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LEGAL PROTECTION FOR REGISTERED TRADEMARK OWNERS AGAINST BAD-FAITH TRADEMARK REGISTRATION: Comparative Study of Law Number 20 of 2016 and Indonesian Ulama Council Fatwa Number 1/MunasVII/MUI/5/2005

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Abstrak

Trademark violations in Indonesia, including counterfeiting, imitation, and unauthorized registration, continue to occur and indicate weaknesses in legal awareness and intellectual property rights enforcement. Such practices cause economic losses to legitimate trademark owners and create unfair business competition. This study aims to analyze the legal protection afforded to registered trademark owners against bad-faith trademark registration and to compare its regulation under Law Number 20 of 2016 concerning Trademarks and Geographical Indications and the Fatwa of the Indonesian Ulema Council Number 1/MUNAS VII/MUI/5/2005 concerning the Protection of Intellectual Property Rights. This research employs a normative legal method using statutory and comparative approaches. The findings reveal that Indonesian positive law provides both preventive and repressive protection through exclusive trademark rights, cancellation mechanisms, compensation claims, and legal sanctions against infringers. Meanwhile, Islamic law recognizes trademarks as a form of property right that must be protected based on the principles of justice, public benefit, and the prohibition of unlawfully appropriating the rights of others. Both legal systems acknowledge the importance of trademark protection, although they differ in their philosophical foundations. The study concludes that positive law and Islamic law complement each other in promoting legal certainty, justice, and fair business practices.

Kata Kunci: Legal Protection, Trademarks, Intellectual Property Rights

Abstract

Pelanggaran merek dagang di Indonesia, termasuk pemalsuan, peniruan, dan pendaftaran tanpa izin, terus terjadi dan menunjukkan kelemahan dalam kesadaran hukum serta penegakan hak kekayaan intelektual. Praktik-praktik semacam itu menimbulkan kerugian ekonomi bagi pemilik merek dagang yang sah dan menciptakan persaingan usaha yang tidak sehat. Penelitian ini bertujuan untuk menganalisis perlindungan hukum yang diberikan kepada pemilik merek dagang terdaftar terhadap pendaftaran merek dagang yang dilakukan dengan itikad buruk serta membandingkan pengaturannya berdasarkan Undang-Undang Nomor 20 Tahun 2016 tentang Merek dan Indikasi Geografis dan Fatwa Majelis Ulama Indonesia Nomor 1/MUNAS VII/MUI/5/2005 tentang Perlindungan Hak Kekayaan Intelektual. Penelitian ini menggunakan metode hukum normatif dengan pendekatan yuridis dan komparatif. Temuan penelitian menunjukkan bahwa hukum positif Indonesia memberikan perlindungan preventif dan represif melalui hak eksklusif atas merek, mekanisme pembatalan, tuntutan ganti rugi, dan sanksi hukum terhadap pelanggar. Sementara itu, hukum Islam mengakui merek dagang sebagai bentuk hak milik yang harus dilindungi berdasarkan prinsip keadilan, kepentingan umum, dan larangan mengambil hak orang lain secara tidak sah. Kedua sistem hukum tersebut mengakui pentingnya perlindungan merek dagang, meskipun berbeda dalam landasan filosofisnya. Studi ini menyimpulkan bahwa hukum positif dan hukum Islam saling melengkapi dalam mempromosikan kepastian hukum, keadilan, dan praktik bisnis yang adil.

Keywords: Perlindungan Hukum, Merek Dagang, Hak Atas Kekayaan Intelektual

INTRODUCTION

The development of information and communication technology in the digital era has been marked by the rapid growth of the internet, which has transformed various aspects of human life, ranging from social interaction and employment to commercial transactions and economic activities. The massive expansion of globalization has intensified competition across different sectors, making the utilization of technology an unavoidable necessity. Digitalization has accelerated the flow of information, enabling people to access information quickly, easily, and extensively regardless of social status, geographical location, or economic background. This phenomenon has contributed positively to improving productivity and efficiency in numerous fields, particularly in the business and governmental sectors. Nevertheless, alongside these benefits, technological advancement has also generated new challenges, including the increasing occurrence of legal violations related to intellectual property rights, especially trademarks (Saidin, 2015).

