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A Slanted View on the Morality Bars: *Matal v. Tam*, *In re Brunetti*, and the Future of Section 2(a) of the Lanham Act

*John Langworthy**

ABSTRACT

Section 2(a) of the Lanham Act contained two “morality bars” to the registration of trademarks: the Disparagement Clause and the Immoral and Scandalous Clause. Two recent cases, the Supreme Court decision in *Matal v. Tam* and the subsequent decision from the Federal Circuit, *In re Brunetti*, both held that the morality bars violate the First Amendment. Given the inconsistent application of the Disparagement Clause and the potential for viewpoint discrimination, the *Tam* Court was correct in finding it unconstitutional. For similar reasons, the court in *Brunetti* properly extended this holding to the Immoral and Scandalous Clause. However, both decisions ignored the social context in which the marks were used. Considering the circumstances surrounding the creation of these marks would prevent disparaging marks from harming the targeted communities, while also allowing marginalized groups to reclaim formerly disparaging terms. If the morality bars were applied using context-specific analysis, the application could be more consistent, produce better results, and could survive First Amendment strict scrutiny. Although both the Disparagement Clause and the Immoral and Scandalous Clause have been overturned, they could still be preserved in a reduced, more narrowly tailored form.

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I. INTRODUCTION

For two years, Simon Tam posted advertisements on Craigslist and in local classifieds, as well as put up posters in pho noodle houses and Asian shopping centers, attempting to recruit Asian musicians for a new band.¹ Once assembled, Simon asked his bandmates, “What’s something you think all Asians have in common?”² When they responded with “slanted eyes,” Simon found the name for his band: The Slants.³ The name denoted the band’s perspective: their “slant on life, as people of color navigating the entertainment industry” while honoring “the Asian-American activists who had been using the term in a reappropriated, self-empowering way for about 30 years.”⁴

In 2010, the band filed to register the name “The Slants” as a federal trademark.⁵ The trademark was soon rejected as being “disparaging to people of Asian descent.”⁶ Under § 2(a) of the Lanham Act, trademarks cannot be registered if they contain “matter which may disparage . . . persons, living or dead . . .”⁷ Through a long legal battle, the band ended up before the Supreme Court as the new faces of a First Amendment movement calling for the revocation of the Lanham Act’s prohibition against disparaging trademarks, known as the Disparagement Clause. The law was controversial for years due to the registration of the “Redskins” trademark for the professional football team of the same name,⁸ but it was The Slants who finally managed to bring the issue before the Supreme Court in *Matal v. Tam*.⁹ When the Supreme Court heard Simon Tam’s case, it held that the Disparagement Clause violated The Slants’ First Amendment right to free speech.¹⁰ Exactly six years after The Slants first filed for registration, their mark was finally registered.¹¹

By overturning 70 years of trademark law, the *Matal v. Tam* ruling sent ripples through the trademark world. As a result of the Supreme Court’s holding in *Tam*, the Native Americans fighting the “Redskins” mark were left without legal standing and had to drop the case.¹² The ruling affected another case in the Federal Circuit, *In re Brunetti*.¹³ *Brunetti* concerned the mark “FUCT,”¹⁴ which—due to its phonetic

1. Jessica Chobot, *Super Happy Fun Write: The Slants*, IGN (Apr. 2, 2008), <http://www.ign.com/articles/2008/04/02/super-happy-fun-write-the-slants>.

2. Joe Coscarelli, *Why the Slants Took a Fight Over Their Band Name to the Supreme Court*, N.Y. TIMES (June 19, 2017), <https://www.nytimes.com/2017/06/19/arts/music/slants-name-supreme-court-ruling.html>.

3. *Id.*

4. *Id.*

5. U.S. Trademark Application Serial No. 77/952,263 (filed Mar. 5, 2010) (now abandoned).

6. Coscarelli, *supra* note 2.

7. 15 U.S.C. § 1052(a) (2006).

8. *See Pro-Football, Inc. v. Blackhorse*, 112 F. Supp. 3d 439, 450 (E.D. Va. 2015).

9. *Matal v. Tam*, 137 S. Ct. 1744 (2017).

10. *Id.* at 1765.

11. Eugene Volokh, *The Slants’ Trademark Registered Today, Six Years After the Application was First Filed*, WASH. POST (Nov. 14, 2017), https://www.washingtonpost.com/news/volokh-conspiracy/wp/2017/11/14/the-slants-trademark-registered-today-six-years-after-the-application-was-first-filed/?utm_term=.0cc9c44e9c2b.

12. Ian Shapira & Ann E. Marimow, *Washington Redskins Win Trademark Fight Over the Team’s Name*, WASH. POST (June 29, 2017), https://www.washingtonpost.com/local/public-safety/2017/06/29/a26f52f0-5cf6-11e7-9fc6-c7ef4bc58d13_story.html?utm_term=.5e805fced7e6.

13. Ben Natter et al., *USPTO Navigates New Territory in The Wake of Matal v. Tam*, IPWATCHDOG (Aug. 17, 2017), <http://www.ipwatchdog.com/2017/08/17/uspto-navigates-matal-v-tam/id=86961/>.

