



Resurrecting Abandoned Marks: A Comparative Analysis of Zombie Trademark Regulation and Goodwill Protection in Indonesia and the United States

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Abstract

Zombie trademarks, namely dormant trademarks revived by parties unrelated to the original owner, raise legal concerns regarding residual goodwill, consumer confusion, and the re-registration of abandoned marks. This study examines Indonesia's trademark regime in addressing zombie trademark practices through a comparative analysis with the United States trademark law under the Lanham Act. Using a normative juridical method with statutory, conceptual, and comparative approaches, this study finds that Indonesia's first-to-file system creates vulnerabilities that allow third parties to re-register dormant trademarks despite the continued existence of goodwill and consumer associations. These weaknesses are reinforced by the absence of explicit regulations on abandonment, goodwill protection, dilution, and preventive examination mechanisms. In contrast, the United States adopts a more substantive approach through the doctrines of abandonment, goodwill, likelihood of confusion, and dilution. This study recommends strengthening Indonesia's trademark framework through the incorporation of abandonment standards, recognition of goodwill, broader application of the likelihood of confusion, and ex officio authority for the Directorate General of Intellectual Property to reject bad-faith trademark applications.

Keywords: *Zombie Trademarks, Trademark Law, First-to-File, First-to-Use, Goodwill*

Abstrak

Zombie trademarks, yaitu merek dorman yang dihidupkan kembali oleh pihak yang tidak memiliki hubungan dengan pemilik sebelumnya, menimbulkan permasalahan hukum terkait goodwill, kebingungan konsumen, dan pendaftaran kembali merek yang telah ditinggalkan. Penelitian ini bertujuan menganalisis kemampuan rezim hukum merek Indonesia dalam menghadapi praktik zombie trademarks melalui perbandingan dengan hukum merek Amerika Serikat berdasarkan Lanham Act. Penelitian menggunakan metode yuridis normatif dengan pendekatan perundang-undangan, konseptual, dan perbandingan. Hasil penelitian menunjukkan bahwa sistem first-to-file di Indonesia menciptakan kerentanan yang memungkinkan pihak ketiga

mendaftarkan kembali merek dormant meskipun goodwill dan asosiasi konsumen terhadap merek tersebut masih ada. Kerentanan ini diperkuat oleh tidak adanya pengaturan eksplisit mengenai abandonment, perlindungan goodwill, dilution, dan mekanisme pemeriksaan preventif. Sebaliknya, Amerika Serikat menerapkan pendekatan yang lebih substantif melalui doktrin abandonment, goodwill, likelihood of confusion, dan dilution. Oleh karena itu, diperlukan penguatan rezim hukum merek Indonesia melalui pengaturan abandonment, pengakuan goodwill, perluasan penerapan likelihood of confusion, serta kewenangan *ex officio* bagi DJKI untuk menolak permohonan merek yang diajukan dengan itikad tidak baik.

Kata kunci: *Zombie Trademarks*, Hukum Merek, *First-to-File*, *First-to-Use*, *Goodwill*

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Introduction

The global trademark system faces an increasingly complex challenge: the rise of "zombie trademarks," dormant or abandoned marks that are reappropriated by unrelated third parties to exploit accumulated residual goodwill.¹ As commercial markets expand and brand portfolios accumulate, trademark owners frequently abandon marks through non-renewal or strategic rebranding, creating legal voids for protection.² Despite such abandonment, these marks often retain substantial consumer recognition and economic value—creating what scholars term "residual goodwill."³ This phenomenon has become particularly acute in digital markets, where brand proliferation and rapid commercial repositioning occur at an unprecedented speed. The legal and economic significance of zombie trademarks extends beyond mere registration disputes; it implies fundamental questions about the nature of trademark protection, the scope of intellectual property

¹ Linford, J. "Valuing Residual Goodwill after Trademark Forfeiture." *Notre Dame Law Review* 93 (2018): 811.

² Adarsh, Shivam, Elliot Ash, Stefan Bechtold, Barton Beebe, and Jeanne Fromer. "Automating Abercrombie: Machine-learning trademark distinctiveness." *Journal of Empirical Legal Studies* (2024): 826-860 <https://doi.org/10.1111/jels.12398>.

³ Mahlangu, Nomthandazo. "Residual Goodwill – A Case of Discontinued Marks: Beiersdorf AG v Koni Multinational Brands (Pty) Ltd." 32 (2020): 360-388. <https://doi.org/10.47348/samlj/v32/i3a3>.

rights, and the balance between providing legal certainty and protecting accumulated commercial reputation.⁴ As the phenomenon increasingly transcends national boundaries, it has emerged as a broader challenge within the international trademark system, raising concerns regarding trademark abandonment, residual goodwill, consumer protection, and the consistency of legal responses across jurisdictions.

The legal treatment of zombie trademarks diverges significantly between jurisdictions that condition trademark rights on registration and those that anchor the rights to commercial use. In Indonesia, trademark protection is constitutively grounded in registration. Article 3 of Law No. 20 of 2016 on Trademarks and Geographical Indications (the "Trademark and GI Law") expressly states that trademark rights are acquired through registration in the General Register of Trademarks.⁵ Protection is granted for ten years from the date of filing and is renewable for successive ten-year periods upon timely application.⁶ A mark that is not renewed automatically loses legal protection and becomes available for reregistration by any party, including those acting in bad faith under Article 21(3) of the same law.⁷ The first-to-file system thus privileges administrative certainty over prior use, creating structural opportunities for opportunistic parties to register dormant yet recognizable marks, effectively permitting the appropriation of goodwill cultivated by the original owners.⁸

The United States adopts a markedly different framework: under the Lanham Act, trademark rights are grounded in use in commerce rather than registration, and a mark is presumed to be abandoned only upon proof of three consecutive years of nonuse

⁴ Handler, M., and Robert Burrell. "Zombie marks invade New Zealand! How scared should the rest of the world be?." *Oxford University Commonwealth Law Journal* 21 (2021): 275 - 294. <https://doi.org/10.1080/14729342.2021.1991147>.

⁵Indonesia, Undang-Undang Nomor 20 Tahun 2016 tentang Merek dan Indikasi Geografis (Law No. 20 of 2016 on Trademarks and Geographical Indications), Article 3.

⁶Indonesia, Undang-Undang Nomor 20 Tahun 2016 tentang Merek dan Indikasi Geografis, Articles 35 and 36 (protection period of ten years from filing date, renewable for successive ten-year periods).

⁷Indonesia, Undang-Undang Nomor 20 Tahun 2016 tentang Merek dan Indikasi Geografis, Article 21(3). The elucidation (penjelasan) of the law defines "bad faith" as the act of registering a mark with the intent to imitate, duplicate, or reproduce another party's mark to gain unfair commercial advantage, thereby creating unfair competition or misleading consumers.

⁸Muh. Ali Masnun et al., "Reconstructing Indonesia's Trademark Registration System through the Lens of General Principles of Good Governance to Realize Substantive Justice," *Journal of Law and Legal Reform* 5, no. 3 (2024): 891–912.

combined with intent not to resume.⁹ This use-based system has generated a body of jurisprudence, most notably in *Volkswagenwerk Aktiengesellschaft v. Wheeler* recognizes that residual goodwill persisting in the consumer mind may rebut the presumption of abandonment and limit the rights of subsequent appropriators.¹⁰ The comparative divergence between these two systems exposes a critical normative gap: whereas U.S. law has evolved doctrinal mechanisms to protect residual goodwill even in cases of dormancy, Indonesian law provides no equivalent safeguard, rendering abandoned marks vulnerable to exploitation, regardless of the extent of residual consumer recognition. This gap provides the central comparative inquiry for the present study.¹¹

Existing scholarship has approached abandoned trademarks primarily through broader doctrines of trademark forfeiture, non-use, and residual goodwill. Linford argues that trademark forfeiture mechanisms often fail to account for residual consumer goodwill, allowing new market entrants to appropriate marks that consumers still associate with their original owners, thereby increasing the risk of confusion and market distortion.¹² Similarly, Bone highlights the conceptual difficulties surrounding abandonment by non-use, noting that courts have struggled to develop a coherent framework for trademarks that are formally abandoned yet continue to retain substantial goodwill in the minds of consumers.¹³ More recently, Handler and Burrell have examined the emergence of “zombie marks” in Commonwealth jurisdictions, demonstrating how revoked or expired trademarks may continue to exert legal effects and raising concerns about the expansion of residual trademark protection beyond traditional registration boundaries.¹⁴

⁹Lanham Act, 15 U.S.C. § 1127 (Section 45). Under the statute, trademark rights are acquired through use in commerce rather than mere registration. A mark is presumed abandoned upon proof of three consecutive years of nonuse coupled with intent not to resume use.

