

ABSTRACT

Franchise now became so popular among the businessman. The main reason why this type of business became so popular was because franchise system can be used to develop a business easier and faster but still cheaper than another business system. It could be that because Franchise system require business application that can be used for franchisee easily

One of the important elements in a franchise is about the agreement. In the world of franchising, the agreement became a main item that can not be eliminated. Through the agreement, the legal relationship between the Franchisor and the Franchisee is set. Through the agreement also, franchise business was born. Like another cooperation, this cooperation is based on the principle of trust and transparency.

There are several laws and regulations in Indonesia that regulate the franchise system at this time like Republic Of Indonesia Regulation Number 42 Year 2007 regarding Franchise and the Minister of Trade Regulation Number 31/M-DAG/PER/8/2008 regarding Franchising Implementation. One of the legal instruments that can be observed is the Surat Tanda Pendaftaran Waralaba (hereinafter named STPW). STPW is one of the legal instruments made by the government as a preventive protection in the franchise business. At that regulation, one of the obligations so the parties can get STPW is to register their franchise agreement to the government. The problem that will appear next is when will a franchise agreement is valid.

According that ministerial regulation, STPW also be used as legal protection. Besides that, STPW have an indirect influence on the existence of a franchise agreement. Although there is no regulation explicitly about the excistance of franchise agreementwhen a STPW was not exist anymore. But with prohibition to do a franchise activity, itmeans STPW could threaten the existence of a franchise agreement.

Keyword : franchise, agreement, STPW, excistence of franchise agreement