In the contemporary business environment, technology no longer serves merely as an operational tool but has become a determining factor in marketing strategies, corporate image formation, and consumer behavior. Increasingly competitive business competition has elevated trademarks into highly valuable assets because trademarks function not only as identifiers of goods or services but also as representations of reputation, quality, and consumer trust established by business actors (Jened, 2015). Consequently, trademark protection has become an essential necessity to ensure legal certainty for business owners while simultaneously safeguarding consumers. In this context, stricter supervision of trademark registration procedures and enhanced public legal awareness regarding trademark protection in Indonesia are urgently required (Rahardjo, 2000; Soekanto, 2008).

A trademark is essentially a sign used to distinguish goods or services produced by an individual or legal entity from similar goods or services produced by others. The existence of a trademark plays a strategic role in facilitating commercial activities, maintaining product quality, and protecting the interests of producers and consumers. Internationally, a trademark is understood as a sign or a combination of signs indicating the origin of a product or service while distinguishing it from those of competitors. Therefore, trademarks possess significant economic value because they are closely associated with public reputation and trust in a particular product or service (Jened, 2015; Saidin, 2015).

Despite its importance, the trademark registration system is frequently abused by parties acting in bad faith. Such abuse is commonly carried out through the registration of trademarks that are substantially similar or identical to trademarks already well known to the public. In many cases, trademark registration is intentionally undertaken to exploit the popularity, reputation, and economic value of an established trademark. These practices not only cause financial losses to legitimate trademark owners but also harm consumers by creating confusion regarding the origin, quality, and authenticity of goods or services. Consequently, the registration of trademarks in bad faith has become a significant legal issue requiring serious attention from both positive law and Islamic law perspectives (Nurhayati et al., 2018; Veronika, 2022).

According to Iur Soeryatin, a trademark is used to distinguish a particular product from similar products, thereby providing an indication of origin, identity, and quality assurance (Soeryatin, 1980). This view demonstrates that trademarks function not only as product identifiers but also as instruments that add value and provide protection for the business efforts of individuals or entities. Furthermore, Article 1 Paragraph 1 of Law Number 20 of 2016 concerning Trademarks and Geographical Indications stipulates that a trademark is a sign capable of being represented graphically and used to distinguish goods and/or services produced by an individual or legal entity from those produced by others. This provision indicates that the state recognizes the exclusive rights of trademark owners as part of legal protection intended to preserve dignity, honor, and civil rights. Such legal protection is implemented through binding statutory regulations accompanied by sanctions against those who violate the applicable provisions (Hadjon, 1987; Kelsen, 1967).

Trademark counterfeiting and misuse must fundamentally be addressed through effective legal instruments because trademarks constitute a form of intellectual creation possessing both economic and legal value. From the perspective of positive law, trademarks are part of intellectual property rights that deserve state protection (Saidin, 2015). Meanwhile, from the perspective of Islamic law, trademarks may be regarded as a form of ownership right that cannot be utilized or appropriated by others without the owner's permission. Therefore, trademark protection aims to minimize violations and provide legal certainty for rights holders. Such protection is manifested through the recognition of exclusive trademark rights, the imposition of sanctions against trademark infringements, and encouragement for business actors to register their trademarks in order to obtain optimal legal protection. These provisions have been regulated under various trademark laws in Indonesia, including Law Number 15 of 2001, which was later refined through Law Number 20 of 2016 concerning Trademarks and Geographical Indications (Jened, 2015).

From the perspective of Islamic law, discussions regarding trademarks are not explicitly found in classical Islamic jurisprudence because the modern concept of trademarks emerged long after the era of classical Muslim scholars. Nevertheless, fundamental principles related to trademark protection can be identified within discussions concerning maal (property) and milkiyyah (ownership). In Islamic jurisprudence, some scholars restrict the definition of maal to tangible property, whereas others extend it to include benefits (manafi') and rights (huquq). Based on the development of contemporary Islamic legal thought, intellectual property rights, including trademarks, are considered a form of property because they possess economic value, utility, and can legitimately be owned. Consequently, trademarks deserve legal protection just as other forms of property do.

