

Winter 2017

Slanting Trademark Choices in the Right Direction: Why Section 2(a) of the Lanham Act Promotes the Interests of Consumers

Zachary Kasnetz

Follow this and additional works at: <http://scholarship.law.missouri.edu/mlr>

 Part of the [Law Commons](#)

Recommended Citation

Zachary Kasnetz, *Slanting Trademark Choices in the Right Direction: Why Section 2(a) of the Lanham Act Promotes the Interests of Consumers*, 82 Mo. L. REV. (2017)

Available at: <http://scholarship.law.missouri.edu/mlr/vol82/iss1/11>

This Note is brought to you for free and open access by the Law Journals at University of Missouri School of Law Scholarship Repository. It has been accepted for inclusion in Missouri Law Review by an authorized editor of University of Missouri School of Law Scholarship Repository.

NOTE

Slanting Trademark Choices in the Right Direction: Why Section 2(a) of the Lanham Act Promotes the Interests of Consumers

In re Tam, 808 F.3d 1321 (Fed. Cir. 2015) (en banc), *corrected* (Feb. 11, 2016), *cert. granted sub nom. Lee v. Tam*, 137 S. Ct. 30 (2016)

*Zachary Kasnetz**

I. INTRODUCTION

Trademark law has long regulated the use of words and symbols that identify the sources of goods or services, and since 1905, the federal government has provided for the registration of trademarks used in interstate and foreign commerce.¹ Federal trademark legislation and judicial doctrines comprehensively regulate the scope of trademark rights and the mechanisms for their enforcement. Much of federal trademark law is concerned with what types of marks may or may not be registered. One of the longstanding grounds for denying registration was the subject of the case analyzed by this Note.

In December 2015, the U.S. Court of Appeals for the Federal Circuit held that a provision of federal trademark law was unconstitutional because it violated the First Amendment, despite the fact that this provision had been on the books and regularly applied for over seventy years. In doing so, it overruled an important precedent that the Federal Circuit had reaffirmed on more than one occasion.

Part II discusses the case's factual and procedural background. Part III provides background on the relevant aspects of federal trademark law governing registration and the constitutional doctrines relevant to the instant decision. Part IV lays out the court's decision and its reasoning. Finally, Part V critiques the majority's analysis, particularly its application of the doctrine of unconstitutionality conditions. It then argues that, under the legal doctrines relied upon by the majority, section 2(a) of the Lanham Act is constitutional.

* Associate Attorney at Growe, Eisen, Karlen, Eilerts in St. Louis, MO. J.D., University of Missouri School of Law, 2016; B.A. in Government and Politics, University of Maryland, 2013. I am grateful to Professor Dennis Crouch for the advice and assistance he provided me during the writing and editing of this Note.

1. 1 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 5:3 (4th ed. West 2016).

II. FACTS AND HOLDING

Simon Shao Tam is the founder and front man for the Asian-American dance-rock band THE SLANTS.² He chose the name because of his Asian heritage, his desire to “reclaim” and “take ownership” of Asian stereotypes, and because the band drew inspiration from childhood slurs and mocking nursery rhymes (about Asian Americans).³ Tam applied for registration of his mark with the U.S. Patent and Trademark Office (“USPTO”), but the trademark examiner denied registration under section 2(a) of the Lanham Act, finding the mark likely referred or would be perceived as referring to people of Asian descent in a disparaging way, explaining that the term “slants” had historically been used to “deride and mock” a physical feature (the eyes) of people of Asian descent.⁴

Tam appealed to the Trademark Trial and Appeal Board (“TTAB”),⁵ arguing that his mark was not disparaging.⁶ The TTAB affirmed the examiner’s decision, finding that the mark likely referred to persons of Asian descent and that a “substantial composite” of such persons would find the mark disparaging.⁷ The TTAB also stated that its decision merely denied placement on the register and did not restrict Tam’s right to use the mark.⁸

Tam appealed the TTAB’s denial to the U.S. Court of Appeals for the Federal Circuit, arguing that: (1) THE SLANTS was not disparaging of Asian-Americans, (2) section 2(a) was an unconstitutional abridgment of Tam’s free speech rights under the First Amendment, and (3) section 2(a) was unconstitutionally vague.⁹ The Federal Circuit affirmed the TTAB’s decision, concluding that substantial evidence supported the finding that THE SLANTS was disparaging or would be perceived as disparaging by a substantial composite of

2. *In re Tam*, 808 F.3d 1321, 1331 (Fed. Cir. 2015) [hereinafter *Tam II*] (en banc), *corrected* (Feb. 11, 2016), *cert. granted sub nom.* Lee v. Tam, 137 S. Ct. 30 (2016).

3. *Id.* For example, the band has albums including “The Yellow Album” and “Slanted Eyes, Slanted Hearts” and feels that “Asians should be proud of their cultural heritage, and not be offended by stereotypical descriptions.” *Id.* (alteration omitted).

4. *Id.* at 1331–32.

5. The Federal Circuit has exclusive jurisdiction over direct appeals from the TTAB. 28 U.S.C. § 1295(a)(4) (2012).

6. *In re Tam*, 108 U.S.P.Q.2d 1305, 2013 WL 5498164 (T.T.A.B. Sept. 26, 2013), *vacated and remanded*, *Tam II*, 808 F.3d 1321.

7. *Id.* at *7–8.

8. *Id.* at *8 (stating that when the UPTO denies registration, “[n]o conduct is proscribed, and no tangible form of expression is suppressed” (quoting *In re McGinley*, 660 F.2d 481, 484 (C.C.P.A. 1981))).

9. Brief on Behalf of Appellant at 17, 43, 48, *In re Tam*, 785 F.3d 567 (Fed. Cir. 2015) (No. 2014-1203), 2014 WL 1765085, at *17, *43, *48. Tam also raised an equal protection claim. Because the en banc court did not address that issue, neither does this Note.

persons of Asian descent.¹⁰ Turning to Tam’s constitutional challenge, the panel held that binding precedent foreclosed his First Amendment claim and rejected his vagueness claim.¹¹

In a separate concurring opinion, Judge Moore called on the Federal Circuit to rehear the case en banc to revisit its existing precedent holding that refusing to register a trademark does not violate the First Amendment.¹² She then spent ten pages – in a preview of her opinion for the majority in the instant case – arguing that section 2(a) was unconstitutional.¹³ One week after the panel’s opinion was issued, the Federal Circuit voted *sua sponte* to vacate the panel opinion, setting the case for reargument before the en banc court to decide if “the bar on registration of disparaging trademarks in [section 2(a)] violate[s] the First Amendment.”¹⁴

The government argued that section 2(a) did not implicate the First Amendment because it did not prevent Tam from using his mark but simply defined eligibility for a government program.¹⁵ Tam argued that section 2(a) was a restriction on speech, that it abridged his free speech rights by conditioning the benefits of federal registration on the government approving of a mark, and therefore section 2(a) was facially unconstitutional.¹⁶ The en banc Federal Circuit agreed with Tam, holding that (1) section 2(a) did restrict speech and was a content-based and viewpoint-based restriction, (2) registering a trademark was not government speech or a government subsidy, and (3) because section 2(a) could not pass strict or intermediate scrutiny, it was facially unconstitutional under the First Amendment.¹⁷

III. LEGAL BACKGROUND

This section lays out the basic legal doctrines relevant to the majority’s decision. Part A provides a general overview of federal trademark law and the benefits of federal registration, followed by an explanation of section 2(a)’s

10. *In re Tam*, 785 F.3d 567, 571 (Fed. Cir. 2015) [hereinafter Tam I], *vacated en banc*, 808 F.3d 1321 (Fed. Cir. 2015), *corrected* (Feb. 11, 2016), *cert. granted sub nom. Lee v. Tam*, 137 S. Ct. 30 (2016).

