

## **Court Finds Section 2(a) of Lanham Act Violates First Amendment**

The restrictions prohibiting the registration of trademarks that are scandalous, immoral, or disparaging violates the First Amendment and are unconstitutional, the Federal Circuit found.

Section 2(a) of the Lanham Act bars the Patent and Trademark Office (PTO) from registering marks that consist of immoral, deceptive, or scandalous matters or which may disparage persons or bring them into contempt or disrepute.

The en banc decision said the restrictions are inconsistent with the Act's purposes to protect the public when purchasing trademarked products and to prevent misappropriation of trademarks by others.

“It is a bedrock principle underlying the First Amendment that the government may not penalize private speech merely because it disapproves of the message it conveys.” The government “cannot refuse to register marks because it concludes that such marks will be disparaging to others.”

The issue was the refusal by the PTO to register THE SLANTS as a trademark for an Asian-American band. The leader of the band selected the name “to ‘reclaim’ and ‘take ownership’ of Asian stereotypes,” the court noted. The PTO examiner refused to register the mark “finding it likely disparaging to ‘persons of Asian descent’ under §2(a). The examiner found that the mark likely referred to people of Asian descent in a disparaging way, explaining that the term ‘slants’ had ‘a long history of being used to deride and mock a physical feature’ of people of Asian descent,” the opinion said.

The court said Section 2(a) was a “hodgepodge” of restrictions that has been inconsistently applied over the 70 years of its existence. “The PTO rejects marks under §2(a) when it finds the marks refer to a group in a negative way, but it permits the registration of marks that refer to a group in a positive, non-disparaging manner.” The court said a “single examiner, with no input from her supervisor, can reject a mark as disparaging by determining that it would be disparaging to a substantial composite of the referenced group.”

The majority opinion noted it was not endorsing the mark. “We recognize that invalidating this provision may lead to the wider registration of marks that offend vulnerable communities,” the court said. “Whatever our personal feelings about the mark at issue here, or other disparaging marks, the First Amendment forbids governmental regulators to deny registration because they find the speech likely to offend others.

In a concurring opinion, two justices found Section 2(a) unconstitutionally vague as well. A dissent found the provision was “appropriate regulation that directly advances the government’s

substantial interest in the orderly flow of commerce” and would uphold the PTO’s decision not to register the mark.

Balough Law Offices conducts trademark searches, prepares and monitors applications, and protects trademarks for its clients. The firm also helps individuals and businesses that have been accused of trademark infringement.

*In Re Simon Shiao Tam*, Fed. Cir. No. 2014-1203, decided December 22, 2015.

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