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THE HYBRID TRADEMARK AND FREE SPEECH RIGHT  
FORGED FROM *MATAL V. TAM*

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*This article provides an analysis of the potential ramifications of the 2017 U.S. Supreme Court case, Matal v. Tam, which has forged a hybrid trademark and free speech right. In permitting trademarks to be allowed over the Disparagement Clause, First Amendment rights are now inextricably intertwined with the scope of trademark protection. This paper examines the holding of the Matal v. Tam case and predicts how the case will influence the behavior of trademark filings and the development of trademark law.*

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INTRODUCTION.....	2
I. THE <i>MATAL v. TAM</i> U.S. SUPREME COURT CASE.....	4
A. <i>The Rejection by the USPTO and the TTAB Appeal</i> .....	5
B. <i>The Federal Circuit In re Tam Case</i> .....	7
C. <i>The Supreme Court’s Majority Opinion in Matal v. Tam</i> .....	8
1. <i>Government Speech/Subsidy/Program Analysis</i> .....	9
i. Trademarks are Not Government Speech .....	9
ii. Trademarks Are Not Government Subsidies .....	12
iii. Trademarks are Not Government Programs .....	13
2. <i>Commercial Speech Analysis</i> .....	14
D. <i>Justice Kennedy’s Concurring Opinion</i> .....	16
II. PREDICTIONS ON THE AFTERMATH OF <i>MATAL v. TAM</i> .....	19
A. <i>Low Probability of Highly Offensive Mark Filings</i> .....	20
B. <i>The Washington Redskins Mark</i> .....	23
C. <i>Free Speech Interests Outweigh Offensive Mark Filings</i> .....	24
III. COMPARISONS TO PATENT LAW & COPYRIGHT LAW.....	24
CONCLUSION.....	25

## INTRODUCTION

Before the U.S. Supreme Court case of *Matal v. Tam*, trademarks could not be registered if they “disparage[d] or [brought]...into contemp[t] or disrepute” any “persons, living or dead.”<sup>1</sup> The U.S. Supreme Court concluded in *Tam* that the “Disparagement Clause” violated the Free Speech Clause of the First Amendment and also offended “a bedrock First Amendment principle: Speech may not be banned on the ground that it expresses ideas that offend.”<sup>2</sup> This legal development has integrated the First Amendment Free Speech right with the traditional rights that a registered trademark possesses. In other words, a new hybrid form of trademark intellectual property has been forged by the U.S. Supreme Court case of *Matal v. Tam*, a form that combines trademark rights with the Free Speech rights under the First Amendment and no longer restricts the registration of a trademark on any content-based justifications. That is, a trademark can now be registered on any content that the trademark owner desires.

This may seem on the surface to improve the vigor of a competitive trademark market place by removing government restrictions and allowing participants to engage in the free-flowing exchange of ideas, but there are concerns that this new hybrid form of trademark will be abused. The United States Patent

<sup>1</sup> 15 U.S.C. § 1052(a) (2006). Also cited as § 1052(a), § 2(a) or “Section 2(a)”.

<sup>2</sup> *Matal v. Tam*, No. 15-1293, slip op. at 1-2 (U.S. June 19, 2017).

and Trademark Office (“USPTO”) may start granting registrations to a barrage of offensive racial slurs, sexist terms or other profanities designed to insult individuals on the basis of their ethnicity, gender, sexual orientation, age, and other aspects of their identity.

One immediate cause of concern is the “Washington Redskins” trademark and the corresponding litigation over the trademark in federal courts.<sup>3</sup> Because the Disparagement Clause has been struck down, the Washington Redskins now have the right to pursue registration of their mark, which Native American tribes argue is disparaging. In the aftermath of the *Matal v. Tam* decision, can organizations (like the Washington Redskins) or individuals now register such offensive marks? Will the USPTO be flooded by such “disparaging” trademark applications as a result? This paper proposes that such an outcome is unlikely, or that concern is simply blown out of proportion. Sound marketing practices and goodwill advise against or mitigate that outcome.<sup>4</sup> Common business sense would also suggest that such offensive marks would not be successful in the marketplace.

On the other hand, Free Speech in trademarks gives certain artists or organizations, like “The Slants” or “Dykes on Bikes”, the ability to express themselves fully without censorship. Such organizations show that some trademark holders wish to register a mark to “self-disparage” a class that he or she belongs to for an artistic, political or other expression-based purpose. This paper argues that any concern of this new hybrid Free Speech trademark right is outweighed by the right of expression by groups who should be able to exercise the First Amendment in an intellectual property or trademark context.

In addition, this paper argues that this new hybrid form of trademark and Free Speech right is now in sync with parallel fields of intellectual property which do not usually recognize “content-based” limitations, such as Copyright Law (being able to copyright anything, even if it is offensive) and Patent Law (the hardly invoked provision preventing the patenting of inventions used for atomic weapons).<sup>5</sup> The comparison to roughly equivalent doctrines in these related fields

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<sup>3</sup> See *Pro-Football, Inc. v. Harjo*, 415 F.3d 44 (D.C. Cir. 2005); *Blackhorse v. Pro-Football, Inc.*, 111 U.S.P.Q.2d 1080 (T.T.A.B. 2014) (Trademark Trial and Appeal Board (“TTAB”) case involving the Washington Redskins trademark).

<sup>4</sup> See Bill Donahue, *Post-Slants, Is USPTO Going To Be Flooded With Bad Words?*, LAW360 (June 22, 2017, 5:30 PM), <https://www.law360.com/articles/937110> (“In the wake of the U.S. Supreme Court’s Slants ruling striking down the government’s ban on offensive trademark registrations, some have worried about a flood of ugly language at the trademark office, but experts say those concerns could be overblown.”).

<sup>5</sup> 42 U.S.C. § 2181 (2012) (“No patent shall hereafter be granted for any invention or

of intellectual property is to suggest that the effect of removing content-based restrictions (e.g. in the arena of Copyright Law) or attempting to enforce outdated content-based limitations (e.g. in Patent Law) has minimal effect, if any, on the robustness of the underlying intellectual property right. In fact, this paper contends that removing restrictions and infusing trademark rights with Free Speech rights can only lead to benefits.

Part II of this Article will survey the cases leading up to and cited by the *Matal v. Tam* case and analyze relevant law. Part III of this Article will aver that broader business concerns will likely suppress the filing and registration of offensive marks, leaving only exceptional cases, marks having years of built-up history and tradition, such as the Washington Redskins. Part III of this article will additionally argue that the interest of groups in “self-disparaging” for expression-based reason outweighs any concern that the filing and registration of disparaging trademarks will get out of hand. Part IV of this Article compares the new hybrid Free Speech and Trademark right with other approximate equivalents in Copyright Law and Patent Law to argue that the trademark right will not suffer any detriment in being merged with Free Speech rights and may in fact see positive benefits. Finally, Part V of this Article provides a summary of the arguments and points made throughout.

## I

### THE *MATAL V. TAM* U.S. SUPREME COURT CASE

Simon Tam is the lead singer of a band named “The Slants,”<sup>6</sup> which specializes in a brand of music influenced by other 80s pop-synth bands such as Depeche Mode, Joy Division, The Cure, and New Order termed “Chinatown Dance Rock.”<sup>7</sup>

In an interview with The New York Times, Tam explains how he decided to name the band “The Slants”:

My first real lesson on the power of language was at the age of 11. On the basketball courts at school in San Diego, I was tormented by other students. They’d throw balls, punches, rocks and insults, while yelling “gook” and “Jap.” One day, I had enough. I threw back,

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discovery which is useful solely in the utilization of special nuclear material or atomic energy in an atomic weapon.”).