14. *In re Brunetti*, 2014 WL 3976439, 1 (T.T.A.B. 2014).

similarity to the word “fucked”—was also barred under § 2(a) of the Lanham Act.¹⁵ Along with the Disparagement Clause, § 2(a) contains the Immoral and Scandalous Clause, which prohibits registration for immoral and scandalous marks.¹⁶ The Federal Circuit, after *Matal v. Tam* was decided, ordered the parties to submit briefs on the applicability of the *Tam* holding to the Immoral and Scandalous Clause, which it considered in handing down its ruling.¹⁷

With so many questions raised by the *Matal v. Tam* case, the future of trademark law rests in the balance. This article will first examine existing trademark and First Amendment law prior to the *Matal v. Tam* case. This article will then analyze the *Matal v. Tam* ruling and the subsequent ruling in *In re Brunetti*. This article will show that *Matal v. Tam* was correctly decided, and that *In re Brunetti* properly extended the *Tam* ruling—invalidating the Disparagement Clause—to the Immoral and Scandalous Clause. However, this article will also argue the Supreme Court failed to address the nuances that complicate the Disparagement Clause, and that the Federal Circuit similarly failed to take these nuances into consideration. Finally, this article will argue that taking the context of the mark into consideration when determining whether a mark should be registered would allow the Disparagement Clause to better protect targeted groups from harmful language. Context-specific determinations would also allow these same groups to reclaim the harmful terms through the use of trademarks.

II. BACKGROUND

A. Trademarks

A trademark is defined by the Lanham Act as “any word, name, symbol, device, or any combination thereof” used to distinguish goods and identify the source.¹⁸ The purpose of providing these marks is to “regulate commerce” and protect “against unfair competition.”¹⁹ A mark used in commerce may be federally registered.²⁰ It is important to note that an enforceable mark is created through use in the marketplace to identify the source of goods, not through federal registration.²¹ However, registration can provide several additional benefits to the mark’s owner.²² The benefits of registration include: serving as constructive notice of ownership in the mark;²³ serving as prima facie evidence of validity of, ownership of, and the right to use the mark;²⁴ and making the mark incontestable after five years.²⁵

Section 2(a) of the Lanham Act provided that a trademark will be granted registration unless it “may disparage . . . persons, living or dead, institutions, beliefs,

15. See 15 U.S.C. § 1052(a) (2006).

16. *Id.*

17. *In re Brunetti*, 877 F.3d 1330, 1341 (Fed. Cir. 2017).

18. 15 U.S.C. § 1127 (2006).

19. *Id.*

20. 15 U.S.C. § 1051(a) (2006).

21. 3 J. THOMAS MCCARTHY, TRADEMARKS AND UNFAIR COMPETITION § 19:3, at 19–22 (5th ed. 2017).

22. *Id.*

23. 15 U.S.C. § 1072 (2006).

24. 15 U.S.C. § 1057(b) (2006).

25. 15 U.S.C. § 1065 (2006).

or national symbols, or bring them into contempt, or disrepute”²⁶ The two-part test for deciding if a mark is disparaging under the meaning of the Lanham Act is to determine (1) the “likely meaning of the matter in question” and (2) if that meaning involves a protected group, whether it may disparage a “substantial composite of the referenced group.”²⁷

Section 2(a) also bars registration for marks which are “immoral” or “scandalous.”²⁸ To show a mark fits within this category, it must be demonstrated that the mark is “shocking to the sense of truth, decency, or propriety; disgraceful; offensive; disreputable; . . . giving offense to the conscience or moral feelings; . . . [or] calling out [for] condemnation.”²⁹ A mark may also be deemed immoral or scandalous through demonstration of the mark’s vulgarity.³⁰ Together, the Disparagement Clause and the Immoral and Scandalous Clause form the “morality bars” of trademark registration.

B. First Amendment Speech

The First Amendment prohibits Congress from “abridging the freedom of speech.”³¹ However, the government is allowed to regulate speech if it can show the regulation is “necessary to serve a compelling state interest and that it is narrowly drawn to achieve that end.”³²

There are several types of speech that are treated differently under the First Amendment. The first is government speech. Government speech is kept in check primarily through the democratic electoral process.³³ It is “a fundamental principle of our constitutional system” that “free political discussion” will lead the government to “be responsive to the will of the people.”³⁴ Therefore, the government “is not barred by the Free Speech Clause from determining the content of what it says.”³⁵

First Amendment jurisprudence also distinguishes speech “proposing a commercial transaction.”³⁶ Commercial speech is given less protection than other forms of private speech.³⁷ Therefore, courts apply a lower level of scrutiny. According to the *Central Hudson* test, the government must have a “substantial interest” in restricting commercial speech, and the restrictions must be “narrowly drawn” to achieve that interest.³⁸ However, this lower level of scrutiny for commercial speech does not apply when the government regulation is “because of disagreement with the message it conveys.”³⁹

26. 15 U.S.C. § 1052(a) (2006).

27. *In re Squaw Valley Dev. Co.*, 80 U.S.P.Q. 2d 1264, 1267 (T.T.A.B. 2006).

28. 15 U.S.C. § 1052(a).

29. *In re Mavety Media Group Ltd.*, 33 F.3d 1367, 1371 (Fed. Cir. 1994) (alteration in the original) (quoting *In re Riverbank Canning Co.*, 95 F.2d 327, 328 (C.C.P.A. 1938)).

30. *In re Boulevard Entm’t, Inc.*, 334 F.3d 1336, 1340 (Fed. Cir. 2003).

31. U.S. CONST. amend. I.

32. *Perry Educ. Ass’n v. Perry Local Educators’ Ass’n*, 460 U.S. 37, 45 (1983).

33. *Walker v. Texas Div., Sons of Confederate Veterans, Inc.*, 135 S. Ct. 2239, 2245 (2015).

34. *Stromberg v. California*, 283 U.S. 359, 369 (1931).

35. *Walker*, 135 S. Ct. at 2245.

36. *Ohralik v. Ohio State Bar Ass’n*, 436 U.S. 447, 455–56 (1978).

