

## INTELLECTUAL PROPERTY

### **“GIVING OFFENSE IS A VIEWPOINT”: SUPREME COURT HOLDS IT IS VIEWPOINT DISCRIMINATION TO DENY TRADEMARK PROTECTION FOR ALLEGEDLY OFFENSIVE MARKS**

By David N. Ferrucci

In a decision that is being heralded as a victory for First Amendment freedoms, the United States Supreme Court struck down the so-called disparagement provision of the Lanham Act, 15 U.S.C. §1052(a), on the basis that the law constitutes unlawful viewpoint discrimination.

In *Matal v. Tam*, 582 U.S. \_\_\_ (June 19, 2017), the Supreme Court was asked to determine the constitutionality of a Lanham Act provision prohibiting the registration of any trademarks that “may disparage ... persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute.” 15 U.S.C. §1052(a) (hereinafter, “Disparagement Clause” or “Lanham Act’s Disparagement Clause”).

*Tam* involved a challenge to the denial of federal registration of the mark “THE SLANTS.” Mr. Tam, lead singer of the Asian-American rock band “The Slants,” chose the name to “reclaim” the derogatory moniker and to drain its denigrating force as a derogatory term for Asian persons. But when Mr. Tam sought to register the mark, the Patent and Trademark Office (“PTO”) denied the application on the basis that it violated the Lanham Act’s Disparagement Clause.

The Federal Circuit found the Lanham Act’s Disparagement Clause unconstitutional. Specifically, it found that the clause constituted unlawful viewpoint discrimination in violation of the First Amendment.

In a 4-4 split decision (recently confirmed Justice Neil Gorsuch was not on the Court when the case was argued), the Justices unanimously agreed with the Federal Circuit that denying registration of a trademark based on the allegation that the mark disparages or offends certain groups, is unlawful viewpoint discrimination. As Justice Alito explained in the Court’s majority opinion (joined by Chief Justice Roberts, Justice Thomas, and Justice Breyer):

Our cases use the term “viewpoint” discrimination in a broad sense, and in that sense, the disparagement clause discriminates on the bases of “viewpoint.” To be sure, the clause evenhandedly prohibits disparagement of all groups. It applies equally to marks that damn Democrats and Republicans, capitalists and socialists, and those arrayed on both sides of every possible issue. It denies registration to any mark that is offensive to a substantial percentage of the members of any group. But in the sense relevant here, that is viewpoint discrimination: Giving offense is a viewpoint.

We have said time and again that the public expression of ideas may not be prohibited merely because the ideas are themselves offensive to some of their hearers.

Another aspect of the Court’s opinion that could have far reaching consequences for trademark rights in the commercial context is the Supreme Court’s holding that even if a trademark constitutes commercial speech—a category of speech entitled to lesser First Amendment protections—the speech still cannot be regulated simply on the basis that it offends. Specifically, the majority opinion found that even if the speech is deemed “commercial,” regulation targeting offensive speech fails the commercial speech test promulgated in *Central Hudson Gas & Electric Corporation v. Public Service Commission of New York*, 447 U.S. 557 (1980). “Under that test, government laws and regulations may significantly restrict [commercial] speech, as long as they also directly advance a substantial government interest that could not be served as well by a more limited restriction.” *Sorrell v. IMS Health Inc.*, 564 U.S. 552, 583 (2011). The Court found that the disparagement provision failed the *Central Hudson* test because it served no substantial government interest and in any event, could not be narrowly tailored. Specifically, the Court held that protecting particular groups from offensive speech is not a substantial governmental interest:

[A]s we have explained, th[e] idea [that the Government has an interest in preventing speech expressing ideas that offend] strikes at the heart of the First Amendment. Speech that demeans on the basis of race, ethnicity, gender, religion, age, disability, or 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.

Justice Kennedy’s concurrence (joined by Justice Ginsberg, Justice Sotomayor, and Justice Kagan) drove home this point and confirmed a line of thought developed in the Court’s 2011 commercial speech case, *Sorrell v. IMS Health Inc.*, 564 U.S. 552 (2011), that regulations aimed at certain viewpoints are not lawful simply because they purport to regulate commercial speech:

“Commercial speech is no exception,” the Court has explained, to the principle that the First Amendment “requires heightened scrutiny whenever the government creates a regulation of speech because of disagreement with the message it conveys.” *Sorrell v. IMS Health Inc.*, 564 U.S. 552, 566 (2011) (internal quotation marks omitted). Unlike content based discrimination, discrimination based on viewpoint, including a regulation that targets speech for its offensiveness, remains of serious concern in the commercial context. See *Bolger v. Youngs Drug Products Corp.*, 463 U.S. 60-72 (1983).

To the extent trademarks qualify as commercial speech, they are an example of why that term or category does not serve as a blanket exemption from the First Amendment’s requirement of viewpoint neutrality.

The Court’s apparent growing unease with the expansion of the Court’s commercial doctrine to encompass all forms of speech, not just traditional advertisements, is a welcome development for commercial speakers. Far too often courts have used the various commercial

speech tests to sweep within its ambit speech otherwise worthy of full First Amendment protection.

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