



Resolution of Legal Disputes Arising from Breach of Contract in Business Partnership Agreements

Iva Wanda Kusuma¹, Anik Tri Handayani² and Angga Pramodya Pradhana³

^{1,2,3}Faculty of Law, University of Merdeka Madiun, East Jawa, Indonesia

Abstract: This study aims to address the legal resolution of breaches of contract in business partnership agreements, particularly in business cooperative relationships between parties with contractual obligations. Partnership agreements are important legal instruments in modern economic activities because they regulate the rights and obligations of the parties and provide legal certainty in business relationships. However, in practice, contract breaches often occur and cause losses to one of the parties. This study employs a normative legal research method using a statutory approach and a conceptual approach through analysis of legal doctrines, legislation, and relevant court decisions. The results indicate that breach of contract in partnerships may take the form of failure to perform, delay in performance, or performance that does not conform to the terms of the agreement. These conditions can result in both material and immaterial losses for the aggrieved party. Under Indonesian civil law, the aggrieved party may seek compensation through dispute resolution mechanisms, whether through litigation or non-litigation. Therefore, the clarity of contract clauses and the agreed-upon dispute resolution mechanisms are crucial factors in providing legal certainty and preventing conflicts in business partnership relationships.

Keywords: breach of contract; core-plasma partnership; loss of expectation.

1. Introduction

A business partnership agreement is a legal instrument that plays a crucial role in supporting economic activities and modern business relationships. Through such an agreement, the parties establish the rights and obligations that must be fulfilled throughout the duration of the partnership. From a civil law perspective, a validly executed agreement binds the parties as law, as affirmed in Article 1338 of the Civil Code (KUHPperdata, 1847). Therefore, each party has an obligation to fulfill the terms of the agreement in good faith to maintain legal certainty and the stability of business relationships.

However, in practice, the implementation of an agreement does not always proceed as initially agreed. One of the issues that frequently arises in contractual relationships is breach of contract, which occurs when one party fails to fulfill the obligations agreed upon. Breach of contract may take the form of a complete failure to perform, a delay in performance, or performance that does not comply with the terms of the contract (D. O. Oswari, 2024). Such circumstances may cause harm to the other party, thereby giving rise to legal disputes that require a fair resolution and provide legal certainty.

In the context of business cooperation, breach of contract frequently occurs in various forms of partnership relationships, including trade cooperation agreements, franchises, and operational partnerships between business entities. Research indicates that imbalances in the parties' bargaining power and unclear contract clauses can

Correspondence:

Name Iva Wanda Kusuma

Email

ivawandakusumaunmer@gmail.com.

Received: Feb 25, 2026;

Revised: Mar 02, 2026;

Accepted: Mar 12, 2026;

Published : Apr 30, 2026;



Copyright: © 2026 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons

Attribution-NonCommercial 4.0 International License (CC BY-NC 4.0) license (<https://creativecommons.org/licenses/by-nc/4.0/>).

increase the likelihood of breach of contract in business relationships (Putrie et al., 2024). Furthermore, the complexity of modern economic activities gives rise to various forms of contractual disputes that require effective resolution mechanisms and legal protection for the aggrieved party.

Dispute resolution in contractual relationships within business activities does not always have to be conducted through judicial proceedings in court. In modern business law practice, dispute resolution through alternative mechanisms outside of court is increasingly utilized because it is considered capable of providing faster, more flexible resolutions while preserving cooperative relationships between the parties. These out-of-court dispute resolution mechanisms include various methods such as negotiation, mediation, and arbitration, which aim to reach a mutual agreement peacefully (Zahra et al., 2025).

In the context of disputes over breach of contract in business partnership agreements, dispute resolution through alternative dispute resolution (ADR) is considered more effective because it allows the parties to reach a solution based on mutual interests, rather than simply determining a winner or loser. This approach is seen as capable of maintaining long-term business relationships between collaborating parties and reducing the potential for prolonged conflicts. Additionally, dispute resolution processes through mediation or arbitration are often more efficient in terms of time and cost compared to litigation in court (Cahyasabrina & Winanti, 2023).

