

IMPLEMENTATION OF GOTO TRADEMARK PROTECTION BASED ON THE PRINCIPLE OF “SUBSTANTIAL SIMILARITY”

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ABSTRACT

Trademark protection is a crucial aspect of intellectual property law, aimed at safeguarding trademark owners and preventing consumer confusion. This study analyzes the implementation of the "substantial similarity" principle in a trademark dispute case involving the registered trademark owner "GOTO" against similar trademark variations, such as "goto" and "Goto Financial." Using a normative approach, this research evaluates trademark infringement based on visual, phonetic, and conceptual similarities, which may cause confusion and potential loss to the actual trademark owner. The findings indicate that the principle of "substantial similarity" plays a vital role in maintaining the exclusive rights of registered trademark owners while providing legal certainty and fairness in resolving trademark disputes. These findings reinforce the importance of strong trademark protection regulations to prevent conflicts and safeguard brand reputation in an increasingly competitive market.

Keywords: Trademark Protection, Substantial Similarity, Exclusive Rights, Trademark Dispute

INTRODUCTION

Trademark rights are a crucial component of the intellectual property law system, granting exclusive protection to trademark owners to use or prohibit others from using the mark, especially when there is significant similarity that may cause confusion among consumers. In an increasingly competitive market, trademarks play an important role as a tool for product or service differentiation, distinguishing one company from

another and fostering customer loyalty and trust. Trademark rights not only serve to protect the economic interests of the trademark owner, but also ensure that consumers can choose products based on recognized and trusted identities. Therefore, trademarks have become highly valuable assets for companies, particularly in the era of globalization and digital economic development, where a brand may serve as the

primary representation of a company's reputation and image.

However, intense market competition also creates the risk of conflict, where two or more entities may use identical or similar marks, leading to legal uncertainty and potential consumer confusion¹. Trademark disputes often arise when a mark that bears resemblance to a registered trademark is used without authorization. The most commonly disputed forms of similarity involve visual, phonetic, and conceptual likenesses that are considered to constitute "substantial similarity" or "essential similarity." In Indonesia, the provisions regarding trademark rights are regulated by Law Number 20 of 2016 concerning Trademarks and Geographical Indications, which grants exclusive rights to registered trademark owners to prevent others from using identical or similar marks for the same category of goods or services². The principle of "essential similarity" implies that trademark infringement does not only occur

when a mark is entirely identical, but also when there is significant resemblance that can confuse consumers or create unwanted associations.

Studies on trademark protection have become increasingly relevant, considering the growing market competition that makes trademark protection key in maintaining exclusivity, uniqueness, and the economic value of registered trademarks. One case that illustrates the importance of this principle in the context of legal disputes is the case between the registered trademark owner "GOTO" with registration number IDM000858218 in class 42 and the defendant using similar trademark variations, such as "goto" and "Goto Financial." In this case, the plaintiff demanded the cessation of trademark use by the defendant, arguing that it bore essential similarity likely to confuse consumers and harm the plaintiff both in terms of reputation

¹ J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition. Eagan, MN: Thomson Reuters, 2018, Hlm. 42-43.

² Evina Dewi, Perlindungan Hukum terhadap Pemilik Merek Dagang Terkenal (Well-Known

Marks) Luar Negeri yang Belum Didaftarkan Ditinjau dari Penggunaan Sistem Konstitutif (First to File) (Skripsi, Universitas Brawijaya, Fakultas Hukum, Malang, 2018), Hlm. 31.

and financial loss³. This case highlights the importance of a deep understanding of the "essential similarity" principle in analyzing trademark infringement, as well as the significance of legal enforcement in protecting trademark owners' interests.

The "essential similarity" principle is used by judges to assess whether the resemblance between the disputed trademarks is significant enough to cause consumer confusion or damage the value of the original mark. According to the Trademark Law, trademarks registered with the Directorate General of Intellectual Property (DGIP) have exclusive rights for use on goods or services within a specific class. This means that the trademark owner has the right to prohibit others from using similar marks that could confuse consumers within the same product or service category. These exclusive rights

provide crucial protection for trademark owners in preventing others from taking advantage of the reputation built around the mark. Additionally, these rights help protect consumers from potential confusion in choosing products they want, thereby encouraging consumer trust in familiar brands⁴.

However, the application of the "essential similarity" principle in trademark disputes is not a simple matter. Judges often have to consider several aspects to determine whether two marks are significantly similar enough to constitute infringement. These aspects include visual similarity (shape, color, logo design), phonetic similarity (sound or pronunciation of the mark), and conceptual similarity (associations or meanings evoked by the mark)⁵. Each of these aspects contributes differently in evaluating the potential for consumer confusion, which ultimately determines whether

³ Marchelina Ramadhanty Wahyu Utami and Siti Hapsah Isfardiyana, "Pelanggaran Hak Merek yang Memiliki Persamaan pada Pokoknya (Studi Kasus Sengketa Merek 'GOTO' antara Gojek dan Tokopedia dengan PT Terbit Financial Technology)," *Jurnal Prosiding Seminar Hukum Aktual* Vol.1, No. 1 (2023), Hlm. 26.

⁴ Wahyu Agung "Analisis Hukum Kasus Sengketa Merek 'GOTO' Berdasarkan UU No. 20 Tahun

2016," *Jurnal Hukum dan Hak Kekayaan Intelektual*, vol. 3, no. 2, 2020, Hlm. 58-60.

