

Legal Protection of Nike Trademark Holders (Study In Klithikan Market of Yogyakarta)

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Abstract

Legal protection for Nike trademark holders in the Klithikan Pakuncen market in Yogyakarta is still not effective because there is no special regulation to protect Nike trademark holders. Law Number 20 of 2016 concerning Marks and Geographical Indications only concerns the protection of counterfeit goods. This research aims to determine the legal protection for the holder of the Nike trademark on counterfeit shoes in the Klithikan Pakuncen market in Yogyakarta. This study uses normative-empirical with a legal approach to examine the laws and regulations governing the legal protection of Nike trademark holders on counterfeit shoes circulating in the Klithikan Pakuncen Market, Yogyakarta. The study results concluded that legal protection for holders of counterfeit shoes at the Klithikan Pakuncen Market in Yogyakarta was not effective because the Ministry of Law and Human Rights and Department of Industry and Commerce had not fully supervised, fostered, nor taken action. Brand infringement which is a complaint offense, means that there is not yet complete extra supervision from brand owners to file complaints to parties such as the Ministry of Law and Human Rights and Department of Industry and Commerce, which should enforce the law instead of doing it passively.

Keywords: Trademark; Counterfeit; Legal Protection

Abstrak

Perlindungan hukum bagi pemegang merek Nike di pasar Klithikan Pakuncen Yogyakarta masih belum efektif karena belum ada peraturan khusus yang melindungi pemegang merek Nike. Undang-undang Nomor 20 Tahun 2016 tentang Merek dan Indikasi Geografis hanya mengatur tentang perlindungan barang palsu. Penelitian ini bertujuan untuk mengetahui perlindungan hukum bagi pemegang merek Nike pada sepatu palsu di pasar Klithikan Pakuncen Yogyakarta. Penelitian ini menggunakan jenis penelitian hukum gabungan (normatif-empiris) dengan pendekatan hukum untuk mengkaji peraturan perundang-undangan yang mengatur tentang perlindungan hukum pemegang merek Nike atas sepatu palsu yang beredar di Pasar Klithikan Pakuncen Yogyakarta. Hasil penelitian menyimpulkan bahwa perlindungan hukum bagi pemegang sepatu palsu di Pasar Klithikan Pakuncen Yogyakarta tidak efektif karena Kementerian Hukum dan HAM dan Dinas Perindustrian dan Perdagangan belum sepenuhnya melakukan pengawasan, pembinaan, maupun penindakan. Pelanggaran merek yang

merupakan delik aduan, artinya belum ada pengawasan ekstra yang lengkap dari pemilik merek untuk mengajukan pengaduan kepada pihak-pihak seperti Kementerian Hukum dan HAM dan Departemen Perindustrian dan Perdagangan, yang seharusnya menegakkan hukum daripada melakukannya. secara pasif.

Kata kunci: Merek Dagang; Palsu; Perlindungan Hukum.

Introduction

In the current era, people are becoming more consumptive, just like men and women who are competing to buy or have goods with well-known brands such as Nike for collection or for everyday use.¹ Starting from the lower middle class as well as the upper-middle class, they both want to have goods with the well-known Nike brand. At the end of the paragraph, the author/s should end with a comment on the significance concerning the identification of the issue and objective of the research. Meanwhile, according to experts, consumptive behavior is a desire to consume goods that are not needed in excess to achieve maximum satisfaction. Consumptive behavior is the act of buying goods not to meet needs but to fulfill desires that are carried out excessively, causing waste of cost inefficiency.

According to the expert opinion above, if it is associated with case studies in today's era regarding Nike shoes, it can be said that consumptive behavior is only virtual or fictitious to satisfy individual pleasures without considering the benefits and positive or negative impacts afterward. Many teenagers are affected by advertisements and offers from the mass media and the influence of the lifestyle of those around them. The positive impact of buying counterfeit goods, according to researchers, is that it can increase confidence in socializing in all circles of society, while the negative impact of using counterfeit brand goods is of non-original quality resulting in the use of these goods being damaged quickly due to poor quality.

Nike has been operating in Indonesia since 1988, and almost a third of its shoes today are made there. Nike's corporate coordinator in Indonesia is Azam Fathoni. Although far from their home country, namely the United States, Nike's work in

¹Endang Purwaningsih, 2012, Partisipasi Masyarakat Dalam Perlindungan Hukum Terhadap Kekayaan Intelektual Warisan Bangsa, *Masalah-Masalah Hukum* 41 (1) : 88-90, diakses 11 September 2020, <https://doi.org/http://dx.doi.org/10.1%202345/ius.v3i7.198>

Indonesia has gone through strict supervision. Every Nike production factory in Indonesia checks the quality and manufacturing process adjusted to Nike's own standard requirements. So, you don't have to worry about the quality decreasing compared to when you were in the United States. Consumers can find factories that produce Nike in several areas that are just developing in terms of light industry, such as in Tangerang, Serang, and the western part of Jakarta.