Islam fundamentally prohibits the acquisition of wealth through methods that disregard morality, honesty, and the rights of others. In the context of intellectual property rights, the Indonesian Ulema Council (MUI) responded to this issue through Fatwa Number 1/MUNAS VII/MUI/5/2005 concerning the Protection of Intellectual Property Rights. The fatwa explains that intellectual property rights constitute wealth resulting from intellectual effort that produces beneficial products or works recognized by the state under prevailing laws and regulations. The fatwa further emphasizes that intellectual property rights possess a status that must be respected and protected. However, despite the existence of legal regulations and religious guidance, trademark violations continue to occur, including trademark imitation and bad-faith trademark registration (Nurhayati et al., 2018).

Under Islamic law, the protection of registered trademarks can be categorized as the protection of haqq al-ibti'kar (intellectual or creative property rights), which is considered a form of property that must be preserved. Unauthorized use, counterfeiting, or imitation of trademarks contradicts the principle of justice because such actions constitute oppression against rights holders and may deceive consumers. The majority of contemporary Islamic scholars regard trademarks as assets possessing economic value and therefore deserving legal protection. Accordingly, acts of imitation (ghasy) and trademark falsification (tadlīs) are inconsistent with the principles of honesty and Islamic business ethics. Besides causing harm to legitimate trademark owners, such practices also undermine public confidence in a fair and transparent trading system.

The persistence of trademark imitation and counterfeiting indicates that legal protection for trademark rights has not yet been fully effective. In this regard, Indonesian positive law emphasizes trademark protection through registration mechanisms, whereas Islamic law highlights moral principles such as honesty, justice, and the prohibition of causing harm to others. Both legal systems essentially pursue the same objective, namely protecting trademark owners' rights and promoting public welfare. Therefore, resolving trademark disputes in the modern era requires an approach that not only relies on formal legal mechanisms but also incorporates ethical and moral values as the foundation of economic activities (Fuller, 1964; Rahardjo, 2000).

Indonesia's trademark protection system adopts the constitutive first-to-file principle. Under this system, trademark rights are granted to the party that first files and successfully obtains trademark registration, rather than to the party that first uses the trademark. This principle is affirmed in Article 1 Paragraph 5 and Article 3 of Law Number 20 of 2016, which state that exclusive trademark rights arise only after a trademark has been validly registered in the General Register of Trademarks. The adoption of this principle is intended to provide stronger legal certainty than the declarative first-to-use system. Nevertheless, in practice, various violations continue to occur, revealing opportunities for abuse of the registration system by parties acting in bad faith. Therefore, examining the legal protection afforded to registered trademark owners against bad-faith trademark registration is crucial, both from the perspective of Law Number 20 of 2016 and Fatwa MUI Number 1/MUNAS VII/MUI/5/2005, in order to identify common ground between positive legal protection and the principles of justice embodied in Islamic law (Setiawan, Hartana, & Nino, n.d.; Nurhayati et al., 2018).

METHOD

This study employed a qualitative research method with a normative juridical approach. According to Soerjono Soekanto, normative juridical research is legal research conducted through the examination of library materials or secondary data. This method was selected because the issue under investigation is primarily normative in nature, focusing on the analysis of legal norms, statutory regulations, legal principles, doctrines, and conceptual frameworks governing trademark protection and bad-faith trademark registration. The study aims to examine the legal protection afforded to registered trademark owners against trademark registrations made in bad faith from the perspectives of both Indonesian positive law and Islamic law.