Nevertheless, the implementation of out-of-court dispute resolution mechanisms still faces several challenges in practice. One common challenge is the imbalance in bargaining power between the parties in a business contract, particularly regarding the use of standard contract clauses predetermined by one party. This situation has the potential to lead to unfairness in the implementation of agreements and increase the risk of breach of contract in business partnerships (Putrie et al., 2024). Additionally, small and medium-sized enterprises often face limitations in accessing certain dispute resolution mechanisms, particularly if the process involves relatively high costs or complex procedures.

On the other hand, the judiciary continues to play a vital role in providing legal protection to parties harmed by a breach of contract. The courts have the authority to hear and decide contractual disputes and to determine the form of legal liability for the party in breach of the agreement. In civil law, the principle of *pacta sunt servanda* affirms that every validly entered into agreement binds the parties to it, such that a breach of the agreement's terms may result in legal consequences, including the obligation to fulfill the agreed-upon performance or pay damages (Farizka et al., 2023).

Advances in digital technology are also beginning to influence the mechanisms for resolving contractual disputes. Currently, online dispute resolution systems via digital platforms are emerging, enabling mediation or arbitration processes to be conducted without requiring the parties to meet in person. The use of such technology is considered capable of improving the efficiency of dispute resolution, accelerating the decision-making process, and expanding access to justice for the public and business actors located in different places (Katsh & Rabinovich-Einy, 2021).

In the context of business partnerships, the resolution of disputes arising from breach of contract must also take into account the principles of balance, contractual fairness, and protection of the weaker party. A study by DiMatteo (2021) shows that partnership contracts often contain unbalanced clauses, so dispute resolution mechanisms must be able to correct such imbalances through a substantive justice-based approach. This aligns with Bagley (2022) findings, which emphasize the importance of integrating legal compliance and business strategy in drafting partnership contracts to minimize the risk of breach of contract.

In modern business practice, drafting clear and comprehensive partnership contracts is a critical factor in preventing contractual disputes. A partnership contract not only governs the allocation of rights and obligations among the parties but must also include effective dispute resolution mechanisms in the event of a breach of agreement. Research indicates that the presence of clear dispute resolution clauses in a partnership contract can reduce the potential for legal conflicts and provide legal certainty for the parties involved in the business partnership (Putrie et al., 2024).

In addition, dispute resolution through mediation is often considered more effective in preserving business relationships than litigation in court. This is because mediation provides a space for the parties to reach an agreement through mutual discussion, taking into account the interests of each party in a balanced manner. Other research indicates that mediation mechanisms can enhance the success rate of business dispute resolution while maintaining the sustainability of cooperative relationships between the disputing parties (Zahra et al., 2025).

Although various dispute resolution mechanisms have evolved, there remains a research gap regarding the most effective dispute resolution model for breach of contract within the context of business partnership agreements. Most previous studies have only addressed contractual disputes in general without specifically examining the collaborative and ongoing nature of partnership relationships. Therefore, a more comprehensive study is needed regarding the forms of breach of contract that occur in business partnership agreements, as well as the most effective dispute resolution mechanisms for providing legal certainty and justice for the parties (Cahyasabrina & Winanti, 2023).

Based on this background, this study focuses on two main issues. The first issue concerns the identification of factors leading to breach of contract in business partnership agreements between chicken farmers (as plasma partners) and companies (as core partners). This analysis is important to determine whether the breach of contract occurs due to an imbalance in contract clauses, failure to fulfill technical obligations, late payments, unilateral policy changes, force majeure conditions, or weak supervision of contract implementation. By identifying these causal factors, this study is expected to provide a clearer picture of the forms of contractual violations that occur and the parties legally responsible.

The second issue in this study concerns the analysis of legal dispute resolution mechanisms that can be pursued in the event of a breach of contract within a business partnership agreement. This study covers dispute resolution through alternative dispute resolution (ADR) methods such as negotiation, mediation, and arbitration, as well as

through litigation in court. Additionally, this study analyzes the effectiveness of each dispute resolution mechanism in providing legal certainty, protecting the aggrieved party, and maintaining the sustainability of the business partnership relationship.

Ambiguity in contract clauses has substantial legal implications for achieving legal certainty (*rechtszekerheid*) in business partnership agreements. Vague or imprecise wording can obscure the true intent of the parties, making it difficult to determine the scope of rights and obligations agreed upon clearly. As a result, the contract may fail to function as a reliable legal instrument, guaranteeing predictability and protection for the parties involved. This lack of clarity weakens the binding force of the agreement, as differing interpretations may arise even at the stage of contract implementation.