In addition to being registered and protected in various countries around the world, the Nike trademark has been submitted for registration in Indonesia at the Directorate of Marks, Directorate General of Intellectual Property Rights, Ministry of Law and Human Rights of the Republic of Indonesia on February 20, 2001, with Application Number D002000018579 and Registration Number IDM000018994 to protect Class 25 item type.²

Law Number 20 of 2016 concerning Marks and Geographical Indications also contains a formulation on the definition of brands such as Trademarks and Service Marks. Trademark is a mark used on goods that are traded by a person or several people together or a legal entity to distinguish them from other similar goods, and a service mark is a mark used on services traded by a person or several people together or a law entity to distinguish it from other similar services.

Trademark legal protection granted to foreign or local, well-known or unknown marks is only granted to registered marks.³ For this reason, every trademark owner is expected to register his trademark with the Directorate General of Intellectual Property Rights in order to obtain legal protection for his trademark.⁴ According to

²Dirjen HKI. "Nomor Merek Nike di Indonesia. Dirjen HKI", <https://pdkiindonesia.dgip.go.id/index.php/merek/ZnV4b1ErWjMwWjVvWGJIZkloNWZTdz09?q=Nike%2C+Inc.dantype=1danskip=0>, Accessed on 4th of November 2020.

³Dirjen HKI. "Nomor Merek Nike di Indonesia. Dirjen HKI", <https://pdkiindonesia.dgip.go.id/index.php/merek/ZAdam.D.Moore,IntellectualPropertyandInformationControl:PhilosophicFoundationsandContemporaryIssues>, Routledge, United Kingdom, 2017, p. 17.nV4b1ErWjMwWjVvWGJIZkloNWZTdz09?q=Nike%2C+Inc.dantype=1danskip=0, Accessed on 4th of November 2020.

⁴Candra Irawan, "Politik hukum hak kekayaan intelektual Indonesia: kritik terhadap WTO/TRIPs Agreement dan upaya membangun hukum kekayaan intelektual demi kepentingan nasional. Mandar Maju", e-book https://books.google.co.id/books/about/Politik_hukum_hak_kekayaan_intelektual_I.html?id=pZ0mAwEACAAJ&redir_esc=y, Accessed on 3rd of November 2020, hlm. 82.

Article 28 of the Mark Law, legal protection is also granted for a period of 10 (ten) years and is retroactive from the date of receipt of the application for the mark in question. At the request of the trademark owner, the period of protection of the registered mark may be extended each time for the same period.

Legal protection based on the first to file principle system means that the party who first applies for registration is given priority to obtain trademark registration and is recognized as the legal owner of the mark and is given to registered trademark rights holders with both preventive and repressive intentions Preventive legal protection is carried out through trademark registration and repressive legal protection is provided in the event of a trademark infringement through civil lawsuits or criminal charges by reducing the possibility of alternative settlements outside the court.⁵

The spread of counterfeit goods in the market is increasingly disturbing to many parties and is detrimental to the government in terms of taxes, investors, or brand holders. The form of loss obtained from the side of workers is that nationally, the domestic industry has the potential to experience a potential loss of 3 trillion rupiah per year, which should be used to pay wages for workers or laborers who work for producers of genuine goods due to the widespread circulation of counterfeit goods. The loss suffered by the government is that counterfeit goods produced in Indonesia or exported to Indonesia do not pass customs taxes or do not pay taxes.

Fraud occurs in the sale of counterfeit goods. It harms some consumers, such as the difficulty of distinguishing which goods are genuine or counterfeit, buying some items at high prices, but getting fake items due to limited knowledge about the authenticity of an item. Consumers only see the authenticity of the goods from the price, not from the quality or quality of the goods.