The research utilized a statutory approach (Statute Approach), which involved an in-depth examination of legislation relevant to the legal issues under study. Particular attention was given to Law Number 20 of 2016 concerning Trademarks and Geographical Indications. The analysis focused on several key aspects, including the principle of good faith in trademark registration, legal protection for registered trademark owners, mechanisms for the cancellation of trademarks registered in bad faith, and the legal remedies available to parties whose rights have been violated. Through this approach, the study assessed the consistency and effectiveness of the existing legal framework in addressing trademark disputes arising from bad-faith registration practices.

In addition to examining positive law, this research also analyzed Fatwa of the Indonesian Ulema Council (Majelis Ulama Indonesia) Number 1/MUNAS VII/MUI/5/2005 concerning the Protection of Intellectual Property Rights. The fatwa provides an Islamic legal perspective on intellectual property protection, including trademarks. It emphasizes that violations of intellectual property rights, such as unauthorized use or registration of trademarks and actions undertaken in bad faith, constitute acts of injustice and are prohibited under Islamic law. Therefore, the fatwa serves as an important normative foundation for understanding trademark protection within the framework of Islamic legal principles.

The study relied on two categories of legal materials, namely primary and secondary legal sources. Primary legal materials consisted of statutory regulations and authoritative legal instruments forming the basis of legal analysis. These included Law Number 20 of 2016 concerning Trademarks and Geographical Indications, the Indonesian Civil Code, and Fatwa of the Indonesian Ulema Council Number 1/MUNAS VII/MUI/5/2005 on the Protection of Intellectual Property Rights. Secondary legal materials comprised books, scholarly journals, legal commentaries, research reports, official documents, and relevant online sources that provided supporting theories, interpretations, and analyses related to the research topic.

The collection of legal materials was conducted through a systematic library research method involving the identification, classification, organization, and examination of relevant legal sources. The collected data were analyzed qualitatively using a deductive method. This analytical technique involved drawing conclusions from general legal principles, statutory provisions, and legal doctrines to address specific legal issues, particularly those relating to substantial similarity and overall similarity in trademark registration disputes. Through this method, the study sought to formulate a comprehensive understanding of legal protection mechanisms for registered trademark owners against bad-faith trademark registration under both Indonesian positive law and Islamic law.

RESULTS AND DISCUSSIONS

Mechanisms of Bad-Faith Registration of Another Party's Trademark in Indonesia

Law Number 20 of 2016 concerning Trademarks and Geographical Indications explicitly stipulates that every trademark application must be submitted in good faith. Article 21 paragraph (3) provides that a trademark application shall be rejected if it is filed by an applicant acting in bad faith, namely with the intention of imitating, copying, or following another party's trademark for business purposes in a manner that may create unfair competition, deceive consumers, or cause public confusion. The concept of bad faith refers to the deliberate intention to exploit the reputation, goodwill, and commercial value that have already been established by another trademark owner. Such conduct is commonly known as bad-faith trademark registration and fundamentally contradicts the principles of honesty, fairness, and business ethics that underpin trademark protection (Jened, 2015; Nurhayati et al., 2018).

In practice, bad-faith trademark registration occurs through several common mechanisms. First, an individual or business entity may register a trademark that is identical or substantially similar to a well-known trademark owned by another party. The objective is generally to benefit from the established reputation of the original trademark and attract consumers who may mistakenly associate the registered mark with the legitimate brand. Second, trademark registration may be carried out by distributors, agents, or business partners without obtaining authorization from the rightful trademark owner. Such actions are often intended to gain control over the trademark within a particular jurisdiction and subsequently obtain commercial advantages from the original owner. Third, bad-faith registration frequently takes the form of trademark squatting, whereby a person registers a foreign trademark that has not yet been registered in Indonesia and later attempts to sell, license, or transfer the trademark rights back to the legitimate owner for financial gain (Casavera, 2009; Veronika, 2022).

These practices demonstrate the potential abuse of the first-to-file principle adopted by the Indonesian trademark system. Under this system, exclusive rights over a trademark are granted to the party that first files and successfully registers the mark, regardless of whether that party was the first user of the trademark in commercial activities. Although the first-to-file system aims to provide legal certainty, it may also create opportunities for opportunistic actors to register trademarks belonging to others that have not yet been formally protected in Indonesia. Consequently, trademark registration can become a tool for unfair commercial exploitation rather than a mechanism for legitimate legal protection (Setiawan et al., n.d.; Jened, 2015).