<sup>6</sup> In re Tam, 808 F.3d 1321, 1331 (Fed. Cir. 2015).

<sup>7</sup> See Wikipedia, *The Slants*, [https://en.wikipedia.org/wiki/The\\_Slants](https://en.wikipedia.org/wiki/The_Slants) (last visited Mar. 17, 2018).

“I’m a chink, get it right.” Stunned, they didn’t know what to do. Confused, they stopped.

The act of claiming an identity can be transformational. It can provide healing and empowerment. It can weld solidarity within a community. And, perhaps most important, it can diminish the power of an oppressor, a dominant group.

The idea of reappropriation isn’t new. The process of turning negative words, symbols or ideas into positive parts of our own identity can involve repurposing a racial epithet or taking on a stereotype for sociopolitical empowerment. But reappropriation can be confusing. Sometimes people can’t figure out the nuances of why something is or isn’t offensive — government bureaucrats in particular.<sup>8</sup>

Tam goes on to state that The Slants “toured the country, promoting social justice, playing anime conventions, raising money for charities and fighting stereotypes about Asian-Americans by playing bold music. Never once, after performing hundreds of shows across the continent, did [they] receive a single complaint from an Asian-American. In fact, [the band’s] name [‘The Slants’] became a catalyst for meaningful discussions with non-Asians about racial stereotypes.”<sup>9</sup>

#### A. *The Rejection by the USPTO and the TTAB Appeal*

Acting on their attorney’s recommendation to register “The Slants” as a trademark, Tam filed a trademark application for the mark because that was “something that’s commonly done for national acts” and “a critical step in a music career, not only to protect fans from inadvertently purchasing tickets to another band with a similar name but also because most major record labels and licensing agencies won’t work with acts that can’t register their names.”<sup>10</sup>

When Tam sought registration of “THE SLANTS” on the principal register, the Examining Attorney at the USPTO rejected the registration, applying the two-part framework for disparagement under the Disparagement Clause and the

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<sup>8</sup> Simon Tam, *The Slants on the Power of Repurposing a Slur*, N.Y. TIMES (June 22, 2017), <https://www.nytimes.com/2017/06/23/opinion/the-power-of-repurposing-a-slur.html>.

<sup>9</sup> *Id.* Tam goes on to later state: “We had called ourselves the Slants as a way of seizing control of a racial slur, turning it on its head and draining its venom. It was also a respectful nod to Asian-American activists who had been using the epithet for decades.”

<sup>10</sup> *Id.*

Trademark Manual of Examining Procedure (“TMEP”). The Examining Attorney found that there was “a substantial composite of persons who find the term in the applied-for mark offensive.”<sup>11</sup> The Disparagement Clause is a provision of the Lanham Act at 15 U.S.C. § 1052(a) that prohibits the registration of a trademark “which may disparage . . . persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute.”<sup>12</sup>

The two-part framework in determining whether a mark is disparaging first considers “the likely meaning of the matter in question, taking into account not only dictionary definitions, but also the relationship of the matter to the other elements in the mark, the nature of the goods or services, and the manner in which the mark is used in the marketplace in connection with the goods or services.”<sup>13</sup> “If that meaning is found to refer to identifiable persons, institutions, beliefs or national symbols,” the examining attorney moves to the second step, which asks “whether that meaning may be disparaging to a substantial composite of the referenced group.”<sup>14</sup> After these two steps, if the examining attorney finds that a “substantial composite, although not necessarily a majority, of the referenced group would find the proposed mark...to be disparaging in the context of contemporary attitudes,” a *prima facie* case of disparagement is made out, and the burden shifts to the trademark applicant to prove that the mark is not disparaging.<sup>15</sup>

In Tam’s rejection, the examining attorney relied in part on the fact that “numerous dictionaries define ‘slants’ or ‘slant-eyes’ as a derogatory or offensive term”<sup>16</sup> and according to Simon Tam, the examiner also “used sources like UrbanDictionary.com, a photo of Miley Cyrus pulling her eyes back in a mocking gesture and anonymous posts on internet message boards to ‘prove’ that [the mark] was offensive.”<sup>17</sup>

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<sup>11</sup> *Matal v. Tam*, No. 15-1293, slip op. at 7 (U.S. June 19, 2017).

<sup>12</sup> *Id.* at 5-6 (quoting 15 U.S.C. § 1052(a) (2006)).

<sup>13</sup> *Id.* at 6 (citing TMEP § 1203.03(b)(i)).

<sup>14</sup> *Id.*

<sup>15</sup> *Id.* The USPTO has also specified in the TMEP that “[t]he fact that an applicant may be a member of that group or has good intentions underlying its use of a term does not obviate the fact that a substantial composite of the referenced group would find the term objectionable.” *Id.*

<sup>16</sup> *Id.* at 7. The “examining attorney also relied on a finding that ‘the band’s name has been found offensive numerous times’ – citing a performance that was canceled because of the band’s moniker and the fact that ‘several bloggers and commenters to articles on the band have indicated that they find the term and the applied-for mark offensive.’” *Id.*

<sup>17</sup> Tam, *supra* note 8.

Tam then contested the USPTO examining attorney's denial of registration before the Trademark Trial and Appeal Board ("TTAB"), but was not successful.<sup>18</sup> Thereafter, Tam appealed the TTAB's decision to the Federal Circuit.

*B. The Federal Circuit In re Tam Case*

The U.S. Court of Appeals for the Federal Circuit took up Tam's appeal from the TTAB. According to Tam, for the past seven years, he has "supplied thousands of pages of evidence, including letters of support from prominent community leaders and organizations, independent national surveys that showed that over 90 percent of Asian-Americans supported our use of the name and an expert report from a co-editor at the New American Oxford Dictionary."<sup>19</sup> In response, the USPTO called Tam's effort "laudable, but not influential" and further stated in a 2011 decision that "[i]t is uncontested that applicant is a founding member" of a band "composed of members of Asian descent," and afterwards pointed to Asian imagery on The Slant's official website, "including photographs of Asian people and an album cover with a 'stylized dragon.'"<sup>20</sup> According to Tam, "it was as if because we were Asian, because we were celebrating Asian-American culture, we could not trademark the name the Slants. Yet 'slant' is an everyday term—one that has been registered as a trademark many times, primarily by white people."<sup>21</sup>

The Federal Circuit, sitting *en banc*, rendered a majority opinion authored by Judge Moore ruling that the Disparagement Clause was facially unconstitutional under the First Amendment because the Disparagement Clause engaged in viewpoint based discrimination, regulated the expressive component of trademarks and consequently could not be treated as commercial speech—and that the Disparagement Clause was subject to and could not satisfy strict scrutiny.<sup>22</sup> The Federal Circuit also rejected the USPTO's argument that registered trademarks constituted government speech, as well as the USPTO's assertion that federal registration was a form of government subsidy.<sup>23</sup> Furthermore, the Federal Circuit held that even if the Disparagement Clause were to be analyzed under the "intermediate scrutiny" standard applied to commercial speech, it would still fail.<sup>24</sup>

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<sup>18</sup> *Tam*, slip op. at 7.

<sup>19</sup> *Tam*, *supra* note 8.

<sup>20</sup> *Id.*

<sup>21</sup> *Id.*

<sup>22</sup> *In re Tam*, 808 F.3d 1321, 1334-39 (Fed. Cir. 2015).

<sup>23</sup> *Id.* at 1339-55.

<sup>24</sup> *Id.* at 1355-57.