11. *Id.* at 571–72. In the Federal Circuit’s first case, it adopted all precedent from its predecessor, the Court of Customs and Patent Appeals, and like the other circuits, it follows the rule that one panel cannot overrule another. *See South Corp. v. United States*, 690 F.2d 1368, 1370 (Fed. Cir. 1982).

12. *Tam I*, 785 F.3d at 573 (Moore, J., concurring).

13. *Id.*

14. *In re Tam*, 600 F. App’x 775, 775 (Fed. Cir. 2015) (mem.).

15. En Banc Brief for Appellee at 17, 22, *In re Tam*, 785 F.3d 567 (Fed. Cir. 2015) (No. 2014-1203), 2015 WL 4400893, at *17, *22.

16. Brief on Behalf of Appellant for *En Banc* Hearing at 14, 23, *In re Tam*, 785 F.3d 567 (Fed. Cir. 2015) (No. 14-1203), 2015 WL 3657472, at *14, *23.

17. *In re Tam*, 808 F.3d 1321, 1358 (Fed. Cir. 2015) (en banc), *corrected* (Feb. 11, 2016), *cert. granted sub nom. Lee v. Tam*, 137 S. Ct. 30 (2016).

prohibition on the registration of disparaging marks. Part B discusses the relevant First Amendment doctrines that distinguish between different categories of speech and speech regulations. Finally, Part C summarizes the doctrine of unconstitutional conditions, which limits the government's ability to require citizens to surrender or waive various rights in order to receive government benefits.

A. Federal Trademark Law: The Lanham Act

1. Framework

The Lanham Act,¹⁸ enacted in 1946, governs federal registration and protection of trademarks used in interstate commerce. The Act's primary goals are to (1) prevent consumer confusion and deception and (2) ensure that mark holders can protect their marks from misappropriation.¹⁹ It covers both trademarks, which are any "word, name, [or] symbol . . . used by a person . . . to identify and distinguish . . . a unique product," and service marks, which are used in the sale or advertising of services to identify the services of one person and distinguish them from the services of others.²⁰ A registrable mark must be used in commerce and be sufficiently distinctive, either inherently or through the acquisition of a secondary meaning, that it clearly indicates the origin of a good or service.²¹

Federal registration does not create a trademark or confer ownership, but it does give the mark holder substantial legal rights and benefits.²² However, even if one cannot or chooses not to register his or her mark, section 43 of the Lanham Act provides a cause of action for infringement of unregistered marks, false advertising, and dilution.²³ Finally, every state has its own system of

18. Pub. L. No. 79-489, 60 Stat. 427 (1946) (codified at 15 U.S.C. §§ 1051–1072 (2012)).

19. 1 MCCARTHY, *supra* note 1, § 5:4. These are also the general goals of trademark law. *Id.* There is substantial scholarly disagreement over whether trademarks should be treated as property. See Mark Lemley, *The Modern Lanham Act and the Death of Common Sense*, 108 YALE L.J. 1687, 1694 (1999) [hereinafter Lemley, *Death of Common Sense*].

20. 15 U.S.C. § 1127 (2012). Technically, the Lanham Act distinguishes between trademarks and service marks, but because the term mark is used to refer to both, this Note does so as well.

21. See *Otto Roth & Co. v. Universal Foods Corp.*, 640 F.2d 1317, 1321 (C.C.P.A. 1981).

22. 3 MCCARTHY, *supra* note 1, § 19:3; see 15 U.S.C. § 1052(f). These benefits include: exclusive nationwide use of the mark, presumed validity of the mark, incontestability after five years of consecutive post-registration use, a complete defense to state law dilution claims, and treble damages for willful infringement. *Tam II*, 808 F.3d at 1328–29.

23. See 15 U.S.C. § 1125(a); 5 MCCARTHY, *supra* note 1, § 27:9.

trademark registration and protection that operates parallel to federal registration.²⁴

To register a mark, the holder must apply with the USPTO.²⁵ The application is examined *ex parte* by an examiner to determine whether the proposed mark satisfies the legal requirements for placement on the federal registry.²⁶ If the examiner determines that the mark does not satisfy the requirements, an applicant can appeal the decision to the TTAB.²⁷ Finally, if the refusal is affirmed, an applicant can appeal to the Federal Circuit or seek *de novo* review in a U.S. district court.²⁸

2. Section 2(a)'s Prohibition on Registering Disparaging Trademarks

Section 2(a) of the Lanham Act bars registration of any mark that “may disparage . . . persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute.”²⁹ A mark is disparaging if it “dishonors by comparison [to the person or group] with what is inferior, slights, deprecates, degrades, or affects or injures by unjust comparison.”³⁰ The USPTO uses a two-part test to determine if a mark is potentially disparaging.³¹ Specifically, it asks:

(1) [W]hat is 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; and

24. Lee Ann W. Lockridge, *Abolishing State Trademark Registrations*, 29 CARDOZO ARTS & ENT. L.J. 597, 598 (2011).

25. 15 U.S.C. § 1051(a)(1).

26. *Id.* § 1062.

27. *Id.* § 1070.

28. *Id.* § 1071.

29. *Id.* § 1052(a). Section 2(a) also prohibits registration of any mark that “[c]onsists of or comprises immoral, deceptive, or scandalous matter.” For an application, see *In re Fox*, 702 F.3d 633, 634 (Fed. Cir. 2012) (en banc) (denying registration to COCK SUCKER in connection with rooster shaped lollipops because it was vulgar and scandalous), *abrogated by In re Tam*, 808 F.3d 1321 (Fed. Cir. 2015) (en banc).

30. *In re Geller*, 751 F.3d 1355, 1358 (Fed. Cir. 2014) (alterations omitted) (quoting *Pro-Football, Inc. v. Harjo*, 284 F. Supp. 2d 96, 124 (D.D.C. 2003)).