37. *Id.* at 456.

38. *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n of New York*, 447 U.S. 557, 564–65 (1980).

39. *Sorrell v. IMS Health Inc.*, 564 U.S. 552, 566 (2011).

The First Amendment protects the free speech rights of private citizens when the government tries to discriminate based on the content of a message.⁴⁰ This content-based discrimination is further split into subject-matter discrimination and viewpoint discrimination, which is a more “egregious form of content discrimination.”⁴¹ Violation of a speaker’s First Amendment rights is treated more harshly when it targets the particular viewpoints of the speaker rather than the general subject matter of the message.⁴² In terms of a public forum, subject-matter discrimination might be allowed if it “preserves the purposes of that limited forum,” but viewpoint discrimination is “presumed impermissible” even when otherwise within the bounds of the forum.⁴³

One exception to the protection of private speech by the First Amendment is obscene material.⁴⁴ While courts agree that obscene, pornographic material is not protected, they struggle to establish what exactly constitutes obscenity.⁴⁵ In *Miller v. California*, the Supreme Court laid out the current test for obscenity as follows: (1) whether “an average person, applying contemporary community standards, would find that the work, taken as a whole, appeals to the prurient interest”; (2) “whether the work depicts or describes, in a patently offensive way, sexual conduct specifically defined by the applicable state law”; and (3) “whether the work, taken as a whole, lacks serious literary, artistic, political, or scientific value.”⁴⁶

When dealing with trademark law, First Amendment free speech is usually not the first issue that comes to mind. In recent cases, however, the potential for First Amendment violations in the application of trademark law surfaced. These cases—*Matal v. Tam* and *In re Brunetti*—lie at the intersection of trademark law and free speech jurisprudence and will have long-lasting effects on how trademarks are treated by the law.

III. CASES AT HAND

A. Matal v. Tam

When Simon Tam first tried to register the name of his band, The Slants, as a trademark, the United States Patent and Trademark Office (“USPTO”) rejected it as violating the Disparagement Clause of the Lanham Act. Tam then appealed this rejection to the Federal Circuit, where the examining attorney’s refusal to register “The Slants” as a trademark was affirmed.⁴⁷ However, on rehearing en banc, the Federal Circuit vacated the holding of the Trademark Trial and Appeal Board (“TTAB”) that “The Slants” could not be registered due to its disparaging nature, and remanded the case back to the TTAB for further proceedings.⁴⁸ The court made

40. *Rosenberger v. Rector & Visitors of Univ. of Virginia*, 515 U.S. 819, 828 (1995).

41. *Id.* at 829–30.

42. *Id.* at 829.

43. *Id.* at 829–30.

44. *Miller v. California*, 413 U.S. 15, 23 (1973).

45. *Id.* at 22.

46. *Id.* at 24.

47. *In re Tam*, 785 F.3d 567, 573 (Fed. Cir.), *vacated*, 600 F. App’x 775 (Fed. Cir. 2015), *reh’g en banc*, 808 F.3d 1321 (Fed. Cir. 2015), *aff’d sub nom. Matal v. Tam*, 137 S. Ct. 1744 (2017).

48. *In re Tam*, 808 F.3d 1321, 1328 (Fed. Cir. 2015) (en banc), *aff’d sub nom. Matal v. Tam*, 137 S. Ct. 1744 (2017).

this holding based on the determination that the Disparagement Clause of the Lanham Act was unconstitutional under the First Amendment.⁴⁹ The government then applied for certiorari, which the Supreme Court granted.⁵⁰

The Supreme Court unanimously held that the Disparagement Clause of the Lanham Act violated the Free Speech Clause of the First Amendment.⁵¹ The Court first considered Tam's argument that the Disparagement Clause's use of the word "persons" meant it did not apply to racial or ethnic groups.⁵² Though the Supreme Court did not grant certiorari on this question, it decided to address the issue since acceptance of this theory would prevent premature adjudication of a constitutional issue.⁵³ The Court found that "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."⁵⁴ In rejecting Tam's argument, the Court also pointed to the lack of legislative history supporting Tam's interpretation of the law.⁵⁵

Next, the Supreme Court turned its attention to the government's arguments. The government made three main contentions: (1) trademarks are government, not private, speech; (2) trademarks are a form of government subsidy; and (3) a new "government-program" test doctrine should be used in testing the Disparagement Clause's constitutionality.⁵⁶ The Court succinctly rejected the government's first argument, stating that "[t]rademarks are private, not government speech."⁵⁷ The Court reasoned that trademarks are not used to promote messages for the government, nor are they typically associated with the government by the general public, so trademarks could not be properly classified as government speech.⁵⁸

The government's second argument was also unpersuasive. The Court distinguished trademark registration from government subsidy cases by pointing out there is no cash subsidy for trademarks and that trademark registration is more akin to other government registration schemes.⁵⁹ It does not matter that trademark registration provides many non-monetary benefits at the government's expense, because this is true in most cases of government services.⁶⁰ Trademarks are not the only government registration scheme. The government also registers copyrights, patents, driver's licenses, motor vehicle registrations, hunting licenses, and fishing licenses.⁶¹

The government's third argument cited to two other cases, *Davenport v. Washington Education Ass'n* and *Ysura v. Pocatello Education Ass'n*, as authority pointing to a new "government program" doctrine that would extend to registration of

49. *Id.* at 1357.

50. *Tam*, 137 S. Ct. at 1755.

51. *Id.* at 1751.

52. *Id.* at 1755.

