

Brandmarking

THOUGHTS ON THE CREATION,
PROTECTION, AND ENFORCEMENT OF
BRAND IDENTITY

THREE QUESTIONS FROM THE SUPREME COURT'S DECISION ON "OFFENSIVE" TRADEMARKS

Last week the Supreme Court ruled that the Trademark Office may not refuse federal registration to a trademark merely because the mark is "disparaging." The decision has attracted a lot of media attention, much of it inaccurate, and has raised some questions worth considering.

The case (*Matal v. Tam*) involved a music group composed primarily of Japanese-American men who call themselves The Slants. They know that "slants" is a slur against Asian-Americans. Indeed, that is precisely why they chose the name. Their aim, as the Court summarized it, was "to help 'reclaim' the term and drain its denigrating force."

The Slants applied to register their name as a trademark in the United States Patent and Trademark Office. Their application was denied under Section 2(a) of the federal Trademark Act, which provides that registration can be denied to a mark that:

Consists of or comprises immoral, deceptive, or scandalous matter; or matter which may disparage...persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute.

The Trademark Office found that the Slants trademark violated the "disparagement" clause of this provision.

The Slants appealed. The case eventually made its way to the United States Court of Appeal for the Federal Circuit, which in 2015 ruled that the disparagement clause was unconstitutional because it violated the First Amendment guarantee of free speech. The Trademark Office appealed that decision to the Supreme Court, which emphatically upheld the lower court ruling.

The decision raises a number of interesting questions. Here are three of them.

1. What impact will this decision have on the Redskins case?

In a well-known and widely-discussed case (*Blackhorse v. Pro Football, Inc.*), the Trademark Office cancelled registrations of six trademarks that included the controversial nickname used by the Washington, D.C., franchise of the National Football League. An appeal of that decision is currently pending in the United States Court of Appeals for the Fourth Circuit.

It would appear that the decision in the Slants case effectively resolves the Redskins case as well. The Redskins registrations were cancelled because they violated the disparagement clause – precisely the same



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ABOUT "BRANDMARKING"

The word is a combination of "branding" and "trademark." It reflects a conviction that marketing and legal professionals share a common goal, and that they need to learn to speak each other's language in order to reach it. That goal is simple: to develop powerful, durable brand identities and capture them in names, slogans, and designs that customers will associate with their products -- and with no one else's.

If you like what you find here, feel free to pass it along to others.

ABOUT THE AUTHOR



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statutory provision that the Supreme Court has now declared unconstitutional. It's always risky to predict legal outcomes, and the *Black-horse* petitioners may yet find a path to victory. But it's highly likely that the football team will get its trademark registrations back.

2. Does this decision apply to other kinds of "offensive" trademarks?

No and yes.

First, an important clarification. Most news reports have said that the Supreme Court decision opened the door to all "offensive" trademarks. That's not exactly correct. Technically the *Slants* decision invalidated only the disparagement clause of Section 2(a). It did not invalidate other portions of the statute. So as of today, the Trademark Act still bars registration of trademarks that are considered "immoral" or "scandalous."

But the days of the "immoral or scandalous" clause are probably numbered. It is hard to think of any reason why the Supreme Court's First Amendment analysis of disparaging marks wouldn't apply to this clause as well. In fact, when the Federal Circuit first ruled the disparagement clause unconstitutional, the Trademark Office suspended consideration of all applications that involved offensive trademarks of any kind, including those deemed immoral or scandalous – a fairly clear signal that the Office recognized that the two clauses stand or fall together.

As it happens, there is a case now pending in the Federal Circuit that expressly challenges the constitutionality of the immoral or scandalous clause. The case (*In re Brunetti*) pertains to the Trademark Office's refusal to register the mark FUCTION. The Federal Circuit appears to have been awaiting the Supreme Court's decision in the *Slants* case. Stay tuned.

3. So does the *Slants* decision really "open the floodgates" to more offensive trademarks?

Probably not, for at least a couple reasons.

For starters, keep in mind that the purpose of trademarks is to attract consumers and induce them to buy products. How many businesses are likely to think that they can accomplish these goals by adopting trademarks that insult or alienate large segments of their potential market? Some retailers already refuse to stock products with such names, and some trade organizations have adopted guidelines discouraging them.

To the extent that some businesses do want to use such trademarks, there has never been any impediment to using such trademarks with or without registration. And besides, many of them have already succeeded in registering their trademarks. The Trademark Office has been notoriously inconsistent in its application of Section 2(a); there are dozens of duly registered trademarks that would qualify as "offensive" in one way or another.

It is probably inevitable that there will be at some increase in the number of applications for disparaging, immoral, or scandalous trademarks in the wake of the *Slants* decision. But the fact that so many marks of this kind have already achieved registration undermines the notion that there is a huge backlog of them ready to flood the Trademark Office.

Trademarks and "The Thought that We Hate"

The Supreme Court's First Amendment decisions are often controversial, because they typically protect someone's right to say or do things that others find objectionable. But as the Court noted in its decision:

Speech that demeans on the basis of race, ethnicity, gender, religion, age, disability, any other similar ground is hateful; but the proudest boast of our free speech jurisprudence is that we protect the freedom to express "the thought that we hate."

In the Court's view, this is the price we pay for freedom of speech, in trademarks no less than in other areas.

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