The case that the researcher will discuss in this study concerns the legal

⁵Abdul Atsar, 2017, *Perlindungan Hukum Terhadap Pengetahuan Dan Ekspresi Budaya Tradisional Untuk Meningkatkan Kesejahteraan Masyarakat Ditinjau Dari Undang-Undang No. 5 Tahun 2017 Tentang Pemajuan Kebudayaan Dan Undang-Undang No. 28 Tahun 2014 Tentang Hak Cipta*, *LAW REFORM* 13 (2) : 284, diakses 15 November 2020, <https://doi.org/10.14710/lr.v13i2.16162>

protection of the Nike trademark on counterfeit shoes circulating in Yogyakarta, namely the Klithikan Pakuncen market. Klithikan Pakuncen Market provides counterfeit foreign branded goods with a wide selection of brands, models of goods, and low prices that attract many enthusiasts from the lower classes, circulation of counterfeit goods is considered to be able to meet people's lifestyle needs regardless of the quality of goods.

The phenomenon that is happening in the Klithikan Pakuncen market in Yogyakarta is related to the circulation of foreign famous branded goods (luxury goods), but the goods circulating are foreign famous branded goods such as clothes (Dior, Zara, Hermes, Polo), bags (Chanel, Furla, Gucci, Louis Vuitton, Zara, Dior), sandals/shoes (Nike, Adidas, Converse), watches (Nike, G-Shock, Rolex, Alba, Rip Curl), pants (Wrangler, Hermes, Dior), jackets (Adidas, Nike, Dior) and various other accessories. The phenomenon that is happening in the Klithikan Pakuncen market in Yogyakarta is related to the circulation of foreign famous branded goods (luxury goods), but the goods circulating are foreign famous branded goods such as clothes (Dior, Zara, Hermes, Polo), bags (Chanel, Furla, Gucci, Louis Vuitton, Zara, Dior), sandals/shoes (Nike, Adidas, Converse), watches (Nike, G-Shock, Rolex, Alba, Rip Curl), pants (Wrangler, Hermes, Dior), jackets (Adidas, Nike, Dior) and various other accessories that widely circulated in Klithikan Pakuncen Yogyakarta.⁶ The number of enthusiasts for imitation branded products lies in the much lower price of around 50,000 - 350,000 IDR compared to the original price of 4,000,000 – 20,000,000 IDR. From these sales, traders get a profit of about 50 percent of the capital issued.

Traders who sell Nike brand shoes at the Klithikan Pakuncen Market in Yogyakarta, which is relatively cheap, have never paid attention to Article 94 of Law Number 20 of 2016 concerning Marks and Geographical Indications, which reads "Anyone who trades goods and/or services which are known or should be known that goods and/or services/or the service are the result of a violation, the

⁶Nadya Valerie dan Edbert S. Hotman, 2019, Perlindungan Hukum Terhadap Merek Terkenal Christian Dior Ditinjau Dari Konsep Trademark Dilution, *Jurnal Cendekia Hukum* 4 (2) : 31, diakses 16 November 2020, <https://doi.org/10.3376/jch.v4i2.132>

punishment shall be maximum imprisonment of 1 (one) year or a maximum fine of Rp. 200,000,000.00 (two hundred million rupiahs)". Merchants only think about the profits and can provide a living for their families, without thinking about the goods that traders imitate and those that are traded.

Well-known brand holders are still minimal in their legal protection both from the juridical and sociological aspects. The sociological aspect is that the legal culture of the community that uses fake brands produced by business actors has become a trend, but the reality shows that this culture is very contrary to the good legal culture because a good legal culture includes attitudes, values, and behavior of the community to obey and comply with applicable laws.⁷ The juridical aspect is that Law Number 20 of 2016 concerning Marks and Geographical Indications never regulates or imposes sanctions on people who use products resulting from counterfeiting of well-known brands. This causes the legal culture of the community to be bad due to the absence of strict rules. Thus, the use of counterfeit brands is considered a common occurrence.⁸

Based on the background above, the writer is interested in studying further the legal protection for Nike trademark holders on counterfeit shoes in the Klithikan Pakuncen market in Yogyakarta.

Research Method

The research was normative-empirical legal research on real conditions with the aim and purpose of finding facts and then continued by finding problems and then leading to problem finding.⁹ This study used a statutory approach to analyze the existing and applicable laws and regulations. The research used primary data collected by conducting interviews. Meanwhile, secondary data consisted of primary legal materials, secondary legal materials, and tertiary legal materials

⁷Yeni Eta, 2014, Rancangan Undang- Undang Pengetahuan Tradisional Dan Ekspresi Budaya Tradisional Ditinjau Dari Aspek Benefits Pasal 8J UNCBD, *Arena Hukum* 7 (3) : 449-469, diakses 17 November 2020, <https://doi.org/10.21776/ub.arenahu%20kum.2014.00703.8>

⁸Misbahul A. Sakti, 2019, Karakteristik Dan Problematik Perlindungan Motif Lubeng Tenun Troso, *Jurnal Jurisprudence* 9 (2) : 122-131, diakses 19 November 2020, <https://doi.org/10.23917/jurisprudence.v9i2.8908>