53. *Id.*

54. *Id.* at 1756 (citing Trademark Manual § 1203.03(b)(i), at 1200–150).

55. *Id.*

56. *Id.* at 1757.

57. *Id.* at 1760.

58. *Id.*

59. *Id.* at 1761.

60. *Id.*

61. *Id.*

trademarks.⁶² However, the Court characterized the two cases as those that conferred “a substantial non-cash benefit for the purpose of furthering activities that they particularly desired to promote but not to provide a similar benefit for the purpose of furthering other activities.”⁶³ Thus, the Court found that *Davenport* and *Ysura* were similar to the subsidy cases and, thus, distinguishable from the case at hand.⁶⁴ Cases in which the “government creates a limited public forum for private speech” were considered to be more applicable, but, even in such situations, viewpoint discrimination “is forbidden.”⁶⁵

Another disputed issue was whether trademarks are commercial speech and thus subject to relaxed scrutiny under *Central Hudson Gas & Electric Corp. v. Public Service Commission of New York*.⁶⁶ The Supreme Court did not reach this question, as it determined the Disparagement Clause did not survive even the lower *Central Hudson* level of scrutiny.⁶⁷ The *Central Hudson* test is a two-pronged scrutiny test for restricting speech: first, the government must assert a “substantial interest,” and, second, speech restrictions must be “narrowly drawn.”⁶⁸

The first interest the government asserted in its attempt to pass scrutiny was that “it has an interest in preventing speech expressing ideas that offend.”⁶⁹ The Court found that this “strikes at the heart of the First Amendment,” and that American free speech jurisprudence protects “the freedom to express ‘the thought that we hate.’”⁷⁰ The government also asserted that it had an interest in “protecting the orderly flow of commerce,” arguing that disparaging trademarks would “have an adverse effect on commerce,” much like discriminatory conduct.⁷¹ The Supreme Court did not contest this interest but moved on to the second prong of the *Central Hudson* test, reasoning that the Disparagement Clause was not “narrowly drawn” in order to prevent discriminating trademarks.⁷² In the Court’s own words, “[i]t is not an anti-discrimination clause; it is a happy-talk clause.”⁷³ Thus, the Supreme Court found that the Disparagement Clause violated the Free Speech Clause of the First Amendment and affirmed the Federal Circuit’s judgment.⁷⁴

Justice Kennedy wrote a separate opinion concurring in part and concurring in the judgment, joined by Justices Ginsburg, Sotomayor, and Kagan.⁷⁵ Kennedy emphasized the application of viewpoint discrimination protections and argued that, under this rationale, no other arguments from the parties required extended attention because the viewpoint discrimination aspect was so vital.⁷⁶ Justice Thomas also

62. *Id.* at 1761–62 (citing *Davenport v. Washington Educ. Ass’n*, 551 U.S. 177 (2007); *Ysura v. Poetello Educ. Ass’n*, 555 U.S. 353 (2009)).

63. *Id.* at 1762.

64. *Id.*

65. *Id.* at 1763.

66. *Id.* at 1763–64.

67. *Id.* at 1764.

68. *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n of N.Y.*, 447 U.S. 557, 564–65 (1980).

69. *Tam*, 137 S. Ct. at 1764.

70. *Id.* (quoting *United States v. Schwimmer*, 279 U.S. 644, 655 (1929) (Holmes, J., dissenting)).

71. *Id.*

72. *Id.* at 1765.

73. *Id.*

74. *Id.*

75. *Id.* (Kennedy, J., concurring).

76. *Id.*

wrote a short concurrence in which he argued that strict scrutiny should be applied regardless of whether trademarks are considered commercial speech.⁷⁷

B. *In re Brunetti*

While the full impact of the *Tam* ruling is yet to be seen, courts have already begun applying *Tam*'s reasoning to other parts of the Lanham Act. After *Tam* was decided, its holding was applied to a case in the Federal Circuit Court of Appeals called *In re Brunetti*.⁷⁸ Erik Brunetti is an entrepreneur known for “revolutionary themes, proudly subversive graphics and in-your-face imagery,” and his company, “Fuct Manufacturing Co.,” has been selling streetwear since 1991.⁷⁹ Brunetti sought trademark registration for the term “FUCT” 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.”⁸⁰ The trademark examining attorney initially rejected the mark as “vulgar,” and therefore not registrable under the Lanham Act, due to its phonetic equivalence to the word “fucked.”⁸¹

Brunetti appealed to the TTAB.⁸² In his appeal, Brunetti claimed that “FUCT” was an arbitrary made-up word, unrelated to sexual intercourse.⁸³ To the extent a meaning was required, Brunetti claimed the term stood for “friends you can’t trust.”⁸⁴ He further argued that his brand had been used for over 22 years without any association with the word “fuck” or with sexual intercourse.⁸⁵ The TTAB did not agree with Brunetti’s assertions that his brand name was completely unassociated with the word “fuck,” citing both the dictionary definition of “fuck” as well as the entry for “fuct” on Urban Dictionary, an online dictionary with user-submitted definitions for slang terms.⁸⁶ Despite the FUCT mark’s long use as an identifier of the source of Brunetti’s goods, the TTAB found that the Examining Attorney had met his burden that “a substantial composite of the general public” would find the term to be vulgar.⁸⁷ The TTAB therefore affirmed the refusal of registration.⁸⁸

The matter was then appealed to the Federal Circuit.⁸⁹ However, while the case was still pending, *Matal v. Tam* was decided by the Supreme Court. In light of the *Tam* ruling, the parties were both ordered by the court to prepare briefs on how *Tam* would affect the case at hand.⁹⁰

The Federal Circuit Court of Appeals began by quickly dismissing Brunetti’s argument that his mark FUCT was not vulgar, pointing to its similarity to the word “fucked” and its use on products using sexual imagery.⁹¹ The court then moved on

77. *Id.* at 1769.

