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# Downstream Vertical Integration and Market Control by Sany Group through Non-Exclusive Selling Agreements and PT.PBT'S Loss Recovery Efforts

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**Abstract:** Sany Group's downstream vertical integration through a non-exclusive selling agreement raises legal issues regarding market control and PT PBT's competitiveness as a downstream partner, as well as the recovery of losses arising from such practices. This study aims to analyze the implications of downstream vertical integration through a non-exclusive selling agreement on market control and the competitiveness of downstream partners, as well as to examine the legal strategies available to PT PBT to enhance its prospects of recovering its losses. This study employs a normative juridical research method using the statute approach and case approach with reference to Law No. 5 of 1999, Law No. 30 of 1999, KPPU Decision No. 18/KPPU-L/2024, and the relevant court decisions. The findings show that changes in Sany's distribution structure through its subsidiary entities expanded Sany's involvement at the downstream level and restricted PT PBT's business activities by terminating supplies and directly competing in the distribution market. These actions affected market control and PT PBT's competitiveness, and the KPPU found them to violate Article 14 and Article 19 of Law No. 5 of 1999. Furthermore, the obstacles encountered by PT PBT in its civil claim were not caused by an incorrect application of law by the courts but rather by the existence of an arbitration clause, thereby indicating that a recovery strategy may be pursued by positioning a report to the KPPU as a competition law enforcement mechanism and arbitration as the appropriate forum for recovery based on the contractual relationship between the parties.

**Keywords:** Competition Law, Downstream Vertical Integration, Market Control

## INTRODUCTION

The heavy equipment industry is a vital sector in accelerating a country's economic development because it determines the effectiveness and efficiency of development activities (Mandira & Damayanti, 2023). Indonesia's demand for heavy equipment is largely fulfilled through imported products. The entry of heavy equipment products from the global market brings together business actors operating at different levels of trade and distribution. Relationships among those business actors require legal certainty so that commercial activities can proceed in an orderly manner while preserving room for fair competition. Therefore, competition law is important for maintaining a balance among the interests of business actors engaged in commercial activities.

Business competition plays an important role in market segments (Adriaman et al., 2024). Competition among business actors also encourages improvements in the quality of services and products offered to consumers (Emirzon et al., 2025). Competition in Indonesia's heavy equipment industry is characterized by the availability of various brands such as Komatsu, Caterpillar, Sany, and Hitachi. To support commercial activities, business actors employ exclusive and non-exclusive selling arrangements according to market characteristics and the complexity of the products being marketed (Burhanuddin, 2024). However, the selection of such selling arrangements may create an imbalance in competition when accompanied by substantial market control.

An exclusive selling agreement is a contractual mechanism through which exclusive rights are granted to the parties. Such exclusivity may close competitive opportunities in the downstream market and restrict a distributor to selling products from only one principal (Kitamura et al., 2024). By contrast, a non-exclusive selling agreement is a selling arrangement that allows the principal to maintain competition in the downstream market and does not bind the distributor to selling products from only one principal. Although both arrangements are legally permissible forms of business organization, in practice they may be misused by large companies possessing substantial power in the market. This was reflected in Sany Group's policy in Indonesia, which applied a non-exclusive selling arrangement to its distributor. However, the contractual clause contained elements of exclusivity that resulted in the exclusion of another business actor from the market.

Sany Group is a Chinese heavy equipment manufacturing company operating in Indonesia through Sany International Development Ltd and its subsidiaries, namely PT Sany Indonesia Machinery, PT Sany Indonesia Heavy Equipment, and PT Sany Heavy Industry Indonesia. Collectively, Sany Group conducts business activities in Indonesia covering the importation and distribution of heavy trucks and their spare parts as well as the provision of after-sales services. Sany Group appointed PT Pusaka Bumi Transportasi, hereinafter referred to as PT PBT, as its representative in Indonesia under a Dealer Agreement that granted non-exclusive rights. However, the contractual relationship between Sany Group and PT PBT did not operate in an ordinary manner. The KPPU received a report alleging that Sany Group collectively committed downstream vertical integration violations that resulted in the exclusion of another business actor from the market. This occurred through Sany's implementation of a non-exclusive selling agreement with its local partner. In the examination recorded in KPPU Decision No. 18/KPPU-L/2024, hereinafter referred to as KPPU Decision No. 18/KPPU-L/2024, Sany Group was found to have violated Article 14 and Article 19 of Law No. 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition, hereinafter referred to as Law No. 5 of 1999.