⁵ Cornelius Nathanael Hartanto et al., "Analisis Pengaruh Merger dan Kinerja Keuangan terhadap Nilai Perusahaan: Studi Kasus pada PT Gojek Tokopedia (GOTO) Tbk Tahun 2021–2023," *Jurnal Rimba: Riset Ilmu*, Vol. 2, no. 1 (2024), Hlm. 278

the defendant's trademark is deemed to infringe upon the plaintiff's exclusive rights.

This study aims to analyze the application of the "essential similarity" principle in the context of trademark protection in Indonesia, focusing on the "GOTO" case as the main illustration. The research emphasizes the evaluation process in identifying violations based on this principle, by assessing the key factors that serve as the basis for court decisions, such as the degree of similarity between the two marks, product or service class, brand reputation, and the good or bad faith of the defendant. In addition, this research also aims to provide a deeper understanding of the role of law in trademark protection and to identify areas where trademark regulations can be strengthened to face challenges in an increasingly competitive market⁶.

Based on the discussion above, this study proposes that the application of the "essential similarity" principle should be implemented consistently in

trademark disputes to maintain legal certainty and provide effective protection for trademark owners. The research uses a normative legal method, focusing on legal analysis of the existing regulations in Indonesia, particularly Law Number 20 of 2016 on Trademarks and Geographical Indications. The study also uses case analysis by reviewing court decisions in the "GOTO" case as an effort to illustrate the relevant application of legal principles in practice⁷.

METHOD

This research employs a literature study method (library research) to analyze the application of the "essential similarity" principle in trademark protection in Indonesia, specifically in the context of the "GOTO" trademark dispute case. The literature study involves the collection, selection, and analysis of relevant sources, including statutes, academic books, scholarly journal articles, and court decisions related to trademark law and intellectual property rights. This method is

⁶ Ghazi Zulhaq, *Implikasi Yuridis Merger Gojek Tokopedia (GOTO) dalam Penerapan Asas Good Corporate Governance di Indonesia* (Undergraduate thesis, Program Studi Ilmu Hukum, Fakultas Syariah dan Hukum, UIN Syarif Hidayatullah Jakarta, 2024), Hlm. 73.

⁷ Devira Andriani, Gunardi Lie, and Moody Rizqy Syailendra, "Perlindungan Hukum Atas Persamaan Merek Goto Di Indonesia," *INNOVATIVE: Journal of Social Science Research* Vol. 3, no. 2 (2023) Hlm 3,

chosen because it enables the researcher to obtain a comprehensive understanding of legal concepts and principles relevant to the topic, including perspectives from various legal experts and developments in jurisprudence⁸.

Law Number 20 of 2016 on Trademarks and Geographical Indications remains in effect to this day but has undergone amendments through Law Number 11 of 2020 on Job Creation. Some of the significant changes introduced by the Job Creation Law include the acceleration of the substantive examination period for trademark applications—from the previous 150 days to a shorter duration. In addition, the law introduces new grounds for trademark refusal and adds a provision to Article 20, which rejects trademarks that contain functional forms. These changes aim to improve administrative processes and strengthen the trademark protection system in Indonesia.

A normative juridical analysis is applied to evaluate the provisions contained in Law Number 20 of 2016 on Trademarks and Geographical Indications, which serves as the main legal foundation for trademark protection in Indonesia. Through this

approach, the research focuses on understanding the legal principles underlying the exclusive rights of trademark owners and how the “essential similarity” principle is applied by judges in dispute cases.

RESULTS AND ANALYSIS

Trademark Protection and Its Role in Business

A trademark is a symbol, name, word, or a combination of these elements that serves to distinguish the goods or services of one company from those of another. In an increasingly competitive business world, a trademark plays a vital role as an identification tool for products or services, directly influencing consumer perception of the quality and authenticity of the product. Trademark protection under intellectual property law aims to ensure that trademark owners can utilize and safeguard the commercial value of their marks, especially when the trademark has gained popularity among consumers⁹.

According to Law Number 20 of 2016 concerning Trademarks and

⁸ Rifqi Gani. "Metode Penelitian Hukum Normatif: Pendekatan Studi Kepustakaan dalam Penelitian Hukum," Jurnal Metode Penelitian Hukum, vol. 6, no. 1, 2019, Hlm. 15-18.

⁹ Enny Mirfa, Perlindungan Hukum Terhadap Merek Terdaftar, Jurnal Hukum Samudra Keadilan, Volume 11, Nomor 1, Januari-Juni 2016 Hlm. 66.

Geographical Indications in Indonesia, a registered trademark is granted exclusive rights, which include the right to use, prohibit, or license others to use the mark without permission. This protection is essential in maintaining the trademark's position in the market, preventing the trademark owner from suffering financial losses due to unauthorized use, and avoiding confusion among consumers. In the era of globalization, trademarks do not merely represent products, but also create an image or reputation that distinguishes a company from its competitors. Thus, a trademark holds significant economic value and can become one of the most valuable assets that must be protected in modern business.

In the context of international business, trademarks carry even deeper significance as they reflect a company's values and the quality of its products recognized across various countries. The value of a trademark increases as it becomes widely recognized and accepted by global consumers, which in turn enhances

customer loyalty and allows companies to charge a higher premium price. This is where trademark protection becomes extremely important; a well-known trademark is at high risk of being misused by other parties seeking to exploit the reputation built by the original trademark owner. According to the World Intellectual Property Organization (WIPO), a trademark is not only an identifier but also serves as a guarantee of quality for consumers, functioning to prevent confusion and assist consumers in making more informed choices¹⁰.

