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INSIGHTS

Supreme Court to Slants: "Rock On!" Trademark Ban on Offensive Trademarks Held Unconstitutional

June 20, 2017

On June 19, 2017, the Supreme Court unanimously held that Section 2(a) of the Lanham Act (15 U.S.C. §1052(a)), the provision of federal trademark law barring registration of disparaging trademarks, violates the First Amendment's Free Speech Clause when applied to potentially disparaging or offensive trademarks. ***Matal v. Tam, 582 U.S. ____ (2017)***.

Case Background

The court's ruling comes after Simon Tam, lead singer of the dance rock group, The Slants, tried to seek federal trademark registration for the band's name. The USPTO denied Tam's application based on the "disparagement clause" found in Section 2(a) of the Lanham Act which prohibits registration of marks that may "disparage . . . or bring . . . into contemp[t] or disrepute" any "persons, living or dead, institutions, beliefs, or national symbols."

While the term "slants" is a derogatory term for persons of Asian descent, the members of the band are Asian-Americans and it is Tam's belief that reclaiming the derogatory term will help to drain it of its demeaning force.[1] Tam appealed the USPTO's ruling to the Federal Circuit, which ultimately found the disparagement clause unconstitutional under the First Amendment's Free Speech Clause.

The Court's Analysis

The Supreme Court affirmed the Federal Circuit's en banc ruling, holding that the disparagement clause, which aims to prevent registration of trademarks that express offensive ideas, strikes at the heart of the First Amendment. "It offends a bedrock First Amendment principle: Speech may not be banned on the ground that it expresses ideas that offend," Justice Samuel Alito wrote on behalf of the court.[2]

"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.'"[3]

Justice Alito noted that the disparagement clause is not narrowly tailored to weed out only hateful trademarks, but rather, could be applied against any trademark that expresses a viewpoint contrary to any person, group or institution. "It is not an anti-discrimination clause; it is a happy talk clause . . . it goes much further than is necessary to serve the interest asserted."[4]

Holding and Takeaway

Potentially offensive marks can be used in commerce and enforced against infringers with or without federal registration. Federal registration, however, confers valuable legal rights and benefits on trademark owners, including providing constructive notice of ownership of the mark and serving as prima facie evidence of a mark's validity, ownership of the mark, and the owner's exclusive right to use the registered mark.[5] Federal registration also enables the trademark owner to stop infringing articles from being imported into the United States.[6]

The court's decision is likely good news for other marks found to be disparaging including the Washington Redskins whose trademarks were cancelled by the USPTO in 2014 pursuant to the disparagement clause (that decision is currently pending appeal at the 4th Circuit) and other applicants whose marks were put on hold[7] by the Commissioner of Trademarks early last year pending the Supreme Court's review.

Left open for reinterpretation are the "scandalous" and "immoral" bars to registration under Section 2(a) of the Lanham Act. Following the reasoning of Justice Alito, one could surmise that these sections similarly violate the First Amendment's Free Speech Clause.

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[1] **Jeong, S. (2017, January 17).** ***Should We Be Able to Reclaim a Racist Insult - as a Registered Trademark?*** ***The New York Times Magazine*****.**

[2] Matal v. Tam**, 582 U. S. ____ (2017) (slip op., at 1)**

[3] Id**. at 25.**

[4] Id**.**

[5] **B & B Hardware, 575 U. S. ___ (2015)(slip op., at 3) (quoting 15 U.S.C. §§1072, 1057(b))**

[6] **15 U. S. C. §1124**

[7] ***https://www.uspto.gov/sites/default/files/documents/ExamGuide01-16.docx***