

Product Capabilities Dynamic on Industrial Design Carved Wood in Small and Medium Enterprises (SMES) Jepara Furniture in Promoting the Protection of Intellectual Property Rights¹

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Abstract

This research aims to identify the capabilities of product design carved wood industries of Small and Medium Enterprises (SME) Furniture in Jepara, analyze the weakness and formulate a model strategy dinamization of capabilities in product design of carved wood industri of protection Intelectual Property Right (IPR). This research use sociological juridical approach to take nonrandom sampling with literature studying and field. Analyzing with qualitative description. The result shows: First, the capability of industrial design product wood carving SME furniture in Jepara has been able to meet of needs of domestic and overseas. Such product have exported to many countries in the Europe, America, Australia and other countries. Legal protection to industrial design of carved wood product of SME furniture of Jepara is still weak because it is still based based on immediate needs / short term, prioritize customer requests / user, especially from outside domestic, the products still vacancies/without attach trademarks /or Geographical Indications. Second, the weaknesses in capability of product design industrial wood carving SME Furniture, namely: lack of understanding of IPR and therefore has not the registration of IPR protection, either in the form of Industrial Design, Brand, bureaucratic costs IPR registration, the SME Furniture is still oriented to short-term needs, just more is as tailor / seamstress course, wood is very rare quality, artisan carving has not been certified and occurrence of product piracy and workers, as well as local governments do not provide optimal support. Third, the model dynamic strategy of capability on product design carved wood industry SME in driving the Jepara furniture including increase IPR protection: 1. Institutional Relations and that is by understanding the importance of IPR protection, dissemination, provide financial aid as well as assistance IPR registration, and provide market the good one; 2. Actors SMEs Increase 5M: Management, Mutual, Man, Market, Material, and 3. Product industrial design that is more creative, innovative and 4. Culture societies that have high legal awareness, and love domestic products.

Keywords: Legal Protection, SMEs, Intellectual Property Right, Product Design Wood Carving.

INTRODUCTION

Globalization as a new form of capitalism expansion (FX.Adji.Samekto: 302: 2014). In the development, globalization is not only about economic factors, but it also grows and enters the wide area and covers various aspects, including economic and legal aspects. (M. Ali Mansour: 2012). This is followed by Indonesia to become the WTO's member to ratify the TRIPS Agreement in 1994. This raises the consequence that for all the members has an obligation to provide IPR protection against countries that are members of the WTO.

Budi Santoso (Budi Santoso, 2006) describes that the IPR has always been associated with three (3) important elements, namely (a) the exclusive rights given by law; (B) The rights associated with human effort that is based on intellectual ability, and (c) the intellectual ability to have economic value. The importance of IPR protection in enhancing competitiveness in global trade, which is an era where trade has exceeded the boundaries of a country, then the law of a country may change due to the pressure of economic interests (Richard C. Breden, 1993; Ridwan Khaerandy, 2006).

This study tried to further explore the capabilities of the products of industrial design wood carving SMEs in Jepara in obtaining IPR protection. History has recorded, as the old town of Jepara in Java, since the advent of the Queen Shima, Queen Kalinyamat, RA. Kartini, Jepara has earned the nickname of Jepara as The World Carving Center, which is identical to the woodcarving. Today it has evolved into the industry, especially the furniture industry, which has been able to meet the needs of the domestic market, national and international markets need to obtain IPR protection (Wikipedia Jepara, 2014).

The number of companies involved in wood carving furniture industry reached 4104 companies, with 54 400 workers (BPS Jepara, 2013). Product capability industrial design of the carved wood has entered the international market (some countries in Europe and America, Korea, Malaysia, China, and others). Siyamsiyah, Heru Sulistyono and Eny Rahmani said that the better the internal factors management business owned SMEs, the innovation capabilities will increase. The better

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management of the external factors of SMEs, it will increase innovation capabilities and increased innovation capabilities will be contributed to the increased performance of SMEs (Siyamsiyah, Heru Sulistyono and Eny Rahmani, 2011). However, it can not be met because the relevant IPR legal protection system related to furniture has not worked optimally in Jepara.