Although Law Number 20 of 2016 provides a legal basis for rejecting applications filed in bad faith, administrative supervision conducted by the Directorate General of Intellectual Property still faces practical limitations, particularly in assessing the subjective element of intention underlying an application. As a result, legal protection often becomes effective only after objections, cancellation proceedings, or court actions are initiated by the injured party. This condition reflects broader challenges in legal enforcement and the realization of legal certainty within the intellectual property system (Soekanto, 2008; Hadjon, 1987).

From the perspective of Islamic law, as reflected in the Fatwa of the Indonesian Ulema Council concerning the Protection of Intellectual Property Rights, such practices clearly violate the principles of honesty (ṣidq), justice ('adl), and respect for property rights. Trademark squatting and similar forms of bad-faith registration may be categorized as acts of injustice because they seek to derive economic benefits from another person's lawful property without authorization. Therefore, both Indonesian positive law and Islamic law condemn bad-faith trademark registration as a practice that undermines legal certainty, fair competition, and ethical business conduct (Rahardjo, 2000; Fuller, 1964; Nurhayati et al., 2018).

Legal Consequences for Parties Registering Trademarks in Bad Faith in Indonesia

The registration of trademarks in bad faith constitutes an abuse of rights that gives rise to various legal consequences under Indonesian law. Trademark protection is fundamentally intended to safeguard legitimate business interests and promote fair competition. Therefore, when a trademark is registered with the intention of imitating, exploiting, or unfairly benefiting from the reputation of another party's trademark, such registration is considered contrary to the objectives of trademark law and may be subject to legal sanctions. The legal consequences become particularly significant when a trademark registered in bad faith has already obtained formal legal protection through the registration process (Hidayat, 2020; Nurhayati et al., 2018; Jened, 2019).

Under Law Number 20 of 2016 concerning Trademarks and Geographical Indications, parties whose rights have been adversely affected by a bad-faith trademark registration may file a cancellation lawsuit before the Commercial Court. If the court determines that the trademark was registered in bad faith, the registration may be declared invalid and subsequently removed from the General Register of Trademarks. The cancellation of the trademark results in the loss of its legal validity, and the trademark is deemed never to have enjoyed legitimate protection from the outset. Consequently, the registrant loses all exclusive rights associated with the trademark and can no longer prevent other parties, particularly the rightful owner, from using the same or a substantially similar mark (Marina, 2021; Rachmadi, 2020; Setiawan et al., 2023).

In addition to cancellation proceedings, the injured party may seek compensation for economic and reputational losses resulting from the unauthorized registration and use of the trademark. The court may also order the infringing party to cease all forms of use, promotion, distribution, or commercialization of the disputed trademark. Furthermore, where the conduct fulfills the elements of a criminal offense, such as trademark counterfeiting, imitation, or unauthorized use of a registered trademark, the offender may be subject to criminal sanctions, including imprisonment and monetary fines, in accordance with applicable laws and regulations. These sanctions reflect the state's commitment to protecting intellectual property rights and maintaining fairness within the marketplace (Azizah et al., 2025; Habib & Nurwati, 2024; Nahdliyah et al., 2024).

From the perspective of Islamic law, intellectual property rights, including trademarks, are recognized as a form of lawful property (*al-māl*) that deserves legal protection. Consequently, the registration of a trademark in bad faith carries both legal and moral implications. Registering a trademark with the intention of imitating or benefiting from the reputation and goodwill of another party is regarded as an act of injustice (*ẓulm*) and a violation of the Islamic principles of fairness, honesty, and respect for ownership rights. The perpetrator is morally and legally obligated to restore the rights of the legitimate trademark owner and to cease any conduct that causes harm or unfair advantage (Fikri & Hasanah, 2023).