In a concurring opinion, Judge O'Malley agreed with Judge Moore's majority opinion but also added that the Disparagement Clause was unconstitutionally vague.<sup>25</sup> Judge Dyk's opinion concurred in part and dissented in part, opining that trademark registration was a government subsidy and that the Disparagement Clause was facially constitutional, but unconstitutional as applied to "THE SLANTS" mark because it constituted "core expression" and was not adopted for the purpose of disparaging Asian Americans.<sup>26</sup> Judge Lourie delivered a dissenting opinion where he agreed with Judge Dyk that the Disparagement Clause was facially constitutional but concluded for a variety of reasons that it was also constitutional as applied to the "THE SLANTS" mark in this case.<sup>27</sup> Finally, Judge Reyna also posited a dissenting opinion, contending that trademarks are commercial speech and that the Disparagement Clause survives the intermediate scrutiny test for commercial speech because it "directly advances the government's substantial interest in the orderly flow of commerce."<sup>28</sup> In the aftermath of the Federal Circuit's *en banc* decision of *In re Tam*, the USPTO filed a petition for certiorari with the U.S. Supreme Court.

### C. *The Supreme Court's Majority Opinion in Matal v. Tam*

The U.S. Supreme Court granted the USPTO's petition for certiorari to ultimately decide whether the Disparagement Clause "is facially invalid under the Free Speech Clause of the First Amendment."<sup>29</sup>

In Justice Alito's majority opinion, before reaching the question of whether the Disparagement Clause violated the First Amendment, the Court considered Tam's argument that the Disparagement Clause did not cover marks that disparage racial or ethnic groups, an argument that was not raised before the TTAB or the Federal Circuit.<sup>30</sup> The Court held that Tam's argument about the definition of "persons" (that racial and ethnic groups were neither natural nor "juristic" persons) was meritless; by the plain terms of the Disparagement Clause, a mark that disparages a "substantial" percentage of the members of a racial or ethnic group necessarily disparages many "persons," namely, members of that group. Moreover, the Disparagement Clause also applied not to just "persons" but also to "institutions and "beliefs"—implying that it extends to members of any group who share particular "beliefs" such as political, ideological and religious groups,

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<sup>25</sup> *Id.* at 1358 (O'Malley, J., concurring).

<sup>26</sup> *Id.* at 1363-74 (Dyk, J., concurring in part, dissenting in part).

<sup>27</sup> *Id.* at 1376-82 (Lourie, J., dissenting).

<sup>28</sup> *Id.* at 1376 (Reyna, J., dissenting).

<sup>29</sup> *Matal v. Tam*, No. 15-1293, slip op. at 8 (June 19, 2017).

<sup>30</sup> *Id.* at 8-9.



“institutions” and “juristic” persons such as corporations, unions, and other unincorporated associations. Thus, the Disparagement Clause was not limited to marks that disparage a particular natural person.<sup>31</sup>

The Court also found unpersuasive Tam’s arguments that his interpretation of the Disparagement Clause was supported by its legislative history and by the USPTO’s willingness for many years to register marks that were offensive to African-Americans and Native Americans because: (i) the statutory language of the Disparagement Clause is unambiguous thereby precluding any analysis of the legislative history, (ii) even if the legislative history were to be examined, Tam did not bring to the Court’s attention any evidence in the legislative history showing that Congress meant to adopt his interpretation, and (iii) the registration of offensive marks Tam cited is “likely attributable not to the acceptance of his interpretation of the clause but to other factors—most likely the regrettable attitudes and sensibilities of the time in question.”<sup>32</sup>

### *1. Government Speech/Subsidy/Program Analysis*

Turning to the main question of whether the Disparagement Clause violates the First Amendment, the Court analyzed three arguments advanced by the USPTO: (1) trademarks are government speech, not private speech, (2) trademarks are a form of government subsidy, and (3) the constitutionality of the Disparagement Clause should be tested under a new “government-program” doctrine.<sup>33</sup>

#### *i. Trademarks are Not Government Speech*

Justice Alito recited the rule that the Free Speech Clause does not require the government to maintain viewpoint neutrality when its officers and employees speak about a course of action a government entity embarks on, where it necessarily takes a particular viewpoint and rejects others.<sup>34</sup> One simple example was when the Federal Government produced and distributed posters during the Second World War to promote the war effort (e.g., by urging enlistment, the purchasing of war bonds and the conservation of scarce resources) and expressed a viewpoint; “the First Amendment did not demand that the Government balance the

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<sup>31</sup> *Id.* at 9-10.

<sup>32</sup> *Id.* at 11-12.

<sup>33</sup> *Id.* at 12.

<sup>34</sup> *Id.* at 13.

message of the posters by producing and distributing posters encouraging Americans to refrain from engaging in these activities.”<sup>35</sup>

Justice Alito mentioned that the government-speech doctrine is susceptible to “dangerous misuse” because if “private speech could be passed off as government speech by simply affixing a government seal of approval, [the] government could silence or muffle the expression of disfavored viewpoints.”<sup>36</sup> Furthermore, the Court noted that even though trademarks are registered by the USPTO, an arm of the Federal Government, the Federal Government does not “dream up these marks” and “it does not edit marks submitted for registration;” further, other than the Disparagement Clause, “an examiner may not reject a mark based on a viewpoint that it appears to express.”<sup>37</sup> As a result, “an examiner does not inquire about whether any viewpoint conveyed by a mark is consistent with Government policy or whether any such viewpoint is consistent with that expressed by other marks already on the principal register.” If a mark meets the Lanham Act’s other viewpoint-neutral requirements, then registration is mandatory. If an examiner finds that a mark is eligible for placement on the principal register, that decision is not reviewed by any higher official unless the registration is challenged. Also, “once a mark is registered, the USPTO is not authorized to remove it from the register unless a party moves for cancellation, the registration expires, or the Federal Trade Commission initiates proceedings based on certain grounds.”<sup>38</sup>

With all of this in mind, Justice Alito concluded that it is “far-fetched to suggest that the content of a registered mark is government speech” because if the federal registration of a trademark makes the mark government speech, the Federal Government is “babbling prodigiously and incoherently,” “saying many unseemly things,” “expressing contradictory views,” “unashamedly endorsing a vast array of commercial products and services,” and “providing Delphic advice to the consuming public.”<sup>39</sup> The Court then gives several examples of conflicting and variegated registered marks to ask what the Government has in mind when it advises Americans to “make.believe” (Sony), “Think different” (Apple), “Just do

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<sup>35</sup> *Id.*

<sup>36</sup> *Id.* at 13-14.

<sup>37</sup> *Id.* at 14.

<sup>38</sup> *Id.* (citing 15 U.S.C. §§1052(a), 1058(a), 1059, 1062(a), 1064, 1071; 37 CFR §§2.111(b), 2.160, 41.31(a) (2016)).

<sup>39</sup> *Id.* at 14-15.

it” (Nike), “Have it your way” (Burger King), or was the Government warning about a coming disaster when it registered the mark “EndTime Ministries”?<sup>40</sup>

The Court went on to state that the USPTO “has made it clear that registration does not constitute approval of a mark,” “it is unlikely that more than a tiny fraction of the public has any idea what federal registration of a trademark means,” and “[n]one of [the Court’s] prior government speech cases even remotely supports the idea that registered trademarks are government speech.”<sup>41</sup>

The Court discussed and distinguished the case on which the USPTO relies on most heavily, *Walker v. Texas Division, Sons of Confederate Veterans, Inc.*, which the Court declares as likely marking “the outer bounds of the government-speech doctrine.”<sup>42</sup> In *Walker*, the Court held that messages on Texas specialty license plates bearing the confederate flag were government speech by applying the three factors from the *Summum* case: (1) whether the medium historically communicated the message of the state, (2) whether the public closely associates the message with the State, and (3) whether the government maintains direct control over the message.<sup>43</sup> First, license plates have long been used by the States to convey state messages; second, license plates “are often closely identified in the public mind” with the State, since they are manufactured and owned by the State, generally designed by the State and serve as a form of “government ID”; and third, Texas “maintain[ed] direct control over the messages conveyed on its specialty plates.”<sup>44</sup> The Court then held that none of the above mentioned factors were present in the current case pertaining to trademark registration, that federal trademark registration is “vastly different” from the government speech found in previous U.S. Supreme Court cases. The Court opined that if the registration of a trademark converted the mark into government speech, this “would constitute a huge and dangerous extension of the government-speech doctrine” for “if the

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<sup>40</sup> *Id.* at 15 (citing *make.believe*, Registration No. 4,434,903; *Think Different*, Registration No. 2,707,257; *Just Do It*, Registration No. 1,875,307; *Have It Your Way*, Registration No. 0,961,016; and *EndTime Ministries*, Registration No. 4,746,225).