Downstream vertical integration is a business strategy through which a company seeks to reduce barriers at the distribution stage (Sudiarto, 2021). This strategy has a dual character because it may also create vulnerability to market control. In Sany Group's case, its distribution activities through subsidiary entities resulted in the exclusion of its distributor from the market. This occurred because the distributor was required to compete with its own principal through Sany's subsidiary entities. On this basis, the KPPU considered the vertical integration strategy implemented by Sany Group to be inconsistent with Law No. 5 of 1999.

The KPPU examination explained that in 2020, Sany International Development Ltd appointed PT PBT as a domestic dealer with non-exclusive rights. The agreement enabled Sany products to compete in Indonesia's heavy equipment market. PT PBT's success was reflected in sales exceeding 80 percent within its operational territory. However, the situation changed after Sany established subsidiary companies between 2022 and 2023. Since mid-2022, Sany adopted a policy requiring product purchases to be made through its representatives in Indonesia. In 2023, Sany also unilaterally terminated the supply of trucks and spare parts to PT PBT. This hindered PT PBT's business activities, including its ability to provide after-sales services to customers. The situation worsened when Sany's representatives began selling products directly to companies and end consumers in Indonesia. As a result, PT PBT's revenue in 2023 declined by approximately 93 percent compared with the previous year. By 2024, PT PBT had lost its source of revenue after being excluded from the market.

The case demonstrates that Sany's downstream vertical integration raised issues concerning competition and PT PBT's position as a downstream partner. Although the efforts pursued by PT PBT resulted in a finding that Sany had violated Article 14 and Article 19 of Law No. 5 of 1999, PT PBT's claim before the District Court did not proceed to an examination of the merits because of the existence of an arbitration clause, and that outcome was upheld through the cassation stage. This situation demonstrates the need to distinguish between competition law enforcement and the recovery of PT PBT's losses. Accordingly, this study analyzes the implications of downstream vertical integration through a non-exclusive selling agreement for market control and the competitiveness of downstream partners, as well as the legal strategies that may increase PT PBT's prospects of recovering its losses. The study addresses two issues: how Sany Group's practice of downstream vertical integration through a non-exclusive selling agreement affects market control and the competitiveness of downstream partners in the heavy equipment distribution market, and what legal strategy PT PBT may pursue to improve its prospects of recovering losses arising from Sany Group's downstream vertical integration.

## METHODS

This study employs normative juridical research. This approach is selected because normative juridical research focuses on legislation, legal principles, and legal doctrines relevant to the issues under examination (Ali, 2021). The study applies the statute approach and the case approach. The statute approach is used to analyze Law No. 5 of 1999 as a principal legal basis, while the case approach is used to analyze the Sany Group case through the evidence and findings contained in KPPU Decision No. 18/KPPU-L/2024. The research relies on secondary data consisting of primary legal materials, including Law No. 5 of 1999 and Law No. 30 of 1999 concerning Arbitration and Alternative Dispute Resolution, hereinafter referred to as Law No. 30 of 1999, as well as secondary legal materials including KPPU Decision No. 18/KPPU-L/2024, Decision No. 188/Pdt.G/2024/PN Jkt.Pst, Decision No. 519/Pdt/2025/PT DKI, Decision No. 4616 K/Pdt/2025, academic legal journals, legal books, and scholarly documents. The materials were collected through library research and analyzed qualitatively before being presented descriptively. This approach is consistent with the characteristics of the study, which conducts an in-depth analysis of Article 14 and Article 19 of Law No. 5 of 1999 and KPPU Decision No. 18/KPPU-L/2024 to understand vertical integration in practice and Sany's exercise of market control.

## RESULTS AND DISCUSSION

### The Implications of Sany Group's Downstream Vertical Integration through a Non-Exclusive Selling Agreement for Market Control and the Competitiveness of Downstream Partners in the Heavy Equipment Distribution Market

Vertical integration is cooperation among companies achieved through ownership or business cooperation at different stages within a chain of production and distribution (Lubis et al., 2017). This strategy aims to improve cost efficiency while reducing the risks and uncertainties associated with supply and product distribution (Citrawinda, 2021). Vertical integration may extend upstream to involve business actors at the level of raw material supply or downstream to involve business actors at the level of distribution and marketing products to consumers. In principle, vertical integration is not absolutely prohibited under competition law as long as its implementation does not create practices that hinder or distort competition (Rahayu & Rastuti, 2026). Therefore, the assessment of vertical integration must consider its economic rationale and its potential effects on market structure and competitive conditions.