Moreover, Islamic law emphasizes the principle of responsibility for harm caused to others. Any person who unlawfully causes material or immaterial losses is required to provide appropriate compensation and restore justice. This principle reflects the broader objectives of Islamic law (*maqāṣid al-sharīʿah*), which seek to protect property rights, prevent exploitation, and preserve social and economic welfare (Fikri & Hasanah, 2023).

A comparative analysis reveals several similarities between Indonesian positive law and Islamic law regarding bad-faith trademark registration. Both legal systems reject the practice of registering trademarks in bad faith, recognize the rights of legitimate trademark owners, and support the obligation to compensate parties who suffer losses. However, important differences also exist. Law Number 20 of 2016 emphasizes formal legal consequences, including trademark cancellation, compensation claims, and criminal sanctions. In contrast, the Fatwa of the Indonesian Ulema Council places greater emphasis on moral and ethical accountability, considering such conduct unlawful (*haram*) and imposing an obligation to return the rights of the rightful owner in a fair and just manner. Despite these differences, both legal frameworks share the common objective of protecting property rights and promoting justice in commercial activities (Fikri & Hasanah, 2023; Nurhayati et al., 2018; Arifin & Nasution, 2021).

Legal Protection for Trademark Owners under Law Number 20 of 2016 and the Fatwa of the Indonesian Ulema Council Number 1/MUNAS VII/MUI/5/2005

Legal protection of trademarks constitutes an integral part of intellectual property rights protection, which aims to provide legal certainty, justice, and economic security for rights holders. In the modern business environment, trademarks are not merely commercial identifiers but also valuable intangible assets that embody a company's reputation, goodwill, and competitive advantage. Consequently, effective trademark protection is essential to ensure fair competition, encourage innovation, and safeguard the interests of both producers and consumers. In Indonesia, trademark protection is primarily regulated under Law Number 20 of 2016 concerning Trademarks and Geographical Indications. From the perspective of Islamic law, the protection of trademark rights is further reinforced through the Fatwa of the Indonesian Ulema Council (Majelis Ulama Indonesia) Number 1/MUNAS VII/MUI/5/2005 concerning the Protection of Intellectual Property Rights (Jened, 2019; Habib & Nurwati, 2024).

Law Number 20 of 2016 adopts the first-to-file principle, under which trademark rights are granted to the party that first files and successfully registers the trademark. Registration serves as the legal basis for the acquisition of exclusive rights and provides formal recognition of ownership by the state. Once a trademark has been registered, the owner acquires exclusive authority to use the trademark in commercial activities and to prevent unauthorized use by other parties. These exclusive rights include the right to use the trademark independently in trade, to grant licenses to third parties, and to prohibit the use of trademarks that are identical or substantially similar to the registered mark. Through this legal framework, the law seeks to create certainty and stability in commercial transactions while protecting trademark owners from unfair competition and unauthorized exploitation (Arifin & Nasution, 2021; Rachmadi, 2020; Nahdliyah et al., 2024).

When trademark infringement occurs, the registered trademark owner is entitled to pursue various legal remedies. Under the provisions of Law Number 20 of 2016, the owner may file a lawsuit before the Commercial Court seeking compensation for damages, termination of unauthorized use, and withdrawal of infringing products from the market. These remedies are intended to restore the rights of the trademark owner and prevent further economic losses. In addition, the law provides criminal sanctions for parties who intentionally and unlawfully use another person's registered trademark. Such sanctions may include imprisonment and monetary fines, reflecting the seriousness of trademark violations and the state's commitment to protecting intellectual property rights. The existence of both civil and criminal remedies demonstrates the comprehensive nature of legal protection available to trademark owners under Indonesian law (Azizah et al., 2025; Habib & Nurwati, 2024; Nahdliyah et al., 2024).

Furthermore, the law incorporates preventive protection mechanisms by requiring that trademark applications be submitted in good faith. Applications filed with the intention of imitating, copying, or unfairly benefiting from another party's trademark may be rejected. This preventive approach aims to prevent disputes before they arise and to ensure that trademark registration serves its intended purpose of protecting legitimate commercial interests rather than facilitating unfair business practices (Hidayat, 2020; Wijanarko & Pribadi, 2022; Nurhayati et al., 2018).