¹⁰*Volkswagenwerk Aktiengesellschaft v. Wheeler*, 814 F.2d 812 (1st Cir. 1987). The court held that the mark “Beetle” retained secondary meaning and public association with the original source notwithstanding the discontinuation of formal registrations, recognizing that prolonged non-use does not automatically extinguish residual consumer recognition.

¹¹Mark P. McKenna, “The Normative Foundations of Trademark Law,” *Notre Dame Law Review* 82, no. 5 (2007): 1839–1916.

¹² Linford, *Valuing Residual Goodwill after Trademark Forfeiture*, 812-813

¹³ Bone, R. “Of Trolls, Orphans, and Abandoned Marks: What’s Wrong With Not Using Intellectual Property?.” *Columbia Journal of Law and the Arts* 42 (2019): 1-51. <https://doi.org/10.7916/jla.v42i1.2008>.

¹⁴ Handler and Burrell, “Zombie Marks Invade New Zealand!,” 275

Despite these important contributions, existing literature remains fragmented in several respects. First, most studies analyze residual goodwill, abandonment, and zombie marks within individual legal systems, particularly common-law jurisdictions, rather than examining how different trademark regimes respond to the same phenomenon. Second, while zombie trademarks have been recognized as an emerging challenge, they are generally discussed as a by-product of the abandonment doctrine rather than as a distinct regulatory problem that exposes structural tensions between registration-based and use-based trademark systems. Third, little attention has been devoted to jurisdictions such as Indonesia, where the first-to-file principle may permit the reappropriation of commercially dormant yet socially recognizable marks without any explicit mechanism for protecting residual goodwill.¹⁵ While prior studies have explored residual goodwill, abandonment, and zombie marks separately, the relationship between these concepts has not been examined within the context of first-to-file systems.

Consequently, the implications of zombie trademarks for jurisdictions such as Indonesia remain theoretically and doctrinally underexplored. Accordingly, no study has systematically compared how Indonesia's registration-centered regime and the United States' use-based framework address zombie trademark disputes or assessed whether residual goodwill should continue to receive legal protection after formal trademark rights have lapsed. This article addresses this gap by examining zombie trademarks as an independent legal phenomenon and evaluating the adequacy of Indonesian trademark law through a comparative analysis with the United States.

The phenomenon of zombie trademarks exposes the fundamental tensions within trademark law between legal certainty, goodwill protection, and consumer protection. Registration-based systems are designed to provide clear rules regarding the acquisition and expiration of trademark rights; however, trademarks frequently retain substantial residual goodwill even after formal protection has lapsed. This creates opportunities for unrelated parties to appropriate commercially valuable marks that consumers will continue to associate with their original owners.¹⁶

¹⁵ Samsithawrati, Putu Aras, Nico Dharmawan, Made Aditya Pramana Putra, Dewa Ayu Dian Sawitri, and Tan Jian Hong. "Trademark Registration Incentive Regulation for Small Businesses in Tourism: Human Rights and Protection Systems Comparison." *Jurnal Suara Hukum* (2025): 488-519. <https://doi.org/10.26740/jsh.v7n2.p488-519>.

¹⁶ Linford, *Valuing Residual Goodwill after Trademark Forfeiture*, 833

In Indonesia, this tension is particularly evident under the first-to-file system, where a lapsed trademark may be re-registered, regardless of whether residual consumer recognition persists. Consequently, the law may inadvertently facilitate the exploitation of commercial value created through years of investment, reputation building, and market engagement. While Indonesian trademark law recognizes bad faith registration under Article 21(3) of Law No. 20 of 2016 on Trademarks and Geographical Indications, it provides no explicit mechanism for protecting residual goodwill after trademark rights have expired. To evaluate this problem, this article adopts Locke's Labour Theory as a normative framework.¹⁷ From a Lockean perspective, goodwill represents the product of sustained labor, investment, and consumer engagement, raising the question of whether its uncompensated appropriation by unrelated parties is compatible with the underlying objectives of trademark protection.

Against this background, this study pursues three objectives. First, it identifies the structural vulnerabilities created by Indonesia's first-to-file trademark regime in relation to zombie trademark practices and the appropriation of residual goodwill. Second, it examines the doctrinal mechanisms through which United States trademark law addresses residual goodwill and abandoned marks, particularly through the doctrines of abandonment, goodwill protection, and the likelihood of confusion. Third, it evaluates whether Indonesia's trademark framework requires doctrinal reform to address zombie trademarks more effectively and proposes normative criteria for such reform based on Locke's Labour Theory. By combining comparative trademark law with intellectual property theory, this study contributes to the emerging literature on zombie trademarks and offers a conceptual framework for understanding residual goodwill protection in registration-based trademark systems.

Method

This study employs a normative juridical method with a comparative legal approach to examine the legal protection of zombie trademarks in Indonesia and the United States. This study applies a statute, conceptual, and case approach. The statute approach analyzes relevant regulations, particularly Law No. 20 of 2016 on Trademarks

¹⁷ Ayu Mustika Pamungkas, Hikam Hulwanullah, "Celebrity Persona: Can Intellectual Property Law in Indonesia Provide Adequate Protection?" *Jambura Law Review* 7, no. 1 (2025): 197–224. <https://doi.org/10.33756/jlr.v7i1.27579>

and Geographical Indications and the United States Lanham Act. The conceptual approach examines doctrines relating to abandonment, goodwill, bad faith, dilution, and the likelihood of confusion, while the case approach analyzes relevant judicial decisions. This research relies on primary, secondary, and tertiary legal materials. Primary legal materials include legislation, court decisions, and official documents obtained from the DGIP, USPTO, and official court databases. Secondary materials consisted of scholarly books, journal articles, and academic commentaries, whereas tertiary materials included legal dictionaries and encyclopedias. Legal materials were analyzed qualitatively through statutory interpretation, doctrinal analysis, and comparative legal analysis to evaluate the adequacy of Indonesia's trademark regime in addressing zombie trademarks. The United States was selected as a comparative object because its trademark system recognizes doctrines such as first-to-use, abandonment, residual goodwill, and dilution protection, which are relevant to dormant trademark disputes.

Results and Discussion

Understanding the Phenomenon of Zombie Trademarks

In legal scholarship, there is no universally established definition of “zombie trademarks.” This term is often employed in specific cases. Much like a zombie, a trademark that has “died” or been abandoned is subsequently revived by an unrelated party. A zombie trademark refers to a mark that was once actively used by a company or business entity, but later abandoned or not renewed, and thereafter revived or re-registered by a not-the-original owner, usually with the intent of exploiting the mark's past reputation. Alternative designations include “orphan trademarks” or “ghost trademarks.”¹⁸

Zombie trademarks have distinct characteristics that set them apart from ordinary trademarks. Such marks were initially well known or enjoyed a strong reputation and significant goodwill among consumers. Over time, however, they are no longer used in commerce, or their registrations are not renewed by the original owners, often as a result of business restructuring, bankruptcy, mergers, or other economic and managerial factors. In this situation, the abandoned mark may later be re-registered by a third party with no historical, legal, or commercial connection to the original owner. This re-registration can be problematic because it may mislead consumers who continue to associate the mark with their former reputation and perceived quality. As a result, the new registrant may unfairly exploit the goodwill accumulated in the past without contributing to its creation. Ultimately, the existence of zombie trademarks affects not only the interests of the

¹⁸ J. Thomas McCarthy, *McCarthy on Trademarks and Unfair Competition*, 4th ed. (Thomson Reuters, 2024).

original owners, who lose control over their former brand identity, but also raises legal, competition, and consumer protection concerns for new users and the market as a whole.¹⁹

The existence of zombie trademarks has led to various legal and commercial problems. The continued presence of dormant marks within trademark registries may block or complicate new applications for identical or confusingly similar marks, even when earlier marks are no longer genuinely used in commerce.²⁰ As a result, prospective registrants may hesitate to adopt certain marks after discovering that similar registrations remain formally protected despite their commercial inactivity²¹, thereby creating legal uncertainty and potentially hindering market competition and innovation.