Based on the above background, there are several the problems raised in this study, First, How does the capability in product design carved wood industry in Jepara furniture SMEs today? Second, what is the legal protection of IPR Jepara furniture? Third, how does the strategy dynamic capability on product design carved wood industry SMEs in driving the Jepara furniture IPR Protection?

METHODS

This research was conducted by using sociological juridical approach. The sampling technique used a nonrandom sampling. The data collection was done with the literature and field study. Data analysis was conducted by using qualitative descriptive analysis.

RESULTS AND DISCUSSION

1. Identification of Product Capabilities Industrial Design Furniture Wood Carving in Jepara SMEs Today

Siyamsiyah, Heru Sulistyono and Eny Rahmani said that the capability of a company is determined by several factors: the size of the company and experience of operating the company to identify the cause of the process of building innovation capabilities and 7 (seven) factors to analyze the process of building innovation capabilities (research and development, resource capabilities human, interaction and communication with outsiders, technology strategy, new product development, marketing capability, and enhanced production capabilities and operations) (Siyamsiyah, Heru Sulistyono and Eny Rahmani, 2011: 252).

Globally, the contribution of Micro, Small and Medium Enterprises (SMEs) are recognized to have an important role in development and economic growth, not only in developing countries but also in developed countries. In developed countries, SMEs are very important to absorb the most labor intensive and in many developed countries have contributed greatly to the establishment of the Gross Domestic Product (GDP) compared with the contribution of large enterprises (Ade Komarudin, 2014: 249).

TRIPs Approval gives freedom to WTO's member countries to create rules recognizing industrial design in its legislation, whether legislation that specifically regulates industrial design as well as connect with the legislation governing copyright. The provision of international conventions is a minimum requirement. Meaning states parties must meet the minimum requirements as set out in the convention, it can even make the

more rules than the convention as long as it is not contrary to the Convention (Adami Chazawi, 2007: 167-172).

Industrial design is a creation of shape, configuration or composition of lines or colors, or lines and colors, or in combination in the form of three-dimensional or two-dimensional gives aesthetic impression and can be realized in a pattern of three-dimensional or two-dimensional and can be used to generate a products, goods, industrial commodity or handicraft. Creations are protected by the Act No. 31 of 2000 on Industrial Designs. To assess a creation has aesthetic impression or not is of course not an easy task because it is subjective, both from the standpoint of the examiner nor the owner of the design.

Occasionally, there is an ambiguous relationship between copyright rights and design rights caused by the design, such as a blue print of the appearance of certain products included in the artwork for the acquisition of copyright. If the artwork is used as a blue print for the manufacture of a product, the holder of the artwork also has the copyright for the creation of his artwork. For example, a person designs a fantastic carved chair on paper. If the new design is registered, then the design's creator is entitled to the design. In addition, these creations can be judged as a work of art that he makes chair based on the design, also will own the copyright to the chair.

The emergence of the problem starts from the dispute between the English and the Netherlands regarding the use of Jepara carving designs. With enrollment and claims this makes the engraver Jepara will be threatened with charges of violation of the design if they are exporting their work abroad, especially to Europe. It would be very detrimental when the traditional woodcarvers actually threatened their right to use their own traditional designs. This case is a reminder of how the system of IPR protection is still not fully understood by many, including the law enforcement. This case also proves the misappropriation or taking community rights of Jepara people illegally by foreigners on their traditional work in the form of carvings typical of the (accessible from www.export-import-indonesia.com). This is because in exporting these furniture, the conditions are still raw in the absence of IPR protection in the product (still smooth even without a label copyrights, designs, brands).

The concept of brand rights as property rights requires legal protection that serves to distinguish the goods or products and or services and economic functioning. Trademark rights / IPR protected from the actions of others that lead to violations and crimes that harm the owner. (Agus Sujatmiko: 2011: 188). Causing confusion, mistake or mislead the consumer brand / HKI. (Indirani Wauran, Titon Slamet Kurnia: 2015:280)

Results of identification Product Design Capabilities in SMEs Jepara carving wood industry through the Department of Cooperatives and SMEs, Department of Industry and Trade, Government of the District Legal Department of Jepara and designers /Plumbers, Carving/producers of Small and Medium Entrepreneurs and Consumers Society Furniture Jepara, shows that:

Table 1: Capability Identification

S. No.	Variable	Description	Wood Carving Capability Product Design
1.	Designers	<ol style="list-style-type: none"> 1. The designer has to expertise from generation to generation since colonial times. 2. Based on the idea / notion of UKM entrepreneurs. 3. The idea / ideas together in a common environment / community furniture. 4. The idea / ideas together in a common environment / community Craftsman. 5. The idea / ideas to see the creativity and innovation of each product design of furniture / other craftsmen. 6. The idea / notion by comparing of some existing designs 7. The idea / notion of carved wood product design by integrating several dimensions. 	<ol style="list-style-type: none"> 1. Creativity 2. Innovative 3. There is no distinguishing element 4. There is no distinguishing element 5. There is no distinguishing element 6. Innovation 7. Creative, innovative and no distinguishing element
2.	Local Government (Pemda Kab. Jepara)	<ol style="list-style-type: none"> 1. Not to pay attention to IPR protection. 2. Passive. 3. Just make regulations but not specifically on the protection of IPR. 4. New aware of the importance of IPR. 5. More focus on geographical indications only 6. The maximum yet to provide guidance to SMEs. 7. The absence of a policy to help the capital. 8. The absence of IPR registration fee policy. 	The design quality products enter the domestic and / outside negari (as commodities (exports).
3.	Department of Cooperatives and SMEs	<ol style="list-style-type: none"> 1. Still the extent of socialization. 2. Not too focused on SMEs Furniture. 3. The local SMEs are still oriented. 4. Not to be oriented globally. 5. There is no policy to subsidize the SMEs. 	The design quality products enter the domestic and / abroad (as an export commodity).
4.	Department of Industry and Trade	<ol style="list-style-type: none"> 1. Still the extent of socialization. 2. Not too focused on SMEs Furniture. 3. The local SMEs are still oriented. 4. Not to be oriented globally. 5. There is no policy to subsidize the SMEs. 6. Implement the Government's policies. 7. Just take care of Geographical Indications but is constrained by several factors (wood must be certified and pendesainnyapun also have to be certified, and no infrastructure). 	The design quality products enter the domestic and / abroad (as an export commodity).
5.	Local consumer (Indonesian)	<ol style="list-style-type: none"> 1. Entrepreneur 2. Individual 3. Distributor. 	<ol style="list-style-type: none"> 1. Using your own design. 2. Using an existing design. 3. Combine and the customer's own design.
6.	International Consumer	<ol style="list-style-type: none"> 1. Selaku Pengusaha. 2. Individual 3. <i>Corporate</i>. 4. Hijackers 	<ol style="list-style-type: none"> 1. Quality is best to use teak or Mahogany-owned forestry. 2. Have your own design. 3. Provide examples of design owned by other parties. 4. Finding the 12 point difference from the design of the other party. 5. Taped their own brand. 6. There is a mix of wood product design, and iron.

7.	Human Rights and Legal Department	<ol style="list-style-type: none"> 1. Cooperating with related agencies. 2. Cooperating local government premises. 3. Cooperating with the SMEs. 4. Mapping the potential of SMEs. 5. Encouraging to register IPR. 	<ol style="list-style-type: none"> 1. Mengadakan Pelatihan. 2. Workshop. 3. Sosialisasi. 4. Menata infrastruktur.
8.	SMEs actors	<ol style="list-style-type: none"> 1. Manajemen 2. <i>Mutual</i> 3. <i>Man</i> 4. <i>Market</i> 5. <i>Material</i> 	<ol style="list-style-type: none"> 1. Management <ol style="list-style-type: none"> a. More short-term oriented b. What is important to get the order c. Just as a tailor / seamstress d. Following lawyer-order e. Which is an important benefit f. As maintaining quality g. Many piracy designers / workers h. Many product design piracy i. Not to go green j. are not transparent k. Many are still traditional 1. Few who use the internet or IT-based media m. Many use a third party company name n. There are still many who ignore IPR protection o. Nearly all cultivate emulate emulate 2. <i>Mutual</i> Can be divided into two types namely: wood and design itself. To the basic ingredients there are some results, including: <ol style="list-style-type: none"> a. Very good b. Good c. Fair d. Less Meanwhile, with regard to the design there are several kinds: <ol style="list-style-type: none"> 1. Natural, with regard to the design are made by hand which is through hand carved with the media, as well as hand and machine 2. Artificial, dealing with the media 100% machine 3. <i>Man</i> <ol style="list-style-type: none"> a. worker b. Designer c. Distributor 4. <i>Market</i> <ol style="list-style-type: none"> a. Domestic b. ASEAN c. International d. Europe e. America 5. <i>Material</i> <ol style="list-style-type: none"> a. The basic ingredients of quality wood is very rare b. Many bring in wood from outside the city, such as from Blora, Solo, and so on c. As an alternative to using timber d. Not many SMEs which have certified timber.