From the perspective of Islamic law, trademark protection is grounded in the recognition of intellectual property rights as a legitimate form of property. The Fatwa of the Indonesian Ulema Council Number 1/MUNAS VII/MUI/5/2005 explicitly affirms that intellectual property rights are lawful rights that deserve protection. As a result, trademark owners are entitled to enjoy the economic benefits derived from their intellectual creations and commercial reputation. Any unauthorized use, imitation, or exploitation of a trademark without the owner's consent is regarded as a violation of lawful ownership rights and is therefore prohibited under Islamic law (Fikri & Hasanah, 2023).

The protection provided by the Fatwa extends beyond legal recognition and encompasses moral and ethical dimensions. Trademark infringement is considered an act of injustice (ẓulm) because it deprives the rightful owner of the benefits associated with their property and efforts. Such conduct also contradicts fundamental Islamic principles of honesty (ṣidq), fairness ('adl), trustworthiness (amānah), and respect for the rights of others. Consequently, individuals who violate trademark rights are not only subject to legal accountability but also bear moral responsibility for their actions before society and God (Fikri & Hasanah, 2023).

A comparative analysis reveals that both Law Number 20 of 2016 and the Fatwa of the Indonesian Ulema Council share a common objective of protecting the legitimate rights of trademark owners and preventing unfair commercial practices. Both frameworks recognize trademarks as valuable rights that deserve protection and both prohibit unauthorized use and exploitation by third parties. However, the two systems differ in their emphasis. Indonesian positive law primarily focuses on formal legal mechanisms, including registration procedures, civil remedies, and criminal sanctions. In contrast, the Fatwa places greater emphasis on ethical and moral obligations, highlighting the religious prohibition of violating another person's property rights and the duty to uphold justice in commercial transactions (Arifin & Nasution, 2021; Fikri & Hasanah, 2023).

Therefore, legal protection for trademark owners in Indonesia is not confined to statutory regulations alone but is also strengthened by Islamic ethical values. The integration of legal, economic, and moral dimensions provides a more comprehensive framework for protecting trademark rights, ensuring legal certainty, promoting fair competition, and fostering ethical business conduct in society (Jened, 2019; Wibowo, 2022; Habib & Nurwati, 2024).

CONCLUSION

Based on the findings and analysis presented in this study, it can be concluded that the practice of registering another party's trademark in bad faith remains a significant issue within Indonesia's trademark protection system. Such practices commonly occur through the imitation, reproduction, or prior registration of trademarks that have already been used, recognized, or developed by other parties. These actions are generally motivated by the desire to obtain economic benefits unfairly by exploiting the reputation and goodwill of legitimate trademark owners. Consequently, such conduct violates the principle of good faith that serves as a fundamental requirement in trademark registration under Indonesian law. The legal consequences for parties engaging in bad-faith trademark registration are substantial. Under Law Number 20 of 2016 concerning Trademarks and Geographical Indications, a trademark registered in bad faith may be cancelled through proceedings before the Commercial Court. In addition, injured parties may seek compensation, request the cessation of unauthorized trademark use, and pursue other legal remedies provided by applicable laws. These measures demonstrate the commitment of the legal system to protecting the rights of legitimate trademark owners and maintaining fair competition. Furthermore, legal protection for trademark owners is not limited to statutory regulations. The Fatwa of the Indonesian Ulema Council Number 1/MUNAS VII/MUI/5/2005 reinforces trademark protection by recognizing intellectual property rights as lawful property that must be respected and protected. Any unauthorized registration or use of another party's trademark is considered a violation of both legal and ethical principles. Therefore, trademark protection in Indonesia encompasses legal, economic, moral, and religious dimensions, creating a comprehensive framework aimed at preventing unfair practices, safeguarding property rights, and promoting justice and integrity in commercial activities.

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