At the same time, zombie trademarks may facilitate trademark squatting practices²², particularly where parties intentionally revive or maintain dormant marks in order to exploit their historical reputation or demand unreasonable compensation from parties genuinely seeking to use the marks. Such practices threaten the integrity of trademark law because they enable commercial actors to benefit from the goodwill created by others without contributing to its development. This issue was reflected in *Volans Uptown LLC v. Mahendra Jeshabhai Bambhaniya*, involving the use of the mark “Botanic Hearts,”²³ previously registered in the United States and Canada.

Furthermore, the accumulation of zombie trademarks within trademark registries may create misleading impressions regarding marks that remain commercially active. This problem became visible in *Macy’s version. Strategic Marks LLC*²⁴, where Strategic Marks LLC acquired and attempted to revive several abandoned or discontinued retail marks, including FOLEY’S and ABRAHAM & STRAUSS²⁵, for commercial exploitation through online retail activities. Although some of these marks were no longer actively used, they retained residual goodwill and public recognition, demonstrating how zombie trademarks may be strategically utilized to capitalize on historical consumer associations.

Why do trademarks become “zombie” trademarks? In many cases, a trademark becomes commercially dormant owing to the cessation of business operations, where the original owner no longer conducts commercial activities associated with the mark. In other situations, companies

¹⁹ Robert Burrell and Michael Handler, *Zombie Marks Redux: Is Australia Safe from the New Zealand Variant?* (UNSW Law Research Paper No. 24-4, October 6, 2022), <https://ssrn.com/abstract=4746350>

²⁰ Michael Handler and Robert Burrell, “Zombie Marks Invade New Zealand! How Scared Should the Rest of the World Be?” *Oxford University Commonwealth Law Journal* 21 (2021): 275–94, <https://doi.org/10.1080/14729342.2021.1991147>

²¹ Jun Wang and Xingyu Yan, “The Role of Trademark Rights Expansion in the Formation and Abuse of Market Power,” *International Review of Economics and Finance* 95 (2024): 1–15, <https://doi.org/10.1016/j.iref.2024.103496>

²² Chinara Gasimova, *Domain Name and Trademark Infringement (Cybersquatting) in the Digital Age* (June 3, 2022), <https://ssrn.com/abstract=4344891> or <http://dx.doi.org/10.2139/ssrn.4344891>.

²³ *Volans Uptown LLC v. Mahendra Jeshabhai Bambhaniya*, decided January 15, 2024 (Delhi High Court), Indian Kanoon. <https://indiankanoon.org/doc/168188886/>.

²⁴ *Macy’s, Inc. v. Strategic Marks, LLC*, Case No. 11-6198 SC (N.D. Cal. Mar. 19, 2013)

²⁵ *Macy’s Inc. v. Strategic Marks, LLC*, No. 11-cv-06198-EMC (N.D. Cal. Feb. 1, 2016)

may intentionally discontinue the use of certain marks as part of broader business restructuring or strategic refocusing, particularly when shifting toward new products, services, or market identities. Zombie trademarks may also emerge due to the negligence of trademark owners who fail to renew registrations despite the availability of renewal mechanisms and grace periods.²⁶ Additionally, some marks are abandoned because of strategic corporate decisions such as rebranding, retrademarking, mergers, or acquisitions, even though the marks may continue to retain residual goodwill and consumer recognition in the marketplace.

The phenomenon of zombie trademarks presents increasingly complex legal and business challenges within modern intellectual property regimes. When old inactive marks are revived by third parties without historical ties, questions arise regarding exclusive rights, legal certainty, and the protection of goodwill and reputation accumulated in the past.²⁷ On the one hand, trademark law allows any party to register available marks; on the other hand, such practices may amount to manipulation of the legal system, undermining fair competition. Zombie trademarks risk misleading consumers through false associations with legacy marks while enabling abuses such as trademark squatting or speculative exploitation. When trademark offices continue to recognize and maintain such marks in official registries despite their commercial dormancy, the integrity of the registration system itself comes into question. Consequently, a reevaluation of policies concerning the use and protection of abandoned marks is imperative, along with the establishment of more transparent mechanisms to identify commercially active marks to prevent manipulative practices detrimental to former owners, new entrepreneurs, and consumers alike.

The Mechanism of Trademark Law in Indonesia and the United States in Addressing Zombie Trademark Practices

The mechanisms for addressing zombie trademark practices differ between the United States and Indonesia due to the distinct legal principles underlying their respective trademark systems. In the United States, trademark protection is fundamentally based on actual use in commerce, making the doctrines of abandonment and use-in-commerce central to determining whether trademark rights continue to exist after a mark has ceased to be used. By contrast, Indonesia adopts a registration-based trademark system in which legal protection primarily arises from registration, while the maintenance or loss of trademark rights is governed through renewal requirements and the cancellation of marks that are not used for a specified period. Examining these two jurisdictions provides a valuable comparative perspective on how trademark law

²⁶ Handler, Michael & Burrell, Robert, *op.cit*

²⁷ James Marsden and Darren Meale, "Round-up of UK Trade Mark Disputes 2024," *Journal of Intellectual Property Law & Practice* 20, no. 4 (2025): 250–256, <https://doi.org/10.1093/jiplp/jpaf025>.

responds to attempts to revive, re-register, or exploit formerly recognized marks, while balancing the interests of trademark owners, competitors, and consumers.

United States: Addressing Zombie Trademark Practices through the Doctrine of Abandonment and the Use-in-Commerce Requirement

Trademark protection in the United States is regulated by state trademark law and the Federal Trademark Act known as the Lanham Act.²⁸ This law provides protection for trademarks that are registered and those that are used in commerce. In the U.S. legal system, the principles of trademark law are based on the common law tradition, which means that many rules and legal norms are formed through judicial precedents and not only through written statutes.²⁹ In the context of trademarks, this principle grants recognition to rights over a mark obtained not through formal registration but through the actual use of the mark in commercial activities. This means that an individual or business entity who first uses a mark in a lawful business context may obtain rights over that mark, even without registering it with a trademark registration authority such as the USPTO (United States Patent and Trademark Office).³⁰ This approach makes the U.S. system more adaptive in addressing zombie trademarks because trademark protection is not solely dependent on administrative registration but also on actual commercial use and residual consumer association. Consequently, marks that retain goodwill may continue to receive legal consideration even after periods of non-use.

This approach is known as the “first-to-use” system, namely a system that grants legal priority to the party who first uses the mark commercially. Under this approach, rights over a mark are not solely owned by the party who first files a registration application but also by the party who can prove that they have previously and continuously used the mark in actual commerce. Therefore, in a dispute, the court or the USPTO³¹ will examine the history of the parties’ use of the mark to determine who has

²⁸ Ramsey LP. *Protectable Trademark Subject Matter in Common Law Countries and the Problem with Flexibility*. In: Calboli I, Ginsburg JC, eds. *The Cambridge Handbook of International and Comparative Trademark Law*. Cambridge Law Handbooks. Cambridge University Press; 2020:193-208.

