



July 3, 2019

Supreme Court Ruling Allows Registration of “Scandalous” or “Immoral” Trademarks

Last week, on June 24, 2019, the United States Supreme Court ruled that the Lanham Act’s “immoral or scandalous” bar to trademark registration constitutes viewpoint discrimination in violation of the First Amendment, and thus is unconstitutional. *Iancu v. Brunetti*, 588 U.S. ____, 2019 USPQ2d 232043 (2019). Previously, under Section 2(a) of the Lanham Act, 15 U.S.C. § 1052(a), the U.S. Patent and Trademark Office (PTO) could refuse to register a mark if it found that a “substantial composite of the general public” would find the mark “shocking to sense of truth, decency, or propriety.”

In *Brunetti*, Respondent Erik Brunetti attempted to register the mark “FUCT” for clothing. The PTO denied registration under Section 2(a) finding FUCT to be “scandalous” because it is essentially the phonetic equivalent of a known profane word in past participle form that would likely be considered vulgar and highly offensive to a substantial segment of the general public. Brunetti appealed to the U.S. Court of Appeals for the Federal Circuit, which found that prohibiting Brunetti from registering “FUCT” violated his First Amendment rights. The Supreme Court reviewed the case to decide whether Section 2(a) violated the Free Speech Clause of the First Amendment.

The court found that the PTO refused registration due to the perceived offensive idea conveyed by FUCT. The court held that Section 2(a)’s prohibition distinguished between ideas aligned with conventional moral values and those conflicting with such values, which is the crux of viewpoint-based discrimination. Because registration was refused based on the mark’s perceived vulgarity, this type of discrimination violated the First Amendment.

The court’s decision follows its prior decision two terms ago where the court struck down the Section 2(a) bar on “disparaging” marks in *Matal v. Tam*, 582 U.S. ____ (2017). Taken together, the court has eliminated the prohibition of “disparaging,” “scandalous,” or “immoral” marks under the Lanham Act.

Requirements for Federal Registration Remain Unchanged

The general requirements for registration have not changed with the court’s decision—an applied-for mark must identify the source of the goods or services, and the mark must be used in interstate commerce. This is important as a federal registration provides the trademark owner with valuable benefits, including prima facie evidence of the mark’s validity and constructive notice of the trademark owner’s claim of ownership, which forecloses some defenses in a trademark infringement action.

***Brunetti* Clears the Path for Registration of “Scandalous” or “Immoral” Marks**

So, what does this mean for trademark owners of “scandalous” or “immoral” marks? The court’s decision certainly broadens the type of marks that may be registered as the PTO can no longer refuse registration on the perceived offensiveness alone. However, it is important to remember that even “scandalous” or “immoral” marks must still function as a source-identifier in order to be capable of registration. If a mark is merely ornamental and provides no information as to source of the applicant’s goods or services, the PTO will refuse to register the mark.

Contact us to discover how *Brunetti* might affect you and your trademark registration strategy.

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*This document is intended to provide you with general information regarding how the United States Supreme Court’s ruling in *Iancu v. Brunetti* affects trademark registration. The contents of this document are not intended to provide specific legal advice. If you have any questions about the contents of this document or if you need legal advice as to an issue, please contact the attorneys listed or your regular Brownstein Hyatt Farber Schreck, LLP attorney. This communication may be considered advertising in some jurisdictions.*