The development of economic law will be able to improve national competitiveness, generating high economic growth and quality to reduce poverty and reduce unemployment and

worth the society. (Adi Sulistiyono: 2015: 99). In line with the opinion of Richard Posner, of the importance of economic analysis of law, namely that efficiency in the practice of law

needs to be done, so that ultimately the legal function as a system that maximizes the welfare of society. (Richard Posner: 1986: 21 in Agus Budiarto: 2012: 220).

Economically, the functions brands includes geographical indications associated with wealth (property) which provide income to their owners (Agus Sujatmiko: 2011: 188). Geographical Indication is an indication of an identity of an item is coming from somewhere, regions, or regions that indicate the quality, reputation and characteristics including natural factors and human factors are used as attributes of the item which of these could be the name of the place, area or territory, words, pictures, letters or a combination of these elements. (Explanation of Article 56 paragraph (1) of Law No. 15 on Marks).

These geographical protection indications cover goods produced by nature, agricultural products, handicrafts, or other industrial products. Later in PP 51 Year 2007 on Geographical Indications are further described on the definition of indications Geographic in Article 1 paragraph 1, that the geographical indication is a sign which indicates the origin of goods, which is due to the geographical environment, including natural factors, human factors, or a combination of both these factors, giving specific characteristics and quality of the goods produced. Article 3 PP 51 Year 2007 on Geographical Indications that geographical indication can not be registered if the sign applied for registration contrary to regulations, religious morality, decency, or public order; mislead or deceive the public about: the nature, characteristics, quality, source of origin, process manufacturing, and / or usefulness; a local geographical names that have been used as the name of the variety of plants and plant varieties used for similar; or have become generic.

Since 2010 the majority of products of industrial design wood Jepara SMEs already have GI (Geographical Indications).



Figure 1: Jepara Carved Wood Geographical Indications

Mebel Ukir Jepara Jepara Indikasi Geografis Produk-Mebel Ukir Jepara (JIPMUJ) IG.00.2007.000005 ID G 000000003.

The existence of IPR, industrial design brands and geographical indication products carved wooden furniture (JIPMUJ) Jepara of designer / creator / inventor because they had used his thoughts to work hard so it is important to get legal protection and reward of the other parties who have using his work.

2. The Weakness of Product Capability Industrial Design Wood Carving Jepara SMEs Furniture

There are significant differences between the IPR Western concepts and Indonesia's culture (Eastern nations). IPR includes Copyright and the Industrial Property Rights covers patent, brand, industrial design (industrial design), integrated circuit layout, trade secret, protection varieties of plants. This right contains global moral rights and economic rights. The scope of copyright includes three (3) things: science, art, and literature. As for industrial property rights is closely related to innovation, technology that can be applied in the industrial world. By embracing the First to File system means a system of granting patents, trademarks, copyrights, and industrial design that adheres to the mechanisms that someone who first filed a petition is regarded as the IPR holder, if all requirements are met. Special industrial property rights (patents, trademarks, protection of plant varieties, industrial designs and trade secrets) (Anis Mashdurohaturun 2011; Anis Mashdurohaturun, 2013; M. Ali Mansour, 2010). With the legal protection of the creation and innovation of industrial society, the rising social welfare, which is one of the ideal of law as well as a destination country as mentioned in the preamble of the 1945 Constitution on line IV. This represents the rights for all citizens. Advances in science and technology should be able to support the success of the business community towards the development of national industry independent, powerful and advanced, which is marked by the release of industrial design carved wood products are marketed freely, both in the domestic, national and international trade (M. Ali Mansour 2007).