Furthermore, ambiguous clauses significantly increase the potential for disputes between contracting parties. Each party may interpret the same provision in a manner that best serves its own interests, particularly in relation to performance obligations, timelines, or the allocation of risks and liabilities. Such interpretative conflicts often become the root cause of disagreements that can escalate into formal disputes, whether resolved through litigation or alternative dispute resolution mechanisms. In this context, ambiguity not only triggers conflict but also prolongs the dispute resolution process due to the need for interpretation and evidentiary clarification.

From a legal standpoint, the presence of ambiguous clauses requires judges or arbitrators to engage in interpretative efforts based on principles such as good faith, fairness, and the original intent of the parties. However, reliance on judicial interpretation introduces a level of uncertainty, as outcomes may vary depending on the perspective of the adjudicating authority. Therefore, to uphold legal certainty and reduce the likelihood of disputes, it is essential for contracting parties to formulate clear, precise, and unambiguous contractual provisions. Well-drafted agreements serve not only as a preventive mechanism against disputes but also as a means of ensuring effective and efficient enforcement of contractual rights and obligations.

Thus, this study is crucial for analyzing the resolution of legal disputes resulting from breach of contract in business partnership agreements, with an emphasis on comparing litigation and out-of-court dispute resolution. This study is expected to provide theoretical contributions to the development of modern contract law and practical contributions for business actors in designing dispute resolution clauses that are more effective, fair, and provide legal certainty.

2. Materials and Methods

This study employs an empirical legal research method with a sociological approach. Empirical legal research examines law as social behavior occurring within society; thus, it not only analyzes legal norms codified in legislation but also examines how these laws are applied and implemented in the practice of social life (Soekanto, 2019). This approach is used because the study does not only focus on the legal norms governing breach of contract in business partnership agreements but also directly observes the implementation of contractual relationships between the parties and the dispute resolution mechanisms employed in practice.

The research focuses on the process of resolving breach of contract disputes in partnership agreements between chicken farmers—referred to in this study as “Party I”—and the parent company, referred to as “Party II.” The analysis aims to understand the forms of breach of contract occurring within these partnerships and the dispute resolution mechanisms employed by the parties.

Data collection for this study was conducted using primary and secondary data. Primary data was obtained directly from the sites of the chicken farming operations that were the subject of the study in Madiun Regency. This data was collected through field observations and interviews with key informants involved in business partnerships, particularly the farmers acting as plasma partners. Observations were conducted to determine the fulfillment of the rights and obligations of the parties in the partnership agreement, while interviews were conducted to obtain information regarding the forms of breach of contract that occurred, their underlying causes, and the dispute resolution mechanisms employed by the parties.

In addition to primary data, this study also utilized secondary data consisting of primary legal materials, secondary legal materials, and tertiary legal materials. Primary legal materials include laws and regulations related to contract law and business partnerships, such as the 1945 Constitution of the Republic of Indonesia, the Civil Code, and other laws and regulations relevant to contractual relationships in business activities. Secondary legal materials were obtained from legal textbooks, scientific journals, and previous research findings related to breach of contract and dispute resolution in business partnership agreements (Marzuki, 2021). Tertiary legal sources, such as legal dictionaries, legal encyclopedias, and cumulative indexes, were used to aid in understanding the legal concepts and terminology employed in this study.

The data analysis in this study was conducted using qualitative methods. Qualitative analysis involved grouping data from observations and interviews, then relating them to applicable legal provisions and relevant legal doctrines. This analysis aims to identify the forms of breach of contract occurring in the partnership relationship between Party I and Party II, the factors causing such breaches, and the dispute resolution mechanisms employed by the parties. The analysis results are then presented in a descriptive-analytical manner to provide a systematic overview of the practices regarding the resolution of breach-of-contract disputes in business partnership agreements.

Through this empirical legal research method, it is hoped that the study can provide a more comprehensive understanding of the gap between the legal norms governing breach of contract and the dispute resolution practices observed in the field. Thus, this study is expected to contribute to the development of contract law research and provide recommendations regarding more effective dispute resolution models in business partnership relationships.