²⁹ *Ibid*

³⁰ Righi, Cesare and Cannito, Davide and Vlasel, Theodor, *Continuing Patent Applications at the USPTO* (November 25, 2022). <http://dx.doi.org/10.2139/ssrn.3924927>

³¹ *Ibid*

the legitimate right. The consequence of this “first-to-use” approach becomes very important when discussing zombie trademarks, namely old marks that were once well known but are no longer actively used. In the U.S. system, a third party attempting to revive such an abandoned mark may face legal action if the prior owner or another party still holds goodwill in the mark, which can prove the likelihood of confusion among consumers. In such situations, the principle of consumer protection from misleading or confusion becomes an important part of the common law approach, which may limit or even cancel the reuse of zombie marks by parties with no historical connection to the mark.

The U.S. trademark system addresses zombie trademark disputes through several interconnected legal mechanisms that collectively emphasize commercial use, consumer perception, and the protection of residual goodwill. Unlike registration-centered systems, these mechanisms operate at different stages of trademark protection, ranging from the determination of ownership and abandonment to administrative challenges and protection against the dilution of famous marks. For ease of reference, Table 1 summarizes the principal legal mechanisms relevant to zombie trademark disputes in the United States.

Table 1. Legal Mechanisms Addressing Zombie Trademarks in the United States

Mechanism	Legal Basis	Function in Zombie Trademark Disputes	Relevance to Residual Goodwill
First-to-Use Principle	Lanham Act §1127 and Common Law	Determines ownership based on actual commercial use rather than registration alone	Prevents third parties from claiming rights over marks where prior goodwill and use remain demonstrable
Goodwill and Likelihood of Confusion	Lanham Act §§1114, 1125(a); Judicial Precedents	Assesses whether consumers continue to associate a mark with its original source	Protects residual goodwill and prevents misleading commercial associations
Trademark Trial and Appeal Board (TTAB)	USPTO Administrative Procedures (TMEP and TBMP)	Provides opposition and cancellation mechanisms against problematic registrations	Allows former owners and interested parties to challenge zombie trademark applications

Dilution by Blurring	Lanham Act §43(c), 15 U.S.C. §1125(c)	Protects famous marks even where consumer confusion cannot be established	Prevents the erosion of distinctiveness and reputation associated with historically well-known marks
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Source: Compiled by the Author (2026).

Each of these mechanisms performs a distinct but complementary function in the regulation of zombie trademarks. The following sections discuss these in greater detail. In the United States, the legal system handles zombie trademarks through common law principles, with the main approaches being first-to-use, goodwill, and consumer protection from the likelihood of confusion.³² The legal mechanisms used were as follows.

1. First-to-Use Principle

Unlike Indonesia, which adheres to the first-to-file system, trademark rights in the United States arise from actual use in commerce.³³ This means that the original owner of a mark still has rights if they are still using or intending to use the mark, even if it has not been federally registered. A zombie trademark that has long been unused and clearly abandoned by its owner may be considered abandoned³⁴, opening opportunities for another party to re-register the mark. However, U.S. law requires that abandonment be accompanied by intent not to resume use. If this cannot be proven, a new owner may be denied. This is stipulated in 15 U.S. Code §1127 (Lanham Act – definition of abandonment).³⁵

2. Goodwill of Confusion Doctrine

Trademarks are not only understood as mere trade symbols but also as a representation of goodwill or reputation that has been attached in the minds of consumers.³⁶ When another party revives a once-popular mark, such attempts may

³² Likelihood of Confusion is a legal standard used, particularly in the United States, to determine whether the use of a trademark by another party has the potential to cause consumer confusion regarding the source of goods and services, affiliation, or sponsorship. Lanham Act (15 U.S.C. § 1114 & § 1125)

³³ Menell, Peter S., Trademark Law Primer (May 12, 2014). Peter S. Menell, et al., Trademark Case Management Judicial Guide, 2014, UC Berkeley Public Law Research Paper No. 2252872, Available at SSRN: <https://ssrn.com/abstract=2252872>

³⁴ J. Lee, "Racism and Trademark Abandonment," *The George Washington Law Review* 91, no. 4 (2023): 932–1008.

³⁵ In the context of 15 U.S. Code § 1127, also known as the Lanham Act, an "abandoned mark" is a trademark that has been discontinued with the intention of not resuming its use. Specifically, Section 1127 defines abandonment as when "its use has been discontinued with intent not to resume such use". This can be inferred from the circumstances, and a three-year period of non-use is considered prima facie evidence of abandonment.

³⁶ Endang Purwaningsih, "Role of Trademark in Improving Legal and Competitive Awareness," *Law Reform* 16, no. 1 (2020): 1–18. <https://doi.org/10.14710/lr.v16i1.30301>

trigger public confusion. This is especially true if the public still associates the mark with its former owner or entity. In legal practice, both courts (such as U.S. courts) and administrative agencies like the USPTO have the authority to reject the registration or reuse of a mark known as a zombie trademark. Such rejection generally occurs if it is proven that the mark still holds goodwill in the eyes of the public or if its reuse potentially causes consumer confusion—legally referred to as the likelihood of confusion.³⁷ Several court decisions have reinforced this principle. For example, In *Volkswagenwerk Aktiengesellschaft v. Wheeler*, the court, stated that even if a mark has long been unused, consumers may still associate it with the previous owner, so its use by others may still cause confusion.³⁸ In *Freecycle, Sunnyvale v. In the Freecycle Network*, the court emphasized the issue of naked licensing, where a trademark owner's failure to maintain quality control over its license could be deemed as abandonment.³⁹ Although a different issue, this case demonstrates the importance of maintaining goodwill and trademark integrity in protecting consumers from misleading perceptions. This demonstrates that the U.S. system places consumer perception and market continuity at the center of trademark protection, whereas Indonesian law still prioritizes procedural registration over residual reputation and public association.

3. Trademark Trial and Appeal Board

In the case of zombie trademark applications—marks once famous but no longer actively used—parties who believe they have rights or interests over the mark may still take legal action to defend their positions. One option is to submit an opposition or petition to cancel trademark registration.⁴⁰ Opposition can be filed when the zombie trademark application is still under examination and published for public objection. In this phase, the party claiming prior rights may submit objections to the USPTO.⁴¹ Meanwhile, if the zombie trademark has

³⁷ United States Patent and Trademark Office. "Likelihood of Confusion." Accessed September 3, 2025. <https://www.uspto.gov/trademarks/search/likelihood-confusion>

³⁸ *Volkswagenwerk Aktiengesellschaft v. Wheeler*, 814 F.2d 812 (1st Cir. 1987)

³⁹ *Freecycle Sunnyvale v. The Freecycle Network*, 626 F.3d 509 (9th Cir. 2010)

⁴⁰ United States Patent and Trademark Office. "United States Patent and Trademark Office." Accessed September 3, 2025. <https://www.uspto.gov>

⁴¹ Charles R. Macedo, David P. Goldberg, and Chloe A. Vizzzone, "US Supreme Court Clarifies the Scope of 'Defendant's Profits' in Trade Mark Matters in *Dewberry Grp, Inc v Dewberry Eng'rs Inc*, No. 23-900, 604 US 145 S

already been approved and registered, the available route is through a petition to cancel, namely, an official request to annul the registration. Both opposition and cancellation processes were conducted before the Trademark Trial and Appeal Board (TTAB), an administrative body under the USPTO that handles trademark disputes. The full procedures of these remedies are governed by two key documents: the Trademark Manual of Examining Procedure (TMEP) and the TTAB Manual of Procedure (TBMP), which serve as primary references for practitioners, academics, and parties involved in trademark protection and enforcement in the U.S.

4. Dilution by Blurring

In some cases, zombie trademarks are considered not merely revived old marks but also well-known trademarks. Under U.S. trademark law, the use of such marks by another party may still give rise to a dilution claim, even in the absence of consumer confusion. Dilution occurs when the unauthorized use of a mark—especially a well-known one—diminishes the mark’s distinctiveness or harms its image, whether through negative association (dilution by tarnishment) or through use that erodes its distinctiveness (dilution by blurring).⁴² This applies even if consumers are not directly deceived or confused as to the source of goods or services. Frequently cited examples of zombie trademarks include Pan Am and Woolworth’s trademarks that retained significant residual goodwill and consumer recognition despite the disappearance of the original businesses. Under U.S. trademark law, the revival or commercial use of such marks by unrelated parties may, in certain circumstances, trigger claims for trademark dilution under Section 43(c) of the Lanham Act (15 U.S.C. §1125(c)). Unlike traditional infringement claims, dilution protection does not require proof of consumer confusion, but instead focuses on preventing the erosion of the distinctiveness and reputation of famous marks.