⁹Sugiyono, 2015, *Metode Penelitian Kombinasi (Mix Methods)*, Bandung: Alfabeta, hlm. 44.

were collected through case studies. After that, the data were systematized and analyzed prescriptively and qualitatively to explain whether the legal protection for shoe trademark owners in Pasar Klithikan Pakuncen Yogyakarta has been effective in accordance with the legal authority in supervising the circulation of counterfeit goods. Techniques in collecting data by means of interviews, observation and literature study. The research locations are at the Ministry of Law and Human Rights Yogyakarta Regional Office as a trademark registration office, the Yogyakarta Regional Office of Industry and Trade as a monitoring office for the circulation of goods and Yogyakarta Klithikan Pakuncen Market as a place for counterfeit goods transactions. The analysis uses a qualitative narrative and the researcher obtains data based on various sources.

Result and Discussion

Legal Protection for Nike Trademark Holders

Legal protection for Nike's rights holders based on Nike brand counterfeiting in Pasar Klithikan Pakuncen Yogyakarta gets effective protection against the phenomenon that Nike brand counterfeiting is still not due to the fact that the owner and holder of Nike brand rights have not reported to the Ministry of Law and Human Rights Regional Office Yogyakarta in terms of brand issues at Pasar Klithikan Pakuncen Yogyakarta. This is authorized by the license holder of the Nike brand in Indonesia to provide allegations of counterfeiting the Nike brand by traders in the Yogyakarta Klithikan Pakuncen market, parties such as the Ministry of Law and Human Rights of the Yogyakarta Regional Office who have rights in trademark registration. In order to follow up the license from the license holder at Nike, there must first be a complaint by the license holder in Indonesia because the Intellectual Property Rights law is included in the Complaint Offense.¹⁰

The case in the Klithikan Pakuncen Market in Yogyakarta is included in the criteria for violating the well-known foreign brand because having similarities is considered to manifest if the brand has almost identical similarities to other people's

¹⁰ Tanya Aplin dan Jennifer Davis, 2013, *Intellectual Property Law: Text, Cases, and Materials (Second ed.)*, United Kingdom: Oxford University Press, p. 23.

brands. These similarities can be based on: 1) The similarity of the image equation; 2) Almost the same or almost the same word order, color, or sound; 3) The most important factor in this doctrine, the use of a brand causes confusion or misleading (device) the consumer community. It is as if the brand is considered the same source of production and source of geographical origin as goods belonging to others (likelihood confusion).

The legal protection of trademarks in Indonesia is regulated in Law number 20 of 2016 concerning Marks and Geographical Indications. The method of obtaining legal protection for a mark must be previously registered with the Directorate General of Marks as regulated in Article 4 of the Mark Law. Procedures for Requests for Mark Registration are regulated in Government Regulation No.23 of 1993 and provisions for applications for trademark registration in Article 7 of Law no. 20 of 2016.

The problem arises when there is a gap between Law Number 20 of 2016 concerning Brands and Geographical Indications that regulate (substance) with facts that occur in society (practice) where there are 13 traders who sell fake Nike brand shoes in Pasar Klithikan Pakuncen Yogyakarta, while in Article 102 of Law number 20 of 2016 clearly states that "Whoever trades goods and or services which are known or should be known that the goods and/or services are the result of a violation shall be punished with imprisonment for a maximum of 1 (one) year or a fine of a maximum two hundred million rupiah.

The use of trademarks carried out by parties who are not holders of trademark rights is clearly a violation of both production and marketing because it is not in accordance with the provisions in Article 100 paragraph 1 of the Law on Marks and Geographical Indications that "Everyone who without rights uses the same Mark entirely with a registered Mark belonging to another party for similar goods and/or services produced and/or traded, shall be sentenced to a maximum imprisonment of 5 (five) years and/or a maximum fine of two billion rupiahs." The party referred to here is a party that is not related/bound to the agreement (license) listed in Article 1 paragraph 13 of Law No. 20 of 2016 is a permit granted by the owner of a registered mark to another party through an agreement based on the granting of

rights (not the transfer of rights). to use the Mark, either for all or part of the types of goods and/or services registered within the period and terms.

Fake Brand According to The Type of Goods Are The Most Interested by Consumers

Based on the results of research in the field with a total number of 13 traders who sell Nike shoes at the Klithikan Pakuncen Market in Yogyakarta within a period of 1 month, it shows an astonishing fact because of the 13 randomly selected traders in the Klithikan Pakuncen Market, Yogyakarta. All traders sell/provide counterfeit/KW/Counterfeit goods using the famous Nike brand. The following are the results of research data in the form of tables of sales of counterfeit goods using well-known brands obtained from interviews with traders as follow.