31. U.S. PATENT & TRADEMARK OFFICE, TRADEMARK MANUAL OF EXAMINING PROCEDURE § 1203.03(b)(i) (Jan. 2015).

(2) [I]f that meaning is found to refer to identifiable persons, institutions, beliefs or national symbols, whether that meaning may be disparaging to a substantial composite of the referenced group.³²

Therefore, disparagement turns on how the mark is perceived, not by the mark holder's intended message.³³ Section 2(a) also requires cancellation of a registered mark if it is later challenged by a third party and is found to be disparaging.³⁴

Given the lack of precision contained in the text of section 2(a) and the accompanying Examiner's Manual, it is unsurprising that this test has been applied in an unpredictable and seemingly arbitrary manner.³⁵ Indeed, courts acknowledge that these guidelines are "somewhat vague" and that the "determination of whether a mark is scandalous or disparaging is necessarily a highly subjective one."³⁶

The only major constitutional challenge to section 2(a) was in *In re McGinley*.³⁷ In *McGinley*, the applicant challenged section 2(a) as an unconstitutional content-based restriction on speech and argued that it was void for vagueness.³⁸ The Court of Customs and Patent Appeals quickly disposed of the First Amendment claim in three sentences, stating that:

[T]he PTO's refusal to register appellant's mark does not affect his right to use it. No conduct is proscribed, and no tangible form of expression is suppressed. Consequently, appellant's First Amendment rights would not be abridged by the refusal to register his mark.³⁹

The court's essential conclusion was that section 2(a) is constitutional because it does not stop anyone from saying anything because the applicant is free to attach the rejected symbol to any product or service he or she wants to.⁴⁰ Other

32. *Id.* (quoting *In re Lebanese Arak Corp.*, 94 U.S.P.Q.2d 1215, 2010 WL 766488, at *3 (T.T.A.B. Mar. 4, 2010))

33. *Id.*

34. 3 MCCARTHY, *supra* note 1, § 20:59.

35. See Lilit Voskanyan, Comment, *The Trademark Principal Register as a Non-public Forum*, 75 U. CHI. L. REV. 1295, 1300 (2008).

36. *In re In Over Our Heads, Inc.*, 16 U.S.P.Q.2d 1653, 1990 WL 354546, at *1 (T.T.A.B. Aug. 28, 1990) (alterations omitted) (quoting *In re Hersey*, 6 U.S.P.Q.2d 1470, 1471 (T.T.A.B. Mar. 10, 1988)).

37. *In re McGinley*, 660 F.2d 481, 484 (C.C.P.A. 1981), *abrogated by In re Tam*, 808 F.3d 1321 (Fed. Cir. 2015) (en banc).

38. *Id.* *McGinley* was decided by the Court of Customs and Patent Appeals, the Federal Circuit's predecessor court, and its holding was adopted by the Federal Circuit along with all other Court of Customs and Patent Appeals precedent.

39. *Id.* (citation omitted).

40. *Id.*

courts have generally followed *McGinley*,⁴¹ and the Federal Circuit has reaffirmed its central holding on more than one occasion.⁴² Nonetheless, *McGinley* was subjected to substantial scholarly criticism, which argued that the disparagement provision violated the First Amendment rights of trademark owners.⁴³ Section 2(a) has been used to deny registration with greater frequency in recent decades.

B. First Amendment Issues

Speech regulations are divided into two basic types: content-based restrictions and content-neutral restrictions.⁴⁴ Content-neutral regulations are those “justified without reference to the content of the regulated speech.”⁴⁵ A regulation is content-based if it applies to speech because of “the topic discussed or the idea or message expressed.”⁴⁶ Content-based regulations are further subdivided into viewpoint-based regulations – those based on a speaker’s ideas or perspective – and subject matter regulations, the former of which is considered a “‘more blatant’ and ‘egregious form of content discrimination.’”⁴⁷ A regulation is content-neutral if is “justified without reference to the content of the regulated speech.”⁴⁸

Different categories of speech receive different levels of First Amendment Protection. Until the 1970s, commercial speech⁴⁹ was not covered by the

41. See *Test Masters Educ. Servs., Inc. v. Singh*, 428 F.3d 559, 578 (5th Cir. 2005); *Pro-Football, Inc. v. Blackhorse*, 12 F. Supp. 3d 439, 454–55 (E.D. Va. 2015).

42. *In re Fox*, 702 F.3d 633, 640 (Fed. Cir. 2012), *abrogated by Tam II*, 808 F.3d 1321; *In re Boulevard Entm’t, Inc.*, 334 F.3d 1336, 1343 (Fed. Cir. 2003), *abrogated by Tam II*, 808 F.3d 1321; *In re Mavery Media Grp. Ltd.*, 33 F.3d 1367, 1374 (Fed. Cir. 1994), *abrogated by Tam II*, 808 F.3d 1321. *But see Ritchie v. Simpson*, 170 F.3d 1092, 1102–04 (Fed. Cir. 1999) (Newman, J., dissenting).

43. See, e.g., Jeffrey Lefstin, *Does the First Amendment Bar Cancellation of Redskins?*, 52 STAN. L. REV. 665 (2000).

44. *Reed v. Town of Gilbert*, 135 S. Ct. 2218, 2227 (2015).

45. *Id.* (quoting *Ward v. Rock Against Racism*, 491 U.S. 781, 791 (1989)).

46. *Id.*

47. *Id.* at 2229–30 (quoting *Rosenberger v. Rector & Visitors of Univ. of Va.*, 515 U.S. 819, 829 (1995)).

48. *City of Renton v. Playtime Theatres, Inc.*, 475 U.S. 41, 48 (1986) (emphasis omitted) (quoting *Va. Pharmacy Bd. v. Va. Citizens Consumer Council, Inc.*, 425 U.S. 748, 771 (1976)).

49. Commercial speech is generally defined as speech that simply “propose[s] a commercial transaction.” *Bolger v. Youngs Drug Prods. Corp.*, 463 U.S. 60, 66 (1983) (quoting *Va. Citizens Consumer Council*, 425 U.S. at 760); see also *Va. Citizens Consumer Council*, 425 U.S. at 765 (defining commercial speech as the “dissemination of information as to who is producing and selling what product, for what reason, and at what price”).

First Amendment.⁵⁰ In the 1970s,⁵¹ the Supreme Court extended First Amendment protection to commercial speech and regulations, which are evaluated under a four-part test.⁵² For commercial speech to have First Amendment protection, it must concern lawful goods or services and not be false or misleading.⁵³ If it does, in order to survive First Amendment scrutiny, the regulation must directly advance a substantial government interest and not be more extensive than is reasonably necessary to advance that interest.⁵⁴

Trademarks are generally considered a form of commercial speech, as they are heavily connected with commercial transactions⁵⁵ and are constitutionally permissible to the extent trademark laws regulate confusing or deceptive uses, such as infringement or dilution.⁵⁶ Trademarks are also considered a form of property when their secondary meaning becomes established through continued commercial use in association with a business's goods or services.⁵⁷ Because of their status as the property of the mark holder, some courts simply assume property rights trump the First Amendment rights of infringers in dilution or infringement cases.⁵⁸ For these reasons, trademark law has largely been immune from First Amendment analysis in the context of enforcement by mark holders, even as courts expand the scope of trademark protection.⁵⁹

C. Unconstitutional Conditions

Under the doctrine of unconstitutional conditions, the government may not condition an important benefit on a person's surrendering an important constitutional right, even if the government could withhold the benefit entirely.⁶⁰ Yet despite this seemingly simple statement, the doctrine is notoriously incoherent and inconsistent in its application.⁶¹ For example, the government may

50. See Frederick Schauer, *The Boundaries of the First Amendment: A Preliminary Exploration of Constitutional Salience*, 117 HARV. L. REV. 1765, 1776 (2004).