Capability Product Design Industrial Wood Carving SMEs Jepara in obtaining IPR protection is still weak, and not optimal, depending on the type / form of existing SMEs, because in general the businessmen still think just to meet short-term needs, which means that vital goods sold, more give priority to the wishes of consumers, piracy designer / craftsman, limited capital, shortage of production (Perhutani's teak wood), and the declining quality of production and market diversity. This will result occurs misappropriation by foreign countries against industrial wood carving people of Jepara, meaning that the material (Teak, Mahogany, and the wood of the tree otherwise), The designer, place of production, work force belongs to Indonesia but who have no protection IPR is a party to a foreign country, and is likely to occur society Industrial Wood Carving Jepara precisely who will be required to pay royalties when exporting products to Europe, America, China and Malaysia, as well as other destination countries.

Seeing the application for registration of IPRs, designer or creator do not understand the procedures and processes, local governments has no special attention to the protection and empowerment of SMEs / SMEs particularly in the field of industrial design wood carving.

The dominant factors inhibit the designer of industrial design wood carving of Jepara, which is as follows (Sukarmi: 2015: 176,):

- a) Do not understand about the industrial design criteria that can be accepted or included in the category that can be registered;
- b) Do not know and understand the requirements that must be completed to apply for registration in order to obtain legal protection of industrial design;
- c) Do not know and understand the benefits Ekono mis and juridical of the registration of industrial designs that they create;
- d) Lack of socialization of the industrial design of local government; and the various parties involved.
- e) It is possible the influence of the culture concept (communal) attached to the concept of thinking designer / creator of the industrial design within the scope of SME / MSME;
- f) The less motivated personal / less interested optimally;
- g) Less and / or lack of guidance and assistance and not the grant of bail models / loans or the provision of subsidy, for filing the application for registration in an effort to address and follow up calls from the government regions so the designers / creators would apply for registration of industrial design;
- h) The absence of a policy of the government as a pattern pick up the ball as a form of awareness or attention and assistance of pemrintah region in negotiating or at least as an inducement while for the sake of the local government itself and designers / creators in an effort to address the call by the central government in order to empower creativity in order encourage and realize the creative economy.

Ideally, IPR protection is not only used by big business, but also Small and Medium Enterprises (SMEs), as SMEs are reluctant to use the intellectual property rights for system IPR registration complicated, long and feels expensive and weak enforcement of intellectual property rights in Indonesia. (V. Selvie Sinaga: 2014 : 61).

The development of SMEs carved wooden furniture Jepara constrained, due to some factors, internal/external the community of craftsmen and / foreigners. As of a few obstacles that arise are as follows: (Didier Endro S Celcius: 2011).

1. Because of lack of consistency community of craftsmen who could not maintain the quality, the better the quality of production and marketing management. So that the purchaser (buyer) often feel "fooled" by craftsmen Jepara.
2. The absence of government policy in real terms against the protection and preservation of cultural works such as the carved furniture.
3. This proved THAT has been for hundreds of years carved furniture thrive and entrenched in Jepara, to

this day there is no regulation or regulation of any kind which regulates the industry, particularly carved furniture.

4. Community crafters often overwhelmed when the wood raw material (especially teak) sudden price soared and increasingly difficult to obtain while the prices of manufactured goods declined and the buyer / broker is getting a lot of "wandering" entry in the township without procedures clear.
5. Many other industries are evolving and based on local culture.

While the external factors are including the registration of Copyright and Product Design on several product original works of local communities Jepara, by Christopher Guy Harrison, a businessman from England, register ledger containing hundreds of images Mirror frame (mirror frame), accessories and furniture motivated by carving in the form of "book catalog" No. 028 070 dated June 14, 2004. Christopher Guy Harrison has reported to the craftsmen Jepara to Police. Impact, mostly artisans around Reported did not dare to display their products for fear of mirrors frame reported to the police. So the impact of foreign parties who use cultural works for the benefit of the economy and the decreasing productivity carved furniture industry.

3. Dynamism Strategy Capability Model Product Design Industrial Wood Carving Jepara Furniture SMEs in Promoting Intellectual Property Protection

The development of carved wood in the district of Jepara can be seen from history, Jepara city carving has produced designs carved wood by integrating art and culture, it since the days of colonialism to the present, where the Queen Kalinyamat was also very instrumental in civilizing carving present so the mainstay of the economy which is a combination Jepara carving, Majapahit cared wood, Patih Badarduwung who came from China.