Article 14 of Law No. 5 of 1999 prohibits business actors from entering into vertical integration agreements that may result in unfair business competition (Andrias et al., 2025). This provision applies a rule-of-reason approach that emphasizes effects on competition as the basis for determining whether a violation exists (Siregar, 2023). The application of Article 14 requires proof concerning the purpose of controlling a production chain and its relationship to the potential increase of market power. Demonstrating competitive effects is important to ensure that vertical integration is not used as a means of restricting access or obstructing the business activities of other actors. This demonstrates the relationship between vertical integration and market control. That relationship becomes particularly relevant when vertical integration expands a business actor's involvement at the downstream level through relationships with distributors or dealers.

The expansion of a business actor's involvement from upstream activities to downstream activities is known as downstream vertical integration. Downstream vertical integration is a business strategy through which a company seeks to reduce barriers in the downstream market (Salsabila, 2025). It may generate efficiency for the business actor and reduce dependence on actors operating at the downstream level. However, the ability to control stages of distribution may also increase the power to determine access to marketing channels used by other business actors. This may result in market foreclosure when downstream integration is used to restrict other actors' access to sources of supply or distribution channels necessary for competition. Therefore, downstream vertical integration must be assessed in light of its effects on market access and the ability of other business actors to maintain their competitiveness.

The potential restriction of access arising from downstream vertical integration is related to market control because control over distribution channels may make it more difficult for other business actors to access the market and conduct their activities in the relevant market (Lestari & Abigael, 2026). Market control essentially refers to a condition in which a business actor has the ability to influence competitive conditions or restrict the room for movement of other business actors within a market (Hariz, 2023). Such ability is not determined solely by the size of market share but also by the ability to control access to what other business actors need in order to compete. From a competition law perspective, business actors are prohibited from engaging in activities that result in monopolistic practices and/or unfair business competition as provided in Article 19 of Law No. 5 of 1999. Accordingly, a principal's involvement at the downstream level must be examined to ensure that distribution efficiency does not provide the ability to restrict the access and competitiveness of other business actors.

A non-exclusive selling agreement is a contractual relationship between a principal and a distributor that does not bind either party exclusively to the other (Chica et al., 2021). This indicates that a non-exclusive relationship generally provides the parties with freedom to establish business relationships with other business actors. However, the non-exclusive status stated in an agreement may not necessarily reflect the business relationship formed in practice. This may occur when a principal's clause or policy contains one-sided elements of exclusivity that restrict the distributor's freedom to establish relationships with other principals. This characteristic is important in analyzing Sany Group's relationship with PT PBT because PT PBT was appointed as a distributor with non-exclusive rights while the agreement also contained a clause prohibiting the dealer from selling products of other brands.

The KPPU examination explained that in 2020 Sany International Development Ltd appointed PT PBT as a domestic dealer with non-exclusive rights, which subsequently enabled Sany products to compete in Indonesia's heavy equipment market, with PT PBT achieving sales exceeding 80 percent within its operational territory.[20] The situation changed after Sany established subsidiaries between 2022 and 2023 and adopted a policy from mid-2022 requiring product purchases to be made through its representatives in Indonesia. In 2023, Sany then terminated the supply of trucks and spare parts to PT PBT, thereby hindering PT PBT's business activities, including the provision of after-sales services to customers. The change further narrowed PT PBT's business opportunities when Sany's representatives began selling products directly to companies and end consumers in Indonesia. This change in the distribution structure caused PT PBT's revenue in 2023 to decline by approximately 93 percent compared with the previous year, and by 2024 PT PBT had lost its source of revenue after being excluded from the market. This series of actions demonstrates a shift from a non-exclusive distribution relationship that previously provided PT PBT with room to market Sany products toward a distribution structure involving Sany directly at the downstream level, thereby requiring analysis of its relationship to downstream vertical integration and market control.

Sany's involvement in sales through its subsidiary entities affected the structure of competition in the distribution market. The situation created an overlap of interests between Sany as principal and PT PBT as a distribution partner operating at the downstream level. This change placed PT PBT in an unequal position because Sany was no longer merely the principal but had also entered the distribution level that constituted PT PBT's business space. The situation demonstrates that the downstream vertical integration was no longer concerned solely with efficient distribution management but could also affect the ability of a downstream partner to maintain its business activities when the principal began operating at the same level (Bisceglia et al., 2026). Accordingly, Sany's involvement at the downstream level must be assessed according to its effects on PT PBT's access and competitive space, particularly when the expansion was accompanied by a policy restricting supplies to PT PBT.