Figure 1

No	Merchant Name	Most Popular Brands	Original/ Counterfeit
1	Anto	Adidas/ Nike/ Converse	Counterfeit
2	Dwi T	Adidas/ Nike/ Converse	Counterfeit
3	Wahyu Santoso	Adidas/ Nike/ Converse	Counterfeit
4	Adrian Dwi Okta	Adidas/ Nike/ Converse	Counterfeit
5	Suripto	Adidas/ Nike/ Converse	Counterfeit
6	Sudikman Achmad	Adidas/ Nike/ Converse	Counterfeit
7	Umar Laipeni	Adidas/ Nike/ Converse/ Specs	Counterfeit
8	Uda Yardi (Suryadi)	Adidas/ Nike/ Converse/ Specs	Counterfeit
9	Waluyo	Adidas/ Nike/ Converse	Counterfeit
10	Shodidiq (Supratman)	Adidas/ Nike/ Converse	Counterfeit
11	Ferdi	Adidas/ Nike/ Converse	Counterfeit
12	Basyir	Adidas/ Nike/ Converse	Counterfeit
13	Ardiansyah	Adidas/ Nike/ Converse	Counterfeit

Source : *Interview results with traders at Pasar Klithikan Pakuncen Yogyakarta*

From the table above, it can be explained that 13 traders who sell Nike shoes at the Klithikan Pakuncen Market in Yogyakarta fall into the fake category. No trader in Pasar Klithikan Pakuncen Yogyakarta sells Nike brand shoes with Original quality. Traders not only sell fake Nike shoes, but other shoes with the Adidas and Converse brands also fall into the counterfeit category.

Traders at Pasar Klithikan Pakuncen Yogyakarta who use marks resulting from infringement (counterfeit goods) usually use well-known brands in marketing their wares to attract consumers' interest. This is done solely to make easy profits without thinking about the bad effects experienced by the original brand rights holders. Traders claim that by using well-known brands, they can easily market their wares to consumers.¹¹ In essence, brand violations in Pasar Klithikan Pakuncen Yogyakarta were caused by the consumptive attitude of the community itself. Society has a tendency to be oriented towards the use of foreign products (Minded label), especially if it is a well-known brand. However, due to the low purchasing power of the people, it is not enough to be able to buy genuine goods which have a fairly high price range. Therefore, business actors (traders) intend to provide KW/imitation/fake goods/counterfeit using well-known brands.

An act is said to violate the law and can be subject to criminal sanctions, and then two elements must be fulfilled. There are elements of *actus reus* or essential elements and *mens rea* or inner attitude. From the above incident, if it is reviewed based on its substance, namely the elements in Article 100 of Law no. 20 of 2016: [a] *Actus reus* or the essential element in Article 102 is the activity of "trading" which is the physical aspect. So the perpetrator is not a person who imitates, forges, or hijacks other people's brands but is limited to trading in goods or services resulting from a violation as regulated in Articles 100 and 101. [b] The *mens rea* or inner attitude (responsibility) in article 94 is "what is known" or "necessary to know". The trafficker knows or should know that the goods traded are the result of

¹¹ Evelyn Larissa Florentia Wijaya, 2020, *Perlindungan Hukum Konsumen Atas Kesamaan Bunyi Merek Terhadap Barang Yang Tidak Sejenis*, *JCH (Jurnal Cendekia Hukum)* 5 (2) : 177, diakses 20 November 2020, <https://doi.org/10.33760/jch.v5i2.18%207>

a violation. Even though the perpetrator knows or should know that the goods result from a violation, they are still willing to trade them.

If it is based on the above elements, it can be concluded that trading activities using goods resulting from a trademark infringement in the Klithikan Pakuncen market in Yogyakarta is a violation of the law in the field of trademarks that violates the provisions in accordance with Article 100 of Law No. 20 of 2016 concerning Marks and Geographical Indications.