Based on the history, it required the protection of the law, in particular the protection of IPR to the creation and innovation of industrial society, the rising social welfare, which is one of the ideal state law as well as the objectives as stated in the Preamble of the 1945 Constitution in paragraph IV. This represents the rights for all citizens. Advances in science and technology should be able to support the success of the business community towards the development of national industry independent, powerful and advanced, which is marked by the release of industrial design carved wood products are marketed freely, both in the domestic, national and international trade (M. Ali Mansour 2007).

Industrial design protection stipulated in Article 2 of Law No. 31 of 2000, namely:

1. Right to Industrial Design Industrial Design granted for new ones.
2. An industrial design is considered new if on the filing date, such industrial design is not the same as the previous disclosures.
3. The previous disclosure sebagaimana referred to in paragraph (2) is the disclosure of an industrial design that has not:
 - a) The filing date or
 - b) Priority date the application is filed with a priority right has been published or used in Indonesia or outside Indonesia.

The nature of industrial design rights ownership relates to specific circumstances, it means if the right design was born in a working relationship, the design rights belong to the employer, unless agreed otherwise. A moral right, as well as on other intellectual property rights, also applies to the creator of the design. Industrial design rights are now owned by the designer or creator. Designer is intended as a person or persons who jointly upon whose inspiration designs based on the intellectual ability, dexterity, imagination, expertise manifested in the form of a distinctive and personal. Designers also have design rights as exclusive rights, such as rights to other IPRs (Suyud Margono, 2011).

Law as a system, according to Lawrence M. Friedman (Lawrence M. Friedman, 1977: 7), the legal system consists of the substantive law and the legal structure and legal culture. The legal structure concerning its institutions, the substance of the law covers all legal regulations, while the legal culture includes a description of attitudes and behavior towards the law, and the factors that determine the acceptance of a particular legal system in a society. From the aspect of substance, the law contains rules that guide human behavior, coercive and contains sanctions (Peter Mahmud Marzuki, 2008: 66).

The main purpose of law is to provide fairness for the entire community. Asshiddiqie (Asshiddiqie, 2012: 17) explains that Justice is a wish fulfillment of individuals in a certain degree. Justice is greatest wish fulfillment as many people. On the principle of justice is a balance between rights and obligations. So it's the same sense of justice equally, but the state of proportionality is determined by the implementation of the rights and obligations of each party. As the teachings of progressive law which requires an institution that aims leads man to life a fair, prosperous and make people happy (Mahmud Kusuma, 2009: 31). This thought departs from the basic assumption that the law is for man and not vice versa. Based on this, the legal birth is not for himself, but for something more spacious, namely for human dignity, happiness, prosperity and glory of man.

Legal protection given to industrial design is intended to stimulate the creative activity of the designer to constantly create new designs. The framework of encouraging the creation

of new designs and providing legal protection is covered in the Explanation of Law No. 31 of 2000 on Industrial Designs.

Intellectual Property Rights (IPR) is not born directly from the Indonesian nation which has rich in natural resources as well as arts and culture, but it was born and developed from the Western world. So that with the inclusion of IPR issues to the General Agreement on tariff and Trade (GATT), is actually a proposal from the industrialized countries that possessed more secure IPR protection in the globalization of trade. In 1994, Indonesia has ratified, Trade Related Intellectual Property Rights Including Counterfeit Of Goods (TRIP's) Agreement, Annex 1C of the World Trade Organization (WTO) expressly provides that all member states must comply with and implement universal standards (TRIP's) were full compliance in protecting IPR. In other words, the same standard of legal protection, shall apply to all member states, including Indonesia (Insan Budi Maulana, 2000: Ermansyah Djaja, 2009).

The stronger protection of IPR / Industrial Design in a country, it will provide a very significant impact on the economy of countries that implement an open economic system. (Adriyanto, Anis M: 2014: 137) IPR protection becomes one of important legal issues in bilateralism era, of course, taking into account the national interest (Nurul Barizah: 2014: 356), in particular on products that are born of the SMEs.