Sany's ability to control the supplies required by PT PBT became important to examine after Sany expanded its business activities into the downstream market (Suebu et al., 2026). This examination is necessary to determine the extent to which Sany's downstream vertical integration affected market control. As explained in the decision, Sany terminated the supply of trucks and spare parts to PT PBT, thereby restricting PT PBT's ability to conduct sales and provide after-sales services to customers. The restriction was significant because it was imposed by Sany as principal at the same time that it had entered distribution activities through its subsidiary entities. The situation is relevant to Article 19 of Law No. 5 of 1999 because restrictions on the business activities of a particular business actor may be related to conduct that obstructs business activities in the relevant market (Rahman et al., 2026). In addition to restricted supplies, PT PBT's business space at the downstream level became increasingly limited because it had to compete with a party that had previously acted as its principal. The situation must therefore be assessed according to its effects on PT PBT's ability to maintain its business activities and competitiveness in the heavy equipment distribution market.

The effects of Sany's conduct on PT PBT's competitiveness can be observed through changes in PT PBT's business conditions after Sany altered its distribution structure. In contributing to Sany's market penetration, PT PBT generated revenue from Sany truck sales amounting to IDR 1,444,324,873,572. However, after the distribution relationship changed, PT PBT's revenue in 2023 declined by approximately 93 percent compared with the previous year, and from 2024 onward, PT PBT lost its source of revenue after being excluded from the market.[24] This decline demonstrates a significant change in PT PBT's ability to maintain its commercial activities after Sany assumed a role in distribution through its subsidiary entities. The situation became more difficult because PT PBT not only lost access to products and spare parts but also had to compete with Sany at the downstream sales level. These circumstances subsequently prompted PT PBT to pursue legal action against Sany through a report to the KPPU and a civil claim in parallel.

PT PBT's report to the KPPU and its civil claim proceeded through different channels and produced separate legal consequences. PT PBT's civil claim was first decided by the Central Jakarta District Court, which upheld the defendants' objection concerning absolute jurisdiction and declared itself incompetent to examine and adjudicate the case. The consideration was related to the arbitration clause contained in the parties' agreement, while the alleged violation of Law No. 5 of 1999 was not further considered after the objection to absolute jurisdiction was accepted. PT PBT subsequently filed an appeal, but the Jakarta High Court agreed with the District Court's reasoning and affirmed the decision. The matter proceeded to cassation, but the Supreme Court rejected PT PBT's petition after finding that the District Court and High Court had correctly applied the law. On the other hand, the parallel KPPU proceedings resulted in a decision finding that Sany had violated competition law. The different outcomes demonstrate that successfully proving a competition law violation before the KPPU does not automatically provide recovery for PT PBT's private interests, so the choice of dispute-resolution forum must correspond to the forum's jurisdiction, the character of the parties' legal relationship, and the objective of recovery sought by PT PBT.

**Legal Strategies Available to PT PBT to Improve Its Prospects of Recovering Losses Arising from Sany Group's Downstream Vertical Integration**

In PT PBT's proceedings before the Central Jakarta District Court, a jurisdictional obstacle prevented the claim from reaching an examination of the merits after the panel of judges accepted Sany's objection concerning absolute jurisdiction. The issue of absolute jurisdiction in the case was related to the existence of an arbitration clause in the agreement between Sany and PT PBT. Absolute jurisdiction determines the authority of a forum based on the type and character of the dispute that forms the object of examination (Wahyunadi, 2025). Article 3 of Law No. 30 of 1999 affirms that a District Court has no jurisdiction to adjudicate disputes between parties bound by an arbitration agreement, as was the case under the Dealer Agreement between Sany and PT PBT.[29] The clause formed part of the parties' agreement and was binding under the principles of pacta sunt servanda and freedom of contract. The acceptance of the objection to absolute jurisdiction therefore prevented the District Court from proceeding to examine the substance of PT PBT's claim, meaning that PT PBT's loss at that stage did not establish that the alleged violations and losses had been substantively assessed and rejected by the District Court.