Trademark legal protection granted to foreign or local, well-known or unknown marks is only granted to registered marks. For this reason, every trademark owner is expected to register his trademark with the Director-General of Intellectual Property Rights in order to obtain legal protection for his trademark. A registered mark has legal protection for a period of 10 (ten) years and is retroactive from the date of receipt of the application for the mark concerned. Nike has been registered by Azam Fathoni in Indonesia at the Directorate of Marks, Directorate General of Intellectual Property Rights, Ministry of Law and Human Rights of the Republic of Indonesia on February 20, 2001, with Application Number D002000018579 and Registration Number IDM000018994 to protect Class 25 goods.¹²

At the request of the trademark owner, the period of protection of the registered mark may be extended each time for the same period. Legal protection based on the first to file principle system is given to registered trademark rights holders who are "in good faith," both preventive and repressive. Preventive legal protection is carried out through trademark registration, and repressive legal protection is provided in the event of a trademark infringement through civil lawsuits or criminal charges by reducing the possibility of alternative settlements outside the court. Furthermore, it has been previously explained that passing off is an act of accompanying well-known brands that can harm the brand holder.¹³ The form of trademark infringement is the use of the same mark in its entirety or in essence with a registered mark belonging to another party, but imitation, counterfeiting which is

¹²Dirjen HKI, *op.cit.*

¹³Mieke Yustia Ayu Ratna Sari, 2014, Passing Off Dalam Pendaftaran Merek. Kajian Putusan MA Nomor 224 K/Pdt.Sus-HKI/2014, *Jurnal Yudisial* 7 (3) : 41-56, diakses 21 November 2020, <https://doi.org/10.29123/jy.v7i3.75>

used in goods or services traded.

The legal protection can be in the form of preventive or repressive protection. Preventive legal protection here is protection before a crime, or legal violation occurs against a well-known mark. This preventive legal protection, such as the Ministry of Law and Human Rights and the Department of Industry and Trade, provide direct guidance and supervision to traders selling well-known branded goods. The form of preventive legal protection for the Nike brand of shoe types circulating in the Klithikan Pakuncen Market in Yogyakarta is only limited to socialization and an appeal not to sell fake brands.

The form of guidance, supervision, and action carried out by the Ministry of Law and Human Rights and Department of Industry and Commerce in providing legal protection to brand holders are: [a] Guidance carried out by Ministry of Law and Human Rights and Department of Industry and Commerce directly to traders and buyers is like providing knowledge through socialization about bad things that are obtained by the State if there are still counterfeit goods in Indonesia. Provide education on how important it is to use original/original goods and put more emphasis on selling authentic Indonesian products (local pride) sold by traders. [b] Supervision carried out by Ministry of Law and Human Rights and Department of Industry and Commerce is done directly once a month to come to places such as markets, malls, and street vendors selling counterfeit brand goods. If a seller is found selling counterfeit goods, a warning will be given to stop selling the counterfeit goods. [c] Actions are taken by the Ministry of Law and Human Rights and Department of Industry and Commerce if the license holder has filed a complaint with the Ministry of Law and Human Rights for action in accordance with Article 103 of the Trademark Law. So the Ministry of Law and Industry and Trade and the Police and Civil Service Investigators must come directly to the counterfeit brand sales.

The concrete steps taken by the Department of Industry and Trade of Yogyakarta City and the Ministry of Law and Human Rights of Yogyakarta City can be classified into 2 (two), namely Preventive efforts are efforts to prevent, minimize the opportunity for violations that are expected to reduce the number of

brand violations. The preventive efforts taken by the Ministry of Industry and Trade and the Ministry of Law and Human Rights in this regard are: [a] Inviting other relevant agencies such as PPNS (Civil Servant Investigators), LIPI (Indonesian Educational Sciences Institute), YKCI (Indonesian Cipta Karya Foundation), the police, the attorney general's office to jointly conduct training on brands. [b] Provide education and guidance to all staff within the Department of Industry and Trade and the Ministry of Law and Human Rights so as to produce skilled workers to respond to brand violations that occur in the field. [c] Conduct training on Brands on a regular basis or periodically to each trader. Coaching is intended to provide information, knowledge/education, insight about brands, types of brands, brand violations, or brand sanctions expected to raise awareness of traders so as not to violate brands. Specifically, the sanctions material will be emphasized so that business actors understand and create fear in committing acts of brand infringement. [d] Tighten supervision, either routinely or periodically in places prone to trademark infringement in order to be able to control if there are indications of signs of imminent/already brand infringement so that they can be addressed immediately. [e] Fostering and inviting the public to participate in monitoring counterfeit goods so that the public knows where to complain if such violations are found because Department of Industry and Commerce and Ministry of Law and Human Rights realize that the community has a vital role in influencing the process of monitoring the circulation of counterfeit goods.

