

Trademark Applicant Gets FUCTION

SCOTUS Strikes Down USPTO Prohibition on Immoral or Scandalous Marks

By: Ifti Zaim and Barry Irwin | July 2, 2019

On June 24, 2019, the Supreme Court held that the Lanham Act’s restriction against registration of immoral or scandalous trademarks, set forth in 15 U.S.C. § 1052(a), discriminated between speech based upon viewpoint in violation of the First Amendment. *Iancu, Under Sec’y of Commerce for Intellectual Prop. & Dir., Patent & Trademark Office v. Brunetti*, No. 18-302, at *11–12., 588 U.S. ___ (Jun. 24, 2019). This decision divests the USPTO of its last shred of authority to police the substantive content of federal trademarks, and harmonizes the divided pluralities that prevailed on a similar issue in *Matal v. Tam* two years earlier. No. 15-1293, 582 U.S. ___ (Jun. 19, 2017).

At issue in *Brunetti* was the constitutionality of a statute that required the USPTO to refuse registration of trademarks consisting of or comprising immoral or scandalous matter. 15 U.S.C. § 1052(a). The USPTO construed “immoral or scandalous matter” to mean matter that “a substantial composite of the general public would find the mark shocking to the sense of truth, decency, or propriety; giving offense to the conscience or moral feelings; calling out for condemnation; disgraceful; offensive; disreputable; or vulgar.” *Brunetti*, at *3. Based upon this provision, the USPTO rejected Brunetti’s application to register “FUCTION” for use with a clothing line. Brunetti *could* enforce the trademark regardless of the USPTO’s refusal to register it. *Id.* at *4. *But see Matal v. Tam*, 582 U.S. ___, at n. 1 (declining to address the Federal Circuit’s theory that a mark rejected under § 1052(a) may not be enforced via a federal cause of action per § 1043). However, Brunetti would have lost the numerous benefits of registration: nationwide constructive notice and priority, prima facie evidence of validity, incontestability, and protection against importation of infringing goods.

Brunetti was decided in the wake of *Matal v. Tam*, in which the Supreme Court struck down another provision of § 1052(a) barring registration of disparaging marks. Although the Government asserted in *Tam* that the federal trademark regime should not be subject to First Amendment protection, *Tam*, at *12, it concedes in *Brunetti* that the provision would be unconstitutional if it discriminated based on viewpoint. *Brunetti*, at *5. The *Brunetti* majority wove together the disparate threads that carried *Tam*, holding that “a law disfavoring ‘ideas that offend’ discriminates based on viewpoint in violation of the First Amendment.” And, the majority concluded, that was precisely what § 1052(a) did. *Id.* at *5–6 (“the Lanham Act permits registration of marks that champion society’s sense of rectitude and morality, but not marks that denigrate those concepts,” and “allows registration of marks when their messages accord with, but not when their messages defy, society’s sense of decency and propriety.”). This was evidenced by the USPTO’s prior practices, such as its registration of D.A.R.E. TO RESIST DRUGS AND VIOLENCE, but rejection of MARIJUANA COLA, and its registration of JESUS DIED FOR YOU, but rejection of BONG HITS 4 JESUS. *Id.* at 7.

In a last ditch effort, the Government requested that the statute be narrowed to offensive *modes* of expression, reconfiguring the bar to mostly prohibit marks that are lewd, sexually explicit, or profane. *Id.* at *9. However, the Court declined to so rewrite the law. Instead, the Court invalidated the statute as-written and reasonably understood, and affirmed that Brunetti may, in fact, get FUCTION.