51. See *Va. Citizens Consumer Council*, 425 U.S. at 748.

52. *Cent. Hudson Gas & Elec. Corp. v. Pub. Serv. Comm'n*, 447 U.S. 557, 566 (1980).

53. *Id.*

54. *Id.*

55. See *Friedman v. Rogers*, 440 U.S. 1, 10 (1979).

56. Rebecca Tushnet, *Trademark Law as Commercial Speech Regulation*, 58 S.C. L. REV. 737, 745–46 (2007).

57. *Id.* at 746.

58. See Mark A. Lemley & Eugene Volokh, *Freedom of Speech and Injunctions in Intellectual Property Cases*, 48 DUKE L.J. 147, 218 (1998); see also *Dall. Cowboys Cheerleaders, Inc. v. Scoreboard Posters, Inc.*, 600 F.2d 1184, 1188 (5th Cir. 1979).

59. Tushnet, *supra* note 56, at 744–48.

60. Kathleen Sullivan, *Unconstitutional Conditions*, 102 HARV. L. REV. 1413, 1415 (1989).

61. See generally Frederick Schauer, *Too Hard: Unconstitutional Conditions and the Chimera of Constitutional Consistency*, 72 DENV. U. L. REV. 989 (1995) [hereinafter Schauer, *Too Hard*].

not deny tax exemptions to persons advocating the overthrow of the U.S. government,⁶² prohibit radio and TV networks that receive federal grants from editorializing,⁶³ or condition millions in grants to private organizations to combat HIV/AIDS in developing countries on the recipient organization having an official policy opposing prostitution.⁶⁴ Such conditions penalize the exercise of constitutional rights much like a criminal fine would and could deter citizens from exercising their rights if they accept the benefit.⁶⁵

However, while the government may not penalize people by denying them important benefits because they exercise their constitutional rights, it is under no obligation to subsidize the exercise of constitutional rights and may also choose to subsidize certain rights, but not others.⁶⁶ For example, the government can deny tax exemptions to religious colleges that discriminate on the basis of race,⁶⁷ prohibit medical providers receiving Title X family planning funding from providing abortion related counseling while administering the program,⁶⁸ refuse to award grants for indecent artwork,⁶⁹ and require libraries receiving federal funding to install Internet filters to block pornography.⁷⁰ Moreover, the government may make openly content-based and viewpoint-based decisions when awarding funds or creating a program to disseminate a message.⁷¹

The distinction that has been drawn is the difference between non-subsidy and penalties, with the former being permissible, though application of this distinction has been unpredictable at best.⁷² For example, the Supreme Court of the United States upheld a ban on non-profits using tax-deductible contributions for lobbying but invalidated a requirement that prohibited recipients of federal broadcasting funds from editorializing on politics.⁷³ Furthermore, economically, there is virtually no difference between a tax exemption and a direct grant of funds, just as there is little financial difference between imposing a

62. *Speiser v. Randall*, 357 U.S. 513, 528–29 (1958).

63. *FCC v. League of Women Voters*, 468 U.S. 364, 399–402 (1984).

64. *Agency for Int’l Dev. v. Alliance for Open Soc’y Int’l, Inc.*, 133 S. Ct. 2321, 2330–31 (2013).

65. Sullivan, *supra* note 60, at 1436–37.

66. *See, e.g., Maher v. Roe*, 432 U.S. 464, 474–75 (1977).

67. *Bob Jones Univ. v. United States*, 461 U.S. 574, 603–05 (1983).

68. *Rust v. Sullivan*, 500 U.S. 173, 201–03 (1991).

69. *Nat’l Endowment for Arts v. Finley*, 524 U.S. 569, 587–90 (1998).

70. *United States v. Am. Library Ass’n, Inc.*, 539 U.S. 194, 207–14 (2003).

71. *See, e.g., Rust*, 500 U.S. at 194 (“When Congress established a National Endowment for Democracy[,] . . . it was not constitutionally required to fund a program to encourage . . . communism or fascism.”).

72. *See Sullivan*, *supra* note 60, at 1428. While this is the line courts generally draw, it is not necessarily a helpful analytical tool. *See id.* at 1420 (describing the distinction as conclusory).

73. *Id.* at 1440–42.

fine (an impermissible penalty) and denying a tax exemption (a permissible non-subsidy).⁷⁴

In the Supreme Court's most recent unconstitutional conditions case, *United States Agency for International Development v. Alliance for Open Society International*, the Court attempted to summarize its case law regarding the constitutional permissibility funding conditions into two categories.⁷⁵ First, there are conditions that define the limits of the government program, i.e., specify the activities the government wants to subsidize.⁷⁶ Second, there are conditions that seek to "leverage funding to regulate speech *outside* the contours of the program itself."⁷⁷ However, the Court conceded that the line was hardly clear because the "definition of a particular program can always be manipulated to subsume the challenged condition."⁷⁸ Generally, courts look to the "germaneness" of the condition to the government program at issue: the closer the connection, the more likely the condition is permissible.⁷⁹

IV. INSTANT DECISION

Writing for the majority, Judge Moore first determined that section 2(a) was a content-based burden/restriction on speech because it "applies to particular speech based on the topic discussed."⁸⁰ It was also viewpoint-based, as Congress enacted section 2(a) because it disagreed with the message: whether registration would be denied depended on whether it referred to that group in a positive or negative light.⁸¹ Moreover, the USPTO had registered marks referring to Asians in a positive way but had denied Tam's application because it believed THE SLANTS would have been perceived as disparaging.⁸²

The majority then determined that section 2(a) was subject to strict scrutiny because it regulated the expressive – not merely commercial – aspects of Tam's mark in that it did not target the trademark's role as a source identifier for a good or service; instead, it focused on the allegedly disparaging message it conveyed to persons of Asian descent.⁸³ Tam had chosen THE SLANTS to

74. See Schauer, *Too Hard*, *supra* note 61, at 993.

75. *Agency for Int'l Dev. v. Alliance for Open Soc'y Int'l, Inc.*, 133 S. Ct. 2321 (2013).

76. *Id.* at 2329.

77. *Id.* (emphasis added).

78. *Id.*

79. Sullivan, *supra* note 60, at 1420–21. For example, Congress may choose not to subsidize abortions via Medicaid, but it may not withdraw all welfare benefits from anyone who has an abortion. *Id.* at 1464–65.

80. *In re Tam*, 808 F.3d 1321, 1335 (Fed. Cir. 2015) (en banc) (quoting *Reed v. Town of Gilbert*, 135 S. Ct. 2218, 2226 (2015)), *corrected* (Feb. 11, 2016), *cert. granted sub nom. Lee v. Tam*, 137 S. Ct. 30 (2016).

81. *Id.*

82. *Id.* at 1336. The examples of positive marks referring to Asians were CELEBRASIANS and ASIAN EFFICIENCY.

