The Looming Constitutional Impact Of A Naughty Trademark

By **Ben Clark** (May 17, 2019)

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The U.S. Supreme Court heard argument on April 15 in Iancu v. Brunetti,[1] involving the respondent's failed attempt to register his "Fuct" trademark with the U.S. Patent and Trademark Office and the U.S. Court of Appeals for the Federal Circuit's subsequent finding[2] that, though "Fuct" fails the "immoral" and "scandalous" registrability requirements of Lanham Act, Section 2(a),[3] that statutory language is facially invalid under the free speech clause of the First Amendment.

If the Federal Circuit's Brunetti decision is affirmed, three major no-nos of Section 2(a) (immorality, scandalousness, disparagement) will have been invalidated in a span of a few years. For trademark practitioners and those they represent, this would be impact aplenty. However, in a broader sense, Brunetti bears the potential to microscope a smorgasbord of First Amendment principles having significance well beyond the intellectual property sphere, and brings into focus the question of whether the Supreme Court is overzealously encroaching upon legislative and administrative space in the trademark area by limiting the USPTO's discretion to regulate content, particularly in the commercial area.

Constitutionally Infirm "Viewpoint" Discrimination

A fascinating aspect of Brunetti is whether the Supreme Court will find Section 2(a)'s immoral/scandalous provision (which the case law views as a single unitary concept) presumptively invalid as a matter of content "viewpoint," and hence subject to the "strict scrutiny" standard of review, i.e., does the measure serve a compelling state interest, and is it narrowly tailored in serving that interest? The government has indicated it cannot satisfy that standard.

Viewpoint discrimination (the requirement of "viewpoint neutrality") is the Supreme Court's term for governmental laws or decisions that favor (or disfavor) opinions on a particular subject. The concept has gradually become distinct from "content" discrimination, which involves regulation of an entire subject (e.g., sexual speech, abortion). Viewpoint discrimination receives the highest level of scrutiny under the First Amendment, under the rationale that such discrimination implicates a foundational purpose for protecting speech.

Thus, as a practical matter, a finding that a governmental regulation restricts expression of viewpoint all but ends the constitutional analysis.

The broodingly omnipresent backdrop to Brunetti is the Supreme Court's 2017 affirmance of the Federal Circuit's decision in In re Tam,[4][5] holding that the "disparaging" provision of Section 2(a) unconstitutionally restricts free speech. That case involved the USPTO's refusal to register the ethnic slur "The Slants" for use as the name of an Asian rock band, with the applicant contending that the band wished to "reclaim" the derogatory term and drain its denigrating force.

In Tam, the disparagement provision of Section 2(a) was found unconstitutional as a matter of viewpoint discrimination. At threshold, the Supreme Court held that trademarks are not "government speech" whereby the government can express its own viewpoints without violating the Free Speech Clause.

It can fairly be questioned whether the concept of "disparagement" necessarily implicates viewpoint, as found by the Tam court. Does disparaging someone or something constitute a "point of view" that something or someone deserves to be disparaged? Be that as it may, in Brunetti the question arises: Do "scandalous" or "immoral" messages also naturally implicate viewpoint?

In its Brunetti decision, the Federal Circuit quoted the Trademark Trial and Appeal Board's characterization of Brunetti's mark (as shown by Google Images, and buttressed by the Urban Dictionary's definition of "Fuct") as being in the context of "strong, and often explicit, sexual imagery that objectifies women and offers degrading imagery of extreme misogyny" with a theme "of extreme nihilism — displaying an unending succession of anti-social images of executions, despair, hellacious or apocalyptic events, and dozens of example of other imagery lacking in taste."[6] Do these represent forms of ”viewpoint" expression that the law wishes to protect? And does the USPTO have a legitimate interest in disassociating itself from such a mark, albeit one parroting a word that unquestionably can be used in society generally, separate and apart from the question of federal trademark rights?

The USPTO's test for determining whether to refuse to register a mark under the subject provision is whether "a substantial component of the general public" would find the mark "scandalous," defined as "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." Alternatively, the USPTO may prove scandalousness by establishing that a mark is "vulgar," i.e., "lacking in taste, indelicate, [and]morally crude."[7]

It is difficult to imagine how those various definitions can be said not to implicate constitutionally protected "viewpoint" expression, equal to and perhaps to a greater extent than "disparaging" expression does. For this reason — and while Brunetti did not help the credibility of his cause by contending lamely that his mark is an acronym for viewpoint-heavy expression, "Friends You Can't Trust" — there is cause to expect that the Supreme Court in Brunetti will take much the same approach as it did in Tam and invalidate the scrutinized language.

I would argue that the Federal Circuit, like the USPTO and TTAB before it, incorrectly characterized "Fuct" as used by Brunetti as representing a homonym of the past tense of the F-word. Yes, in some other contexts it is a homonym of the past tense of the F-word, but its use by Brunetti is in the present tense. A review of the various materials in connection with which the mark has appeared makes it apparent that "Fuct" is a countercultural or even subversive statement of condition, conveying the message "I am FUCT because of circumstances" or "the Establishment is FUCT" ... constituting present-tense usage. And that usage militates toward a finding that the subject mark, in the context of its employment, is in fact an expression of viewpoint.

Unconstitutional Restriction of Expressive Content and Erosion of the "Commercial Speech" Doctrine

In Brunetti, while questioning the viewpoint neutrality of the immoral/scandalous provision, the Federal Circuit perhaps oddly declined to reach that issue (unlike in its Tam decision). It focused instead on a "content"-based analysis. Content-based statutes (as with viewpoint restriction) are presumptively unconstitutional, and hence subject to a strict scrutiny analysis, though apparently not as strenuous as in viewpoint analysis.

