

## **CRIMINAL ON NOT GOOD FAITH REGISTERING A MARK OWNED BY OTHER PARTIES THAT HAVE NOT BEEN REGISTERED**

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### **Abstract:**

The criminal's trademark registration belongs to another party. Which has not been registered and filed in bad faith against the law has not been regulated in Law Number 20 of 2016 concerning Marks and Geographical Indications. The existence of this legal loophole has the potential to be exploited by irresponsible parties to obtain economic benefits by registering and then suing or subpoenaing the original trademark owner who has not registered his mark. The problem in this research is how is the punishment for registering a trademark belonging to another party that has not been registered based on Article 21 paragraph (3) of Law Number 20 of 2016 concerning Marks and Geographical Indications? The results of the study show that the punishment for the use of an unregistered mark based on Article 21 paragraph (3) of Law Number 20 of 2016 concerning Marks and Geographical Indications is still limited to registered marks, so that for unregistered marks, the punishment is only regulated in Article 263 of the Criminal Code with the provision that there is a requirement to fulfill the element of making a fake letter or falsifying a letter that can issue a right. Therefore, there is a legal vacuum in Law Number 20 of 2016 concerning Marks and Geographical Indications related to the imposition of criminal sanctions for parties who deliberately register trademarks belonging to other parties that have not been registered with the intention of obtaining economic benefits by selling or licensing trademarks.

**Keywords:** Trademark, Brand Crime, Bad Faith.

### **INTRODUCTION**

Article 1 number 1 of Law Number 20 of 2016 concerning Marks and Geographical Indications states that a mark is a sign that can be displayed graphically in the form of images, logos, names, words, letters, numbers, color arrangements, in 2 (two) dimensions. and/or 3 (three) dimensions, sound, hologram, or a combination of 2 (two) or more of these elements to distinguish goods and/or services produced by persons or legal entities in goods and/or services trading activities.

A brand must have sufficient distinguishing power (capable of distinguishing), meaning that it has the power to distinguish the goods or services of a company's products and other companies (Abdulkadir Muhammad, 2001: 120). In order to have distinguishing power, the Mark must be able to provide determination on the goods or services in question. Marks can be imprinted on goods or on packages of goods, or specified on matters relating to services (Rachmadi Usman, 2002: 45). To fulfill its function, Marks are used in goods or services trading activities. The function of the brand is as:

1. An identification to distinguish one company's product from another company's product (product identity).

2. This function also connects goods or services with their producers as a guarantee of the reputation of their business results when traded.
3. Means of trade promotion (means of trade promotion).
4. The promotion is carried out through advertisements of producers or entrepreneurs who trade goods or services (Rachmadi Usman, 2002: 45).

Brand is one of goodwill to attract consumers, is a symbol of entrepreneurs to expand the market for their products or merchandise. Guarantee on the quality of goods or services (quality guarantee). This not only benefits the producers of the Mark Owners, but also guarantees the protection of the quality of goods or services for consumers. Designation of the origin of the goods or services produced (source of origin).

A mark is an identifier of the origin of goods or services that connects goods or services with producers, or between goods or services and their region/country of origin. However, the absence of specific rules for criminalizing the use of unregistered marks based on Law Number 20 of 2016 concerning Marks and Geographical Indications, creates a loophole for irresponsible parties to exploit to gain economic benefits by suing or subpoenaing the original trademark owner. Who have not registered their trademark? This is what happened in the case of the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO brand.

In that case, on October 7, 2019, PT. IAS, which is the representative of INTEGRATED ASSESSMENT SERVICES PRIVATE LIMITED in Indonesia, received a summons from YPS as the owner of the registered mark through its proxy with Power of Attorney number 021/SO.ANP/X/2019 which gave a warning to PT. IAS to no longer use the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO brand. This is because the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO brand has been registered with the DJKI with Trademark Certificate Number IDM000655623 on behalf of YPS. However, it is known that YPS is suspected of having registered trademarks in bad faith.

It is proven that the trademark registered by YPS to DJKI is the trademark and logo belonging to INTEGRATED ASSESSMENT SERVICES PRIVATE LIMITED from India, which is the parent company of PT. IAS. Efforts that can be made by the INTEGRATED ASSESSMENT SERVICES PRIVATE LIMITED is to apply for the cancellation of the mark based on the provisions in Article 76 paragraph (2) of Law Number 20 of 2016 concerning Marks and Geographical Indications which stipulates that unregistered Mark Owners may file a lawsuit as referred to in Article 76. In paragraph (1) after submitting the Application to the Minister.