In addition to serving as a tool for differentiation, a trademark also provides protection for the economic rights of its owner. In the long term, a strong trademark can increase a company's market value, provide security in sales, and enhance product competitiveness in increasingly saturated markets. A widely recognized brand has the ability to build consumer loyalty, which can potentially generate stable revenue for the company. Trademark protection

¹⁰ George Alexandra. *Constructing Intellectual Property*. Cambridge University Press, 2018, Hlm. 154.

allows a company to secure exclusive rights over its name or symbol, giving it full control in utilizing or licensing the trademark. In Indonesia, trademark registration is conducted through the Directorate General of Intellectual Property (DGIP), where trademark owners are required to register their marks to obtain protection for a period of 10 years, which is renewable.

The role of trademarks in modern business also includes enhancing a company's reputation. In a competitive market, consumers tend to choose products based on brands they already know and trust. When a particular brand becomes popular and valued by consumers, it can increase the perceived value of the product, thereby creating a competitive advantage for the company. A strong brand can improve a company's competitiveness, as a brand with a good reputation among consumers can influence purchasing decisions and increase consumer loyalty to the product.¹¹

However, amid the advancement of technology and digital

progress, the challenges to trademark protection have also grown significantly. The rise of e-commerce and the wide accessibility of the internet have created greater opportunities for trademark infringements, where other parties may use similar marks for personal gain. In this context, trademark protection should be viewed as a strategic effort to face competition and to maintain a company's competitive advantage.

Trademark Protection in Indonesia

Legal Protection of Trademarks in Indonesia is regulated under Law Number 20 of 2016 concerning Trademarks and Geographical Indications, which grants exclusive rights to registered trademark owners and protects them from unauthorized use by third parties. In this law, a trademark is defined as a sign that can be in the form of images, words, letters, numbers, colors, or a combination of those elements, used to distinguish the goods or services of one business actor from those of another. This definition reflects the

¹¹ Erma Wahyuni, T. Saiful Bahri dan Hessel Nogi S. Tangkilisan, *Kebijakan dan Manajemen Hukum Merek*, YPAPI, Jakarta, 2005. Hlm. 90.

importance of trademarks as tools of identification and product differentiation in a competitive market¹². These exclusive rights grant the trademark owner the ability to prohibit other parties from using identical or confusingly similar trademarks that could mislead consumers and damage the reputation and economic value of the registered trademark.

The trademark registration process in Indonesia is administered through the Directorate General of Intellectual Property (DGIP) under the Ministry of Law and Human Rights of the Republic of Indonesia, which applies the "first-to-file" principle as the main basis for determining exclusive rights.

According to this principle, trademark rights are granted to the party who first officially registers the mark, not to the party who first used it in commerce. The aim of this principle is to provide legal certainty for trademark owners and to reduce potential conflicts that may arise from the use of the same or similar marks by

different parties. With the application of this principle, if two parties claim rights to the same mark, exclusive rights will be granted to the party that filed for registration first at the DGIP¹³.

Law Number 20 of 2016 also grants trademark owners the right to license their trademarks, allowing third parties to use the mark with written approval and under mutual agreements, such as royalty payment contracts. This trademark licensing can enhance the commercial potential of the mark and enable broader product expansion without violating the exclusive rights of the original trademark owner.

In the context of global and digital competition, licensing also helps trademark owners expand their market reach and optimize the economic value of their marks.

Legal protection of trademarks includes various aspects, one of which is the "substantial similarity" principle. This principle aims to determine whether a mark bears a significant resemblance to an already

¹² Budi Susanti. *Hukum Merek di Indonesia: Perlindungan dan Sengketa*. Jakarta: Kencana Prenada Media, 2020, Hlm. 88-89.

¹³ Rudi Darmawan. "Prinsip First-to-File dalam Pendaftaran Merek di Indonesia," *Jurnal Hukum Bisnis dan Intelektual*, vol. 12, no. 3, 2019, Hlm 48.

registered mark visually, phonetically, or conceptually that may cause confusion among consumers. The principle covers key elements identified in the examination of mark similarity, including design similarity, pronunciation, and conceptual associations that may arise in the consumer's mind upon seeing or hearing the mark.

Under Indonesian Trademark Law, this principle serves as a crucial evaluative tool in trademark dispute cases involving claims of similarity, where judges assess whether the resemblance is substantial enough for the other party's use of the mark to be considered a violation of the exclusive rights of the registered trademark owner¹⁴.

Law Number 20 of 2016 also establishes mechanisms and sanctions for trademark infringements, both in the form of civil and criminal penalties, to protect the rights of registered trademark owners. A trademark owner who feels their rights have been violated may file a civil lawsuit against the infringer, which

can include a demand to cease usage of the mark and compensation for any resulting economic losses.

Furthermore, in cases where the infringement is committed intentionally for commercial purposes without the original trademark owner's permission, criminal sanctions may also be imposed, such as fines or imprisonment. The application of criminal penalties not only serves as a protective measure but also aims to create a deterrent effect for infringers seeking to profit from marks they do not own.

Well-known trademarks also receive special protection under this law. A well-known trademark is one that has gained widespread recognition among the public and is considered to have a strong reputation.

According to Indonesian regulations, trademarks with strong domestic or global reputations are granted additional protection, even if they are not registered under a specific class of goods or services. This is intended to prevent third parties from using a well-known trademark in

¹⁴ Andi Santoso. *Panduan Praktis Hukum Merek dan Kekayaan Intelektual*. Bandung: Refika Aditama, 2019, Hlm. 8.

different product or service categories with the intent to imitate the reputation built by the original trademark owner.

Such protection is crucial, as well-known marks are often targeted by those who wish to exploit the positive image that has been carefully developed by the original owner—especially in today’s digital era and free trade environment¹⁵.