83. *Id.* at 1337–38.

seek social change and challenge perceptions of Asian-Americans, to push people by offending them.⁸⁴ Because section 2(a) targeted speech that was of “public concern,” it was subject to strict scrutiny and “presumptively invalid.”⁸⁵

Judge Moore then rejected the government’s argument that the First Amendment was not implicated because section 2(a) did not stop Tam from speaking or using the mark because the First Amendment protects from more than prohibitions, and the government “may no more silence unwanted speech by burdening its utterance than by censoring its content.”⁸⁶ Through section 2(a), the government had burdened Tam’s (and other people’s with disparaging marks) First Amendment rights by denying him the substantive and procedural benefits of federal registration because it disagreed with the message the mark conveyed.⁸⁷ By denying these rights to Tam and other owners of potentially disparaging marks, section 2(a) threatened to chill protected speech by discouraging persons from adopting marks that might be perceived as disparaging.⁸⁸ The First Amendment proscribes this kind of government interference in the marketplace of ideas.⁸⁹

Judge Moore then turned to the government speech argument and quickly rejected it.⁹⁰ First, placement on the register conveys one message – that the mark is registered – and does not associate the government with a mark’s message.⁹¹ Second, the USPTO’s official position is that it “does not endorse any particular product, service, mark, or registrant” when it places a mark on the federal registry and doing so is in no way a “government imprimatur or pronouncement” that the mark is a good one.⁹² Third, the use of a trademark symbol – which mark holders do not even have to use – does not transform a trademark into government speech; especially given the numerous marks, no one could reasonably claim the government endorses the particular messages of the marks on the registry.⁹³

Judge Moore then rejected the government’s claim that registration was merely a subsidy; she instead concluded that it was an unconstitutional condition denying Tam valuable rights and benefits, thereby infringing or burdening

84. *Id.* at 1338.

85. *Id.* at 1339.

86. *Id.* at 1340 (quoting *Sorrell v. IMS Health, Inc.*, 131 S. Ct. 2653, 2664 (2011)).

87. *Id.* at 1342.

88. *Id.* Section 2(a) covers marks that *may* disparage or be perceived as disparaging, not merely marks that actually disparage.

89. *Id.*

90. *Id.* at 1346.

91. *Id.*

92. *Id.* at 1346–47 (quoting *In re Old Glory Condom Corp.*, 26 U.S.P.Q.2d 1216, 1219–20 n.3 (T.T.A.B. Mar. 3, 1993)).

93. *Id.* at 1347. Judge Moore cited several examples, including CAPITALISM SUCKS DONKEY BALLS, TAKE YO PANTIES OFF, and MURDER 4 HIRE, U.S. *Id.*

his First Amendment rights.⁹⁴ While Judge Moore acknowledged that the government may dictate how its own funds will be spent and that it may require private entities to convey the government's message when using those funds, she noted trademark registration was not an attempt by the government to convey its own messages through private parties.⁹⁵ Furthermore, government subsidies generally involve government funding or use of property, and the doctrine cannot be extended to permit the government to distribute any kind of legal right without regard to First Amendment limitations on content-based discrimination.⁹⁶ Instead, courts have distinguished between cases involving Congress's spending power, where the government dictates how appropriated funds will be spent, and those that do not.⁹⁷ Registration, while valuable, does not involve government expenditures, and the USPTO is funded entirely by registration fees, not taxpayers.⁹⁸

Furthermore, Judge Moore explained that cases upholding conditions on subsidies are limited to cases where the condition directly advances the goals of the government program at issue.⁹⁹ Section 2(a), on the other hand, does not advance the twin goals of federal trademark registration: protecting the rights of mark holders from appropriation and preventing consumer deception and confusion.¹⁰⁰ Finally, the government's argument would have expanded the subsidy exception so broadly that it would swallow the rule, allowing Congress to, for example, refuse copyrights to racist or misogynistic books.¹⁰¹

Finally, Judge Moore explained that even if section 2(a) did regulate commercial speech, it could not withstand intermediate scrutiny under the four-part test for commercial speech regulations because it did not directly advance a substantial government interest.¹⁰²

94. *Id.* at 1348–49.

95. *Id.* at 1349–50.

96. *Id.* at 1351.

97. *Id.* at 1352.

98. *Id.* at 1353.

99. *Id.* at 1354.

100. *Id.*

101. *Id.* at 1354–55.

102. *Id.* 1356–58. There were also a number of separate opinions. Judges O'Malley and Wallach agreed that section 2(a) was unconstitutional on its face but stated that it was also unconstitutionally vague under the Fifth Amendment. *Id.* at 1358–64 (O'Malley, J., concurring). Judge Dyk, joined in parts I–IV by Judges Lourie and Reyna, agreed that section 2(a) was unconstitutional as applied to Tam (and other core political speech) but was constitutional as applied to purely commercial uses. *Id.* at 1363–74 (Dyk, J., concurring in part and dissenting in part). Judge Lourie dissented and argued that section 2(a) was constitutional on its face and as applied to Tam, because refusing registration did not interfere with Tam's ability to use the mark in commerce and that federal registration turned a mark into more than merely private speech, while also dryly noting that section 2(a) had been applied hundreds of times for decades only to suddenly become unconstitutional. *Id.* at 1374–76 (Lourie, J., dissenting). Finally, Judge Reyna dissented on the grounds that section 2(a) was constitutional and

V. COMMENT

This Note argues that the majority incorrectly applied the doctrine of unconstitutional conditions and that, when it is properly applied, section 2(a) does not unconstitutionally burden First Amendment rights. Part A assumes, *arguendo*, that the majority was correct that the unconstitutional conditions doctrine is the proper framework for analyzing section 2(a). It then explains how the majority erred by focusing on whether section 2(a) was content-based and, instead, should have focused on the relationship between the conditions section 2(a) imposes on federal registration and the goals of trademark law. Part B explains how section 2(a) is constitutional because it advances the purposes of the Lanham Act by encouraging people to select more effective trademarks.

A. The Majority's Decision Is Based on the Unconstitutional Conditions Doctrine and Contains Several Errors

The majority's opinion discusses several doctrines but confuses them in certain ways. First, the majority opinion basically approaches the issue backwards. It starts by deciding that section 2(a) is content- and viewpoint-based, then determines that it regulates the expressive, not commercial, aspect of the mark; next, the majority decides that section 2(a) *actually regulates* speech and finally decides that federal registration is not a government subsidy or government speech.¹⁰³ But if section 2(a) did not regulate or burden speech, or if registration were a subsidy or a form of government speech, it would not matter – at all – if section 2(a) were content-based or the type of speech that is regulated by it.¹⁰⁴ This confusion is evident in the opinion's choice of subsection titles, such as part II.C: "Section 2(a) Is Not a Government Subsidy Exempt from Strict Scrutiny."¹⁰⁵ This is inaccurate: subsidies are not "exempt" from First Amendment scrutiny; they are constitutional because they *do not abridge* any speech and thus do not implicate the First Amendment.¹⁰⁶

The majority also erred in holding that section 2(a) regulated the non-commercial aspects of Tam's mark because it confused the reason for the disparagement provision and its actual impact on a mark holder. Assuming, *arguendo*, that denying registration under section 2(a) is based on non-commer-

did survive intermediate scrutiny because it did directly advance the government's substantial interest in the orderly flow of commerce, the same interest the Lanham Act is intended to protect. *Id.* at 1376–82 (Reyna, J., dissenting).

