21 of Law number 20 of 2016 concerning Marks and Geographical Indications, the applicant for trademark registration must be in good faith. So, the first registrant whose rights are protected is a registrant in good faith. In this case, it does not mean that because the Defendant was the first registrant of the Starbucks brand in class 34 goods in Indonesia, only his rights were protected. In this case, it is also necessary to protect the Starbucks brand owned by the Plaintiff which has become

a well-known brand. The Plaintiff's Starbucks brand must be protected from branding carried out by other parties who only want to ride on the fame of the Starbucks brand. This is in accordance with Article 10 bis of the Paris Convention.

CONCLUSION

Based on the subject matter and discussion of legal protection against imitation of well-known brands which result in bad faith, the researcher will outline the conclusions as follows:

- 1) Indonesia itself already has regulations related to well-known brands. Based on Law Number 20 of 2016 concerning marks and geographical indications, we can see in the explanation of Article 21 paragraph (1) of Law Number 20 of 2016 concerning Marks and Geographical Indications, Rejection of applications that having similarities in principle or in whole with well-known brands belonging to other parties for similar goods and/or services is carried out by taking into account knowledge in the community regarding said well-known marks in the field of business concerned. , investment in several countries in the world carried out by the owner, and accompanied by proof of registration of the mark referred to in several countries. The system adopted in Indonesia itself is a first-to-file system, which means that the first registrant will be protected, but based on Article 21 of Law number 20 of 2016 concerning Marks and Geographical Indications, the applicant for trademark registration must be in good faith. So, the first registrant whose rights are protected is a registrant in good faith.
- 2) With the proven fame of the Starbucks brand owned by the Plaintiff, according to subsequent researchers, based on a review of Article 21 paragraph (1) letter c of the elucidation of Law Number 20 of 2016 concerning Marks and Geographical Indications which states that the rejection of applications that have similarities in substance or in whole with well-known brands other parties for different goods and/or services that meet certain requirements, besides that the protection of well-known marks is regulated in article 6 bis paris convention which obliges all its members to protect well-known marks and based on Article 16 paragraph (3) TRIPS Agreement provides legal protection to well-known marks for different goods or services, this article is an extension of legal protection for well-known marks, which regulates goods or services that are not of the same type on the basis of the impression of a close relationship between the goods using the mark and the manufacturer, and if the use or registration is by another person for different goods can be detrimental to the interests of well-known brand owners.
- 3) Through the Cassation Attempts at the Supreme Court, the Panel considers that there are indeed similarities, similarities in the form of arrangement and number of letters as well as the similarity in sound and pronunciation. Accordingly, the attorney for Starbuck Corporation as the Plaintiff considered that the Defendant's Starbucks brand registration was based on bad faith and tried to piggyback on the fame of the Plaintiff's brand which he claimed was a well-known brand. Such an act in the international world is known as trademark squatting or brand mafia. Trademark squatting is an act of registering another person's mark that has not been registered, thus making the actual brand owner unable to register his trademark.

When referring to the doctrine of identical (identical) or very similar (nearly resembles) researchers judge that there are similarities between the two brands. Similarities can lead to misguidance for the public because they think that the goods in question were produced by the plaintiff.

From all of the above assessments, the trademark dispute between the Plaintiff's Starbucks brand and the Defendant's Starbucks brand is similar in essence. The researcher is of the opinion that the panel of judges in the cassation decision was right in giving their legal considerations which stated that there were indeed similarities, similarities in the form and number of letters as well as the similarity in sound and speech of the Plaintiff's Starbucks brand with the Defendant's Starbucks brand.

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