With the advancement of the digital era and broad access to information and international trade, Law Number 20 of 2016 plays a crucial role in providing legal protection for trademarks in Indonesia.

The challenges faced in the enforcement of trademark law are becoming increasingly complex, especially with technological developments that allow trademarks to be misused more widely and rapidly.

This legal protection is vital for maintaining the competitiveness of national trademarks, ensuring that consumers are not misled by imitated brands, and giving confidence to trademark owners to invest in the

development of their trademarks in Indonesia.

The "GOTO" Trademark Dispute Case and Its Implications

The trademark dispute case involving "GOTO" in Indonesia highlights the importance of legal protection for trademark rights, particularly concerning the application of the principle of “substantial similarity.” The case began when the registered owner of the "GOTO" trademark—well known in the field of technology services—filed a lawsuit against another party using similar name variations, namely "goto" and "Goto Financial." The "GOTO" trademark owner argued that the use of a resembling name by the defendant would confuse consumers. Considering the established reputation of the "GOTO" trademark in Indonesia, the use of a similar name was deemed detrimental to the brand owner both in terms of reputation and potential profits.

¹⁵ Hendra Siregar. *Merek Terkenal dan Tantangan Perlindungannya di Indonesia*. Yogyakarta: Gadjah Mada University Press, 2021, Hlm. 106.

In this lawsuit, the plaintiff emphasized the importance of the "substantial similarity" principle, a rule stating that the use of a mark or sign bearing significant similarity to another registered trademark may be considered infringement. This principle involves several key aspects in assessing trademark similarity. First, visual similarity, which includes elements such as logos, colors, and shapes that may create the same impression in the eyes of consumers. Second, phonetic similarity, where trademarks that sound alike are considered likely to confuse consumers who may associate the similar sound with the same product or service. Third, conceptual similarity, in which trademarks may evoke the same association or meaning in the consumer's mind.

In this case, the plaintiff argued that the name "Goto Financial" bears significant phonetic and conceptual similarities to the "GOTO" trademark, potentially causing consumer confusion and leading them to believe

the two brands are affiliated or originate from the same source¹⁶.

In addressing this case, the court was faced with the challenge of applying the principle of "substantial similarity." The judge needed to carefully evaluate every aspect of the similarity to determine whether the use of the name "Goto Financial" by the defendant truly infringed upon the exclusive rights of the plaintiff's trademark. In addition, the judge had to consider the extent to which the average consumer might become confused or mistakenly believe that both trademarks originated from the same entity.

Phonetic similarity played a crucial role in this analysis, as the similar pronunciation of "GOTO" and "Goto" could lead consumers to mistakenly assume that both marks were part of the same company or entity. Furthermore, conceptual similarity also contributed to potential consumer confusion, since the name "Goto Financial" might create the perception that the service was

¹⁶ Denny Audwin, Emilda Kuspraningrum, dan Setiyo Utomo, "Implikasi Hukum terhadap Sengketa Hak Merek antara PT. Terbit Financial

Technology dengan PT. GOTO Gojek Tokopedia (Tbk)," *Mulawarman Law Review Journal*, Vol.1 No.1., Hlm. 56.

affiliated with the already well-known “GOTO” brand in Indonesia¹⁷.

The legal implications of this case are highly significant, considering that Law Number 20 of 2016 on Trademarks and Geographical Indications in Indonesia grants exclusive rights to trademark owners to prevent the use of similar marks by other parties in the same category of goods or services. These exclusive rights are intended to provide full protection for registered trademark owners, including the right to use, prohibit, or grant permission to third parties to use the trademark.

This law is designed not only to protect the integrity of well-known trademarks but also to safeguard consumers from confusion caused by similar marks. In the context of the “GOTO” case, the court's decision will have a major impact on the exclusive rights of the trademark holder, especially considering that the plaintiff has built a strong brand reputation. The judge is expected to take this reputation into account in their ruling, as protection for well-

known trademarks plays a crucial role in maintaining healthy business competition and consumer trust in familiar brands.¹⁸

Furthermore, this case also highlights the importance of legal protection for well-known trademarks. A well-known trademark is one that has a high reputation in the market and is recognized by consumers as a symbol of certain quality or identity. In Indonesia, well-known trademarks receive additional protection, even if they are not registered under specific classes of goods or services. This protection is intended to prevent the exploitation of the trademark's reputation by third parties seeking personal gain from a widely recognized name or symbol.

In the "GOTO" case, the trademark enjoys broad recognition among technology users in Indonesia, making reputation a highly relevant factor in the court's decision. By granting additional protection to well-known trademarks, the legal system seeks to protect not only the economic rights of trademark owners but also the

¹⁷ Endah Rahayu. *Sengketa Merek dan Penyelesaiannya di Indonesia*. Bandung: Nuansa Cendekia, 2020, Hlm. 59-61.

¹⁸ Fajar Purwanto. *Hak Merek Terkenal dalam Hukum Indonesia*. Yogyakarta: Pustaka Pelajar, 2021, Hlm. 88-90.

consumer's right not to be misled when choosing certain products or services.

The trademark dispute involving "GOTO" also underscores the important role of the judiciary in establishing legal precedent, which will influence the handling of similar cases in the future. If the court rules that the defendant's use of the name "Goto Financial" constitutes infringement, the decision will strengthen the legal protection for registered trademarks. It will also reaffirm that trademark infringement is not limited to identical marks, but also includes significant similarities that may cause consumer confusion.