103. *Id.* at 1334–35 (majority opinion).

104. *See supra* Part III.B.

105. *Tam II*, 808 F.3d at 1348.

106. *Rust v. Sullivan*, 500 U.S. 173, 193 (1991) (stating the government's decision "not to subsidize the exercise of a fundamental right does not infringe the right" (quoting *Regan v. Taxation With Representatives of Wash.*, 461 U.S. 540, 549 (1983))).

cial aspects of Tam’s speech, that does not change the fact that denying registration only *affects* the commercial aspects of the mark.¹⁰⁷ All of the benefits of registration relate to a mark’s commercial use because, generally, a mark cannot be enforced against a person using the mark to express political views or parody.¹⁰⁸ But federal registration (or denial of registration) does *not* – and cannot – affect Tam’s ability to express pride in his cultural heritage through his music, because section 2(a) does not stop him from saying anything: denying registration only makes it harder for Tam to prevent other people from saying the same thing in commerce.¹⁰⁹ All of the burdens on Tam (e.g., his inability to enforce the mark nationwide)¹¹⁰ are commercial burdens that do not inhibit Tam’s expressive message. The inability to prevent others from using a mark in commerce in no way interferes with Tam’s ability to “editorialize on any subject, cultural, philosophical, or political.”¹¹¹

Therefore, the only basis for the majority’s opinion is the unconstitutional conditions doctrine because, as the majority concedes, section 2(a) does not stop anyone from saying anything anymore than, say, denying a tax deduction does.¹¹² Instead, it *conditions* the benefits of federal registration on a mark meeting certain requirements, including that the mark not be disparaging.¹¹³ But if section 2(a) imposes an unconstitutional condition, then whether Tam’s mark is commercial or non-commercial speech, and whether section 2(a) is content-based or content-neutral, does not matter because there is no such thing as a content-based unconstitutional condition.¹¹⁴ Instead, the question is whether there is a reasonable relationship between the condition and the purposes of the program.¹¹⁵ The majority appears to believe that the doctrine is

107. See *Tam II*, 808 F.3d at 1328–29 (discussing the various economic benefits of federal registration).

108. See *Radianc Found., Inc. v. NAACP*, 786 F.3d 316, 333 (4th Cir. 2015) (holding that “National Association for the Advancement of Colored People” did not infringe National Association for the Abortion of Colored People’s trademark because it fell under the non-commercial use exception).

109. See *Tam II*, 808 F.3d at 1378 (Reyna, J., dissenting).

110. See 15 U.S.C. § 1115 (2012). An unregistered mark can only be enforced in the states where it has been used in commerce. 5 MCCARTHY, *supra* note 1, § 26:32.

111. *Tam II*, 808 F.3d at 1374 (Dyk, J., concurring part in part and dissenting in part) (quoting *Friedman v. Rogers*, 440 U.S. 1, 11 (1979)). However, Judge Dyk’s concurrence errs because he concludes that trademark registration is a subsidy, *see id.* at 1369, but then states that section 2(a) is still unconstitutional because of the “indisputably expressive character” of Tam’s trademark. *Id.* at 1373. But, as explained above, denial of a subsidy *cannot abridge the freedom of speech* at all, and the strength of any government interest is irrelevant. Congress could easily choose to subsidize pro-Asian viewpoints but not anti-Asian ones. See *supra* note 106 and accompanying text.

112. *Tam II*, 808 F.3d at 1335; *cf.* *Authors League of Am. v. Oman*, 790 F.2d 220, 223 (2d. Cir. 1986) (same regarding copyright).

113. See 15 U.S.C. § 1152(a). The other requirements are uncontroversial and essentially state what is required to actually have a trademark.

114. See *Tam II*, 808 F.3d 1321.

115. *Cf.* *Dolan v. City of Tigard*, 512 U.S. 374, 385 (1994).

limited to conditions implicating the First Amendment, but it applies equally to conditions on zoning permits, corporate licenses, welfare benefits, and government employment.¹¹⁶ What matters is not the content of the speech but the condition's relation to the relevant government program.¹¹⁷ For example, conditioning trademark registration on an applicant submitting to monthly warrantless searches of his home would be an unconstitutional condition on an applicant's Fourth Amendment rights because it has nothing to do with the goals of trademark.¹¹⁸ But the government can deny food stamps to households that are needy because a member went on strike because the condition – that food stamp recipients must work if they can – was reasonably related to the program's goals of supporting working families and encouraging employment.¹¹⁹

Because whether section 2(a) is content-based or content-neutral is irrelevant to its constitutionality, the relevant question is whether the condition it imposes on the benefits of registration is sufficiently “germane” to the purposes of trademark law.¹²⁰ As explained below, because the distinction drawn by section 2(a) is reasonably related to the purposes of trademark law, it is not an unconstitutional condition.

B. Section 2(a) Is Constitutional Because It Does Further the Goals of the Lanham Act and Trademark Law

As discussed above, the majority erred in focusing on whether section 2(a) was content- and viewpoint-based *per se* because all trademark law distinguishes words and symbols based on the information they communicate.¹²¹ This Note accepts as correct the majority opinion's description of the two goals

116. Sullivan, *supra* note 60, at 1428–30; *cf.* Nollan v. Cal. Coastal Comm'n, 483 U.S. 825, 834–37 (1987) (unconstitutional to condition zoning permit on owner's granting of a travel easement through his backyard).

117. See Agency for Int'l Dev. v. Alliance for Open Soc'y Int'l, Inc., 133 S. Ct. 2321, 2329 (2013).

118. *Cf.* Wyman v. James, 400 U.S. 309, 326 (1971) (cited in Sullivan, *supra* note 60, at 1437 n.88).

119. See Lyng v. UAW, 485 U.S. 360, 364–66 (1988).

120. See Sullivan, *supra* note 60, at 1458; *cf.* Garcetti v. Ceballos, 547 U.S. 410, 418 (2006) (stating that the government's ability to restrict its employees' speech turns on whether the restriction is “directed at speech that has some potential to affect the [governmental] entity's operations”).

