

Supreme Court to Decide Whether Ban on “Immoral” or “Scandalous” Trademarks Is Constitutional

January 14, 2019

On Jan. 4, 2019, the U.S. Supreme Court agreed to review whether the 113-year-old ban on registration of "immoral" or "scandalous" trademarks violates the First Amendment's guarantee of free speech.

The case involves Erik Brunetti, the founder of the lifestyle and clothing brand FUCT, who in 2011 sought to register the FUCT mark for "athletic apparel, namely, shirts, pants, jackets, footwear, hats and caps; children's and infant's apparel, namely, jumpers, overall sleepwear, pajamas, rompers and one-piece garments." The U.S. Patent and Trademark Office (USPTO) refused registration of this mark under Section 2(a) of the Trademark Act, 15 U.S.C. § 1052(a), based on its conclusion that the mark is "vulgar" and therefore in violation of Section 2(a)'s prohibition on registration of "immoral" or "scandalous" matter. The Trademark Trial and Appeal Board affirmed this decision. However, the board noted that its decision did not address "evolving First Amendment jurisprudence" in relation to Section 2(a). Brunetti appealed to the Federal Circuit.

While Brunetti's Federal Circuit appeal was pending, the Supreme Court held unanimously in *Matal v. Tam*, 137 S. Ct. 1744 (2017), that a related provision of Section 2(a)—the ban on registration of "disparaging" trademarks—was invalid under the First Amendment's Free Speech clause. Relying on *Tam*, the Federal Circuit held that the bar on registration of "immoral" or "scandalous" marks, like the bar on registration of "disparaging" marks, is invalid under the First Amendment. *In re Brunetti*, 877 F.3d 1330 (Fed. Cir. 2017). The Supreme Court has now granted the USPTO's petition for review of the Federal Circuit's decision in *Brunetti*.

Even though Brunetti won in the Federal Circuit, he agreed that the Supreme Court should hear the case because *Tam* left open certain key issues concerning the interplay between the First Amendment and Section 2(a). Although all eight of the Justices who participated in *Tam* agreed that Section 2(a)'s ban on registration of "disparaging" marks violated the First Amendment, no single rationale commanded a majority of the Supreme Court. (Justice Neil Gorsuch did not participate in the decision because he joined the Court after briefing and argument in *Tam* had concluded.) Brunetti also asked the Court to decide a related issue not addressed by the Federal Circuit—whether Section 2(a)'s ban on registration of "immoral" or "scandalous" marks is unconstitutionally vague under the First and Fifth Amendments. In granting review,



the Supreme Court thus is poised to resolve both the free speech issue and the vagueness issue.

The Supreme Court's agreement to review the Federal Circuit's decision in *Brunetti* is particularly important for trademark owners with pending applications for marks that may qualify as "immoral" or "scandalous" under current law. The USPTO has suspended action on applications that otherwise would be refused under Section 2(a)'s immoral- or scandalous-marks provision until the Supreme Court weighs in. These marks are likely to register should the Supreme Court find in favor of *Brunetti*, provided other requirements for registration are met. A decision in favor of *Brunetti* may also embolden businesses to begin using new brands that might be perceived as vulgar.

What remains to be seen is whether the Supreme Court's recent additions of Justice Neil Gorsuch and Justice Brett Kavanaugh, who replaced retired Justice Anthony Kennedy (a participant in *Tam*), will lead to a different result than that reached in *Tam*.

If you have any questions regarding this case, please contact your Lathrop Gage attorney or the attorney listed above.