Ct 681, Slip Op (26 February 2025),” *Journal of Intellectual Property Law & Practice* 20, no. 5 (2025): 288–290, <https://doi.org/10.1093/jiplp/jpaf026>

⁴² Miri Frankel, “United States Court of Appeals for the Second Circuit Examines Trade Mark Infringement under the Federal Trademark Dilution Act,” *Journal of Intellectual Property Law & Practice* 9, no. 3 (2014): 176–177, <https://doi.org/10.1093/jiplp/jpt260>.

Indonesia: Regulating Zombie Trademark Practices under a Registration-Based Trademark System and Rights Maintenance Framework

The phenomenon of zombie trademarks arises when a mark that was once famous, but has long not been used or whose registration has not been renewed, is revived by another party who has no legal relationship with the original owner. In Indonesia, this condition becomes a legal loophole because trademark protection still depends heavily on the formality of registration and not on the actual use or historical value of the mark. Although the MIG Law has regulated the registration and protection of trademarks, there are no specific provisions that explicitly regulate zombie trademarks, including how the law should treat marks that have long not been used but still have influence in the public's mind. This reflects a structural weakness in Indonesian trademark law, where legal certainty is primarily measured through registration formalities rather than continuing commercial associations or consumer perception. As a result, the system may unintentionally facilitate the opportunistic appropriation of abandoned marks.

Indonesia does not specifically regulate zombie trademarks within a distinct legal category. Nevertheless, several provisions within the Trademark and Geographical Indications Law have indirectly influenced how disputes involving dormant or abandoned marks have been addressed. These mechanisms operate through the registration system, cancellation procedures, and the principle of good faith, although they do not expressly recognize residual goodwill as an independent legal interest. Table 2 summarizes the principal legal mechanisms relevant to zombie trademark disputes under Indonesian law.

Table 2. Legal Mechanisms Relevant to Zombie Trademark Disputes in Indonesia

Mechanism	Legal Basis	Function in Zombie Trademark Disputes	Limitation
First-to-File System	Article 3, Law No. 20 of 2016	Grants trademark rights to the first applicant who successfully registers the mark	Does not consider prior use, residual goodwill, or continuing consumer association
Absence of Explicit Abandonment Doctrine	Trademark and GI Law (no specific provision)	Allows expired or unrenewed marks to become available for re-registration	Creates uncertainty regarding dormant marks that still retain goodwill
Good Faith Principle	Article 21(3), Law No. 20 of 2016	Allows rejection or cancellation of	Requires proof through litigation and is largely reactive

		registrations made in bad faith	
Cancellation Lawsuit and Consumer Protection Mechanisms	Articles 21 and 76, Law No. 20 of 2016	Provides legal remedies against problematic registrations and potential consumer confusion	Protection depends on the ability of former owners to prove continuing goodwill and legal interest

Source: Compiled by the Author (2026).

Each of these mechanisms plays a different role in addressing disputes involving abandoned or dormant trademarks. The following discussion examines their operations and limitations in the Indonesian trademark system. In this context, it is essential to understand the structure and operation of the Indonesian legal system in response to the re-registration of old marks by other parties, and whether the current legal mechanisms are sufficient to protect the interests of former owners as well as consumers from potential misuse.

1. First-to-file System

The Indonesian trademark legal system adheres to the principle of priority based on the first filing, which means that rights over a trademark are obtained not because of first use (first-to-use) but because of the first registration at the Directorate General of Intellectual Property (DGIP). This principle is explicitly emphasized in Article 3 of the MIG Law, which reads: “The right to a Trademark is obtained after the Trademark is registered.” This provision provides a very clear understanding that registration is the key to obtaining exclusive rights to a mark in Indonesia.⁴³ Thus, anyone—including parties who are not the original owners of the mark—can legally obtain rights to the mark, as long as they are the first to register it, and this does not conflict with other legal provisions.⁴⁴ However, this principle also creates a potential loophole that allows the emergence of the zombie trademark phenomenon, namely, the re-registration of old marks that were once famous but are no longer actively used or whose protection has not been renewed by the original owner. Because this system does not consider whether the mark is

⁴³ Fairuzi Is’ad and Budi Agus Riswandi, “Legal Protection for Well-Known Trademark Between Indonesia and Spanish (Case Study Between Lois and NewLois),” *Journal of Intellectual Property* 5, no. 2 (2022): 169–189, <https://doi.org/10.20885/jipro.vol5.iss2.art5>.

⁴⁴ Kristofer Oscar and Bambang Soesatyo, “Legal Void in the First to File Principle in the Trademark Registration System in Indonesia and Its Implications for Trademark Ownership Disputes,” *Asean Journal of Social and Humanities* 3, no. 9 (2025): 1661–77, <https://doi.org/10.59888/ajosh.v3i9.569>

still being used by its former owner, another party can take advantage of the situation by registering the mark in their own name.

In practice, this phenomenon can have serious impacts, especially if the mark is still recognized by the public.⁴⁵ Registration of a zombie trademark can mislead consumers and trigger ownership conflicts, particularly if the original owner plans to reactivate the mark. Although the law provides several mechanisms to sue registrations made in bad faith, the first-to-file system still places formal registration as an absolute requirement for legal protection, regardless of who created or used the mark. While the first-to-file system strengthens administrative certainty, it simultaneously creates vulnerabilities for zombie trademark practices because the law does not sufficiently consider historical use, residual goodwill, or public attachment to former marks. This contrasts sharply with the U.S. approach, which balances registration with actual market use.

2. Absence of Specific Rules on Abandonment

Unlike several other countries' trademark systems, which explicitly regulate the concept of abandonment—namely, the relinquishment or neglect of rights to a mark due to non-use for a certain period—the Indonesian Trademark Law does not contain explicit provisions on this matter. No article in the MIG Law directly states that a trademark is deemed abandoned or loses its legal protection, simply because it is not used. As a consequence of this absence, marks that are no longer actively used by their owners are still considered legally valid as long as their registration status is still active and has not expired. In other words, provided that the owner renews the protection period of the mark in accordance with administrative provisions, the mark will continue to receive full legal protection, even if it no longer circulates in the market.

However, the situation is different when a mark's registration is not renewed and its protection period expires. In such cases, the mark will no longer be legally considered protected, and other parties may potentially re-register the same or similar mark. This loophole opens the possibility for zombie

⁴⁵ Barna Arnold Keserü, "Trademark Protection for Faces? A Comprehensive Analysis on the Benefits and Drawbacks of Trademarks and the Right to Facial Image," *Journal of Intellectual Property, Information Technology and Electronic Commerce Law (JIPITEC)* 15, no. 1 (2024): 88–99.

trademarks—old marks revived by third parties after the original owner fails to renew protection. Although legal re-registration by other parties may be considered valid under the first-to-file principle, this does not eliminate potential ethical and legal risks, especially if the mark still has strong associations in the public mind or if there are indications that the registration was made in bad faith.⁴⁶ In such cases, the former owner or interested parties may still file a lawsuit, for example, by submitting a trademark cancellation claim in accordance with Article 77 of the MIG. Thus, the absence of explicit rules on abandonment creates a gray area in trademark protection in Indonesia, requiring higher vigilance from both old mark owners and third parties intending to re-register an inactive mark. The absence of explicit abandonment provisions creates legal ambiguity regarding whether commercially inactive marks should be protected. This ambiguity weakens preventive protection and allows third parties to exploit regulatory gaps through strategic registration.