<sup>41</sup> *Id.* at 15-17 (discussing and distinguishing the government speech in *Johanns v. Livestock Mktg. Ass’n*, 544 U.S. 550, 560-61 (2005) (holding that government ads promoting the sale of beef products were government speech) and *Pleasant Grove City v. Summum*, 555 U.S. 460, 464 (2009) (holding that monuments in a city park represented government speech due to many factors) from trademarks).

<sup>42</sup> *Id.* at 17 (citing *Walker v. Tex. Div., Sons of Confederate Veterans, Inc.*, 576 U.S. \_\_\_ (2015)).

<sup>43</sup> *Id.* at 17. See CONG. RESEARCH SERV., *Legal Sidebar, License Plates and Public Signs: Government First Amendment Speech* (2015), available at <https://fas.org/sgp/crs/misc/license.pdf> (summarizing the three factors from *Summum*, 555 U.S. 464-65).

<sup>44</sup> *Tam*, slip op. at 17.

registration of trademarks constituted government speech, other systems of government registration could easily be characterized in the same way.”<sup>45</sup>

As will be discussed later on in the paper, the Court addressed the concern of extending the USPTO’s application of government speech to copyrights. The Court responded to this concern by stating that trademarks often also have expressive content, and companies spend huge amounts to create and publicize trademarks that convey a message. “It is true that the necessary brevity of trademarks limits what they can say. But powerful messages can sometimes be conveyed in just a few words.”<sup>46</sup>

Thus, the Court concluded that trademarks are private, not government speech.<sup>47</sup>

## ii. Trademarks Are Not Government Subsidies

The Court addressed the USPTO’s argument that trademarks are government subsidized speech by stating that all the cases that the USPTO relies on involved cash subsidies or the equivalent.<sup>48</sup> The Court stated that the federal registration of a trademark is nothing like the programs at issue in those cases because the USPTO “does not pay money to parties seeking registration of a mark”; to the contrary, applicants must pay the USPTO a filing fee of \$225-\$600 and Tam himself paid the USPTO a fee of \$275 to register “THE SLANTS.”<sup>49</sup> Indeed, the Federal Circuit has stated that those fees have fully supported the trademark registration system for the past 27 years.<sup>50</sup>

In response to the USPTO’s argument that trademark “registration provides valuable non-monetary benefits that ‘are directly traceable to the resources devoted by the federal government to examining, publishing, and issuing certificates of registration for those marks,’” the Court stated that “just about every government service requires the expenditure of government funds” such as police and fire protection, the adjudication of private lawsuits and the use of public parks and

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<sup>45</sup> *Id.* at 17-18.

<sup>46</sup> *Id.* at 18.

<sup>47</sup> *Id.*

<sup>48</sup> *Id.* at 18-19 (citing *Rust v. Sullivan*, 500 U.S. 173 (1991); *Nat’l Endowment for the Arts v. Finley*, 524 U.S. 569 (1998); *U.S. v. Am. Library Ass’n*, 539 U.S. 194 (2003); *Regan v. Taxation with Representation of Washington*, 461 U.S. 540 (1983); *Cammarano v. U.S.*, 358 U.S. 498 (1959)).

<sup>49</sup> *Id.* at 19 (citing 37 C.F.R. §2.6(a)(1) (2016) and 15 U.S.C. §1059(a) (2012)).

<sup>50</sup> *In re Tam*, 808 F.3d 1321, 1353 (Fed. Cir. 2015).

highways.<sup>51</sup> The Court also mentioned that trademark registration is not the only government registration scheme—there are also federal patents and copyrights. State governments also register titles to real property and security interests in addition to issuing driver’s licenses, motor vehicle registrations, and hunting, fishing and boating licenses and permits.<sup>52</sup> Thus, the Court declined to interpret federal trademark registration as a government subsidy because the case law cited by the USPTO (as well as the universe of case law involving government subsidies) was not instructive.

### iii. Trademarks are Not Government Programs

Finally, in response to the USPTO’s argument that the disparagement clause would apply to “government program” cases—a merger of government speech cases and government subsidy cases with “[t]he only new element . . . of two cases involving a public employee’s collection of union dues from its employees,” the Court stated that trademark registration was far removed from that area because “those cases occupy a special area of First Amendment case law.”<sup>53</sup>

The Court further mentioned a potentially more analogous line of cases in which a unit of government creates a limited public forum for private speech.<sup>54</sup> When the government creates such a forum, in either a literal or “metaphysical”

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<sup>51</sup> *Tam*, slip op. at 19-20.

<sup>52</sup> *Id.* at 20.

<sup>53</sup> *Id.* The government program cases are: *Davenport v. Washington Educ. Ass’n*, 551 U.S. 177, 184-90 (2007) (holding a law constitutional that did not allow an employer to collect a portion of union dues that would be used in election activities, because the law imposed a “modest limitation” on an “extraordinary benefit,” e.g. taking money from the wages of non-union members and turning it over to the union free of charge; refusing to confer a greater benefit did not upset the market-place of ideas and did not abridge the union’s free speech rights); *Ysura v. Pocatello Educ. Ass’n*, 555 U.S. 353, 355 (2009) (holding constitutional an Idaho law that allowed public employees to elect to have union dues deducted from their wages but did not allow such a deduction for money remitted to the union’s political action committee because “The First Amendment . . . does not confer an affirmative right to use government payroll mechanisms for the purpose of obtaining funds for expression. Idaho’s law does not restrict political speech, but rather declines to promote that speech by allowing public employee checkoffs for political activities.”); *Abood v. Detroit Bd. of Educ.*, 431 U.S. 209, 224-26 (1977) (more similar to a government cash subsidy case, where the laws conferred a benefit because it was thought that this arrangement served important government interests).

<sup>54</sup> *Tam*, slip op. at 20. *See e.g.* *Good News Club v. Milford Central Sch.*, 533 U.S. 98, 106-107 (2001); *Rosenberger v. Rector & Visitors of Univ of Va.*, 515 U.S. 819, 831 (1995); *Lamb’s Chapel v. Center Moriches Union Free Sch. Dist.*, 508 U.S. 384, 392-93 (1993); *Legal Services Corp. v. Velazquez*, 531 U.S. 533, 541-44 (2001).

sense, some content and speaker based restrictions may be permitted.<sup>55</sup> In such cases however, “viewpoint discrimination” is forbidden.<sup>56</sup> Extending the viewpoint discrimination test, where the word “viewpoint” is applied broadly, the Court concluded that the Disparagement Clause discriminates on the basis of “viewpoint” because it “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” and “denies registration to any mark that is offensive to a substantial percentage of the members of any group.”<sup>57</sup>

The Court concluded that the Disparagement Clause is viewpoint discrimination because “[g]iving offense is a viewpoint” and that it cannot be saved by analyzing it as a type of government program in which some content and speaker based restrictions are permitted.<sup>58</sup>

## 2. Commercial Speech Analysis

Justice Alito’s majority opinion then turned to whether trademarks are commercial speech and are thus subject to the relaxed scrutiny test as outlined by the *Central Hudson* case.<sup>59</sup> The USPTO and the *amici* that supported the USPTO’s position argued that trademarks are commercial speech because the central purposes of trademarks are commercial and that federal law regulates trademarks to promote fair and orderly interstate commerce, while Tam and his *amici* argued that many, if not all, trademarks have an expressive component beyond simply identifying the source of a product or service and go on to say something more, either about the product or service or some broader issue (such as “THE SLANTS” mark at issue in the case, which not only identifies the band, but also expresses a view about social issues).<sup>60</sup> The Court determined that the debate need not be resolved because the Disparagement Clause did not withstand even relaxed scrutiny review under *Central Hudson*, which requires that a restriction of speech serve a “substantial interest” and be “narrowly drawn” in order to be constitutional

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<sup>55</sup> See *Rosenberger*, 515 U.S. at 830-31.