Thus, the model Dynamism Capability Strategy In Industrial Product Design Wood Carving Jepara furniture in Promoting SME IPR protection including the following things:

- a. Institutional relationships with the understanding and importance of IPR protection, to socialize, to provide assistance as well as assistance IPR registration fees, and provide a good market
- b. SMEs actors Improving the 5M: Management, Mutual, Man, Market, and Materials.
- c. Industrial design products are more creative, innovative; and
- d. Community culture which has a high legal awareness, and love domestic products.

The model aims to encourage IPR protection so that the SMEs will continue to improve product competitiveness industrial design carved wood both nationally and globally. It also will cultivate more innovative design creativity and preserve the culture and heritage of the ancestors.

IPR protection, especially for industrial designs, copyright, and trademark Wood Carving Jepara, Indonesia owned SMEs ASEAN level is still very low compared to Malaysia and China. It can be seen from the absence of registration, and the application of industrial design in the official news about DG IPR-A Series of industrial design No. 558 / in / 2014, published on 07 January 2014 s / d 07 April 2014, and No. 567 / in / 2014 announced on April 1, 2014 s / d July 1, 2014 and Statistics of

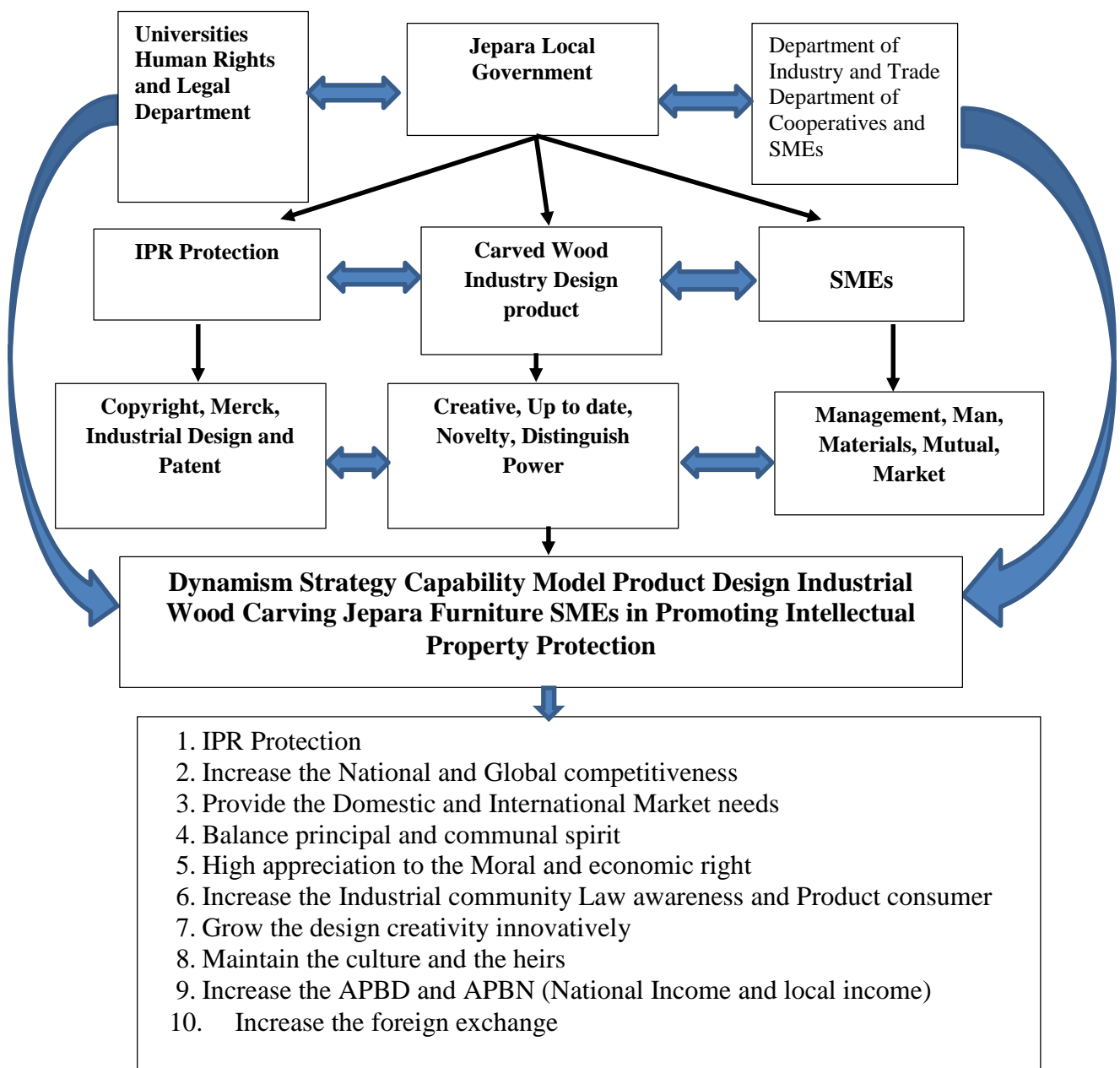
the Directorate General of Intellectual Property Rights, Statistical Country Profiles, Indonesia, Population (Million): 246.86 (2012) (Rank = 4), Gross Domestic Product (Billion US \$) (Constant 2005 US \$ (PPP)): 1054.45 (2012) (Rank = 15).