3. Good Faith and Potential Disputes

In the Indonesian trademark legal system, the preventive mechanism against the misuse of zombie trademarks is not specifically or firmly regulated, either in the form of explicit prohibitions or specific rules on unused trademarks. The only legal basis available to reject the registration of a mark by unauthorized parties is the principle of good faith.⁴⁷ This is stated in Article 21, paragraph (3) of the MIG Law, which states that applications may be rejected when filed by an applicant with improper motives. This provision essentially provides room for aggrieved parties to sue or object to the registration of marks deemed dishonest, manipulative, or intended to exploit the reputation and goodwill of famous ones. However, the examination of bad faith is subjective and not automatically carried out by the DGIP in the administrative registration process. In practice, bad faith can only be substantively examined and proven in disputes, such as cancellation lawsuits at the Commercial Court or during the opposition process at registration.

⁴⁶ Jennifer S. Davis and Łukasz Żelechowski, “Bad Faith, Public Policy and Morality: How Open Concepts Shape Trade Mark Protection,” *IIC - International Review of Intellectual Property and Competition Law* 54, no. 6 (June 20, 2023): 859–90, <https://doi.org/10.1007/s40319-023-01350-7>

⁴⁷ Nashrah Ahmed, “The Tea Rose-Rectanus Doctrine’s Good Faith Test,” *American University Business Law Review* 9, no. 1 (2020): 77–101. <https://digitalcommons.wcl.american.edu/aubl/vol9/iss1/3>

As a result, protection for former owners becomes reactive rather than preventive, as legal action can only be taken after registration has occurred.

For illustration, consider a fictitious trademark, “Hero Cola,” which was once a well-known beverage brand but whose registration was allowed to lapse due to non-renewal. If a third party subsequently re-registers the mark for similar beverage products, the former owner may seek cancellation of the registration by arguing that the new registrant acted in bad faith, namely by attempting to capitalize on the residual reputation and consumer recognition associated with the mark. Furthermore, the former owner may contend that “Hero Cola” continues to possess goodwill and a positive image in the minds of consumers despite the expiration of its formal protection, creating a likelihood of consumer confusion and unfair commercial advantage for the new registrant. In such circumstances, the dispute centers not only on the formal status of the registration but also on whether the mark’s historical reputation remains worthy of legal protection against opportunistic reappropriation.

Nevertheless, the success of the lawsuit heavily depends on the strength of evidence and the judge’s interpretation of the element of “bad faith.” The plaintiff must be able to show that the new registrant has no rights or relationship whatsoever with the mark and that there was an intention to exploit the old reputation without authorization or legal basis. Under these conditions, legal protection for abandoned marks that are still recognized by the public is not fully preventively adequate, emphasizing the need for the reformulation of trademark regulation in Indonesia. Reliance on the principle of good faith alone is insufficient because its application depends heavily on judicial interpretation and post-registration litigation. Consequently, Indonesian trademark protection remains reactive rather than preventive in addressing zombie trademark disputes.

4. Cancellation Lawsuit and Prevention of Public Confusion

In facing the phenomenon of zombie trademarks, namely the re-registration of marks that were once famous but no longer used, former owners or parties with legal interests still have room to defend their rights through the mechanism of cancellation lawsuits. Provisions regarding legal remedies against zombie trademarks are regulated in Article 76 paragraph (1) of the MIG Law,

which states: “A lawsuit for cancellation of trademark registration may be filed by an interested party to the Commercial Court against the owner of the trademark concerned.” This cancellation lawsuit may be filed if the registration of a new mark, including zombie trademarks, is deemed to harm the legal interests of another party, either due to identity similarity, bad faith, or potential public confusion.

Legal support for rejecting new trademark applications that have the potential to mislead or confuse consumers is further reinforced by Article 21(1) of the Trademark and Geographical Indications Law (MIG Law). This provision requires the refusal of trademark applications that possess essential similarities or similarities in their entirety to a previously registered trademark owned by another party for identical or similar goods and/or services. In addition, applications must also be rejected when they bear essential or overall similarities to a well-known trademark belonging to another party, whether for similar or dissimilar goods and services, provided that the prescribed legal requirements are satisfied. Through these provisions, the law seeks to protect consumers from confusion, safeguard the reputation and goodwill attached to existing trademarks, and prevent unfair commercial practices that may arise from the unauthorized appropriation of established brand identities.

Thus, if a party re-registers an old mark (zombie trademark) that still has a reputation or wide recognition by the public, the original owner may file a cancellation lawsuit based on Article 76 in conjunction with Article 21 of the MIG Law. However, the application of this provision greatly depends on the ability of the aggrieved party to prove that its mark still has goodwill and a significant influence in the market.⁴⁸ This emphasizes that legal remedies against zombie trademarks in Indonesia are remedial in nature and strongly demand proactiveness from former trademark owners to maintain the continuity and recognition of their marks. Although Indonesian law provides formal avenues to sue or oppose zombie trademark registrations, the effectiveness of protection largely depends on the ability of aggrieved parties to prove that their marks still have a significant

⁴⁸ Lee Vinsel, “Intellectual Property and National Economies,” *Business History Review* 96, no. 1 (2022): 195–200, <https://doi.org/10.1017/S0007680522000071>

influence in the market. This underscores the fact that legal remedies against zombie trademarks are more remedial in nature, thus requiring proactiveness from former owners to maintain the continuity and recognition of their marks.

The foregoing discussion demonstrates that Indonesia and the United States adopt fundamentally different approaches to addressing zombie trademark disputes. While the Indonesian trademark regime prioritizes formal registration and administrative certainty through the first-to-file principle, the United States places greater emphasis on actual commercial use, residual goodwill, and consumer perception. These differences influence not only the acquisition and loss of trademark rights but also the legal mechanisms available to prevent the opportunistic revival of abandoned marks by unrelated parties. To highlight the principal points of convergence and divergence between the two systems, Table 3 provides a comparative overview of the legal frameworks governing zombie trademarks and residual goodwill protection in Indonesia and the United States.

Table 3 (Comparison of Indonesian and United States Law on Zombie Trademarks)

Aspect	Indonesia	United States
Trademark Registration System	First-to-file	First-to-use
Source of Trademark Rights	Obtained through official registration	Obtained through actual use in the market
Abandonment (Trademark Neglect)	Not explicitly regulated in the law	Explicitly recognized; determined through non-use + intent not to resume use
Goodwill	Not explicitly protected as a separate right from the trademark	Recognized and protected; trademark is considered to carry the goodwill of the original owner
Likelihood of Confusion	Considered, but not dominant in the system	Main factor in assessing infringement/refusal of registration
Dilution of Famous Mark	Not specifically regulated in the law	Regulated under Lanham Act §43(c) – protection of famous marks against dilution
Third Party Reviving Old Marks	May be registered if not yet registered, although potentially violating business ethics	May be refused if it causes confusion or infringes the rights of the original owner
Trademark Disputes	Resolved through DGIP and Commercial Court	Through USPTO, TTAB, and federal courts

Source: compiled by Author (2026).

As shown in Table 3, the comparison reveals a fundamental divergence in how Indonesia and the United States conceptualize trademark protection in the context of zombie trademarks. The United States adopts a more substantive and market-oriented approach, recognizing that trademark value extends beyond formal registration to encompass residual goodwill, consumer perception, and the continuing commercial significance of a mark. Through the doctrines of abandonment, the likelihood of confusion, goodwill protection, and dilution, U.S. trademark law provides multiple mechanisms to prevent the opportunistic appropriation of dormant marks that continue to retain consumer recognition.

In contrast, Indonesia's trademark regime remains predominantly registration-centered, with legal protection largely dependent on the formal status of registration rather than the continuing existence of residual goodwill. While this approach promotes administrative certainty and predictability, it also creates regulatory gaps that may enable third parties to exploit commercially dormant, yet socially recognizable marks. The absence of an explicit abandonment doctrine, the limited recognition of goodwill as an independent legal interest, and the predominance of post-registration remedies collectively weaken preventive protection against zombie trademark practices. Consequently, the comparative analysis suggests that Indonesia's current framework is less capable of balancing legal certainty, consumer protection, and goodwill preservation, thereby highlighting the need for a more substantive approach to trademark protection in cases involving abandoned but still recognizable marks.