<sup>56</sup> See *id.* at 831.

<sup>57</sup> *Tam*, slip op. at 22.

<sup>58</sup> *Id.* at 22-23. The Court states that they 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.’” *Id.* at 22-23 (citations omitted).

<sup>59</sup> *Id.* at 23 (citing *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n of N.Y.*, 447 U.S. 557 (1980)).

<sup>60</sup> *Tam*, slip op. at 23-24.

under the First Amendment. This means that “[t]he regulatory technique may extend only as far as the interest it serves.”<sup>61</sup>

The Court reached the conclusion that the Disparagement Clause failed *Central Hudson* relaxed scrutiny review because even though the Disparagement Clause served two interests—the first being the Government’s interest in preventing speech expressing ideas that offend<sup>62</sup> and the second being protecting the orderly flow of commerce<sup>63</sup>—the Disparagement Clause was not “narrowly drawn” to those interests. That is, the Disparagement Clause was not “narrowly drawn” to drive out trademarks that support “invidious discrimination” because it reached any trademark that disparaged “*any person, group, or institution,*” applying to trademarks such as “Down with racists”, “Down with sexists”, “Down with homophobes.”<sup>64</sup> In that respect, the Disparagement Clause was not an anti-discrimination clause, it was a “happy-talk clause” and in this way, it went “further than is necessary to serve the interest asserted.”<sup>65</sup> The Court also stated that the Disparagement Clause was overly broad because it protected every person living or dead as well as every institution.<sup>66</sup> The Court finally addressed a “deeper problem” with the argument that commercial speech may be cleansed of any expression likely to cause offense because

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<sup>61</sup> *Id.* at 24 (citing *Cent. Hudson*, 447 U.S. at 564-65).

<sup>62</sup> *Tam*, slip op. at 24. The court points out that one way to achieve this interest is to prevent “underrepresented groups” from being “bombarded with demeaning messages in commercial advertising.” *Id.* at 24-25 (citing *In re Tam*, 808 F.3d 1321, 1364 (2015) (Dyk, J., concurring in part and dissenting in part)). It also notes that an amicus supporting the USPTO suggests that the disparagement clause serves this interest by “encouraging racial tolerance and protecting the privacy and welfare of individuals.” *Id.* at 24-25 (citing Brief for Native American Organizations as Amici Curiae at 21, *Matal v. Tam*, 582 U.S. \_\_ (2017) (No. 15-1293)). Nonetheless, the court states that “[s]peech 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.’” *Tam*, slip op. at 25 (citing *United States v Schwimmer*, 279 U.S. 644, 655 (1929) (Holmes, J., dissenting)).

<sup>63</sup> *Tam*, slip op. at 25 (citing *Tam*, 808 F.3d at 1380-81 (Reyna, J., dissenting)) (“Commerce, we are told, is disrupted by trademarks that ‘involv[e] disparagement of race, gender, ethnicity, national origin, religion, sexual orientation, and similar demographic classification.’ . . . Such trademarks are analogized to discriminatory conduct, which has been recognized to have an adverse effect on commerce.”). *See* Brief for Petitioner at 49, *Matal v. Tam*, 582 U.S. \_\_ (2017) (No. 15-1293); *see also* Brief for Native American Organizations as Amicus Curiae, *supra* note 62, at 18-21.

<sup>64</sup> *Tam*, slip op. at 25.

<sup>65</sup> *Id.*

<sup>66</sup> *Id.* at 25-26. “Is it conceivable that commerce would be disrupted by a trademark saying: ‘James Buchanan was a disastrous president’ or ‘Slavery is an evil institution’?” *Id.* at 26.

[t]he commercial market is well stocked with merchandise that disparages prominent figures and groups and the line between commercial and non-commercial speech is not always clear, as this case illustrates. If affixing the commercial label permits the suppression of any speech that may lead to political or social ‘volatility,’ free speech would be endangered.<sup>67</sup>

For all the above reasons, the Court majority held that the Disparagement Clause violated the Free Speech Clause of the First Amendment.

*D. Justice Kennedy’s Concurring Opinion*

Justice Kennedy’s concurring opinion, which Justices Ginsburg, Sotomayor and Kagan joined, stated that the Court correctly held that the Disparagement Clause engaged in viewpoint discrimination, but explains in greater detail why the First Amendment’s protections against viewpoint discrimination apply to “THE SLANTS” trademark here. Justice Kennedy submitted further that the viewpoint discrimination rationale renders unnecessary any extended treatment of other questions raised by the parties.<sup>68</sup>

First, Justice Kennedy explained that the First Amendment guards against laws “targeted at specific subject matter,” a form of speech suppression known as content based discrimination, which includes a subtype of laws that are aimed at the suppression of “particular views...on a subject.” Furthermore, a law found to discriminate based on viewpoint is an “egregious form of content discrimination,” which is “presumptively unconstitutional.”<sup>69</sup> Justice Kennedy went on to state that, at its most basic, the test for viewpoint discrimination is whether—within the relevant subject category—the government has singled out a subset of messages for disfavor based on the views expressed. In the present case, the Disparagement Clause reflected the Government’s disapproval of a subset of messages it found offensive, which is the essence of viewpoint discrimination.<sup>70</sup>

Justice Kennedy dismissed the Government’s argument that the Disparagement Clause was viewpoint neutral because it applied in equal measure to any trademark that demeans or offends, noting that it missed the point because a “subject that is first defined by content and then regulated or censored by mandating only one sort of comment is not viewpoint neutral,” and to “prohibit all

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<sup>67</sup> *Id.* at 26.

<sup>68</sup> *Matal v. Tam*, No. 15-1293, slip op. at 1 (U.S. June 19, 2017) (Kennedy, J., concurring).

<sup>69</sup> *Id.* at 2.

<sup>70</sup> *Id.* at 2-3.



sides from criticizing their opponents makes a law more viewpoint based, not less so.”<sup>71</sup> In response to the Government’s argument that the Disparagement Clause was viewpoint neutral because it applied to trademarks regardless of the applicant’s personal views or reasons for using the mark, Justice Kennedy stated that the Government may not insulate a law from charges of viewpoint discrimination by tying censorship to the reaction of the speaker’s audience.<sup>72</sup> Justice Kennedy stated:

[i]ndeed, a speech burden based on audience reactions is simply government hostility and intervention in a different guise. The speech is targeted, after all, based on the government’s disapproval of the speaker’s choice of message. And it is the government itself that is attempting in this case to decide whether the relevant audience would find the speech offensive. For reasons like these, the Court’s cases have long prohibited the government from justifying a First Amendment burden by pointing to the offensiveness of the speech to be suppressed.<sup>73</sup>

Justice Kennedy summarized the contradictory folly of the Disparagement Clause by stating that “the dissonance between the trademark’s potential to teach and the Government’s insistence on its own, opposite, and negative interpretation confirms the constitutional vice of the statute.”<sup>74</sup>

Second, turning to the commercial speech and government subsidy analysis, Justice Kennedy stated that, to the extent that 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, and in the realm of trademarks, the metaphorical marketplace of ideas

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<sup>71</sup> *Id.* at 3 (“The logic of the Government’s rule is that a law would be viewpoint neutral even if it provided that public officials could be praised but not condemned. The First Amendment’s viewpoint neutrality principle protects more than the right to identify with a particular side. It protects the right to create and present arguments for particular positions in particular ways, as the speaker chooses. By mandating positivity, the law here might silence dissent and distort the marketplace of ideas.”).