Such a ruling will provide a legal foundation for trademark owners to assert their exclusive rights, especially in an increasingly competitive market full of emerging brands. Strong trademark protection offers a sense of security for brand owners in developing their products or services and builds consumer trust in

the quality and authenticity of the brands they choose.¹⁹

This case also demonstrates the importance of consistency in the implementation of trademark protection laws in Indonesia. Strong legal protection not only clarifies the rights and responsibilities of trademark owners but also provides assurance to consumers, helping them avoid confusion that may arise from similar trademarks.

By ensuring that exclusive trademark rights are respected, the legal system supports the creation of a healthy and competitive business environment, where brand owners do not need to worry about third parties attempting to exploit the reputation or image of a trademark without permission.

This is especially important in the era of global trade, where trademarks have become one of the most valuable assets for companies, helping to distinguish their products or services in the international market.²⁰

¹⁹ Prayoga, Meidya Utama. *Perlindungan Hukum Pemegang Hak atas Merek (Studi Kasus Sengketa Merek GoTo)*. Disusun sebagai salah satu syarat menyelesaikan Program Studi Strata I pada Jurusan Hukum Fakultas Hukum. Universitas Muhammadiyah Surakarta, 2022. Hlm 29

²⁰ Prameswari, Ni Made Ratih, dkk, *Pelanggaran Hukum Hak Atas Merek dalam Hubungannya dengan Persaingan Usaha Tidak Sehat di Indonesia*, Jurnal Analogi Hukum, Volume 3, Nomor 3, 2021. CC-BY-SA 4.0 License Hlm. 279

Ultimately, effective legal protection for trademarks in Indonesia will encourage both local and international companies to invest in brand development in the Indonesian market, while also maintaining consistency and brand integrity in the eyes of consumers.

With legal certainty, trademark owners can confidently engage in branding and expand their business reach without fear of damaging trademark infringements. For consumers, a fair decision in this case will strengthen their trust in the brands they choose, as they will know that the products they purchase come from legitimate and authorized entities.

The “GOTO” case not only highlights the need for protection of well-known trademarks, but also serves as an important example of how the legal system must adapt to the evolving demands of a rapidly changing market.

Absolute Jurisdiction of the Commercial Court

The trademark dispute case “GOTO” between PT Terbit Financial Technology (as the plaintiff) and PT

Aplikasi Karya Anak Bangsa and PT Tokopedia (as the defendants) serves as an important example of the application of trademark protection laws in Indonesia, particularly regarding the implementation of the principle of "substantial similarity" and the concept of absolute jurisdiction, involving the roles of both administrative institutions and judicial bodies.

In this case, PT Terbit Financial Technology claimed that their trademark “GOTO,” which had been registered under Class 42, was infringed upon by the use of the same or similar mark by the defendants in the field of technology and digital services.

The core of the dispute focuses on whether the use of the name “GOTO” by the defendants violated the exclusive rights held by the plaintiff, and which institution holds the authority to process and decide the administrative dispute regarding the trademark registration application submitted by the defendants the Commercial Court or the Directorate

General of Intellectual Property (DGIP)²¹.

The primary legal foundation in this case is Law No. 20 of 2016 on Trademarks and Geographical Indications (hereinafter referred to as the Trademark Law), which serves as the main reference for the trademark protection system in Indonesia. This law grants exclusive rights to trademark owners to protect the identity of their trademarks from unauthorized use by other parties, including usage that is considered to have significant similarities, or known in legal terms as "substantial similarity."

By holding exclusive rights, registered trademark owners can file legal actions against other parties who use a name or logo with similar visual elements, phonetics, or conceptual aspects, if such use potentially causes confusion among consumers.

The principle of "substantial similarity" is regulated under Article 21 of the Trademark Law, which states

that any use of a trademark that bears a fundamental resemblance to an existing registered trademark can be considered a violation of the exclusive rights of the trademark owner. This legal foundation plays a critical role in protecting trademarks from imitation, which may create the impression that the infringing product or service is associated with or affiliated with the original trademark owner—even when no such relationship exists.²²

In this case, the plaintiff argued that the use of the trademark "GOTO" by the defendant, including visual and conceptual variations such as "Goto Financial," could potentially create confusion among consumers who might assume that both trademarks are related. The plaintiff claimed that the defendant's use of the trademark had significant visual and phonetic similarities with their own registered mark, which could harm the reputation and identity of the original brand. In assessing trademark infringement, the principle of "substantial similarity" applied in

²¹ Lidya Arini Rahmawati, *Kepastian Hukum dalam Penyelesaian Sengketa Merek GoTo pada Putusan Pengadilan Niaga Jakarta Pusat Nomor 71/Pdt.Sus HKI/Merek/2021/Pn.Niaga.Jkt.Pst.* (Skripsi, Universitas Andalas, 2023), Hlm 18

²² Achmad Maulana M, "Prinsip First to File dalam Penyelesaian Sengketa Merek GoTo (Studi Kasus: PT. Terbit Financial Melawan Gojek dan Tokopedia)," *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)* 5, no. 2 (2022) Hlm. 12937

Indonesia considers three main aspects: visual, phonetic, and conceptual. Visual similarity refers to the form, color, and writing style that may give a similar impression at a glance. Phonetic similarity focuses on how the names are pronounced or sound, where similarly sounding trademarks increase the likelihood of confusion. Conceptual similarity relates to the meaning or associations evoked by the trademarks, where similar impressions or meanings may cause consumers to associate the products or services as coming from the same or affiliated sources.