The Optimal Legal Protection Concept for Indonesia in Addressing the Phenomenon of Zombie Trademarks

The phenomenon of zombie trademarks, trademarks that were once popular, no longer used, and later revived by third parties, poses a serious challenge in trademark law. Theories of goodwill and the likelihood of confusion are important foundations in explaining the need for strong legal protection. Goodwill shows that a trademark is not merely a distinguishing sign, but also carries the reputation and consumer trust that remain alive even if the trademark is no longer used. Third parties often exploit this value to gain instant profits. Meanwhile, the likelihood of confusion highlights the risk that consumers may be misled into thinking that an old trademark being revived is still connected to its original owner. These two theories demonstrate that legal protection

against zombie trademarks is not merely about registration administration, but also concerns consumer interests and the reputation of the original owner.⁴⁹ The phenomenon of zombie trademarks emphasizes the importance of strengthening Indonesia's trademark legal system so that it not only functions administratively but also protects economic interests, reputation, and consumers. In this context, several key concepts from U.S. practice can serve as inspiration to strengthen legal protection in Indonesia.

First, the concept of abandonment should be applied. In the United States, Lanham Act §45 states that a trademark is considered abandoned when it remains unused for three consecutive years and the owner has no intention of resuming its use. This concept provides more comprehensive legal certainty, as it does not merely consider the non-use period, but also considers the owner's intention to permanently discontinue the use of the mark. Conversely, Indonesian law, through Article 74, paragraph (1) of the Trademark and Geographical Indication Law (UU MIG), stipulates that an interested party may request the cancellation of a registered mark through a lawsuit in the Commercial Court on the grounds that the mark has not been used for three consecutive years, counting from the registration date or the most recent use.

Constitutional Court Decision No. 144/PUU-XXI/2023 later extended the non-use period from three years to five years. However, unlike the U.S. abandonment concept, Indonesian law does not address the element of "intent not to resume use." Article 74 paragraph (2) of the UU MIG only regulates exceptions in cases of import bans, restrictions related to product circulation permits, temporary decisions by authorities, or other similar prohibitions (which are now interpreted to include force majeure conditions based on the Constitutional Court Decision 144/2023). To strengthen this concept, Indonesia could consider adding the element of "intent not to resume use" in the assessment of non-use, while also expanding the authority of the DGIP to revoke trademark registrations administratively without having to wait for third-party lawsuits.

Second, is the explicit recognition of goodwill. Goodwill is the reputation and economic value attached to a trademark, which, under U.S. law, cannot be separated from the transfer of the trademark. This prevents assignment in gross terms, which may mislead

⁴⁹ V. Chauhan and M. Sagar, "Consumer Confusion in Healthcare Decision-Making and Choice: A Qualitative Exploration of Patient Confusion," *Journal of Marketing Theory and Practice* 29, no. 3 (2020): 323–42, <https://doi.org/10.1080/10696679.2020.1840276>.

consumers.⁵⁰ In Indonesia, the UU MIG regulates trademark transfers, but without explicitly mentioning goodwill. As a result, the opportunity for the exploitation of old trademarks by parties with no connection to the original owner is greater. By including a definition of goodwill in the UU MIG and requiring trademark transfers to include goodwill, legal protection can be stronger against the exploitation of zombie trademarks.

Third, reinforcing the doctrine of the likelihood of confusion. The USPTO applies the DuPont factors to assess consumer confusion, not only considering the similarity of goods or services, but also appearance, sound, meaning, bad faith, and target market. Indonesia recognizes the element of confusion under Article 21 paragraph (1)(b) and (c) of the UU MIG, but its application remains limited. Adopting detailed parameters such as DuPont factors would broaden protection, even when the products or offerings differ, but their target markets may intersect.

Fourth, protection against the dilution of famous marks. In the U.S., famous marks are protected from blurring and tarnishment, even if no direct consumer confusion occurs. Indonesia has recognized the protection of famous marks, but it is still limited to preventing confusion. Expanding protection toward preventing dilution with clear fame indicators would strengthen the position of famous marks against zombie trademarks. *Lastly*, there is a proactive rejection of zombie trademark registrations. In the U.S., the USPTO may reject applications for old marks revived by third parties, even without opposition. Indonesia, under Article 21 of the UU MIG, provides room for rejection, but in practice, it still requires opposition. Granting ex officio authority to the DGIP to reject zombie trademark registrations would be a strategic step, especially by requiring proof of a legitimate legal relationship with the original owner. By adopting these principles, Indonesia's trademark legal system would not only maintain administrative order in registrations but also protect economic value, reputation, and consumers from potentially harmful practices. Strengthening these regulations would also close legal loopholes that could be exploited to revive old trademarks without legitimate authorization.

The comparative analysis between the Indonesian and United States trademark systems demonstrates that the issue of zombie trademarks cannot be adequately addressed through a purely formal registration approach. While the Indonesian trademark regime

⁵⁰Shadma Shahid, Haroon Iqbal Maseeh, Charles Jebarajakirthy, Bhuvanesh Kumar Sharma, Raiswa Saha, and Shubhi Gupta, "Consumer Confusion: A Meta-Analytic Review," *Journal of Business Research* 192 (2025): 1-13. <https://doi.org/10.1016/j.jbusres.2025.115294>.

primarily emphasizes administrative registration and procedural certainty, the United States system incorporates broader substantive considerations, including goodwill protection, the likelihood of confusion, abandonment, and consumer interests. These differences reveal important structural gaps within the Indonesian framework, particularly regarding the protection of dormant marks that retain residual reputation and market recognition.

Accordingly, this study argues that legal protection against zombie trademarks in Indonesia should not merely rely on reactive litigation mechanisms but must be reconstructed through a more integrated and preventive framework. To clarify the proposed reform model, the following section outlines the basic principles, legal protection schemes, and implementation mechanisms that may serve as a conceptual foundation for strengthening trademark protection against the unauthorized revival of abandoned marks in Indonesia.

1. Basic Principles of Protection Against Zombie Trademarks

To establish a more adaptive trademark protection framework for zombie trademarks, it is necessary to first formulate the fundamental principles underlying such protection. These principles function as the normative foundation for assessing whether the reuse of abandoned marks by unrelated parties should remain permissible under trademark law. In this regard, protection against zombie trademarks should not rely solely on formal registration status but must also consider broader substantive elements, including goodwill, consumer trust, fair competition, and legal certainty. Accordingly, the following principles are proposed as the conceptual basis for strengthening Indonesia's trademark regime to address the revival and exploitation of dormant marks.

Table. 4 Principles of Protection Against Zombie Trademarks

 Goodwill Protection	A trademark is not merely a distinguishing symbol but also carries reputation and consumer trust.
 Consumer Protection	Preventing consumer confusion regarding revived old trademarks.

 Legal Certainty and Fairness	Ensuring fairness for original owners and preventing opportunistic practices by third parties.
 Proactive Examination	Authorities are empowered to reject registrations ex officio to prevent abuse.
 Efficiency and Public Trust	An adaptive system enhances the credibility of trademark registration and business climate.

Source: Author (2026).

2. Protection Scheme Implementations

To clarify the proposed legal framework, the following table outlines the essential components of legal protection against zombie trademarks in Indonesia. The scheme summarizes the relationship between the identified legal problems, the weaknesses of the current regulatory framework, and the proposed solutions derived from a comparative analysis with the United States trademark system. Through this structure, the proposed model demonstrates how preventive and substantive protection mechanisms may be integrated into the Indonesian trademark regime to safeguard trademark reputation, consumer interests, and fair competition.