<sup>72</sup> *Id.* at 3-4 (“The danger of viewpoint discrimination is that the government is attempting to remove certain ideas or perspectives from a broader debate. That danger is all the greater if the ideas or perspectives are ones a particular audience might think offensive, at least at first hearing. An initial reaction may prompt further reflection, leading to a more reasoned, more tolerant position.”).

<sup>73</sup> *Id.* at 4.

<sup>74</sup> *Id.* at 4-5.

becomes a tangible, powerful reality.<sup>75</sup> Justice Kennedy stated that the question here is not how other provisions of the Lanham Act square with the First Amendment. Rather, the Court's precedents recognized just one narrow situation in which viewpoint discrimination is permissible: where the government itself is speaking or recruiting others to communicate a message on its behalf.<sup>76</sup> Justice Kennedy also pointed out that this case does not involve the situation where private speakers are selected for a government program to assist the government in advancing a particular message.<sup>77</sup> Finally, Justice Kennedy concluded by stating that a law like the Disparagement Clause can be directed against speech found offensive to some portion of the public and can be turned against minority and dissenting views to the detriment of all.<sup>78</sup> The "First Amendment does not entrust that power to the government's benevolence" and "[i]nstead, our reliance must be on the substantial safeguards of free and open discussion in a democratic society."<sup>79</sup>

Justice Thomas, in his concurring opinion, joined in all aspects of Justice Alito's majority opinion except with respect to Part II, rejecting Tam's interpretation arguments on "persons" within the Disparagement Clause, because he saw no reason to address this legal question in the first instance.<sup>80</sup>

Justice Thomas also wrote separately because he continued "to believe that when the government seeks to restrict truthful speech in order to suppress the ideas it conveys, strict scrutiny is appropriate, whether or not the speech in question may be characterized as 'commercial.'"<sup>81</sup> However, Justice Thomas joined in Part IV of Justice Alito's opinion because he opined that it correctly concluded that the

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<sup>75</sup> *Id.* at 5-6 ("Here that real marketplace exists as a matter of state law and our common law tradition, quite without regard to the Federal Government. These marks make up part of the expression of everyday life, as with the names of entertainment groups, broadcast networks, designer clothing, newspapers, automobiles, candy bars, toys and so on. Nonprofit organizations – ranging from medical research charities and other humanitarian causes to political advocacy groups – also have trademarks, which they use to compete in a real economic sense for funding and other resources as they seek to persuade others to join their cause. To permit viewpoint discrimination in this context is to permit Government censorship.").

<sup>76</sup> *Id.* at 6-7.

<sup>77</sup> *Id.* at 7.

<sup>78</sup> *Id.* at 8.8

<sup>79</sup> *Id.*

<sup>80</sup> *Matal v. Tam*, No. 15-1293, slip op. at 1 (U.S. June 19, 2017) (Thomas, J., concurring).

<sup>81</sup> *Id.* (citing *Lorillard Tobacco Co. v. Reilly*, 533 U.S. 525, 572 (2001) (Thomas, J., concurring in part and concurring in judgment); *44 Liquormart, Inc. v. Rhode Island*, 517 U.S. 484, 518 (1996) (same)).

Disparagement Clause was unconstitutional even under the less stringent test of *Central Hudson* review.<sup>82</sup>

## II

### PREDICTIONS ON THE AFTERMATH OF *MATAL V. TAM*

Simon Tam had this to say about the period leading up to and after the Supreme Court opinion was delivered in *Matal v. Tam*:

After we won our case in a federal court, the Trademark Office asked the Supreme Court to review the case. That very same week, the office granted another new registration for “slant” to a company that makes industrial coils. I may be the only person denied a registration for “slant” because it was deemed offensive to Asian-Americans.

This week, the Supreme Court reversed the Trademark Office’s decision, striking down the law that denied trademark protection to names deemed derogatory. Some supporters of that law claim that offensive names will now routinely receive trademark protection. (The Washington Redskins is a widely cited example.) But my response is that the Trademark Office doesn’t have the cultural understanding to determine what is or isn’t racist.<sup>83</sup>

Now that the Disparagement Clause has been ruled unconstitutional, will there be a flood of offensive trademarks filed with the USPTO? What about other marks previously denied or cancelled under the Disparagement Clause, such as the Washington Redskins mark? This paper predicts that there will not be a substantial increase in offensive mark filings, due to goodwill concerns and common business sense. Additionally, the fact that the Disparagement Clause survived for nearly 70 years despite major First Amendment concerns suggests that issues with disparaging marks are relatively uncommon.

Only in rare cases where businesses have successfully built up goodwill in a mark, despite the mark being potentially disparaging or offensive—such as the Washington Redskins trademark—would the mark be worth registering with the USPTO. This leaves the opportunity to register trademarks for “self-disparagement,” political, or artistic reasons or to reappropriate or reclaim a term, which encourages the free-flow of expression in an ever-changing marketplace of

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<sup>82</sup> *Tam*, slip op. at 1 (Thomas, J., concurring).

<sup>83</sup> *Tam*, *supra* note 8.

ideas. Encouraging freedom of expression from these groups outweighs any concerns raised by potential, though unlikely, excessive filing of offensive marks.

A. *Low Probability of Highly Offensive Mark Filings*

An immediate knee-jerk prediction to *Matal v. Tam* might be a sharp increase in the filing of offensive or derogatory marks with the USPTO. One attorney remarks that the “Trademark Official Gazette may soon require a parental advisory on the cover.”<sup>84</sup> But there is reason to believe this concern is blown out of proportion.

The main reason why offensive filings likely will not increase is that there is no indication that there were many offensive mark filings awaiting registration (or were denied registration due to the Disparagement Clause) to begin with. Why else would it have taken nearly 70 years for a trademark applicant to challenge the statute?<sup>85</sup> Simon Tam and The Slants also challenged the statute at roughly the same time as the Washington Redskins did (give or take several years). It appears that the interest in obtaining a disparaging mark is not high amongst brands, companies or groups. In other words, there may not be many trademark applicants who wish to register offensive marks generally.

To see why this may be the case, we should look to underlying psychological concerns and motivations of both purchasing consumers and businesses that wish to thrive. Common business sense would dictate that naming one’s company, group, or brand after an offensive word or slur would not exactly be good marketing.<sup>86</sup>

Other factors potentially preventing an increase in the registration of marks are the burdens of acquiring registration of a mark, which are rigorous and not to be underestimated.<sup>87</sup> To register a mark, applicants must show that they will

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<sup>84</sup> Donahue, *supra* note 4 (quoting attorney Christopher Larus of Robins Kaplan LLP).

<sup>85</sup> *See id.* (“That’s one of the reasons it took 70 years for the disparagement bar to fall; there just have never been that many companies clamoring to use revolting phrases as trademarks on their products. ‘As a practical matter, I don’t think I’ve ever filed an application that falls into these categories, and I’ve been doing this for over 20 years,’ said Cynthia Walden, the head of the trademark group at Fish & Richardson PC. ‘It just doesn’t really come up much.’”).