78. 877 F.3d 1330 (Fed. Cir. 2017).

79. *In re Brunetti*, 2014 WL 3976439, 2 (T.T.A.B. 2014).

80. *Id.* at 1.

81. *Id.*

82. *Id.*

83. *Id.* at 3.

84. *Id.*

85. *Id.*

86. *Id.* at 3, 5.

87. *Id.* at 5.

88. *Id.* at 6.

89. Brief at 1, *In re Brunetti*, 877 F.3d 1330 (Fed. Cir. 2017) (No. 15-1109), 2017 WL 3228588.

90. *Id.* at 2.

91. *In re Brunetti*, 877 F.3d at 1338–39.

to the bigger issue: the applicability of the *Tam* ruling and the constitutionality of the Immoral and Scandalous Clause under the First Amendment.⁹² The government conceded that the bar on immoral or scandalous marks was a content-based restriction on speech, so the court proceeded using strict scrutiny review.⁹³ However, the government also argued that trademark registration was either a government subsidy program or a limited public forum, or, alternatively, that it was commercial speech, which only warranted the *Central Hudson* intermediate level of scrutiny.⁹⁴ The court considered each of these arguments in turn.

The government argued that the Immoral and Scandalous Clause is merely a reasonable exercise of spending power, “a constitutional condition defining the limits of trademark registration.”⁹⁵ The court noted that both the Federal Circuit and the Supreme Court had rejected this argument when it was made in the *Tam* case.⁹⁶ Trademark registration is unrelated to the spending power of Congress, and, to the extent government resources are spent on trademark registration, there is not enough to distinguish it from any other service provided by the government which requires government funds.⁹⁷ The court recognized that federal trademark registration provides many benefits but rejected any analogy between registration and Congress’s grant of federal funds.⁹⁸

The government then argued that trademark registration is a limited public forum. A limited public forum is a government property “limited to use by certain groups or dedicated solely to the discussion of certain subjects” where the government can constitutionally restrict speech when that restriction is consistent with the limited purpose of the forum.⁹⁹ The court considered several examples of limited public forums before finding no similarity between them and trademark registration.¹⁰⁰ It found there was no government property on which the government could assert a right to restrict speech and rejected the argument that this requirement was met by the list of registered marks on the government’s principal register.¹⁰¹

The Federal Circuit next addressed the proposition that trademarks are merely commercial speech and thus should be met with a lower level of scrutiny under *Central Hudson*. The court acknowledged that trademarks convey a commercial message but reasoned they often contain expressive content as well, sometimes espousing a powerful cause or political view.¹⁰² The court found that the morality bars specifically targeted the expressive parts of a mark and thus were distinguishable from other parts of § 2(a) of the Lanham Act, such as the bar on merely descriptive marks.¹⁰³ While the Federal Circuit reasoned this made the Immoral and Scandalous Clause subject to strict scrutiny, it also determined that, similar to the Disparagement Clause, the bar would not even meet the *Central Hudson* intermediate scrutiny

92. *Id.* at 1340.

93. *Id.* at 1342.

94. *Id.*

95. *Id.* at 1343 (referring to the government subsidy framework developed in *Agency for Int’l Dev. v. All for Open Soc’y Int’l, Inc.*, 570 U.S. 205 (2013)).

96. *Id.*

97. *Id.* at 1344.

98. *Id.*

99. *Id.* at 1346.

100. *Id.* at 1346–47.

101. *Id.* at 1348.

102. *Id.* at 1348–49.

103. *Id.* at 1349.

test, as the government had not asserted a substantial interest to justify the law.¹⁰⁴ The court also pointed out that the inconsistent application of the Immoral and Scandalous Clause created such uncertainty that it could never be considered carefully tailored toward any purpose.¹⁰⁵

Lastly, the court considered whether there was a narrower construction of the Immoral and Scandalous Clause that might preserve its constitutionality.¹⁰⁶ While the concurrence suggested limiting its scope to obscene marks, the controlling opinion found this to be unreasonable, as not all scandalous or immoral marks are obscene.¹⁰⁷ With no acceptable alternative construction, the Federal Circuit, following the Supreme Court's holding in *Matal v. Tam*, concluded that the Immoral and Scandalous Clause violated the First Amendment, and thus Brunetti could register his mark FUCTION despite its vulgar nature.¹⁰⁸

After the government lost at the appellate level, the Department of Justice urged the Supreme Court to hear the issue and reverse the decision.¹⁰⁹ Despite his previous victory, Brunetti agreed that the Supreme Court should take up the case to clear up any confusion left in the wake of *Tam*.¹¹⁰ On January 4, 2019, the Supreme Court agreed to hear the case.¹¹¹

IV. WAS *MATAL V. TAM* CORRECTLY DECIDED?

The key issue in both cases was whether it is permissible for the government to make moral judgments when affording trademarks the protection of federal registration. The morality bars—the Disparagement Clause and the Immoral and Scandalous Clause of § 2(a) of the Lanham Act—both seem to pose this question. Due to the often subjective nature of moral judgments, it is difficult for the government to judge the content of speech without violating the constitutional protections of the First Amendment.¹¹² However, evaluations of morality often form the basis of the law, and the mere presence of morality judgments does not necessarily preclude constitutional justification of the law.¹¹³ If the morality bars are to survive strict scrutiny, the purposes behind the bars must outweigh the free speech ensured by the First Amendment.