Table 5. Pillars of Protection and Implementation Framework for Regulating
Zombie Trademark in Indonesia

No.	Pillar	Objective	Proposed Legal Basis	Implementation Mechanism	Feasibility in Indonesia
1	Concept of Abandonment with Intent Not to Reuse	This prevents trademark protection from applying indefinitely to marks that are no longer used and are not intended to be reused.	Amendment to Article 74 of the Indonesian Trademark Law (UU MIG). Adding the element of “no intention to reuse” in	• DGIP may assess intent through objective evidence (absence of production, promotion, business distribution, and business plans).	The high Revision of the Trademark Law and its implementing regulations is still feasible.

			assessing non-use.	• Continuous non-use period of five years.	
2	Explicit Recognition of Goodwill	Provide protection for the reputation value still attached to a mark in consumers' minds.	Amendment to Trademark Law. Adding a definition of "goodwill" and requiring every assignment to include proof of goodwill.	• Transfer of trademark rights must be accompanied by goodwill documentation (reputation, customer base, usage history). • Prohibition of gross assignment	Medium–High Revision of the Trademark Law is needed, but the concept of goodwill has already been recognized in legal practice.
3	Strengthening the Doctrine of Likelihood of Confusion	Prevent consumer confusion caused by the revival of old trademarks.	Revision of Article 21 of the Trademark Law. Incorporating <i>DuPont</i> factors (similarity, strength of the mark, nature of goods, distribution channels, target market, etc.).	• Substantive examination by DGIP adopting <i>DuPont</i> factors. • Examination considers the overall context, not merely the similarity of goods/services.	High can be implemented by implementing regulations and examiner guidelines.
4	Protection Against Dilution of Famous Marks	Protect famous trademarks from blurring or tarnishment.	Amendment to the Trademark Law. Adding anti-dilution provisions for famous marks without confusion.	• Clear criteria for famous marks (broad reputation, intensity of promotion, market recognition, and usage duration). • Can be raised during registration or through litigation.	The medium Requires the formulation of clear indicators and amendments to the Trademark Law.

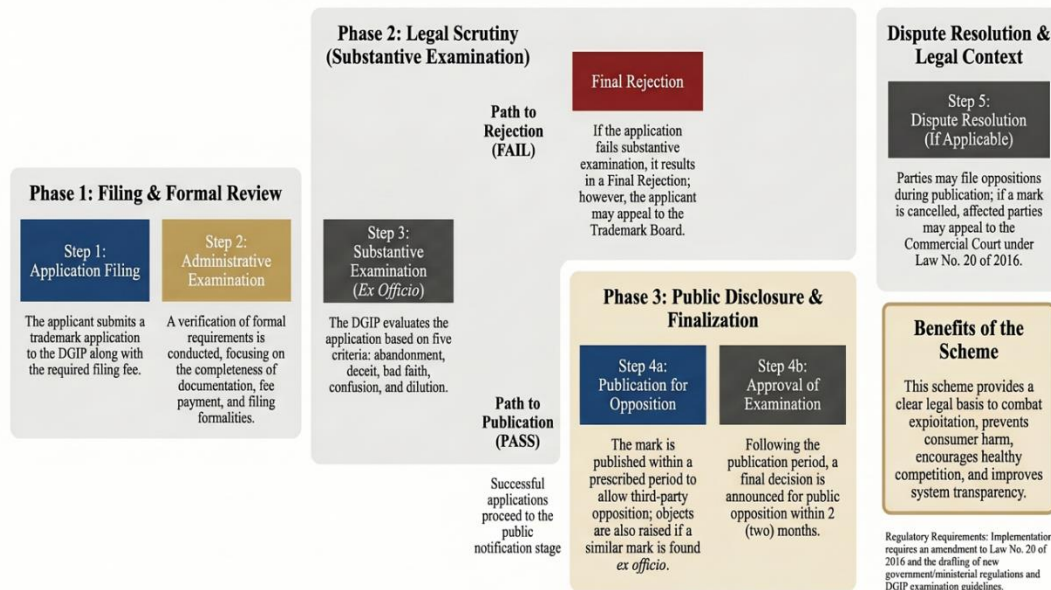
5	Ex Officio Authority to Reject Zombie Trademarks	Prevent old trademarks from being opportunistic ally revived by third parties.	Amendment to the Trademark Law and Government Regulations. Granting ex officio authority to DGIP.	• DGIP conducts an ex officio legal review. • No legal relationship with the original owner. • No evidence of residual goodwill. • Potential confusion or exploitation of reputation.	The medium Requires legal reform and technical guidelines as well as examiner capacity building.
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Source: Author (2026).

3. Implementation Flowchart

In addition to normative reform, the effectiveness of legal protection against zombie trademarks depends on the existence of a clear institutional mechanism for implementation. The following flowchart illustrates the proposed procedural framework for examining and preventing the registration of zombie trademarks in the Indonesian trademark system. The mechanism emphasizes the more proactive role of the Directorate General of Intellectual Property (DGIP), particularly in assessing abandonment, goodwill, likelihood of confusion, and the applicant's legal relationship with the previously existing mark before granting trademark protection.

Figure 1. Trademark Registration Process: The Implementation Scheme.



Source: Compiled by Author (2026).

The issue of zombie trademarks reveals that trademark protection must go beyond formal registration and address the substantive values embedded in a mark, particularly goodwill, consumer trust, and fair competition. The comparative analysis with U.S. trademark law demonstrates that concepts such as abandonment with intent not to resume use, explicit recognition of goodwill, a more comprehensive assessment of the likelihood of confusion, protection against dilution of famous marks, and proactive examination by the trademark authority can significantly strengthen legal safeguards against the opportunistic revival of dormant marks. By incorporating these principles into the Indonesian trademark regime, Indonesia can enhance legal certainty, prevent the exploitation of its accumulated reputation by unrelated parties, and better protect consumers from misleading associations. Ultimately, such reforms would position trademark law as an effective instrument not only for administrative regulation but also for safeguarding economic value, reputational interests, and the integrity of the marketplace.

Conclusion

The phenomenon of zombie trademarks demonstrates that trademark protection should not be confined to a formal registration framework. Trademarks embody not only administrative rights but also goodwill, reputation, consumer trust, and economic value

that may continue to exist even after a mark is no longer actively used. This study finds that Indonesia's first-to-file trademark regime contains structural weaknesses in addressing the revival of abandoned marks by unrelated parties, particularly due to the absence of explicit regulations concerning abandonment, residual goodwill, dilution, and preventive examination mechanisms. In contrast, the United States trademark system adopts a more substantive and adaptive approach by integrating doctrines such as abandonment with intent not to resume use, likelihood of confusion, goodwill protection, and dilution to safeguard both trademark owners and consumers. Based on this comparative analysis, this study proposes several legal reforms for Indonesia, including the incorporation of the abandonment concept with intent not to resume use, explicit recognition of goodwill, broader application of the likelihood of confusion doctrine, protection against the dilution of famous marks, and the granting of ex officio authority to the Directorate General of Intellectual Property (DGIP) to proactively reject problematic zombie trademark applications.

This study contributes to the development of trademark law scholarship by positioning zombie trademarks as a distinct legal phenomenon that exposes the limitations of registration-centered trademark systems and by providing a comparative framework for evaluating residual goodwill protection in Indonesia. It further contributes a normative model for legal reform grounded in comparative trademark law and Locke's Labour Theory. Nevertheless, this study has several limitations. As a normative legal study, the analysis focuses primarily on statutory provisions, legal doctrines, and judicial decisions without incorporating empirical evidence regarding consumer perceptions, trademark examination practices, or the prevalence of zombie trademark disputes in Indonesia. Future research may, therefore, adopt empirical or socio-legal approaches to examine how consumers perceive revived trademarks, assess the effectiveness of trademark examination mechanisms in preventing zombie trademark practices, and evaluate the practical feasibility of implementing the proposed reforms within Indonesia's intellectual property system. Such research would provide valuable insights into strengthening trademark protection while maintaining an appropriate balance between legal certainty, consumer interests, and fair competition.

Declarations

Author contribution statement

A.M conceived the research idea, designed the study, conducted the legal analysis, developed the conceptual framework, and drafted the manuscript. A.R contributed to the comparative legal analysis, reviewed the relevant literature and legal materials, and critically revised the manuscript. Both authors contributed to the interpretation of the findings, approved the final version of the manuscript, and agreed to be accountable for all aspects of the work.

Declaration of interests statement

The authors declare that they have no known competing financial interests or personal relationships that could have influenced the work reported in this paper.

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