On the other hand, the defendant responded to the plaintiff's claims by filing an objection based on absolute competence. They argued that the Commercial Court did not have the authority to handle the plaintiff's request to reject the trademark application filed by the defendant. In this context, absolute competence refers to the exclusive authority held by a specific institution to process and decide a matter based on prevailing laws. According to Article 24 paragraph (2) of the

Trademark Law, the process of accepting or rejecting a trademark application is an administrative authority under the Directorate General of Intellectual Property (DGIP). Therefore, the DGIP is considered to hold absolute competence over administrative matters related to trademark registration. As such, the defendant contended that the Commercial Court should not have the jurisdiction to decide on the plaintiff's request since the trademark registration in question was still under the administrative process of the DGIP.²³

The court then accepted the exception of absolute competence submitted by the defendant, affirming that the administrative process related to the acceptance or rejection of a trademark falls entirely under the authority of the Directorate General of Intellectual Property (DGIP). The judge referred to the Supreme Court Decision No. 71/Pdt.Sus-HKI/Merek/2021, which emphasized that the registration or rejection of a trademark registration is within the DGIP's authority in accordance with

²³ Kevin Rayindra Arnanto, "Perlindungan Hukum atas Inkonsistensi Penerapan Unsur 'Persamaan

pada Pokoknya' dalam Penegakan Hukum Sengketa Merek," *Unes Law Review* 6, no. 4 (2024) Hlm. 39

the provisions of the Trademark Law, and that the court does not have jurisdiction to intervene in this process. This decision demonstrates that the court must respect the boundaries of competence as established by law and distinguish between the authority of administrative bodies and the authority of judicial institutions in handling trademark disputes. By accepting the defendant's exception of absolute competence, the court reinforced the position of DGIP as the administrative body with exclusive authority in the process of accepting and rejecting trademark registrations, in accordance with the prevailing legal regulations.

In addition to the aspect of absolute competence, the judge also considered the plaintiff's claim regarding the infringement of their exclusive rights to the registered trademark "GOTO." In this regard, the court assessed the similarity between the plaintiff's "GOTO" trademark and the variations of the mark used by the defendant based on the principle of

"substantial similarity." In practice, the application of this principle involves evaluating visual, phonetic, and conceptual similarities as presented by the plaintiff as the basis of their infringement claim. If these three aspects show a significant degree of similarity and cause confusion among consumers, the court may conclude that there has been an infringement of the plaintiff's exclusive rights to the "GOTO" trademark. Similarity in all three aspects especially when combined with evidence showing a negative impact on brand reputation or potential losses to the trademark owner is often deemed sufficient to prove infringement in trademark dispute cases²⁴.

The decision rendered by the court in this case affirms several important aspects regarding trademark protection in Indonesia. First, the application of the "substantial similarity" principle serves as a primary safeguard for trademark owners against imitation or exploitation of their trademarks by

²⁴ Imelda Martinelli, "Pandangan Hermeneutika terhadap Kasus Merek Dagang GOTO vs GoTo," *Unes Law Review* 5, no. 4 (2023) Hlm 3168

other parties that may cause consumer confusion. By applying this principle, the court ensures that consumers are not misled into associating the defendant's products or services as being affiliated with those of the plaintiff.

Second, the court's decision to accept the defendant's exception of absolute competence confirms that the Directorate General of Intellectual Property (DGIP) holds strong administrative authority in the acceptance or rejection process of trademark registrations, a competence that must not be interfered with by the judiciary. This ruling also serves as an important guideline for courts in handling similar cases in the future, emphasizing the need to respect the boundaries of authority between the DGIP and the Commercial Court.

In the context of modern business, the protection of exclusive trademark rights is increasingly vital, as trademarks represent one of the main assets that shape a company's identity in the eyes of the public. Well-known trademarks hold significant economic value and play an essential role in building consumer loyalty and corporate reputation. By holding

exclusive rights recognized by law, trademark owners can protect their marks from misuse that could damage the company's image or reduce its competitiveness in the market. Therefore, the Trademark Law provides clear protection mechanisms for trademark owners, including the right to file lawsuits if their rights are infringed and the right to request the cessation of use by other parties whose trademarks bear substantial similarity.

This case underscores the importance of maintaining the boundaries of absolute competence, allowing the DGIP to perform its administrative functions without judicial interference. This is crucial for maintaining public trust in a transparent and fair trademark registration process, as well as providing legal certainty for trademark owners who have complied with registration requirements. Furthermore, the "substantial similarity" principle applied in this ruling reinforces Indonesia's legal commitment to protecting registered trademark owners from the risk of

consumer confusion caused by similar marks used by other parties²⁵.

With this precedent in place, it is expected that trademark owners will gain a clear understanding of their rights and obligations, as well as which institutions hold the authority to handle disputes related to trademark registration and infringement. The firm implementation of these jurisdictional boundaries and applicable legal principles provides a strong foundation for trademark owners to protect their rights amid increasingly fierce business competition in the era of globalization.

Trademark Protection and Legal Certainty in Indonesia

The trademark dispute case involving “GOTO” between PT Terbit Financial Technology (plaintiff) and PT Aplikasi Karya Anak Bangsa and PT Tokopedia (defendants) holds significant implications for the protection of exclusive trademark rights and legal certainty in Indonesia. This case not only highlights the

application of the “substantial similarity” principle as a foundation for protecting trademark owners from potential consumer confusion, but also reaffirms the jurisdictional boundaries between judicial bodies—namely, the Commercial Court—and administrative bodies such as the Directorate General of Intellectual Property (DGIP). Recognition of DGIP’s exclusive authority in trademark registration is a critical aspect in the division of powers among institutions in Indonesia.