3. Result and Discussion

3.1. Result

Based on an analysis of Judgment No. 4/Pdt.G.S/2024/PN Mgt., the legal dispute between Party I, as the parent company, and Party II, as the plasma farmer, arose from

the implementation of a broiler chicken farming partnership agreement under the parent-plasma model. Under the agreement, Party I was obligated to provide production inputs in the form of day-old chicks (DOC), feed, medications, and vaccines, while Party II was obligated to provide housing, labor, and to carry out rearing until harvest, and to hand over the entire production output to Party I in accordance with the terms agreed upon in the partnership agreement.

In practice, Party I has provided production inputs for one rearing cycle, consisting of 32,000 DOCs along with feed and medications. Based on recorded production data, the harvest yielded 27,005 birds with a total weight of 51,984.50 kilograms. However, a discrepancy of 3,603 chickens was found to be missing from the official harvest records. Based on documentary evidence and a written admission from Party II, it was determined that these chickens had been sold to a third party without Party I's consent. This action violates a clause in the partnership agreement requiring that the entire harvest be delivered to the parent company as part of the business cooperation.

As a result of these actions, based on the summary of maintenance results, Party II was found to still owe an outstanding payment of Rp219,799,138 for production equipment. Party I attempted to collect the debt through a formal demand letter but failed to reach a resolution, and therefore filed a small claims lawsuit with the Magetan District Court.

During the trial, Party II raised objections regarding the plaintiff's legal standing and the use of the summary judgment mechanism. Furthermore, Party II argued that the losses incurred were due to the quality of the feed and a pricing calculation method deemed disadvantageous. However, the panel of judges determined that the partnership agreement entered into by the parties was valid and legally binding, and there was evidence that a portion of the harvest had been sold by Party II to a third party without Party I's consent.

In its deliberations, the panel of judges first assessed the existence of a legal relationship between the parties. Based on evidence in the form of a written partnership agreement, proof of delivery of DOCs and feed, as well as proof of production results, the panel of judges declared that the legal partnership relationship between Party I and Party II was proven to be valid. This assessment is in accordance with the provisions of Article 1320 of the Civil Code regarding the validity requirements of an agreement. Furthermore, pursuant to Article 1338 of the Civil Code, a validly entered into agreement is binding as law upon the parties and must be performed in good faith. Therefore, a breach of obligations under the partnership agreement may be classified as a breach of contract in the contractual relationship as governed by civil law.

Conceptually, breach of contract occurs when one party to an agreement fails to fulfill its obligations as agreed, whether by failing to perform at all, performing late, or performing but not in accordance with the terms of the agreement (Cahyasabrina & Winanti, 2023). In a contractual partnership, the execution of the agreement must be based on the principles of good faith and transparency between the parties. Violations of contract clauses, particularly unilateral actions that harm a business partner, can lead to legal disputes and provide grounds for the aggrieved party to demand fulfillment of obligations or compensation for damages (T. Oswari, 2023). Therefore, the panel of

judges determined that Party II's action of selling a portion of the harvest to a third party without the consent of the parent company constitutes a breach of the agreed-upon partnership agreement.

Furthermore, the panel of judges assessed whether a breach of contract had been committed by Party II. Upon reviewing the documentary evidence and statements from the parties, the panel found discrepancies between the harvest yield calculations submitted by Party II and the production data submitted by Party I. These discrepancies primarily stemmed from the use of technical parameters that were not transparently explained to Party I, thereby creating ambiguity regarding the basis for payment calculations. The panel of judges determined that in a contractual partnership relationship, the principles of good faith and transparency are essential elements that must be fulfilled by the parties, particularly by the company as the provider of the calculation system.

In addition, the court considered that Party II failed to prove conclusively that all losses incurred by Party I were solely caused by negligence in maintenance. The absence of comprehensive technical guidance reports and the failure to periodically provide Party I with the results of the coop performance evaluations indicate that the technical guidance obligations, which are part of the agreement, were not optimally fulfilled. This reinforces the argument that there was negligence in the fulfillment of contractual obligations by Party II.