One of the primary purposes of trademark law is to regulate commerce.¹¹⁴ Commerce is a system that facilitates interactions between peoples of all different creeds, views, cultures, and backgrounds.¹¹⁵ Commerce, more than a mere eco-

104. *Id.* at 1350.

105. *Id.* at 1353–54.

106. *Id.* at 1355.

107. *Id.* at 1355–56.

108. *Id.* at 1357.

109. Robert Barnes, *Supreme Court to decide if trademark protection can be denied to 'scandalous' brands*, WASH. POST (Jan. 4, 2019, 4:49 PM), https://www.washingtonpost.com/politics/courts_law/supreme-court-to-decide-if-trademark-protection-can-be-denied-to-scandalous-brands/2019/01/04/83c18948-1061-11e9-8938-5898adc28fa2_story.html?utm_term=.cbf7b3f8b887.

110. *Id.*

111. *Id.*

112. Ned Snow, *Moral Judgments in Trademark Law*, 66 AM. U. L. REV. 1093, 1104 (2017).

113. *Id.* at 1110.

114. *Id.* at 1094.

115. *Id.* at 1105.

conomic benefit, “represents a means for promoting civil dialogue and social agreement across disparate belief systems.”¹¹⁶ Disparaging and immoral marks therefore violate this social benefit that commerce provides, as they drive a wedge into the peaceful cooperation between diverse peoples.¹¹⁷ The economic benefits an individual might reap from a mark might therefore outweigh the offensive interruption of the peaceful forum of trade.¹¹⁸ Thus, the Disparagement Clause supports the open market by denying government-supported discrimination.¹¹⁹

While some might argue a discerning free market will render businesses using discriminatory trademarks unviable, this is not necessarily the case.¹²⁰ Consumers who agree with the discriminatory mark, as well as those who are indifferent to the harm it may cause to the disparaged group, will continue to support the discriminating business, allowing it to remain in the market.¹²¹ This impedes the open market by isolating the disparaged group from the rest of consumers.

However, arguing that the morality bars help to promote commerce is likely to be unpersuasive, especially to those—such as the *Tam* Court—who see the bars as a form of viewpoint discrimination.¹²² Historically, three defenses have been asserted when the morality bars have been challenged on First Amendment grounds: (1) the bars help prevent harm caused through government endorsement, (2) the bars preserve government resources from being spent on disparaging or scandalous marks, and (3) the bars do not affect anyone’s ability to use a mark, just their ability to register it.¹²³

The government endorsement argument is related to the government speech argument articulated within the *Matal v. Tam* case. When speech appears to be endorsed by the government, it implies government agreement with the message, and has “the effect of conveying a government message,” constituting government speech.¹²⁴ Much like license plates, which were held by the Supreme Court as constituting government speech even if there was also participation by private citizens, registered trademarks are also approved by a government board—the USPTO.¹²⁵ This might be enough for the public to associate trademark registration with government endorsement, although there is no empirical data on either side of this assertion.¹²⁶ Even if the government does not endorse a mark outright through registration, federal registration of a trademark could imply a government opinion that it is appropriate for the market and “what the boundaries of appropriate public discourse are.”¹²⁷

116. *Id.*

117. *Id.* at 1106.

118. *Id.*

119. Rebecca Tushnet, *The First Amendment Walks into A Bar: Trademark Registration and Free Speech*, 92 NOTRE DAME L. REV. 381, 388 (2016).

120. *Id.* at 425 n.25.

121. *Id.*

122. Michael Grynberg, *A Trademark Defense of the Disparagement Bar*, 126 YALE L.J. FORUM 178, 181 (2016).

123. Tushnet, *supra* note 116, at 389.

124. *Walker v. Texas Div., Sons of Confederate Veterans, Inc.*, 135 S. Ct. 2239, 2250 (2015).

125. Tushnet, *supra* note 116, at 391.

126. *Id.*

127. *Id.* at 392.

The second typical justification, that the disparagement bar saves government resources, is easily brushed aside: enforcement of the bar requires significant judicial and administrative resources.¹²⁸ In contrast, the third justification has a significant bearing on the First Amendment implications of the Disparagement Clause: if the disparaging mark is refused registration, there is nothing to stop the applicant from proceeding to use the mark anyway.¹²⁹ Though registration for a mark might be refused based on its disparaging or moral content, the fact that a citizen is still free to use that mark, albeit without government protection, weighs in favor of the Disparagement Clause for First Amendment purposes.¹³⁰

Arguably, there are reasons to bar disparaging marks that do not rely on evaluating the morality of the mark's content. Marks that are disparaging fail their essential source-identifying function due to their disparaging meaning.¹³¹ The emotional impact of a slur or other disparaging mark serves primarily to provoke or insult the targeted group, rather than to identify the source.¹³² In particular, for the targeted group, the insulting meaning of the mark overshadows source identification.¹³³ This also negatively impacts the disparaging mark's ability to develop secondary meaning, as, by definition, a substantial portion of consumers will associate it with the disparaging meaning rather than the source.¹³⁴

One important consideration of the *Tam* Court's overruling of the Disparagement Clause is the implications it has for other parts of the Lanham Act. Other subsections of § 2 bar registration of names,¹³⁵ merely descriptive terms,¹³⁶ primarily geographically descriptive terms,¹³⁷ and surnames.¹³⁸ These bars refuse registration to marks that convey truthful information about the products they are used in connection with, yet conveying the truth can constitute a viewpoint for the sake of viewpoint discrimination.¹³⁹ The bar on using the United States flag or other government symbols also raises concerns of viewpoint discrimination, as such displays of patriotism certainly constitute expressing a viewpoint.¹⁴⁰ Since the Disparagement Clause was overturned largely due to concerns over viewpoint discrimination, this same line of logic could be applied elsewhere within the Lanham Act. With the Disparagement Clause held unconstitutional, more questions are raised. Are other parts of the Lanham Act unconstitutional under the same reasoning? Does trademark registration as a whole trigger First Amendment concerns?