121. See *supra* Part V.A.; Two Pesos, Inc. v. Taco Cabana, Inc., 505 U.S. 763, 769 (1992) (explaining that a mark is “distinctive and capable of being protected if it either (1) is inherently distinctive or (2) has acquired distinctiveness through secondary meaning”) (emphasis omitted). A mark that is not distinctive is not a mark at all. 2 MCCARTHY, *supra* note 1, § 11:2; *cf.* Ned Snow, *Content-Based Copyright Denial*, 90 IND. L.J. 1473, 1498–1501 (2015).

of trademark law,¹²² but it disagrees with its contention that section 2(a) “is completely untethered to the purposes of the federal trademark registration program.”¹²³

Trademark law’s primary purpose is to allow consumers to quickly identify the source and quality of goods or services.¹²⁴ Marks lie on a spectrum of distinctiveness in ascending order: (1) generic terms, (2) descriptive, (3) suggestive, and (4) arbitrary or fanciful.¹²⁵ Arbitrary, fanciful, and suggestive marks are considered “inherently distinctive,” while descriptive marks must acquire a “secondary meaning” to become a mark.¹²⁶ When the USPTO denies an application under section 2(a), it must determine that the mark (1) likely refers to identifiable persons, groups, or institutions and (2) disparages that group.¹²⁷

Denying the benefits of registration to marks that convey other information furthers the goals of trademark law because the government has an interest in ensuring that “the stream of commercial information flows *cleanly* as well as freely.”¹²⁸ Consumers are bombarded with a massive amount of information, and trademarks conveying information other than the source and quality of a good or service are less effective.¹²⁹ A disparaging trademark adds surplus information that does not help consumers identify the source of a good or service to the commercial marketplace, increasing consumer search costs and making it more difficult for consumers to connect a mark with the underlying goods or services.¹³⁰

Federal trademark law contains numerous other limits on the subject matter and nature of registrable marks for certain classes of marks that may be highly likely to cause confusion. For example, a mark cannot be registered if it consists or is comprised of “the flag or coat of arms . . . of the United States, or of any State or municipality, or of any foreign nation” or a “name, portrait,

122. See *In re Tam*, 808 F.3d 1321, 1354 (Fed. Cir. 2015) (en banc), *corrected* (Feb. 11, 2016), *cert. granted sub nom.* Lee v. Tam, 137 S. Ct. 30 (2016).

123. *Id.*

124. See 1 MCCARTHY, *supra* note 1, § 2:2.

125. 2 MCCARTHY, *supra* note 1, § 11:2.

126. *Two Pesos*, 505 U.S. at 769.

127. See TRADEMARK MANUAL OF EXAMINING PROCEDURE, *supra* note 31, § 1203.03(b)(i).

128. *Tam II*, 808 F.3d at 1376 (Reyna, J., dissenting) (emphasis added) (quoting *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.*, 425 U.S. 748, 771–72 (1976)).

129. See Stacey L. Dogan & Mark A. Lemley, *Trademarks and Consumer Search Costs on the Internet*, 41 HOUS. L. REV. 777, 786–87 (2004) (“[T]rademarks . . . reduc[e] consumer search costs. Rather than having to inquire into the provenance and qualities of every potential purchase, consumers can look to trademarks as shorthand indicators.”) (footnote omitted).

130. See *id.* at 788 (explaining doctrines in trademark law limiting the scope and type of marks in order to “preserv[e] the clarity of the language of trade”).

or signature” of a living person or a living or dead President.¹³¹ These prohibitions are absolute and do not require a showing that a proposed mark is insufficiently distinctive or is likely to cause confusion.¹³² Other statutes protect specific words, names, symbols, or designs and restrict their use by other entities.¹³³ Finally, other parts of trademark law draw content-based distinctions; for example, a cause of action for dilution is limited to famous marks.¹³⁴

If disparaging marks are less helpful to consumers seeking to identify the source and quality of goods, then section 2(a) is not trying to “leverage [a government benefit] to regulate speech outside . . . of the federal program itself.”¹³⁵ Instead, it provides mild incentives for businesses to adopt marks that are more likely to aid the public by giving the most effective marks the substantive and procedural benefits of federal registration.¹³⁶ While it is certainly arguable that section 2(a) does not substantially promote more efficient marks, it cannot be evaluated in isolation from the rest of federal trademark law.

Additionally, *actually registering* disparaging marks may threaten First Amendment values.¹³⁷ In fact, because Tam is *not* expressing an unpopular idea – that Asians are inferior or bad in some way – but is using the slur ironically to express pride in his cultural heritage, registering his mark would actually make it slightly more likely that such unpopular ideas would be chilled.¹³⁸ For example, the most likely scenario involving the infringement of THE SLANTS mark would appear to be another band with racist views about Asians.¹³⁹ Disparaging marks have preexisting alternative meanings, both for commercial and non-commercial purposes; while trademark law contains various defenses protecting parody and fair use, those doctrines are not always

131. 15 U.S.C. §§ 1052(b)–(c) (2012).

132. *Id.* Of course, many marks featuring a flag or emblem of any smaller foreign country, say Togo or Mongolia, seem unlikely to confuse consumers, assuming the other requirements of a trademark are met. Such marks should still be enforceable under section 43(a). *See* 15 U.S.C. § 1125.

133. *See generally* 6 MCCARTHY, *supra* note 1, at app. A2 A (listing numerous symbol-specific limits on trademarks and use of various symbols).

134. 15 U.S.C. § 1125(c).

135. *Agency for Int’l Dev. v. Alliance for Open Soc’y Int’l, Inc.*, 133 S. Ct. 2321, 2329 (2013). A condition is “germane” if it is reasonably related to the purposes of the government program at issue and/or the reasons the government could deny the benefit entirely. *See* Sullivan, *supra* note 60, at 1413, 1421, 1457.

136. *See supra* Part III.A.1 for a discussion of the benefits of federal registration.

137. *See* 3 MCCARTHY, *supra* note 1, § 19:77.25.

138. *Cf. Estate of Beckwith, Inc. v. Comm’r of Patents*, 252 U.S. 538, 543–44 (1920).

139. *See* 4 MCCARTHY, *supra* note 1, § 23:1 (stating that the “likelihood of confusion” is the fundamental test of infringement). Granted, such a scenario seems unlikely, but if there is an appropriate place for far-fetched hypotheticals, it is in a law review article.

reliably applied.¹⁴⁰ Section 2(a) may serve as a prophylactic, removing certain marks from consideration for the register.

Somewhat similar concerns have long existed about descriptive marks: words, names, or symbols used to indicate a brand of product or service that also “describe[] the qualities or characteristics of the product or service sold under that mark.”¹⁴¹ Under the common law and the original 1905 Federal Trademark Act, such marks could not be registered, but the 1946 Lanham Act permits registration of such marks.¹⁴² Examples of descriptive marks include “Park N’ Fly” airport parking services and the “*Sporting News*” sports news publication.¹⁴³ Granting exclusive rights to descriptive marks risks chilling commercial discourse by potentially preventing competitors from accurately describing their goods and services to the public and because such terms are almost certainly already in use.¹⁴⁴ Similarly, a disparaging mark is already likely substantially in use because of its preexisting meaning, and the risk of infringement actions risk chilling speech.¹⁴⁵

Regarding the majority’s chilling effect analysis, this author is skeptical that section 2(a) has any real chilling effect on *speech*. The majority’s fear appears to be something like the following: some people want to use trademarks identifying their goods or services to also communicate political messages; some of those people will want to choose marks that might be disparaging; but because disparaging marks cannot be registered, that subset of people will choose other marks.¹⁴⁶ But this argument is flawed: the issue is not whether the choice of trademarks is affected, but whether “certain *ideas or viewpoints* [will be driven] from the marketplace [of ideas].”¹⁴⁷ Would Tam have altered the content of his music or the name of his band had he known he would be unable to register THE SLANTS as a trademark? Possibly, but there is little evidence of this. Furthermore, the Supreme Court of the United States has held that a condition that is “exceedingly unlikely” to prevent anyone from exercising a right will generally be constitutional.¹⁴⁸

140. See generally *id.* § 24:126 (discussing “fair use” statutory defense for parody, criticism, and commentary).

141. Lisa P. Ramsey, *Descriptive Trademarks and the First Amendment*, 70 TENN. L. REV. 1095, 1097 (2003).

142. *Id.* at 1114–15.