<sup>86</sup> *See id.* (“First and foremost is the fact that offensive subject matter, even if you can now technically register it, is simply bad branding—sort of a big deal when talking about trademarks. ‘You still have to live in the world and you still have to deal with public opinion,’ said Timothy J. Kelly, a partner with McCarter & English LLP. ‘If people are going to look at that [registered] term and be turned off immediately, you’re not going to sell much.’”).

<sup>87</sup> *See id.* (“As for those who do rush to file applications for objectionable subject matter in the wake of the ruling, experts say they will still face big hurdles at the trademark office, even in

actually use the mark in commerce – which may be unlikely for holders of offensive marks.<sup>88</sup> Furthermore, “merely ornamental” marks that do not serve the source identifying purpose behind trademarks will also likely not be registered.<sup>89</sup> The other barriers present in the registration process will likely discourage many applications from registering offensive marks. Many will likely give up after realizing the difficulty.

Beyond the registration process, there are other business reasons to not adopt disparaging marks. The “shock factor” of such marks are often temporary or transient at best. Building goodwill, brand loyalty, and trust in the marketplace would prove difficult by relying solely on such a gimmick. There have been examples of marks from French Connection United Kingdom (who stylized their shirts as “fcuk” to mimic the word “fuck”), but that company registered a mark on a misspelling of a cuss word that also happened to be the acronym for its company. One can hardly imagine that company or a similarly situated one now being able to register a mark for “fuck” and generating substantial business from it.

Additionally, the post-*Matal* Federal Circuit case of *In re Brunetti* reversed the rejection of the mark “FUCT” for various items of clothing under Section 2(a) because the Lanham Act’s ban on registering immoral or scandalous trademarks was unconstitutional on First Amendment grounds, as held by *Tam*.<sup>90</sup> There may be

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a post-*Slants* world. Many of them will be shot down for the same reason as applications for ‘Covfefe,’ ‘Nasty Woman’ and other trending terms: The applicant fundamentally misunderstands what a trademark registration is. ‘Registration requires more than just filing an application to register registrable matter and paying a fee,’ said Alexandra Roberts, a professor at the University of New Hampshire School of Law. Applicants who race out to register must show that they have a bona fide intent to use the name on a particular set of goods and services.”).

<sup>88</sup> *See id.* (“To get fully registered, they then need to have the capacity to actually use the term as a trademark in commerce. Some of the folks who descend on the USPTO in the wake of the high court’s decision might certainly meet those requirements, but many more likely won’t. ‘The applicants often aren’t serious about making the kind of use necessary to acquire trademark rights,’ Roberts said.”).

<sup>89</sup> *See id.* (“The trademark office will also refuse to register any mark that’s ‘merely ornamental,’ as well as widespread terms that are used by numerous third parties, because neither serves the source-designating function that’s required of a trademark. Those are two more big sticking points that could stem the tide. ‘Post-Tam, we can expect producers who have long used disparaging marks to register them with little fanfare,’ Roberts said. ‘But when it comes to individuals looking to capitalize on a controversial phrase, many of their applications won’t pass muster.”).

<sup>90</sup> *In re Brunetti*, 877 F.3d 1330, 1335 (Fed. Cir. 2017) (“Erik Brunetti appeals from the decision of the Trademark Trial and Appeal Board (“Board”) affirming the examining attorney’s refusal to register the mark FUCT because it comprises immoral or scandalous matter under 15

individuals or companies out there who believe registering offensive marks can lead to promising business opportunities.<sup>91</sup> This may be a new, exciting, and wide-open market, as some commentators suggest that the *Brunetti* case further expands the realm of potentially offensive subject matter now protectable by federal trademark registration.<sup>92</sup>

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U.S.C. § 1052(a) (“§ 2(a)”). We hold substantial evidence supports the Board's findings and it did not err concluding the mark comprises immoral or scandalous matter. We conclude, however, that § 2(a)'s bar on registering immoral or scandalous marks is an unconstitutional restriction of free speech. We therefore reverse the Board's holding that Mr. Brunetti's mark is unregistrable.”); Dennis Crouch, *We are all FUCT*, PATENTLYO, (December 15, 2017), <https://patentlyo.com/patent/2017/12/we-are-all-fuct.html> (“Here, the Federal based its decision on content-based discrimination (rather than viewpoint based) which is also reviewed for strict scrutiny. In reaching its decision, the Federal Circuit rejected two particular arguments, holding: 1. Trademark Registration is Not a Government Subsidy Program: If it were a subsidy, then the government could place conditions on the program without violating free speech principles (so long as those are not unconditional conditions). 2. Trademark Registration is more than commercial speech because it does “more than propose a commercial transaction” and often involve expressive conduct. If it were pure commercial speech, then restrictions would be reviewed under a looser standard. However, here the court holds that the immoral or scandalous mark provision ‘is unconstitutional even if treated as a regulation of purely commercial speech.’”).

<sup>91</sup> Indeed, the Federal Circuit commented on this issue. *See Brunetti*, 877 F.3d at 1354 (“Even marks that reference the indisputably vulgar term ‘fuck,’ like the mark at issue here, are not always rejected as a matter of course. The PTO registered the mark FCUK, but rejected the marks FUCT and F\*\*K PROJECT as scandalous. It allowed the registration of MUTHA EFFIN BINGO, Reg. No. 4,183,272, and IF WE TOUCH IT, IT'S FN GOLDEN, Reg. No. 4,100,978, but not F ALL F'S APPAREL FOR THE F'N ANGRY, Appl. No. 78,420,315.”).

<sup>92</sup> *See* Beth Goldman, Diana Rutowski, Kristin Cornuelle & Chris Civil, *Federal Circuit Makes Way for FUCT, Striking Down the Statutory Bar on Immoral or Scandalous Trademark Registrations as Unconstitutional*, ORRICK INTELLECTUAL PROPERTY ALERT (Dec. 20, 2017), <https://www.orrick.com/Insights/2017/12/Federal-Circuit-Makes-Way-for-FUCT> (“On December 15, the U.S. Court of Appeals for the Federal Circuit struck down the Lanham Act's ban on registering immoral or scandalous trademarks as unconstitutional on First Amendment grounds in *In re Brunetti*, --- F.3d ---- (Fed. Cir., Dec. 15, 2017, No. 2015-1109). This decision followed just a few months after the Supreme Court's significant holding in *Matal v. Tam*, 137 S. Ct. 1744 (2017), which invalidated the disparagement clause of the Lanham Act on the same grounds. *In re Brunetti* further expands the new world of potentially offensive subject matter now eligible for federal trademark protection. At issue was Erik Brunetti's application to register the mark FUCT for various items of clothing. The Examining Attorney refused registration under Section 2(a) of the Lanham Act, finding that the mark comprised immoral or scandalous subject matter because FUCT is the past tense of the vulgar verb ‘fuck.’ The Trademark Trial and Appeal Board affirmed the Examining Attorney's refusal, citing dictionary definitions uniformly characterizing the word ‘fuck’ as offensive and several images showing Brunetti using the mark in connection with explicit sexual imagery. The Federal Circuit agreed that the mark

In the context of racial slurs or words considered insulting to a group (be it political, religious, cultural, etc.), there is even less motivation for a company to brand themselves or a product after such disparaging terms. Not only could they risk alienating large segments of customers with such a choice, but that decision would also chip away and deteriorate whatever sense of reputation or goodwill that company has already built up. Therefore, the scenario in which companies will flock to the USPTO to register disparaging marks seems highly unlikely, unless the company wishes to commit a form of brand suicide. Scandalous, “shocking” advertising campaigns can be achieved through marks like FUCT, now permissible in light of *In re Brunetti*. Individuals and companies can achieve the same or similar marketing results without using disparaging marks, which run the risk of alienating potential consumers.

