

BUSINESSES CAN TRADEMARK THE EXPLICIT AND SCANDALOUS: U.S. SUPREME COURT PROTECTS IMMORAL TRADEMARKS

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The U.S. Supreme Court just opened the door to the federal registration of “immoral” and “scandalous” trademarks. For years, the Lanham Act prohibited federal registration of certain types of marks, most notably, a mark that “[c]onsists of or comprises immoral . . . or scandalous matter. . . .” However, a recent U.S. Supreme Court ruling held that this limitation violates the First Amendment. The practical result: Business owners can now obtain federal trademark protection over a wider swath of marks and have more predictability in their trademark applications.

The Legal History of the Case

This recent Supreme Court decision (*Iancu v. Brunetti*) would not have occurred without its immediate predecessor case, *Matal v. Tam*. That prior case, *Tam*, arose after the United States Patent and Trademark Office (“USPTO”) denied an application for registration of the mark “Slants” for an Asian-American band, because the USPTO considered the word “derogatory.” In *Tam*, the Supreme Court ruled that the Lanham Act prohibition of “derogatory” marks was tantamount to a governmental viewpoint discrimination, and violated the First Amendment as the government treated the applicants differently based on their speech.

Tam prompted a flurry of inquiries asking the natural follow-up question: “Where does this stop?” The Supreme Court’s *Tam* decision on “derogatory” marks did not comment on the Lanham Act’s other restrictions on “immoral” or “scandalous” trademarks, leading to confusion as to whether the prohibition against registering such trademarks was constitutional. A stream of applications for registration of arguably scandalous and immoral marks followed; Brunetti (the designer and owner of the clothing brand “FUCTION”) applied to have his mark registered with the USPTO. The USPTO denied his application because it viewed the mark as immoral and scandalous, and therefore prohibited from registration under the Lanham Act.

The Ruling

In the *Brunetti* decision, the Supreme Court expanded its *Tam* ruling and determined that the prohibition on “immoral” and “scandalous” marks violated the First Amendment.

Similar to the situation in *Tam* as to derogatory marks, the refusal to register FUCTION was also tantamount to viewpoint discrimination. The Supreme Court held that the Lanham Act’s restriction on “immoral” and “scandalous” marks was overly broad, and would have included anything that could upset society, or go against societal values, resulting in the same potential for discriminatory conduct based on a viewpoint as in *Tam*.



The government attempted to narrow the reading to *only* include those marks that may be deemed lewd or sexually explicit. The Supreme Court rejected this attempt, holding that only Congress had the authority to re-write the law.

Lessons from this Ruling

Importantly, *Brunetti* did not resolve other open questions, including whether trademark registration is a government benefit or commercial speech. Nevertheless, we have three key takeaways:

1. If the government wishes to have a prohibition on certain kinds of trademarks, it must be viewpoint neutral and narrowly tailored.
2. Congress may elect to step in to amend the Lanham Act to put in a narrowly tailored restriction.
3. Until Congress acts, trademarks that people may find derogatory, immoral, or scandalous can enjoy the full benefit of protection under the Lanham Act.

This is not a seismic shift in trademark use, as there was no prohibition on *using* an offensive mark, only in whether it could be *protected*. Furthermore, as with any expletive, just because you can, does not mean you should. The selection and use of a mark always requires careful consideration in light of your business's brand and market. Ultimately, this decision may only serve to expand options for protecting trademarks, especially for those businesses with a market or brand where risqué marketing may be a benefit.

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