The arbitration clause in the Dealer Agreement between Sany and PT PBT formed part of the parties' agreement determining the forum for dispute resolution in the event of a dispute arising from their contractual relationship. That agreement is binding under Article 1338 paragraph (1) of the Indonesian Civil Code, which treats a lawfully concluded agreement as law for the parties (Rahim, 2022). The principle of pacta sunt servanda requires the parties to perform and respect the agreement they have made (Budi et al., 2026). This is consistent with Article 11 of Law No. 30 of 1999, which provides that a written arbitration agreement removes the parties' right to submit disputes covered by the agreement to a District Court. In PT PBT's case, the existence of the clause formed the basis for the District Court panel to accept the objection concerning absolute jurisdiction, and that outcome was subsequently maintained at the appeal and cassation stages. PT PBT's use of the District Court cannot be separated from the legal consequences of the forum agreement previously concluded, so the procedural obstacle resulted from the binding force of the agreement rather than an assessment of whether PT PBT's substantive claim was correct.

In addition to the arbitration clause, PT PBT's claim also contained allegations of violations of Law No. 5 of 1999 relating to Sany's vertical integration and market control practices. The assessment of alleged competition law violations falls within the KPPU's authority under Article 35 of Law No. 5 of 1999, which assigns the Commission the task of assessing agreements, business activities, and actions of business actors that may result in monopolistic practices and/or unfair business competition. This authority is reinforced by Article 36, which empowers the KPPU to receive reports and conduct research, investigations, and examinations into alleged competition law violations (Utomo, 2026). In PT PBT's case, this authority was relevant because determining whether Article 14 and Article 19 of Law No. 5 of 1999 had been violated required an assessment of Sany's conduct under competition law. Accordingly, the allegation of violations of Law No. 5 of 1999 in PT PBT's claim cannot be separated from the KPPU's authority as the institution specifically mandated to assess such violations. However, because the District Court had first declared itself incompetent on the basis of the arbitration clause, the panel did not proceed to a substantive examination of whether the competition law violations alleged by PT PBT had been proven.

The dispute between PT PBT and Sany contains two distinct legal dimensions: the alleged violation of competition law and the dispute arising from the contractual relationship between the parties. The distinction encompasses the assessment of Sany's conduct from a competition law perspective and the private-law dispute concerning the performance of rights and obligations arising from the Dealer Agreement. This distinction demonstrates that the KPPU's authority to assess competition law violations does not automatically extend to resolving all private-law consequences arising between Sany and PT PBT (Pratomo & Suyatno, 2025). Conversely, the existence of an arbitration clause does not automatically eliminate the KPPU's authority to assess alleged violations falling within the scope of competition law. These issues must be placed according to the object and jurisdiction of each forum so that the handling of competition law violations and the recovery of PT PBT's private interests are not brought before an inappropriate forum. This separation provides the basis for further assessing whether the KPPU and arbitration mechanisms may be used sequentially in PT PBT's efforts to recover its losses.

The existence of an arbitration clause in the relationship between Sany and PT PBT does not automatically mean that every issue arising between the parties may be resolved through arbitration because there are limits on the types of disputes that may constitute the object of arbitration. Article 5 paragraph (1) of Law No. 30 of 1999 provides that disputes capable of arbitration are disputes in the field of commerce and disputes concerning rights that are fully controlled by the disputing parties under law and legislation (Winarta, 2022). This limitation is relevant to the relationship between Sany and PT PBT, which arose from the Dealer Agreement governing heavy equipment distribution as a commercial legal relationship. The rights and obligations arising from that contractual relationship must be distinguished from the state's authority to determine whether Law No. 5 of 1999 has been violated. Accordingly, the existence of a competition law dimension does not automatically transform every contractual dispute into a dispute outside the scope of arbitration, provided that the claim concerns private rights capable of being controlled and resolved by the parties. On this basis, arbitration remains relevant as a forum for resolving PT PBT's private interests, while the assessment of violations of Law No. 5 of 1999 remains within the KPPU's authority.

