

Free Speech Clause Overcomes Disparaging Marks; Some Scandalous Marks Now Also Likely Registrable

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In an 8-0 decision, the US Supreme Court held that the disparagement clause of the Trademark Act is unconstitutional because it violates the First Amendment's Free Speech Clause, thereby allowing the registration of the mark *The Slants* to go forward.

Section 2(a) of the Trademark Act provides in relevant part:

"No trademark ... shall be refused registration ... unless it ... comprises immoral, deceptive, or scandalous matter; or matter which may disparage ... persons ... or bring them into contempt, or disrepute".

The USPTO denied registration of *The Slants* for a punk band under the disparagement clause. The US Supreme Court held that the disparagement clause is unconstitutional. Specifically, the Court found "viewpoint discrimination" which violates the Free Speech Clause. The Court did not analyze the separate "scandalous matter" clause found in the same subsection of the Trademark Act, so this clause may still technically apply to offensive marks. However, the use of the scandalous matter clause to deny racially offensive marks would likely also be considered a form of viewpoint discrimination. Thus, the scandalous matter clause may also now be considered rendered effectively unconstitutional if used to deny registration of a racially disparaging mark.

The test for disparagement focuses on the effect on the allegedly disparaged group, and applies to marks that disparage members of a racial or ethnic group. Conversely, the test for a scandalous mark depends upon the meaning of the mark to the general public. According to federal courts, marks are scandalous if they are "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." In the past, the USPTO has rejected some racially offensive marks specifically as scandalous rather than disparaging, so it is technically possible that additional litigation on racially offensive marks could be brought based upon the scandalous matter provision. However, the viewpoint discrimination determination would likely apply to this provision as well.