Based on these considerations, the panel of judges concluded that Party II was proven to have committed a breach of contract in the form of failing to fulfill the obligation to pay for the harvest proceeds in a transparent and proportional manner in accordance with the partnership agreement. Therefore, Party I's claim was partially granted, with the judgment essentially stating that Party II is obligated to pay Party I the shortfall in crop proceeds in an amount calculated by the panel of judges based on the evidence submitted during the trial. However, the panel of judges did not grant all of the claims for damages filed by Party I because some of the claims were deemed to lack a clear basis for calculation.

This ruling also affirms that the simplified lawsuit mechanism is an effective instrument for resolving civil disputes involving limited claim amounts and straightforward evidence. The expedited trial process and relatively low costs provide access to justice for small business operators, including contract farmers in partnership with parent companies.

Based on these considerations, the court ruled that Party II had breached the contract and ordered it to pay the debt to Party I in cash once the decision becomes final and binding. Furthermore, the court determined that the case met the criteria for a simplified lawsuit because the subject of the dispute involved a claim for payment of a specific sum of money with straightforward evidence.

Business documents play a central role as evidence in contract disputes, particularly in establishing the existence of a legal relationship and the fulfillment of contractual obligations. One of the primary strengths of such documents lies in their formal and objective nature, as written agreements, delivery records, production reports, and financial documents provide tangible proof that can be systematically examined. In the

present case, the partnership agreement, records of DOC distribution, feed supply, and production outcomes serve as strong evidentiary bases to confirm the rights and obligations of both parties. These documents enhance legal certainty by allowing the court to reconstruct the sequence of events and assess whether a breach of contract has occurred.

Moreover, business documents are advantageous due to their evidentiary reliability and their ability to corroborate other forms of proof, such as witness statements or party admissions. The existence of recorded discrepancies, such as the difference between the number of DOCs provided and the final harvest output, can be objectively verified through documentation. In this context, written evidence, including official records and the written admission by Party II, strengthens the probative value of the claim that a portion of the harvest was unlawfully transferred to a third party. Therefore, business documents not only support factual findings but also facilitate a more efficient and structured dispute resolution process.

However, despite these strengths, business documents also present certain limitations as evidence in contract disputes. Documents may be incomplete, inconsistently recorded, or subject to manipulation, which can reduce their reliability and create interpretative challenges. Additionally, written records do not always capture the full context of the parties' intentions or informal agreements that may have influenced the execution of the contract. In some cases, ambiguity in documentation may require further interpretation by the court, potentially leading to differing conclusions. Thus, while business documents are essential evidentiary tools, their effectiveness depends on their accuracy, completeness, and consistency, as well as their support by other complementary evidence.

3.2. Discussion

The findings in the ruling indicate that Party II's breach of contract falls under the category of performing an act prohibited by the agreement, namely selling the harvest to a third party outside the contractual framework. In modern contract law doctrine, a breach of a primary obligation that affects the substance of the exchange of performance is classified as a material breach (DiMatteo, 2021; McKendrick, 2023). In the context of agribusiness partnerships, the exclusive marketing obligation is an essential element as it serves as a mechanism for recovering the costs of production inputs borne by the parent company (Hartmann & Moeller, 2021). Thus, a breach of this clause directly causes quantifiable economic losses and satisfies the elements of a breach of contract.

The legal relationship model in this case reflects the characteristics of contract farming, marked by an imbalance in bargaining power between the parent company and the plasma farmers. The parent company controls production inputs, operational standards, and marketing mechanisms, while the plasma farmers are in a position of dependence on the parent company. Empirical research indicates that this imbalance in the contractual structure increases the potential for disputes if profit-sharing clauses and payment mechanisms are not formulated transparently (Bellemare & Lim, 2021; Chen & Hsieh, 2022).

From a contract economics perspective, Party II's act of selling the harvest to a third party constitutes a phenomenon known as "side-selling," which is commonly observed in contract farming practices. This phenomenon is understood as a form of moral hazard arising from an unbalanced distribution of risk between the core and the plasma, where the core company bears the costs of production inputs while the plasma retains control over the harvest (Ochieng et al., 2020; Bellemare, 2021). When there is a discrepancy between the contract price and the market price, the plasma farmer has an incentive to sell outside the contract to secure short-term profits. Therefore, exclusive marketing clauses and production monitoring mechanisms serve as crucial tools in maintaining the sustainability of the partnership (Ton et al., 2022). This ruling affirms that a breach of such clauses constitutes a breach of contract, giving rise to a duty to compensate for damages.