Once arbitration is positioned as the forum for resolving the private-law dispute, the legal basis of PT PBT's claim must be adjusted to the source of the legal relationship binding the parties. The relationship between Sany and PT PBT arose from the Dealer Agreement, so the parties' rights and obligations are fundamentally derived from that agreement. Failure to perform an agreed obligation or prestation may be characterized as a breach of contract under the construction of Article 1243 of the Indonesian Civil Code, whereas an unlawful act under

Article 1365 of the Civil Code is based on the existence of an unlawful act, fault, loss, and a causal relationship (Susanto et al., 2025). This distinction demonstrates that the basis of a claim must be determined according to the source of the obligation alleged to have been breached rather than merely by the existence of losses suffered by PT PBT. The existence of a KPPU decision finding a competition law violation does not automatically transform every dispute between Sany and PT PBT into an unlawful act when the losses claimed arise from the failure to perform obligations under the Dealer Agreement. If PT PBT's losses are connected to Sany's conduct in performing the contractual relationship, breach of contract becomes a legal basis that should be considered in arbitration.

After the legal basis of the private claim has been determined, PT PBT must prove the losses arising from Sany's conduct in support of its claim for recovery. In this case, PT PBT previously earned revenue from the sale of Sany trucks amounting to IDR 1,444,324,873,572. That revenue subsequently declined by approximately 93 percent in 2023 compared with the previous year, and from 2024 onward, PT PBT lost its source of revenue after being excluded from the market. This change demonstrates a tangible economic impact on PT PBT's business activities, but a decline in revenue does not by itself establish the amount of actual loss that may be claimed. Under Article 1865 of the Indonesian Civil Code, a party asserting a right must prove it, so the claim must be based on actual losses that can be proven and distinguished from overall changes in business revenue (Muklis, 2023). In addition to establishing the amount of loss, PT PBT must demonstrate a causal relationship between Sany's conduct and the losses claimed so that the amount of recovery sought has an adequate evidentiary basis.

A recovery strategy should place each forum according to its jurisdiction and legal purpose. PT PBT may use the KPPU mechanism to obtain an assessment of Sany's alleged violations of Law No. 5 of 1999. Subsequently, a KPPU decision finding a violation may be used by PT PBT as part of its argumentation in arbitration to strengthen the basis of its claim concerning Sany's conduct. The recovery of losses may then be pursued through arbitration in accordance with the clause agreed in the Dealer Agreement. The arbitral forum may be used to examine Sany's performance of its contractual obligations and claims for losses that PT PBT can prove. Accordingly, the sequential use of the KPPU and arbitration places competition law enforcement and the recovery of PT PBT's losses within the appropriate mechanisms without disregarding the binding force of the arbitration clause.

The existence of an arbitration clause in the Dealer Agreement does not automatically prevent PT PBT from reporting alleged violations of Law No. 5 of 1999 to the KPPU because the right to report derives from legislation and differs from the contractual dispute-resolution process between the parties. Article 38 of Law No. 5 of 1999 provides a basis for a party who knows of or has been harmed by an alleged violation to report it to the KPPU. Meanwhile, Article 3, Article 5, and Article 11 of Law No. 30 of 1999 limit the consequences of an arbitration agreement to disputes or rights falling within the scope of the parties' legal relationship. Therefore, reporting a matter to the KPPU cannot be equated with filing a contractual claim before a District Court and does not constitute a violation of the arbitration clause. If the KPPU examination subsequently results in a decision finding that Sany committed a violation, that decision may be used by PT PBT as part of its argumentation and evidentiary basis in arbitration to strengthen its claim for recovery. Bringing the claim through arbitration nevertheless places the contractual dispute before the forum agreed by the parties and provides PT PBT with an opportunity to prove its actual losses and seek recovery for losses that can be established. If an arbitral award is not voluntarily complied with, the District Court becomes relevant only at the enforcement stage in accordance with the applicable execution mechanism.

## CONCLUSIONS AND RECOMMENDATIONS

### Conclusion

Sany Group's practice of downstream vertical integration through changes to its distribution structure and the implementation of a non-exclusive selling agreement had implications for market control and the competitiveness of PT PBT as a downstream partner. The termination of supplies and Sany's entry into the distribution level through its subsidiary entities narrowed PT PBT's business space, resulting in a decline in revenue and PT PBT's exclusion from the market. PT PBT's efforts through the KPPU and the courts demonstrate that establishing a competition law violation and recovering losses are distinct legal matters with different forums and mechanisms. The recovery of PT PBT's losses is more appropriately pursued through arbitration in accordance with the clause contained in the Dealer Agreement by using the KPPU decision as part of the argumentative basis and by proving actual losses and the causal relationship supporting the claim. This strategy positions the KPPU as the mechanism for competition law enforcement and arbitration as the mechanism for resolving contractual rights, thereby allowing recovery to be pursued without disregarding the binding force of the parties' agreement.

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