143. *Id.* at 1112.

144. 2 MCCARTHY, *supra* note 1, § 11:18.

145. *Id.*

146. See *In re Tam*, 808 F.3d 1321, 1341 (Fed. Cir. 2015) (en banc) (citing amicus briefs from the ACLU, First Amendment Lawyers Association, Rutherford Institute, and Pro Football, Inc.), *corrected* (Feb. 11, 2016), *cert. granted sub nom.* Lee v. Tam, 137 S. Ct. 30 (2016).

147. *Simon & Schuster, Inc. v. Members of N.Y. State Crime Victims Bd.*, 502 U.S. 105, 116 (1991) (emphasis added). In fact, because disparaging marks are less effective, discouraging them from being used *as trademarks* is acceptable.

148. See, e.g., *Lyng v. UAW*, 485 U.S. 360, 365 (1988) (citing *Lyng v. Castillo*, 477 U.S. 635, 643 (1986)).

Moreover, Tam’s case appears anomalous in that very few marks found to be disparaging appear to have been used to express *ideas* or *viewpoints* but instead are used largely for shock value. Consider also various trademarks owned by the Washington Redskins that have been the subject of decades of litigation; several were recently cancelled by the USPTO, whose decision was affirmed by the U.S. District Court for the Eastern District of Virginia.¹⁴⁹ No one contends that the Redskins adopted its various marks because it desired to express ideas or viewpoints about Native American issues.¹⁵⁰ Admittedly, the Redskins’ example may be rather unusual – the term Redskins was not considered disparaging when it was registered – but this simply illustrates the relative paucity of disparaging trademarks chosen to express *specific ideas* or *viewpoints*.¹⁵¹

Finally, this Note’s argument is based on the assumption that the majority opinion was incorrect when it asserted that section 43(a)¹⁵² and state trademark laws cannot be used to enforce disparaging trademarks *at all*.¹⁵³ It is one thing to create mild incentives to adopt certain marks over others but another to say one cannot have such a mark at all. As the majority’s dicta is contrary to the longstanding interpretation and to the views of most scholars, it may have little impact, but if accepted, this principle would have much larger repercussions than the section 2(a) holding.

VI. CONCLUSION

On September 29, 2016, the Supreme Court granted the USPTO’s petition for writ of certiorari.¹⁵⁴ The question presented is: “Whether the disparagement provision in 15 U.S.C. 1052(a) is facially invalid under the Free Speech Clause

149. *Pro-Football, Inc. v. Blackhorse*, 112 F. Supp. 3d 439, 490 (E.D. Va. 2015).

150. For another example, it seems unlikely that HEEB was chosen as a mark to express views about Jews. *See In re Heeb Media, LLC*, 89 U.S.P.Q.2d 1071 (T.T.A.B. Nov. 26, 2008).

151. *Pro-Football*, 112 F. Supp. 3d at 479.

152. 11 U.S.C. § 1125(a) (2012) (providing cause of action for infringement of an unregistered mark).

153. *See In re Tam*, 808 F.3d 1321, 1343–45 (Fed. Cir. 2015) (en banc), *corrected* (Feb. 11, 2016), *cert. granted sub nom.* *Lee v. Tam*, 137 S. Ct. 30 (2016); *see also* Mark P. McKenna, *The Implications of Blackhorse v. Pro-Football, Inc.*, PATENTLYO (June 19, 2014), <http://patentlyo.com/patent/2014/06/implications-blackhorse-football.html> (describing the claim that section 43 is not available for marks barred by section 2(a) as “radical” and a “truly remarkable departure . . . that draws no support from the text of § 43(a)”).

154. *See Lee v. Tam*, 137 S. Ct. 30 (2016) (granting certiorari).

of the First Amendment.”¹⁵⁵ Oral argument was held on January 18, 2017, and the Justices appeared to be quite skeptical of the government’s position.¹⁵⁶

This Note has attempted to justify section 2(a)’s constitutionality using traditional principles of trademark law. Whether these arguments are accepted remains to be seen. Simon Tam presents about as sympathetic a plaintiff as one could have to challenge the disparagement provision: an Asian-American seeking to reappropriate a derogatory slur and use it ironically to express pride in his cultural heritage.¹⁵⁷ The Court may be waiting for a case implicating the “immoral” or “scandalous” prong of section 2(a), which the majority explicitly reserved judgment on, but it is difficult to imagine the Federal Circuit’s decision being upheld given its reasoning in the instant case. The Court has been far more tolerant of government regulations involving profanity, nudity, and sexual materials.¹⁵⁸ Moreover, as previously noted, Simon Tam presents an extremely unusual example of a disparaging mark, which is almost certainly why he was chosen as the plaintiff in this challenge. Most of them would likely be used for shock value and little more and would not be intended to “editorialize on any subject, cultural, philosophical, or political.”¹⁵⁹

In conclusion, thinking about section 2(a) in this way may have the salutary effect of reemphasizing the traditional goals of trademark law by focusing more on consumers than on mark holders. The majority opinion is full of First Amendment platitudes, but it makes no mention of the effects trademark registration has on the ability of anyone else to speak, despite the fact that the benefits of registration are all tools that make it easier for Simon Tam to prevent others from using the term SLANTS in commerce. In recent decades, there has been an increasing trend to “treat trademarks as assets with their own intrinsic value, rather than as a means to an end.”¹⁶⁰ Trademark law would be well served to focus more on the interests of the public, not simply the interests of mark holders.

155. Brief for the Petitioner at I, *Lee v. Tam*, No. 15-1293 (S. Ct. Nov. 9, 2016), 2016 WL 6678795, at *I.

156. See Amy Howe, *Argument Analysis: Justices Skeptical of Federal Bar on Disparaging Trademarks*, SCOTUSBLOG (Jan. 19, 2017, 6:46 AM), <http://www.scotusblog.com/2017/01/argument-analysis-justices-skeptical-federal-bar-disparaging-trademarks/>.

157. *Tam II*, 808 F.3d at 1331.

158. See, e.g., *FCC v. Pacifica*, 438 U.S. 726, 748–51 (1978). For an analysis of the USPTO’s application of the bar on marks that contain immoral or scandalous matter, see Megan M. Carpenter & Mary Garner, *NSFW: An Empirical Study of Scandalous Trademarks*, 33 *CARDOZO ARTS & ENT. L.J.* 321 (2015).

159. *Friedman v. Rogers*, 440 U.S. 1, 11 (1979). Judge Dyk cited *Friedman* in his separate opinion. *Tam II*, 808 F.3d at 1373 (Dyk, J., concurring in part and dissenting in part). In addition, if the immoral or scandalous prong is upheld, the USPTO may be able to fit most disparaging marks into those categories, to the extent they include what are basically insults.

160. Lemley, *Death of Common Sense*, *supra* note 19, at 1693.