There is no serious question that the "immoral" and "scandalous" standards are directed to "content." And the government did not dispute that the immoral/scandalous provision fails

to survive strict scrutiny, if applicable. Instead, it argued in part that the trademark program regulates commercial speech (such as Brunetti's) subject to a lesser degree of scrutiny under the commercial speech doctrine as analyzed by the Supreme Court in Central Hudson Gas & Electric Corp. v. Public Service Commission.[8]

The commercial speech argument implicates the issue of whether the restricted speech is "expressive" in nature, subjecting it to greater scrutiny. The Federal Circuit observed that, while trademarks used commercially convey a nonexpressive message, such as disseminating information as to "who is producing and selling what product, for what reason, and at what price"; they also often convey an expressive message (e.g., "F*ck Cancer"). While different provisions of the Lanham Act target a mark's source-identifying information — e.g., the bar on marks that are "merely descriptive" — the immoral/scandalous provision targets a mark's expressive message, well beyond mere source identification, the Federal Circuit reasoned.

Continuing a judicial pattern of limiting restrictions on commercial speech, the Federal Circuit found that, even under the intermediate Central Hudson standard, the immoral/scandalous provision does not survive scrutiny. It concluded that the government does not have a legitimate interest in barring registration (the desire to disassociate federal trademark registration from unsavory marks not meeting the legitimacy test) and has been inconsistently applied, as evidenced by the proliferation of registered marks having terms nearly identical to others as to which registration was denied as scandalous.

Brunetti has pointed to a surprisingly large number of instances of inconsistent grants and denials. Among those referenced by the Federal Circuit: "Fcuk" (registered) "Fuct" and "F**k Project" (rejected); "No BS! Brass" (registered), "No BS Zone" (rejected); and the fact that, of 40 marks containing the acronym "MILF," 20 received an office action refusing registration, while 20 did not.

Other Purported Government-Interest Theories

The government has argued variously that its interest in the federal trademark regimen should prevent invalidation of the immoral/scandalous provision. The Federal Circuit's Brunetti opinion rejects the arguments that trademark registration: (1) is a government subsidy program under the spending clause of the U.S. Constitution (noting that the applicant pays the USPTO, not the other way around, and the registration program is operationally funded by applicant fees); or (2) is a limited public forum (observing that trademark registration is not tethered to government property, and rejecting the argument that the Trademark Register is such a property). These issues have been briefed and argued to the Supreme Court, whose decision may provide an evolving view of those doctrines.

Taken collectively, the Supreme Court is presented with several options: (1) deem the immoral/scandalous language to intrude on the expression of viewpoint, triggering presumptive unconstitutionality which the government admits it cannot overcome; (2) in addition to or without taking on viewpoint, the court could take the expressive content route, as the Federal Circuit did, also triggering the strict scrutiny standard albeit one less strenuous than that of viewpoint; and/or (3) it could consider the applicability of the commercial speech doctrine, potentially reaching a result that further diminishes the government's ability to restrict such speech. Whichever path(s) it chooses to take, the implications for First Amendment jurisprudence are significant.

Interpreting "Immoral/Scandalous" to Preserve Constitutionality, or Not

There is yet another major decision facing the Supreme Court in the Brunetti case: Should it articulate a "reasonable definition" of the statutory terms "scandalous" and "immoral" that is sufficiently narrow to preserve their constitutionality — for example employing the hoary obscenity standard of Miller v. California,[9] which defined certain expression as not subject to First Amendment protection — or should it simply declare the provision unconstitutional, and leave it to Congress to supply a replacement, if it is able?

The Federal Circuit's majority opinion in Brunetti held that the provision cannot reasonably be narrowed to preserve constitutionality. Judge Timothy Dyk's concurrence argued that the Federal Circuit had a duty to construe the provision so as to ensure constitutionality, suggesting use of the Miller obscenity standard. The justices expressed interest in this issue during the recent oral arguments.

While it is entertaining to think of our elected representatives wrangling over how best to articulate a constitutionally valid standard for restricting naughty or derogatory terms, the Supreme Court's decision whether to narrow through interpretation or reject outright will have practical consequences. If the latter, will there be a rush to register naughty phrases or slurs pending passage of new statutory provisions?

In the end, the government's strongest point is: Where does it all stop? Federal trademark registration has always been a matter of content review and approval, as a condition to receiving federal rights. Can virtually any word or image, no matter how coarse or offensive, be vested with federal trademark rights without governmental restriction (except perhaps those deemed obscene under Miller v. California)? Or does the USPTO's willy-nilly granting of registrations for words and images similar to those it sometimes rejects lead inevitably to the conclusion that the immoral/scandalous restriction is unconstitutionally vague and has not been "carefully tailored" to further a legitimate governmental interest?

It is difficult not to conclude that the restriction of vulgar or slurring content will only decrease as the courts and, likely, the federal legislature, struggle with articulating restrictions that pass constitutional muster.

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[1] Iancu, et al. v. Brunetti, No. 18-302 (U.S.S.Ct.).

[2] In re Brunetti, 877 F.3d 1330 (Fed. Cir. 2017).

[3] 15 U.S.C. § 1052(a).

[4] Matal v. Tam, 137 S.Ct. 1744 (2017).

[5] In re Tam, 808 F.3d 1321 (Fed. Cir. 2015).

[6] In re Brunetti, supra, 877 F.3d at 1337.

[7] Id. at 1336 (citations omitted).

[8] Central Hudson Gas & Elec. Corp. v PSC, 447 U.S. 557 (1980).

[9] Miller v. California, 413 U.S. 15 (1973).