When compared with the China, Statistical Country Profiles, China, Population (Million): 1350.7 (2012) (Rank = 1), Gross Domestic Product (Billion US \$) (Constant 2005 US \$ (PPP)): 10748.31 (2012) (rank = 2). Compared with China and Malaysia, Indonesia still lags behind, including in Indonesia's furniture exports are still lower than Italy, Malaysia and China. Meanwhile the company / SME carved wooden furniture

industry in Jepara regency very much not obtain IPR protection (Asmindo Jepara, 2014).

With the registration of IPRs (Trademark, Industrial Designs, Patents and Copyrights) will open up opportunities for Micro, Small and Medium Enterprises (SMEs) in order to market the products of SMEs globally, it certainly needs to be supported by the Government to open up access market / marketing is greater. The table Dynamism Capability Model Strategies On Industrial Product Design Wood Carving Small and Medium Enterprises (SMEs) Furniture Jepara in Promoting the Protection of IPR, as illustrated in the following table below.

Figure 2: Dynamism Strategy Capability Model Product Design Industrial Wood Carving Jepara in Promoting SME IPR Protection



CONCLUSION

Based on these results, it can be summed up as follows: First, the capability of industrial design products wood carving Jepara furniture SMEs have been able to meet the needs of domestic and overseas. Such products have been exported to many countries in the world such as Europe, America, Australia and other countries. Legal protection to industrial designs carved wood products SMEs Jepara furniture is still very weak because it is still based on immediate needs / short term, prioritize customer requests / user, especially from outside the domestic, the product is still vacancies / without attached trademarks / or Geographical Indications. Second, weaknesses in capability in product design industrial wood carving SME Furniture, namely: lack of understanding of IPR and therefore has not the registration of IPR protection, either in the form of Industrial Design, Brand, bureaucratic costs IPR registration, the SME Furniture is still oriented to short-term needs, just more is as tailor / seamstress course, wood is very rare quality, artisan carving has not been certified and occurrence of product piracy and workers, as well as local governments do not provide optimal support. Third, dynamic strategy model capability on product design carved wood industry SMEs in driving the Jepara furniture including increased IPR protection: 1. Institutional Relations and that is by understanding the importance of IPR protection, dissemination, provide financial aid as well as assistance IPR registration, and provide market the good one; 2. Actors SMEs improve 5M: Management, Mutual, Man, Market, Material, and 3. Product industrial design that is more creative, innovative and 4. The community Culture is having high legal awareness, and love domestic products.

SUGGESTIONS

Suggestions that provide researchers associated with the Legal Protection of Industrial Product Design In Wood Carving Furniture SMEs in Jepara, as follows:

- 1) The need of local government policy in providing facilities and assisting the SMEs in registering industrial designs carved wooden products, brands, Geographical Indications, Patents and Copyrights as well as its market.
- 2) The need of improved understanding and dissemination of sustainable IPR to the SMEs about the importance of the protection of industrial design products globally in order to ensure legal certainty and improving the economy.
- 3) The need of optimal local government support SMEs in providing product design carved wood industry, having distinguishing features, high creativity, innovation and the novelty and inventive step.

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