Second, Repressive Efforts are efforts made to overcome and resolve violations that have occurred. Repressive efforts are carried out as evidence of legal protection after a trademark infringement occurs. Department of Industry and Commerce, in its efforts to respond to violations, has formed a supervisory team with related agencies such as PPNS (Civil Servant Investigators), LIPI (Indonesian Educational Sciences Institute), YKCI (Yayasan Karya Cipta Indonesia), police, prosecutors who are always ready to do an inspection. In addition, the provision of sanctions in accordance with the trademark law must be strictly and clearly applied so that it can have a deterrent effect for perpetrators of violations, which is expected to suppress similar violations in the future. Guidance for business actors, both those who violate

and those who do not, will continue to receive guidance not only in the field of trademarks but also in all fields related to the industrial and trade processes, so it is hoped that the industrial and trade processes in the city of Yogyakarta, in particular, can run well. In addition, Department of Industry and Commerce will continue to strive to invite the public, brand holders, and other related parties to participate in the process to raise legal awareness so that violations like this can be handled properly.

Furthermore, Article 28 of Law Number 20 of 2016 concerning Marks and Geographical Indications states that registered marks receive legal protection for a period of 10 (ten) years and are retroactive from the date of receipt of the relevant trademark registration (filing date) and can be extended. Thus, if a person/legal entity wants his/her mark to get legal protection based on trademark law, then the relevant mark must be registered first.

The mark used must be such that it has sufficient power to distinguish the goods or services of one company from the goods or services of other companies. Furthermore, according to the elucidation of Article 6 paragraph (1) of the Trademark Law, what is meant in principle is the same as the registered mark of another person, namely that there is the same impression, among others, regarding the form, placement method, writing method or combination of elements and sounds of speech that contained in the relevant brand.

Repressive legal protection is carried out if there is a violation of trademark rights through civil lawsuits and or criminal charges. That the holder of a registered mark gets legal protection for infringement of the right to the mark either in the form of a claim for compensation or the termination of all actions related to the use of the mark or based on criminal lawsuits through law enforcement officials. The owner of a registered mark also has the right to apply for the cancellation of the registration of the mark against the mark that he owns which is registered by another person without rights. In fairly tight business competition, there are many frauds committed by business actors to bring down their business competitors, for example, by doing brand counterfeiting.

The existence of brand violations committed by parties who have bad

intentions and are not responsible for the well-known marks that are violated will certainly cause harm to producers or entrepreneurs who hold rights to well-known brands.¹⁴ As the aggrieved party, of course, the holder of the right to the famous mark will take legal action to resolve the case of trademark infringement. It is intended that the perpetrators of trademark infringement will no longer use brands that are similar in essence or in whole to well-known brands or even stop their production activities. In addition to being regulated in the Trademark Law, trademark infringement can also be subject to sanctions that can be viewed from criminal, civil, and administrative laws. Sanctions that can be imposed by perpetrators of trademark infringement other than the Trademark Law are sanctions according to civil law and sanctions according to criminal law.

According to Article 83 of the Trademark Law which reads "The owner of a registered Mark and/or the recipient of a registered Mark License may file a lawsuit against another party who unlawfully uses a Mark that has similarities in principle or in its entirety for similar goods and/or services". In the provisions of this Article, the sale of counterfeit products or goods can only be acted upon by the Director-General of Intellectual Property Rights if there are complaints from parties who feel aggrieved by this matter, in this case, the brand owner himself or the license holder. Regarding the duties of the Directorate General of Intellectual Property (Directorate General of Intellectual Property Rights) related to taking action against sellers of counterfeit goods, pursuant to Article 99 paragraph (1) of the Trademark Law, in addition to investigating officers of the Indonesian National Police, certain civil servant investigators within the ministry who carry out business affairs. The government in the field of law is given special authority as an investigator as referred to in Law Number 8 of 1981 concerning the Criminal Procedure Code (KUHAP) to conduct investigations of trademark crimes.

According to Article 99 paragraph (2) of the Trademark Law, the civil servant investigator at the Director General of Intellectual Property Rights is authorized to:

¹⁴Rifky Ardian Nugroho, Budi Santoso dan Siti Mahmudah, 2016, Perlindungan Hukum Pemegang Hak Merek Dagang Terkenal Asing (Well Known Mark) Dari Tindakan Passing Off (Studi Sengketa GS Atas Nama GS Yuasa Corporation), *Diponegoro Law Journal* 5 (1) : 40, diakses 22 November 2020, <https://ejournal3.undip.ac.id/index.php/dlr/article/view/12378/12024>

1) Examination of the veracity of reports or statements relating to criminal acts in the field of marks; 2) Examination of persons suspected of committing criminal acts in the field of trademarks; 3) Requests for information and evidence from people in connection with criminal acts in the field of marks; 4) Examination of books, records, and other documents relating to criminal acts in the field of marks; 5) Search and check in places where evidence is suspected, books, records, and other documents relating to criminal acts in the field of marks; 6) Confiscation of materials and goods resulting from violations that can be used as evidence in criminal cases in the field of marks; 7) Request for expert information in the context of carrying out the task of investigating criminal acts in the field of marks; 8) Requests for assistance to relevant agencies to make arrests, detentions, determination of wanted lists, and prevention of perpetrators of criminal acts in the field of trademarks; 9) Termination of the investigation if there is not enough evidence of a criminal act in the field of marks.