Another provision is in Article 77 paragraph (2) of Law Number 20 of 2016 concerning Marks and Geographical Indications which stipulates that a lawsuit for cancellation can be filed indefinitely if there is an element of bad faith and/or the Mark in question is contrary to state ideology, regulations legislation, morality, religion, decency, and public order. The lawsuit was filed through his attorney MASTER LAWYER to the Central Jakarta Commercial Court with case number: 61/Pdt.Sus.HKI/Merek/2021/PN. Niaga Jkt. Pst. and by decree number: 61/Pdt.Sus-Merek/2021/PN Niaga Jkt.Pst. which in one of its rulings stated: The Defendant

had bad faith in applying for the registration of the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO No. IDM000655623, dated 28 May 2018, Class of goods/services 42;

Based on the provisions of Law Number 20 of 2016 concerning Marks and Geographical Indications, it can be seen that parties who have bad intentions in registering trademarks can only be sued in a civil manner and given administrative sanctions in the form of trademark cancellations, while in Law Number 20 of 2016 concerning Marks and Geographical Indications there is no criminal article for acts of bad faith, so there is no imposition of criminal sanctions, even though the acts committed by the party with bad intentions already have the mens rea to commit fraudulent acts by making fake letters which are included in the category of criminal acts. The absence of criminal sanctions is because Law Number 20 of 2016 concerning Marks and Geographical Indications only regulates penalties for violations of registered marks.

Based on the description above, the problem that will be examined in this research is how to punish the use of an unregistered mark based on Article 21 paragraph (3) of Law Number 20 of 2016 concerning Marks and Geographical Indications?

### **Research Methods**

This research is basically a normative juridical research, because the target of this research is law or normative rules in the form of legal principles and legal systems (Soerjono Soekanto and Sri Mamuji, 2007: 10). The normative research in this study is a research that describes or describes in detail, systematically, thoroughly and in depth about the punishment of the use of an unregistered mark based on Article 21 paragraph (3) of Law Number 20 of 2016 concerning Marks and Geographical Indications. This research is descriptive in nature because it describes the applicable laws and regulations and is associated with legal theories in their implementation practices related to the problems to be studied. The data obtained will be analyzed by qualitative analysis.

### **Discussion**

Brand is something (image or name) that can be used to identify a product or company in the market. Entrepreneurs usually try to prevent others from using their brand because by using the brand, traders gain a good reputation and trust from consumers and can build a relationship between that reputation and the brand that the company uses regularly. All of the above of course require the sacrifice of time, energy and money (Tim Lindsey, 2011: 131).

The right to a mark is a special right granted by the government to the owner of the mark, to use the mark or to give permission to use it to others. In contrast to copyright, a trademark must first be registered in the General Register of Trademarks (Tim Lindsey, 2011: 131). One thing that can be done in order to obtain legal protection for the use of a mark is to register the mark owned by the Directorate General of Intellectual Property (Muhammad Djumhana and R. Djubaedillah, 2003: 170).

The registration of a mark in accordance with the Law on Marks must be based on the principle of good faith. The trademark registration system in Indonesia uses the first to file principle, namely the first trademark registration system. This means that the party who first applies for trademark registration to the Directorate General of Intellectual Property Rights (DJKI) is given priority to obtain trademark registration and is recognized as the legitimate trademark owner (Muhammad Djumhana and R. Djubaedillah, 2003: 170).

The mark must be registered so that no party uses the mark and if there is a violation of the mark, the mark owner can file a lawsuit against another party in the form of compensation. However, there are times when a trademark registration occurs by a party who has bad faith, so that the original trademark owner who has not registered his mark actually becomes a disadvantaged party, because he gets a lawsuit from the party who registered the mark. This is as happened in the case that the author has described in the background.

Based on this case, it is clear that the registration of a mark is carried out by a party who is not actually the owner, so of course the act is included in the category of a criminal act. However, up to now there are no criminal sanctions for infringement of unregistered marks or trademark registrations carried out in bad faith. This is because Law Number 20 of 2016 concerning Marks and Geographical Indications only regulates penalties for infringement of registered marks.

