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Unleash Heck – Supreme Court Solidifies Position on Registrability of 'Immoral and Scandalous' Trademarks

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In an unsurprising but still quite important decision, the Supreme Court in *Iancu v. Brunetti*, 588 U.S. ___ (2019), has confirmed what many trademark and First Amendment legal aficionados have long-suspected: the United States Patent & Trademark Office (USPTO) must now register trademarks it would otherwise have rejected due to their "immoral" or "scandalous" natures.

Plaintiff-Respondent Erik Brunetti had initially sought to register the trademark FUCT (an acronym for "Friends You Can't Trust") in connection with his streetwear line. While Brunetti cheekily alleged that the mark was to be pronounced as four consecutive letters, i.e., F-U-C-T, and not pronounced so as to rhyme with the similar profane word, the Court acknowledged that the public would surely understand this mark as a common profanity. Previously, under the Lanham Act (the federal law governing trademarks), Brunetti's mark would have been plainly unregistrable due to its "immoral or scandalous" nature. Even before *Brunetti*, however, the winds had been shifting with respect to controversial trademarks.

In a now-famous trademark case, *Matal v. Tam*, 582 U.S. ___ (2017), the Court invalidated a Lanham Act provision that prohibited the registration of "disparaging" marks. In *Tam*, the applicant had sought to register the mark THE SLANTS, which was also the name of the applicant's band, whose members were of Asian descent. Even though "slants" could be considered disparaging, the Court determined that proscribing registration of disparaging marks runs afoul of the First Amendment's Free Speech Clause. In light of this decision, many assumed the Lanham Act's prohibitions against immoral or scandalous marks would also fall away as a matter of course. (For additional background, see related GT Alerts, Federal Circuit Takes a New Slant on Disparaging Trademarks and SCOTUS Declares Lanham Act's Prohibition Against Registering Disparaging Trademarks Unconstitutional.)

The USPTO, however, continued to refuse to register marks deemed "immoral" or "scandalous," including the FUCT mark, despite the fact that *Tam*'s reasoning could be applied to "immoral" and "scandalous" marks, in addition to "disparaging" ones. *Brunetti* may well put the issue to bed. Writing for the six-justice majority, Justice Kagan noted that the words "immoral" and "scandalous" inherently require a viewpoint to give them meaning; someone must ***decide*** what is "moral" for there to be something that is "immoral." But according to well-settled First Amendment jurisprudence, it is flatly impermissible for the government to discriminate against the content of speech because it disagrees with the speech's viewpoint. The Court then concluded that the government cannot refuse to register simply because the opinions, ideas, or elements expressed in a trademark offend people, reiterating its conclusion in *Tam*, that "a law disfavoring 'ideas that offend' discriminates based on viewpoint, in violation of the First Amendment."

Is this the end of the controversy around immoral and scandalous marks? Is it the beginning of a cavalcade of R-rated trademarks bearing the government's Circle-R registration? Indeed, this seems the likely denouement. However, in her dissent, Justice Sotomayor, joined by Justice Breyer, argued that a prohibition against "scandalous" marks (if not "immoral" ones) could still stand and be viewpoint-neutral, if "scandalous" were narrowed to include only marks that contain "obscenity, vulgarity, [or] profanity." Justice Sotomayor contended that so-called "scandalous" marks are scandalous not for their content, but rather for their mode of expression,

which is meant to shock the conscience. Likening the prohibition of scandalous trademark registrations to time/place/manner restrictions on speech previously deemed constitutional, Justice Sotomayor concluded that, while immoral and disparaging marks must be permitted to register on free speech grounds, scandalous marks, like the plainly profane FUCT mark, may yet be out of luck. It remains to be seen whether the USPTO takes the dissenting view to heart and rejects applications for marks it deems scandalous. If it does, one may well expect another challenge; but with an apparently robust majority convinced that the Lanham Act's prohibitions are unconstitutional, it is unlikely the dissenting opinion will find favor in a third hypothetical challenge.

Notwithstanding this potential opening for the USPTO to go on rejecting scandalous marks, the impact of this decision, together with the holding in *Matal v. Tam*, is apparent. The USPTO can no longer reject trademark applications based on assertions that the underlying marks are disparaging, immoral, or scandalous. As a result, we expect to see a proliferation of trademark applications for marks containing language causing parents everywhere to occasionally yell "earmuffs!" at their children. While these may cause some titillation amongst attorneys and trademark examiners, it should otherwise be business as usual.

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