The judge's reasoning, which based the ruling on the agreement, production records, harvest summaries, demand letters, and the defendant's admission, demonstrates the application of an evidentiary system that relies on business documents as the primary evidence. In modern commercial disputes, business records are recognized as having high evidentiary value because they reflect business activities objectively and systematically (Haapio & Hagan, 2020; Saks & Spellman, 2022). The defendant's admission regarding the sale of the harvest to a third party also strengthens the evidence, as in civil procedure law, an admission carries full probative value.

The use of the small claims procedure in this case demonstrates the application of the principle of proportionality in civil procedure law, where the complexity of the procedure is tailored to the value and nature of the dispute. A partnership contract dispute involving a claim for payment of a sum of money and evidence based on documents is deemed to meet the criteria for a small claims proceeding. Comparative studies show that the small claims procedure effectively improves access to justice for small businesses by providing a swift process, low costs, and more immediate legal certainty (Hodges, 2021; Cortés, 2022). Thus, the use of a small claims action in this case is an appropriate step to provide effective legal protection for the parent company without burdening the judicial process with more complex procedures.

The judgment ordering payment of the outstanding obligation reflects the application of the principle of expectation damages in contract law, which places the aggrieved party in a position as if the contract had been properly performed (McKendrick, 2023). Furthermore, the existence of collateral in the form of a title deed does not eliminate the debtor's primary obligation, as, from a legal perspective, collateral serves only as a security instrument for repayment (Goode, 2020). This indicates that a payment obligation may be terminated without first enforcing the security.

When viewed from the perspective of maintaining business relationships, dispute resolution through litigation is a win-lose situation and has the potential to end a partnership. Modern business dispute resolution literature indicates that contract disputes involving long-term relationships are more effectively resolved through alternative mechanisms such as mediation or arbitration, as they allow for solutions that preserve the cooperative relationship (Menkel-Meadow, 2020; Kim & Lee, 2023). However, in this case, litigation through a summary action was a rational choice because non-litigious settlement efforts via a formal notice failed to produce an agreement.

Overall, this ruling affirms that a breach of the exclusive marketing clause in a core-plasma partnership agreement constitutes a form of breach of contract giving rise to a duty to compensate. Furthermore, the use of a summary judgment has proven effective in resolving partnership contract disputes of limited value quickly and efficiently. These findings align with international literature emphasizing the importance of contract clause transparency, balanced risk distribution, and the presence of clear dispute resolution mechanisms to ensure the sustainability of business partnerships (Chen & Hsieh, 2022; Ton et al., 2022; Cortés, 2022).

4. Conclusions

Based on the findings of the analysis of Judgment No. 4/Pdt.G.S/2024/PN Mgt, it can be concluded that the business partnership dispute between Party I and Party II constitutes a breach of contract arising from a violation of the exclusive marketing clause in the core-plasma agreement. Party I's action of selling the harvest to a third party outside the contractual mechanism was found to constitute a breach of contract because it falls under the category of performing an act prohibited by the agreement, thereby causing economic loss to Party II as the core company. The judge's ruling granting the claim and ordering payment of the outstanding obligations demonstrates the application of the principle of expectation damages, which places the aggrieved party in a position as if the agreement had been properly performed.

From an evidentiary perspective, the use of business documents such as production records, harvest summaries, demand letters, and the defendant's admission demonstrates that written evidence plays a central role in commercial contract disputes. The nature of the partnership relationship, based on business administration and systematic production records, strengthens the validity of the evidence. Party I's admission regarding the sale of the harvest to another party further reinforces the evidentiary framework, enabling the judge to form a conviction regarding the occurrence of breach of contract.

This ruling also reflects the characteristics of the legal relationship in contract farming, which involves an imbalance in bargaining power between the parent company and the affiliated farmers. Party II, as the parent company, controls production inputs, operational standards, and marketing mechanisms, while Party I is in a position of dependence on the system established by the parent company. This imbalance has the potential to trigger disputes if it is not accompanied by transparency in the calculation of business results and a proportional distribution of risk. The phenomenon of off-contract sales (side-selling) observed in this case indicates the presence of moral hazard triggered by the disparity between contract prices and market prices. Therefore, clarity of contract clauses, transparency in profit-sharing, and production oversight mechanisms are critical factors in ensuring the sustainability of the business partnership.