There are no special arrangements regulated in Law Number 20 of 2016 concerning Marks and Geographical Indications, making the application of criminal sanctions to violations of unregistered marks or trademark registrations carried out in bad faith through general laws such as Article 263 of the Criminal Code.

Article 263 of the Criminal Code stipulates that:

1. Whoever makes incorrectly or falsifies a letter which can give rise to a right, an agreement, or debt relief or which is intended as evidence of something, with the intention of using or ordering another person to use the letter as if the contents are true and not falsified, threatened, if the use can cause harm, due to falsification of the letter, with a maximum imprisonment of six years.
2. Threatened with the same punishment, whoever deliberately uses a letter whose contents are not true or which is falsified, as if it were true and not falsified, if the use of the letter can cause harm.

In such a legal arrangement, it can be seen that the actions that are against the law can also be known and the reasons for someone to act against the law, so that it can cause social reactions in the community. Social reaction can also be said as an effort to achieve social order, this form of social reaction will be more visible when problems and threats of crime increase in quantity and quality.

Social control through this law will expose individuals or community members to alternative choices, namely adjustments or deviations, while in the form of deviations or violations the most serious nature is a violation of criminal law which is called a crime. The use of forged letters by the perpetrators in the crime of forgery of letters does not have to be able to bring

about losses, there is no need for the losses to be real or true, there is only a possibility that there will be losses, it is enough to ensnare the perpetrators of forgery of letters, which means that losses here do not only include material losses but also immaterial losses in society, decency, honor and so on.

The elements of Article 263 of the Criminal Code include:

### **1. Objective elements:**

#### **a. The act of making a fake letter**

"Creating a fake letter" is the same as making a letter whose contents are not proper (incorrect), or making a letter in such a way, so as to show the origin of the letter which is not true. Police officers make a verbal process that contains a story that is not true from the person who explained it to him, it does not make sense to make a false verbal process. He makes a false verbal process, if the police officer writes in his verbal process something else than what he was told by that person. The affixing of a logo or photo of another person from an unauthorized holder in a school diploma, driving license (rijbewijs), must be considered a forgery (Soenarto Soerodibroto, 1994: 100).

Based on the foregoing, YPS's actions in bad faith took the object of the brand and logo by completely imitating the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO brand belonging to INTEGRATED ASSESSMENT SERVICES PRIVATE LIMITED located in India, for which the trademark application was submitted to DJKI with make a statement letter of brand ownership, this statement is a condition for submitting a trademark application to the DJKI, so that if the information in the statement letter is not true then it is included in the alleged act of making a fake letter, so that the element of "making a fake letter" is fulfilled.

#### **b. The object is a letter that can give rise to a right**

The meaning of the word "letter" in Article 263 of the Criminal Code is all letters that are either handwritten, printed, or written using a machine and others. The forged letter must be a letter that can issue a right (for example: diploma, admission ticket, contribution letter and others). Although in general a letter does not give birth directly to a right, but that right arises from the existence of a legal agreement (agreement) contained in the letter, but there are certain letters called formal letters that directly give birth to certain rights, for example, checks, bilyet giro, money orders, driver's license, diploma and so on.

Based on this, the element of a letter that can give rise to a right is a brand statement letter about not registering/notifying goods/services with the same brand name as the brand name notified on the property of another party. It can be stated that the actions taken by YPS related to making a statement of ownership of the mark are procedures that must be carried out when applying for trademark registration. However, there is an allegation of bad faith by YPS in making the brand statement, because YPS itself knows that the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO marks are not the work of YPS, so when the application is granted and a trademark certificate is issued, there is an element of "letter which can give rise to a right" has been fulfilled.

### **c. Can cause losses due to the use of certain letters**

Its use must be able to cause harm, the phrase "can" means that it is not necessary for the loss to actually exist, then the possibility or potential to cause a loss is sufficient, which means that "loss" here does not only include material losses, but also losses in the field of society, decency, honor and so on.

According to Soenarto Soerodibroto, the losses that may arise as a result of the use of forged or forged documents do not need to be known or realized by the perpetrators. This is evident from the arrest (8-6-1897) which states that "the act does not need to know in advance the possibility of this loss". There are no specific measures to determine the possibility of this loss if a forged or forged letter is used, only based on the consequences that can be thought of by people in general which usually occur from the use of such a letter (Soenarto Soerodibroto, 1994: 156).