Furthermore, regarding the duties of the DJKI, especially the Directorate of Marks and Geographical Indications, according to the information we obtained through the DJKI website, the Directorate of Marks and Geographical Indications has the task of carrying out the preparation and implementation of policies, providing technical guidance and supervision, as well as implementing evaluation and reporting in the field of application, brand classification, publication and documentation, inspection, certification, monitoring, and legal services for trademarks and geographical indications as well as facilitation of trademark appeal commissions.¹⁵

The Directorate of Marks and Geographical Indications carries out the following functions:¹⁶ 1) Preparation of policy formulation in the fields of application, trademark classification, publication and documentation, inspection,

¹⁵Tatty A. Ramli dan Yeti Sumiyati, 2012, Penyuluhan Tentang Perlindungan Hukum Indikasi Geografis Beras Pandan Wangi Cianjur Jawa Barat Sebagai Wujud Sumbangsih Perguruan Tinggi Dalam Meningkatkan Indeks Pembangunan Manusia (IPM), *Jurnal Hukum & Pembangunan* 42 (3) : 362, diakses 28 November 2020, <https://doi.org/10.21143/jhp.vol42.n%20o3.272>

¹⁶Winda S. Yessiningrum, 2015, Perlindungan Hukum Indikasi Geografis Sebagai Bagian Dari Hak Kekayaan Intelektual, *Jurnal IUS Kajian Hukum Dan Keadilan* 3 (1) : 71, diakses 1 Desember 2020, <https://doi.org/http://dx.doi.org/10.1%202345/ius.v3i1.198>

certification, monitoring, and legal services for trademarks and geographical indications; 2) Implementation of policies in the fields of application, trademark classification, publication and documentation, inspection, certification, monitoring, and legal services for trademarks and geographical indications; 3) Implementation of brand appeal commission facilitation; Providing technical guidance and supervision in the fields of application, trademark classification, publication and documentation, inspection, certification, monitoring, and legal services for trademarks and geographical indications; 4) Implementation of evaluation and reporting in the fields of application, trademark classification, publication and documentation, inspection, certification, monitoring, and legal services for trademarks and geographical indications; and 5) Management of administrative and household affairs of the Directorate of Marks and Geographical Indications.

So, basically, it is the Directorate of Marks and Geographical Indications that will monitor and enforce laws related to the implementation of marks in the field.¹⁷ However, to take action against parties selling counterfeit goods, there must be a complaint from the brand owner or license holder first.

Conclusion

Legal protection for Nike trademark holders on counterfeit shoes in the Klithikan Pakuncen market in Yogyakarta has not been effective because the parties concerned, namely the Ministry of Law and Industry and Trade, have not fully implemented socialization, supervision, guidance, and prosecution. In addition, legal protection can be in the form of preventive or repressive protection. This preventive legal protection, such as the Ministry of Law and Human Rights and the Department of Industry and Trade, provide direct guidance and supervision to traders selling well-known branded goods. Repressive measures are carried out as evidence of legal protection after a trademark infringement occurs. Department of Industry and Commerce formed a supervisory team with related agencies such as

¹⁷Sudjana, 2018, Implikasi Perlindungan Indikasi Geografis Berdasarkan Undang-Undang Nomor 20 Tahun 2016 Terhadap Pengembangan Ekonomi Lokal, *Veritas et Justitia* 4 (1) : 49, diakses 3 Desember 2020, <https://doi.org/10.25123/vej.2915>

PPNS, LIPI, YKCI, police, prosecutors to respond to occurring violations

Based on the conclusions above, it is suggested that it is necessary to supervise and enforce special regulations for the police, state investigators (PPNS) and the prosecutor's office, industrial and commercial services and the Ministry of Human Rights to carry out training regulations in the City of Yogyakarta for producers, traders and consumers in order to suppress brand numbers and the government. try to have specific provisions on foreign popular brands as a result can better protect Nike trademark holders in case of brand infringement.

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