The first implication of this ruling is that the principle of “substantial similarity” is reinforced as a fundamental basis for protecting registered trademarks in Indonesia. In the “GOTO” case, the court applied this principle to determine that the defendants’ use of a trademark bearing visual, phonetic, and conceptual similarities to the registered “GOTO” trademark could be deemed an infringement—especially if such similarities cause confusion among consumers regarding the origin of the product or service. This principle

²⁵ Arrifah Amarya Putri, Perlindungan Hukum atas Sengketa Kepemilikan Merek “GOTO” antara PT Terbit Financial Technology dan PT Goto Gojek

Tokopedia (Legal Memorandum, Program Studi Hukum, Fakultas Hukum, Universitas Islam Indonesia, Yogyakarta, 2023). Hlm. 49

provides a legal basis for trademark owners to demand cessation of similar trademark usage and to file for compensation if it can be proven that the infringement has caused material or immaterial losses.²⁶

The second implication of this ruling is the reinforcement of the exclusive rights of trademark owners. In an increasingly competitive business world—especially in the technology sector—a trademark becomes one of the most valuable assets. A trademark not only serves as a company's identity but also symbolizes quality and consumer trust. With exclusive rights, registered trademark owners are legally guaranteed the ability to prevent other parties from using names or logos that bear significant similarity to their own. This is crucial for protecting the reputation and value of a brand that has been built over years, as well as for maintaining customer loyalty. In the "GOTO" case, the decision confirms that these exclusive rights can be defended in court through trademark

infringement claims when there is an indication of similarity that causes consumer confusion.

The third implication is the reaffirmation of the DGIP's absolute authority over the administrative process of trademark registration, which cannot be interfered with by the Commercial Court. In this dispute, the plaintiff requested that the court order the DGIP to reject the defendants' application to register the "GOTO" trademark. However, the defendants filed an objection on the grounds of absolute competence, arguing that as an administrative body with full authority over the trademark registration process, the DGIP has exclusive jurisdiction to accept or reject trademark registration applications, as stipulated in Article 24 paragraph (2) of the Trademark Law²⁷. The judge then accepted the defendant's objection regarding absolute competence, stating that the plaintiff's request concerning the rejection of trademark registration falls outside the jurisdiction of the

²⁶ UU No. 20 Tahun 2016 tentang Merek dan Indikasi Geografis, Pasal 21, menyatakan tentang penggunaan persamaan pada pokoknya sebagai salah satu bentuk pelanggaran hak merek.

²⁷ UU No. 20 Tahun 2016, Pasal 24 ayat (2), mengatur bahwa kewenangan pemeriksaan substantif dan penolakan permohonan merek adalah ranah Direktorat Jenderal Kekayaan Intelektual (DJKI).

Commercial Court and is the exclusive authority of the Directorate General of Intellectual Property (DGIP). This decision supports the division of roles between the judiciary and the DGIP and ensures that the trademark registration process continues in accordance with administrative procedures as regulated by law.

Moreover, this ruling has significant implications for legal certainty regarding the boundaries of authority between judicial and administrative bodies. The acknowledgment of the DGIP's absolute competence in the trademark registration process provides legal certainty for trademark owners and prospective registrants. It ensures that administrative disputes related to the acceptance or rejection of trademark applications can be resolved consistently and without overlapping with the court's role in handling trademark infringement cases. With this decision, it is expected that there will be clarity and consistency in the handling of similar cases in the future, where the Commercial Court is

expected to remain focused on aspects of trademark infringement, while administrative matters concerning trademark registration will remain entirely under the authority of the DGIP.²⁸

Another implication is the increased awareness among entrepreneurs regarding the principles of trademark protection. With a ruling that reinforces the application of the "substantial similarity" principle, business owners or prospective trademark holders can better understand the importance of creating a truly unique and distinctive brand to avoid potential legal disputes in the future. In the "GOTO" case, the emphasis on visual, phonetic, and conceptual similarities provides insight for trademark owners about the factors that need to be considered in developing a distinct brand identity, so as not to infringe upon the exclusive rights of other trademark holders. This will help reduce trademark infringement cases in the future and support a healthier business environment in Indonesia.²⁹

²⁸ Putusan Mahkamah Agung No. 71/Pdt.Sus-HKI/Merek/2021, mengenai kompetensi absolut DJKI dan peran eksklusifnya dalam pendaftaran merek.

²⁹ Bambang Sutanto. "Peran DJKI dalam Perlindungan Merek di Indonesia." Dalam Buku Kekayaan Intelektual dan Ekonomi Kreatif, diedit

From a broader perspective, this decision demonstrates Indonesia's legal commitment to ensuring justice for trademark owners and to guaranteeing that legal processes related to trademark registration are conducted transparently and efficiently. By reaffirming the exclusive rights of trademark holders and the absolute authority of the Directorate General of Intellectual Property (DGIP), this ruling helps build public trust in Indonesia's intellectual property legal system. For trademark owners, the assurance that they can rely on the law to protect their marks from unauthorized use by others is a crucial aspect of building and maintaining brand value in a competitive market. On the other hand, by affirming the DGIP's exclusive authority, the decision ensures that the trademark registration process proceeds according to established administrative procedures without undue interference from the judiciary.

Implications for Legal Certainty in Trademark Disputes

The trademark dispute case of "GOTO" between PT Terbit Financial Technology and PT Aplikasi Karya Anak Bangsa together with PT Tokopedia has significant implications for strengthening legal certainty in trademark protection in Indonesia. This decision highlights the jurisdictional boundaries between the Directorate General of Intellectual Property (DGIP) and the Commercial Court, ensuring that DGIP holds absolute authority over the trademark registration process, while the Commercial Court is responsible for handling infringements of exclusive rights after the trademark is registered. The decision, which clarifies the division of roles, provides clearer legal guidance for trademark owners, particularly in intellectual property disputes, and is expected to strengthen Indonesia's business environment in the future.