Based on this, YPS's act of making a statement of ownership of the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO brand, while YPS itself knows that the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO brand is not the work of YPS, is an act that can cause harm to INTEGRATED ASSESSMENT SERVICES PRIVATE LIMITED as the owner of the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO brand, both material and immaterial losses, although INTEGRATED ASSESSMENT SERVICES PRIVATE LIMITED does not know for sure the amount of loss he has suffered. Therefore, the element of "may cause losses due to the use of certain letters" has been fulfilled.

### **2. Subjective element:**

With the intention of using it as an original and not falsified letter or asking others to use the letter as if its contents were true and not falsified.

According to Adami Chazawi (2014: 99), making a fake letter is making a letter whose contents are wholly or partly fake which can be in the form of making a letter that part or all of the contents of the letter do not match or contradict the truth. Making such a letter is called intellectual forgery.

In order to be punished according to this article, at the time of falsification the letter must be with the intention of using or ordering someone else to use the letter as if it were genuine and not fake. Based on this, it has the following meanings:

#### **a. There are people who are deceived by the use of such letters**

The letter is in the form of a tool used to deceive people, which person is the person who thinks the letter is genuine and not faked, the person against whom the letter is intended to be used, can be people in general and can also be certain people.

Based on the above, there is an element of intentionality, which according to R. Soesilo (1985: 164), who was punished according to Article 263 not only "falsified" a letter (verse 1), but also "intentionally" used a fake letter (verse 2), "deliberately" means that the person who uses it

must really know that the letter he is using is fake. If he does not know about it, he is not punished.

The definition of intentionality formulated by Satochid Kartanegara (1980: 83), is carrying out an act, which is driven by a desire to act or act. Bambang Purnomo stated that the intentional act could alternatively be addressed to the three elements of a criminal act so that it manifests intentional action, intentionality of the consequences and intentionality of matters that accompany criminal acts. Because it is considered as use, namely, for example, submitting the letter to another person who must use it further or submitting the letter at the place where the letter must be needed. In this case using a forged letter, it must be proven that the person acts as if the letter is genuine and has not been falsified.

Based on this, the purpose of YPS is to make a statement of ownership of the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO brand, which is proven by YPS itself to know that the IAS INTEGRATED ASSESSMENT SERVICES AND LOGO brand is not the work of YPS, the goal is to be able to deceive DJKI so that the requirements for registering its mark at DJKI can be met. Fulfilled. Therefore, the element "With the intention of using it as an original and not falsified letter or ordering others to use the letter as if its contents were true and not falsified" has been fulfilled.

The facts above, it can be stated that the criminal provisions for parties who intentionally register a trademark belonging to another party that has not been registered are only regulated in general in Article 263 of the Criminal Code, so it is clear that there is a legal vacuum in Law Number 20 of 2016 concerning Marks and Geographical Indications. Related to the imposition of criminal sanctions for parties who intentionally register a trademark belonging to another party that has not been registered with the intention of obtaining economic benefits by selling or licensing the mark. The author argues that in an effort to provide legal protection to the original owner of a mark that has been registered by another party against the law, it is necessary to revise Law Number 20 of 2016 concerning Marks and Geographical Indications, especially related to criminal provisions containing criminal sanctions against any person who without rights registers a Mark which is the same in its entirety as a registered/unregistered Mark belonging to another party in bad faith.

## **Conclusion**

Conclusion in this study is that the criminalization of trademark registration belonging to another party that has not been registered, based on bad faith Article 21 paragraph (3) of Law Number 20 of 2016 concerning Trademarks and Geographical Indications, can only be sued for the cancellation of the mark with the sanction being canceled. This can be seen in the criminal provisions of Article 100 of Law Number 20 of 2016 concerning Marks and Geographical Indications which are still limited to violations of trademarks belonging to other parties that have been registered, so that for trademarks of other parties that have not been registered, punishment is only regulated in Article 263 of the Criminal Code. With the provision that there is a requirement to fulfill the element of making a fake letter or falsifying a letter that can issue a right. Therefore, there is a legal vacuum in Law Number 20 of 2016

concerning Marks and Geographical Indications related to the imposition of criminal sanctions for parties who deliberately register trademarks belonging to other parties that have not been registered with the intention of obtaining economic benefits by selling or licensing trademarks.

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