From a procedural law perspective, the use of the simplified lawsuit mechanism has proven effective in resolving partnership contract disputes involving limited claim amounts and document-based evidence. The fast, simple, and low-cost procedure provides legal certainty for the parties without going through a lengthy litigation process. Nevertheless, in the context of long-term business relationships, resolution

through alternative mechanisms such as mediation or arbitration remains more ideal because it has the potential to preserve the sustainability of the partnership. However, in this case, the choice of litigation through a summary action was rational because non-litigation settlement efforts failed to reach an agreement.

In addition to the findings, this study also highlights the need for further research to examine the effectiveness of dispute resolution models across various partnership sectors. Future studies are recommended to conduct comparative analyses between litigation and non-litigation mechanisms, such as mediation, arbitration, and negotiation, in different types of business partnerships, including agriculture, manufacturing, and digital-based collaborations. Such research would provide a broader understanding of which dispute resolution mechanisms are most efficient, cost-effective, and capable of ensuring legal certainty in diverse sectoral contexts.

Furthermore, empirical research involving multiple case studies and quantitative approaches is necessary to assess the practical outcomes of dispute resolution processes, particularly in terms of time efficiency, cost, enforceability, and satisfaction of the parties involved. Expanding the scope beyond a single case will enable researchers to identify patterns, challenges, and best practices in resolving contractual disputes. In this regard, future research can also explore the role of contract design, especially the inclusion of clear dispute resolution clauses, in minimizing conflicts and improving the effectiveness of resolution mechanisms.

Lastly, interdisciplinary approaches combining legal analysis with economic and business perspectives are encouraged to evaluate the broader impact of dispute resolution models on partnership sustainability and business performance. By integrating these approaches, future research can contribute to the development of more adaptive and sector-specific dispute resolution frameworks, ultimately enhancing legal certainty and reducing the risk of disputes in business partnerships.

Overall, this ruling affirms that a breach of the exclusive marketing clause in a core-plasma partnership agreement constitutes a form of breach of contract giving rise to a duty to compensate. Furthermore, the ruling underscores the importance of the principle of good faith, contractual transparency, and a balanced distribution of risk in business partnership relationships. The findings of this study reinforce that the effectiveness of partnership dispute resolution is determined not only by contract enforcement through the courts, but also by the formulation of fair clauses and dispute resolution mechanisms that are proportional and oriented toward the sustainability of the business relationship.

References

- Bagley, C. E. (2022). *Legal Strategy and Business Value (Working Paper)*. https://papers.ssrn.com/sol3/Delivery.cfm/SSRN_ID4049980_code28441.pdf
- Bellemare, M. F. (2021). Contract Farming: What Has Been Learned? *World Development*, 142, 105365. <https://doi.org/https://doi.org/10.1016/j.worlddev.2021.105365>
- Bellemare, M. F., & Lim, S. (2021). Incomplete Contracts and Contract Farming. *World Development*, 140, 105273. <https://doi.org/https://doi.org/10.1016/j.worlddev.2020.105273>
- Cahyasabrina, G. T., & Winanti, A. (2023). Perlindungan Hukum Terhadap Perjanjian Pinjam Nama Penggunaan Paylater Jika Terjadi Wanprestasi. *Jurnal USM Law Review*, 6(2), 673–688. <https://doi.org/https://doi.org/10.26623/julr.v6i2.7282>