### B. *The Washington Redskins Mark*

One class of now-registerable disparaging or offensive marks is the type of mark that has already built up years of goodwill, brand recognition and notoriety. A perfect example of this group of marks is the Washington Redskins mark, which was challenged in litigation both in federal courts and the TTAB.<sup>93</sup> However, as even Justice Alito mentioned in the majority opinion of *Matal v. Tam*, there have been many other marks considered derogatory, offensive and/or disparaging to minority groups registered due to the nature of the times.<sup>94</sup> The difference with this class of marks is that they have already spent years of time, resources and money building up their brand with an already registered mark—whereas potential trademark owners wishing to now register offensive marks in the wake of *Matal v. Tam* have to start from nothing, and will likely acquire nothing to build their brand, due to the analysis discussed above in Part III(A).

Even though marks like the Washington Redskins trademark or “FUCT” are valid after the *Matal v. Tam* and *In re Brunetti* cases, there is some solace for groups disparaged by such marks. These marks are few and far between. The other

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was vulgar and scandalous, but then turned to examine the constitutionality of the immoral or scandalous clause of Section 2(a) . . . The potential subject matter of registrable trademarks has, for the second time in just a few months, expanded considerably. It will be interesting to see how these new court interpretations affect trademark application filings in the New Year.”)

<sup>93</sup> See *Pro-Football, Inc. v. Harjo*, 415 F.3d 44 (D.C. Cir. 2005); *Blackhorse v. Pro-Football, Inc.*, 111 U.S.P.Q.2d 1080 (T.T.A.B. 2014) (Trademark Trial and Appeal Board (“TTAB”) case involving the Washington Redskins trademark).

<sup>94</sup> Such marks were “likely attributable not to the acceptance of his interpretation of the clause but to other factors – most likely the regrettable attitudes and sensibilities of the time in question.” *Tam*, slip. op at 12.

offensive marks registered according to the condition of standards at the time (as mentioned by Justice Alito), have either expired or are not used by any businesses or enterprises considered even remotely successful.

### *C. Free Speech Interests Outweigh Offensive Mark Filings*

Regardless, a compelling countervailing interest outweighs the concern of increased filing of offensive marks. That interest is our ability to give certain artists or organizations like “The Slants” or “Dykes on Bikes” the right to “self-disparage.” By allowing such groups to fully exercise their Free Speech rights under the First Amendment, the robustness of speech will increase and the marketplace of ideas will be diversified. Groups like The Slants will also be able to reclaim and reappropriate previously offensive terms in order to gain cultural or political ground in other arenas. As mentioned before by the New York Times article penned by Simon Tam, there is power in reappropriation. The possibilities that this hybrid Free Speech trademark right gives to individuals and groups like The Slants and Dykes on Bikes is limitless, and should be encouraged in order to fully reach the potential envisioned by the First Amendment.

Notably, filers after the *Matal v. Tam* case have been primarily aiming to “take back” racial slurs and reappropriate them—from an African American applicant attempting to register “nigga” in order to “reclaim the word” and “sell T-shirts that celebrate themes such as unity and brotherhood” to a patent lawyer in Alexandria, Virginia trying to register the swastika in order to “put it in a drawer and make sure nobody uses it” by selling merchandise such as blankets, shirts, and flags for the exorbitantly expensive price of a thousand dollars each.<sup>95</sup> These examples suggest that the *Tam* decision has sparked reappropriation of disparaging terms and images, rather than promoted disparagement of minority groups.

## III

### COMPARISONS TO PATENT LAW & COPYRIGHT LAW

This new hybrid Free Speech and Trademark right can also be compared with approximate equivalents in Copyright Law and Patent Law to argue that the trademark right, by itself, will not suffer any detriment in being merged with Free Speech rights and may in fact see positive benefits.

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<sup>95</sup> Ailsa Chang, *After Supreme Court Decision, People Race To Trademark Racially Offensive Words*, NPR PLANET MONEY (Jul. 21, 2017, 4:25 PM), <http://www.npr.org/2017/07/21/538608404/after-supreme-court-decision-people-race-to-trademark-racially-offensive-words>.



Taking copyright law as the first example, copyrights can be obtained and registered for offensive material, mainly because copyrights are so closely tied to expression and are in fact “an engine of free expression.”<sup>96</sup> Being able to copyright anything, even if it is offensive, makes the copyright form of intellectual property stronger, more diverse, and more robust. The same effect will likely occur for this new Trademark and Free Speech right created in the wake of *Matal v. Tam*.

As for Patent Law, there is an outdated and hardly invoked provision from the Atomic Energy Act of 1954 that prohibits the patenting of inventions used for atomic weapons.<sup>97</sup> This provision is somewhat of a “moral” clause, comparable to the Disparagement Clause. This provision has hardly ever been used or cited by the USPTO, or challenged by courts, and thus has a limited impact on patent rights. Thus, the Atomic Energy Act in Patent Law, which runs “parallel” to the Disparagement Clause, goes to show the limited impact such moral provisions have on intellectual property rights.<sup>98</sup>

### CONCLUSION

For the reasons described above, this paper asserts that there will not be a substantial increase in the filings of offensive marks post-*Matal v. Tam*, and that the free speech interests of groups like The Slants and Dykes in Bikes is sufficient justification for the Free Speech Trademark hybrid right to exist. In addition, upon comparisons to roughly equivalent fields such as Copyright and Patent Law, infusing Free Speech rights into the Trademark intellectual property right can only make trademarks stronger.

Perhaps it would be fitting to end with Simon Tam’s final comments on the case and the outcome of *Matal v. Tam* in the U.S. Supreme Court, in the op-ed he penned for The New York Times:

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<sup>96</sup> Harper & Row Publishers, Inc. v. Nation Enters., 471 U.S. 539, 558 (1985).

<sup>97</sup> 42 U.S.C. § 2181 (2012) (“No patent shall hereafter be granted for any invention or discovery which is useful solely in the utilization of special nuclear material or atomic energy in an atomic weapon”).

<sup>98</sup> Being able to patent anything does not translate exactly to being able to say or express anything, due to the fact that the moral implications of technology might be a complicated subject that goes beyond Free Speech First Amendment rights. On a related note, there does not appear to be any free speech restrictions on what to title a patent or particular words that can be placed within a patent (e.g. in the specification, claims and/or abstract). Therefore, from a strictly verbal basis — the expressive content of a patent application can be viewed now as being equivalent to the expressive content in copyrights and now, trademarks.

Social theorists say that our identity can both be influenced by as well as influence the world around us. Every scientific study confirms that the stigma of derogatory terms like “queer” and “bitch” are mediated by perceived power when the referenced groups own them. The role of the government shouldn’t include deciding how members of a group define themselves. That right should belong to the community itself.

The battles about hate speech shouldn’t be waged at the Trademark Office, decided by those who have no connections to our communities. Those skirmishes lead to arbitrary, inconsistent results and slowly chip away at the dignity and agency of oppressed people to decide appropriateness on our terms. A person’s quality of life, opportunities and rights may hinge on that person’s identity. Those rights should not hinge on the hunch of a government employee armed with wiki-joke websites. It’s suppression of speech in the most absurd manner.

Americans need to examine our systems of privilege and the ways unconscious bias affects our attitudes. But that discussion begins with the freedom to choose our language. As we sing on “From the Heart” on our latest album, “The Band Who Must Not Be Named”:

*So sorry if you take offense*

*But silence will not make amends*

*The system’s all wrong*

*And it won’t be long*

*Before the kids are singing our song.<sup>99</sup>*

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<sup>99</sup> Tam, *supra* note 8.