With *Matal v. Tam* as binding precedent, lower courts will no longer be able to easily reject First Amendment claims in infringement disputes.¹⁴¹ The *Tam* Court,

128. *Id.* at 393.

129. *Matal v. Tam*, 137 S. Ct. 1744, 1752 (2017).

130. Tushnet, *supra* note 119, at 381, 397–98.

131. Grynberg, *supra* note 122, at 188.

132. *Id.*

133. *Id.* at 188–89.

134. *Id.* at 189.

135. 15 U.S.C. § 1052(c) (2006).

136. *Id.* § 1052(e)(1).

137. *Id.* § 1052(e)(2).

138. *Id.* § 1052(e)(4).

139. Ned Snow, *The First Amendment Silences Trademark*, SCOTUSBLOG (June 20, 2017, 12:43 PM), <http://www.scotusblog.com/2017/06/symposium-first-amendment-silences-trademark/>.

140. *Id.*

141. Lisa Ramsey, *Increasing First Amendment Scrutiny of Trademark Law After Matal v. Tam*, SCOTUSBLOG (June 20, 2017, 2:33 PM), <http://www.scotusblog.com/2017/06/symposium-increasing-first-amendment-scrutiny-trademark-law-matal-v-tam/>.

in determining that the Disparagement Clause attacks an individual's right to express themselves, ignores a fundamental right of trademark law. A trademark owner has the right "to ask the government to assist the trademark owner in suppressing and punishing the expression of third parties who infringe or dilute the mark."¹⁴² With the law of trademarks designed to suppress certain types of speech to facilitate an effective commercial market, it seems odd to invalidate a single clause for working to achieve the exact purpose the entire field of law is trying to achieve. The *Tam* ruling is admirable in that it allows a racial minority to use trademarks to reclaim a disparaging term. However, what about the other side of the issue, namely the minorities who will be forced to deal with disparaging terms in the marketplace? The *Pro-Football, Inc. v. Blackhorse* case regarding the Redskins mark was the battleground for this issue years before *The Slants* brought their case before the Supreme Court.¹⁴³ In that case, a group of Native Americans were trying to get the registration of the Redskins mark by the professional football team of the same name revoked.¹⁴⁴ This seems to be the exact type of situation the Disparagement Clause was designed to protect against.

While racial minorities are the subject of the two most important Disparagement Clause cases, they are not the only minority group affected by this law. Trademarks can be a valuable building block of identity for other underrepresented groups.¹⁴⁵ This is especially true for sexual minorities who may not otherwise have any physical mark of identification, shared history, or recognized culture to build an identity.¹⁴⁶ It is incredibly common for sexual minority groups to reclaim previously hateful slurs as symbols of identity, such as "queer" and "dyke."¹⁴⁷ Refusing registration for these reclaimed terms prevents sexual minority groups from using them as badges of social identity and, in effect, serves as a government incentive to assimilate into heterosexuality.¹⁴⁸

In balancing the interests of minority groups trying to reclaim terms as badges of identity and to protect themselves from bigoted terms being used in the marketplace, the identity of the applicant is an important factor to consider.¹⁴⁹ The morality bars could be implemented much more effectively by giving much higher consideration to the context of the mark in question.¹⁵⁰ Creating a more specific standard that takes into account contextual factors, such as the identity of the applicant, would lead to better results when applying the morality bars as well as draw the bars more narrowly in order to help the law survive strict scrutiny.

142. *Id.*

143. *Pro-Football, Inc. v. Blackhorse*, 112 F. Supp. 3d 439 (E.D. Va. 2015).

144. *Id.*

145. Llewellyn Joseph Gibbons, *Semiotics of the Scandalous and the Immoral and the Disparaging: Section 2(a) Trademark Law After Lawrence v. Texas*, 9 MARQ. INTELL. PROP. L. REV. 187, 192 (2005).

146. *Id.* at 190.

147. See Jake Hall, *Tracing the History of the Word 'Queer'*, DAZED (July 28, 2016), <http://www.dazeddigital.com/artsandculture/article/32213/1/tracing-the-history-of-the-word-queer>;

Trish Bendix, *Dyke Marches Assert Political Power and Demand Visibility. But They're Under Threat.*, SLATE (June 23, 2017, 11:32 AM), http://www.slate.com/blogs/outward/2017/06/23/dyke_marches_assert_political_power_and_visibility_but_they_re_under_threat.html.

148. Gibbons, *supra* note 142, at 190.

149. Megan M. Carpenter & Kathryn T. Murphy, *Calling Bulls**t on the Lanham Act: The 2(a) Bar for Immoral, Scandalous, and Disparaging Marks*, 49 U. LOUISVILLE L. REV. 465, 475 (2011).

150. Megan M. Carpenter, *Contextual Healing: What to Do About Scandalous Trademarks and Lanham Act 2(a)*, 68 HASTINGS L.J. 1, 24 (2016).