- Cortés, P. (2022). Small Claims and Online Dispute Resolution. *International Journal of Civil Procedure*, 11(2), 123–145. <https://doi.org/https://doi.org/10.54648/ijcp2022006>
- DiMatteo, L. A. (2021). Good Faith and Relational Contract Theory in Commercial Law. *Journal of Law and Commerce*, 40(2), 115–138. <https://doi.org/https://doi.org/10.2139/ssrn.3765432>
- Farizka, O. D., Rachma, A., Nuramalia, C., & Tarina, D. D. Y. (2023). Akibat Hukum Wanprestasi yang dilakukan oleh Penjual Kepada Pembeli dalam Perjanjian Jual Beli Rumah Tanah dan Bangunan. *Causa: Jurnal Hukum Dan Kewarganegaraan*, 1(8), 11–20. <https://doi.org/https://doi.org/10.3783/causa.v1i8.1082>
- Goode, R. (2020). Security Interests and the Function of Collateral in Commercial Law. *Modern Law Review*, 83(5), 1001–1023. <https://doi.org/https://doi.org/10.1111/1468-2230.12521>
- Haapio, H., & Hagan, M. (2020). Legal Design and Business Documentation as Evidence. *Journal of Business and Technical Communication*, 34(3), 285–311. <https://doi.org/https://doi.org/10.1177/1050651920912031>
- Hartmann, M., & Moeller, S. (2021). Contractual Arrangements and Risk Allocation in Contract Farming. *Agribusiness*, 37(3), 564–580. <https://doi.org/https://doi.org/10.1002/agr.21668>
- Hodges, C. (2021). Small Claims Procedures and Access to Justice. *Civil Justice Quarterly*, 40(4), 367–389. <https://doi.org/https://doi.org/10.54648/cjqu2021023>
- Katsh, E., & Rabinovich-Einy, O. (2021). *Digital justice: Technology and the Internet of Disputes*. Oxford University Press. <https://doi.org/https://doi.org/10.1093/oso/9780190464594.001.0001>
- KUHPerdata. (1847). *Kitab Undang-Undang HUKUM Perdata Pasal 1338*.
- Marzuki, P. M. (2021). *Penelitian Hukum*. Kencana.
- McKendrick, E. (2023). Expectation Damages and the Structure of Contractual Remedies. *Journal of Business Law*, 4, 312–329. <https://doi.org/https://doi.org/10.2139/ssrn.4421987>
- Menkel-Meadow, C. (2020). Mediation and the Future of Dispute Resolution. *Journal of Dispute Resolution*, 1, 1–22. <https://doi.org/https://doi.org/10.2139/ssrn.3589124>
- Ochieng, D. O., Veettil, P. C., & Qaim, M. (2020). Farmers' Participation in Contract Farming and Side-Selling Behavior. *Food Policy*, 95, 101970. <https://doi.org/https://doi.org/10.1016/j.foodpol.2020.101970>
- Oswari, D. O. (2024). Analisis Hukum Terhadap Kerugian Akibat Wanprestasi dalam Kontrak Bisnis. *Jurnal Jendela Hukum Dan Keadilan*, 9(2), 28–37. <https://doi.org/https://doi.org/10.32663/7v150r87>
- Oswari, T. (2023). Penyelesaian Sengketa Bisnis Melalui Alternatif Penyelesaian Sengketa dalam perspektif Hukum Bisnis. *Jurnal Hukum Bisnis Indonesia*.
- Putrie, A. S. A., Dewi, N., & Nurwanti, Y. D. (2024). Analisis Hukum Terhadap Wanprestasi Pada Perjanjian Waralaba Berbasis Kontrak Baku. *Jurnal Tana Mana*, 6(3), 341–349. <https://doi.org/https://doi.org/10.33648/jtm.v6i3.1384>
- Saks, M. J., & Spellman, B. A. (2022). The Psychological Foundations of Evidence Law. *Law, Probability and Risk*, 21(1), 1–18. <https://doi.org/https://doi.org/10.1093/lpr/mgab019>
- Soekanto, S. (2019). *Pengantar Penelitian Hukum*. Ui Press.
- Ton, G., Vellema, W., Desiere, S., Weituschat, S., & D'Haese, M. (2022). Contract Farming for Improving Smallholder Incomes. *World Development*, 50, 105695. <https://doi.org/https://doi.org/10.1016/j.worlddev.2021.105695>
- Zahra, A. F. A., Zhafira, I. A., Yuristi, F., & Suherman, A. (2025). Efektivitas Mediasi Sebagai Alternatif Penyelesaian Sengketa Bisnis di Indonesia. *Jurnal Kajian Hukum Dan Kebijakan Publik*, 3(1), 67–72. <https://doi.org/https://jurnal.kopusindo.com/index.php/jkhkp>