The first implication is that this ruling clarifies the rights and obligations of trademark owners when facing trademark infringements. By

separating DGIP's role in the registration process and the Commercial Court's role in resolving infringement cases, this case reduces the potential for overlapping authorities, which often causes confusion among trademark owners.³⁰ In the "GOTO" case, the Commercial Court rejected the plaintiff's request to order the DGIP to deny the registration of the defendant's trademark, as only the DGIP has authority over that process. The Commercial Court only handles aspects related to the infringement of exclusive rights, specifically the use of a trademark by another party that has a "substantial similarity," which is regulated as a trademark rights violation³¹. This decision not only provides legal certainty for registered trademark owners but also highlights the importance of a clear division of authority between administrative and judicial bodies in handling trademark disputes.

The second implication is the reinforcement of the "substantial

similarity" principle in assessing trademark infringement. The court used this principle to evaluate whether the defendant's use of the trademark had significant similarities that could potentially confuse consumers whether visually, phonetically, or conceptually. This principle is crucial for protecting the exclusive rights of trademark owners, as trademarks are valuable assets for companies, especially in building reputation and consumer loyalty³². With the application of the "substantial similarity" principle, trademark owners have a strong legal basis to prevent other parties from using similar brand elements that could damage the image of their trademark in the market.

Furthermore, the implications of this decision are highly significant for trademark owners who wish to safeguard their exclusive rights in Indonesia. The reinforcement of this legal principle clarifies that the Directorate General of Intellectual Property (DGIP) is the sole authority

³⁰ Yudha Ramdani. *Hukum Merek: Perlindungan dan Pendaftaran di Indonesia*. Bandung: Refika Aditama, 2020, Hlm. 57-60.

³¹ Devia Anwar, "Kekuatan Hukum DJKI dalam Penyelesaian Sengketa Merek," *Jurnal Hukum dan Kebijakan Publik*, 2021, Hlm. 33-36.

³² Indonesia. Undang-Undang Nomor 20 Tahun 2016 tentang Merek dan Indikasi Geografis, Pasal 21, menyatakan penggunaan "persamaan pada pokoknya" sebagai dasar pelanggaran merek.

responsible for accepting or rejecting trademark registrations. This provides a strong legal foundation for registered trademark owners to protect their exclusive rights without concerns over judicial intervention in administrative matters that fall under the DGIP's jurisdiction³³. This clarity will assist trademark owners in formulating strategies for protecting their intellectual property and provide legal certainty throughout the process, from registration to rights enforcement.

The decision also reflects the government's commitment to building a transparent and effective intellectual property legal system, which is essential in addressing trademark disputes amid an increasingly competitive business environment. By clearly separating the administrative process of trademark registration under the Directorate General of Intellectual Property (DGIP) and the judicial process for infringement cases, this ruling helps foster a healthier and more conducive business climate. It sets a precedent that is expected to form the basis for similar

rulings in the future, thereby strengthening consistency in the application of trademark law in Indonesia.

The implications for the business world are equally significant. With clearer legal certainty, trademark owners are better protected from infringement risks, while new companies can design unique and distinct brand identities to avoid potential legal conflicts in the future.

Awareness of the importance of trademark registration and the authority of the DGIP can help companies avoid mistakes in filing trademarks that may cause conflicts down the line. This decision also aids consumers in recognizing and selecting products based on the reputation of legitimate trademarks, thus ensuring trust and quality in their consumption choices.

Overall, this ruling contributes to the creation of a more stable trademark legal system, where owners have strong protection against

³³ Mahkamah Agung Republik Indonesia. Putusan No. 71/Pdt.Sus-HKI/Merek/2021, mengenai kompetensi absolut DJKI dalam pendaftaran merek.

infringement, and consumers receive assurance regarding the authenticity of trademarks. Strengthening the authority of the DGIP and clarifying the limits of the Commercial Court's role in administrative trademark disputes not only protects the exclusive rights of trademark owners but also safeguards the integrity of Indonesia's trademark legal framework.

CONCLUSION

The "GOTO" trademark dispute between PT Terbit Financial Technology and PT Aplikasi Karya Anak Bangsa along with PT Tokopedia highlights the importance of implementing the principle of "substantial similarity" in protecting the exclusive rights of trademark holders and ensuring legal certainty in the resolution of trademark disputes in Indonesia. This principle, which assesses essential similarities between two trademarks through visual, phonetic, and conceptual aspects, functions to ensure that the exclusive rights of registered trademarks are respected and to prevent consumer

confusion arising from brand similarity.

This ruling also reinforces the clear division of authority between administrative institutions, namely the Directorate General of Intellectual Property (DGIP), and the Commercial Court. The DGIP has exclusive authority over the trademark registration process, while the Commercial Court has jurisdiction over the handling of infringement cases after the trademark has been registered. Thus, this decision not only provides clarity and certainty for trademark owners in defending their rights but also creates a legal precedent that safeguards the boundaries of competence between the DGIP and the Commercial Court.

In addition to clarifying these jurisdictional boundaries, the decision has significant implications for the business sector in Indonesia. Through strong protection and consistent application of legal principles, trademark owners have a solid legal foundation to defend their brands from infringements that could damage their reputation and consumer loyalty. For consumers, the decision provides assurance that the products and services they choose originate from

legitimate and trustworthy sources, which in turn supports a healthy and conducive business climate amid intense market competition.

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