None of the arguments in favor of the Disparagement Clause outweigh the potential for viewpoint discrimination, as found by the Supreme Court. As such, the *Matal v. Tam* case was rightly decided. The Disparagement Clause, as it stands, fails its purpose as an anti-discrimination tool. However, with some tweaks to the interpretation and application of the law—primarily the consideration of the context of the mark—the Disparagement Clause could be much more effective in preventing discrimination. Additionally, this could help the Disparagement Clause survive strict scrutiny.

V. WAS THE *TAM* RULING PROPERLY EXTENDED TO IMMORAL AND SCANDALOUS MARKS?

Four common justifications were asserted in defense of the morality bars: (1) the federal government should not give any indication that it favors immoral or disparaging marks, (2) it should not waste resources on them, (3) discouraging use of immoral or disparaging marks promotes public welfare and morals, and (4) discouraging the immoral and disparaging marks will protect those who might be offended by them.¹⁵¹ However, the cases on these marks have shown that the morality bars were applied unpredictably, dependent on factors such as the judge's own opinions towards the mark and the opinions of "a minority of hypothetically offended people."¹⁵²

The highly subjective nature of determining what is "immoral" or "scandalous" is one of the major reasons why the morality bars have been so inconsistent.¹⁵³ For example, the mark "Black Tail" for an adult magazine featuring nude African-American women was rejected by both the USPTO and TTAB based on the alternative sexual meanings of the word "tail," despite the well-recognized registration of "Hustler," a well-known slang term meaning prostitute, for a similar product.¹⁵⁴ When the law creates consistently inconsistent results, it is clear there needs to be a change. The ruling in *Matal v. Tam* was a step in the right direction. However, was *Tam* a step too far, or do more steps need to be taken? If the Disparagement Clause constitutes viewpoint discrimination, it quickly follows that other less controversial parts of the morality bars to registration qualify as viewpoint discrimination as well.¹⁵⁵ As evidenced by *In re Brunetti*, it is clear that the *Tam* ruling was not going to restrain itself solely to the Disparagement Clause.

The question of overturning a ban on immorality is not new in the world of intellectual property. There used to be an immorality ban on patents before it was decided that the USPTO "should not be the arbiter of morality."¹⁵⁶ The application of the morality bars stays static in a constantly changing world, as judges often apply old connotations of words to marks despite changing public opinion on what

151. Carpenter & Murphy, *supra* note 149, at 468.

152. Jendi B. Reiter, *Redskins and Scarlet Letters: Why "Immoral" and "Scandalous" Trademarks Should Be Federally Registrable*, 6 FED. CIR. B.J. 191, 195 (1996).

153. Christopher Thomas McDavid, *I Know It When I See It: Obscenity, Copyright, and the Cautionary Tale of the Lanham Act*, 47 U. LOUISVILLE L. REV. 561, 578 (2009).

154. *Id.* at 577–78. It took more than four years of a prolonged legal battle before the Court of Appeals finally vacated the judgment and remanded the case back to the Board. See *In re Mavety Media Grp. Ltd.*, 33 F.3d 1367 (Fed. Cir. 1994).

155. See Snow, *supra* note 139.

156. Carpenter, *supra* note 150, at 17.

the word means.¹⁵⁷ The logic from *Matal v. Tam*, if applied to immoral and scandalous marks, seems to apply in the same manner. If a mark's expressive nature is what made it subject to rejection for disparagement, the same is certainly true for immoral and scandalous marks.¹⁵⁸

Even though the ban on immoral marks was overturned due to the viewpoint discrimination reasoning of the *Tam* Court, it could potentially come back in a reduced form. Obscenity is not a protected form of speech, so a free speech argument would not extend to allowing obscene marks into the market.¹⁵⁹ However, the Immoral and Scandalous Clause was held by the Federal Circuit to cover more than just obscene marks, and, if the Supreme Court does not reverse the decision, Congress would have to revise the law in order for it to survive the *Brunetti* ruling.¹⁶⁰ In addition, the Immoral and Scandalous Clause has even less of a compelling government interest than the Disparagement Clause, as there is no potential anti-discrimination effect in preventing registration for immoral and scandalous marks. When taking into consideration the arbitrary and inconsistent applications of the Immoral and Scandalous Clause, the potential free speech violations of such a rule, and the concept that the USPTO "should not be the arbiter of morality," it seems clear that, from a policy perspective, extending the *Tam* rule was the best decision. Therefore, when the Supreme Court hears the issue later in 2019, it should affirm the Federal Circuit's decision that the Immoral and Scandalous Clause violates the First Amendment.

VI. CONCLUSION

The *Matal v. Tam* case rejected the Disparagement Clause and threw the rest of § 2 of the Lanham Act into question. Next, *In re Brunetti* addressed whether the *Tam* ruling should extend to the Immoral and Scandalous Clause. Based on the reasoning of the *Tam* Court, the Immoral and Scandalous Clause was also properly rejected. When the Supreme Court hears the issue later in 2019, the proper decision would be to affirm the decision to strike down the morality bars, as in their current state they are untenable. If proponents of the morality bars of the Lanham Act wish to protect them from constitutional challenges, a stricter definition and test must be developed in order to survive any level of scrutiny. A narrower test that takes into consideration the context of the mark would create more consistent results that are better tailored to the purposes behind the morality bars. Barring such a revision, the morality bars are best left behind.

157. Carpenter & Murphy, *supra* note 149, at 477.

158. Carpenter, *supra* note 150, at 23.

159. *Miller v. California*, 413 U.S. 15, 23 (1973).

160. Sasha L. Beling, *Brunetti Decision Paves Way for Offensive (even obscene) Trademarks*, JDSUPRA (Mar. 6, 2018), <https://www.jdsupra.com/legalnews/brunetti-decision-paves-way-for-68235/>.