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Supreme Court Holds That A Federal Ban on "Immoral or Scandalous" Trademarks Violates the First Amendment

***Iancu v. Brunetti*, No. 18-302**

Decided June 24, 2019

Today, the Supreme Court held 6-3 that the Lanham Act's prohibition on the registration of "Immoral or Scandalous" trademarks infringes the First Amendment.

Background:

Two terms ago, in *Matal v. Tam*, 582 U.S. __ (2017), the Supreme Court declared unconstitutional the Lanham Act's ban on registering trademarks that "disparage" any "person[], living or dead." 15 U.S.C. § 1052(a). The Court held that a viewpoint based ban on trademark registration is unconstitutional, and that the Lanham Act's disparagement bar was viewpoint based (permitting registration of marks when their messages celebrate persons, but not when their messages are alleged to disparage). Against that backdrop, Erik Brunetti, the owner of a streetwear brand whose name sounds like a form of the F-word, sought federal registration of the trademark FUCT. The U.S. Patent and Trademark Office denied Brunetti's application under a provision of the Lanham Act that prohibits registration of trademarks that "[c]onsist[] of or compromise[] immoral[] or scandalous matter." 15 U.S.C. § 1052(a). On Brunetti's First Amendment challenge, the Federal Circuit invalidated this "Immoral or Scandalous" provision of the Lanham Act, on the basis that it impermissibly discriminated on the basis of viewpoint.

Issue:

Does the Lanham Act's prohibition on the federal registration of "Immoral or Scandalous" trademarks infringe the First Amendment right to freedom of speech?

"If the 'immoral or scandalous' bar similarly discriminates on the basis of viewpoint, it must also collide with our First Amendment doctrine."

Justice Kagan,
writing for the majority

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Court's Holding:

Yes. In an opinion authored by Justice Kagan on June 24, 2019, the Supreme Court held that he Lanham Act, which bans registration of "immoral … or scandalous matter," violates the free speech rights guaranteed by the First Amendment because it discriminates on the basis of viewpoint.

What It Means:

- The argument that the government advanced in this case—that speech is not restricted when you can call your brand or product anything you want even if you cannot get the benefit of federal trademark protection—will not save statutory bans on trademark registration that are viewpoint based.
- The Court made clear that its decision was based on the broad reach of the Lanham Act's ban: "[T]he 'immoral or scandalous' bar is substantially overbroad. There are a great many immoral and scandalous ideas in the world (even more than there are swearwords), and the Lanham Act covers them all." In his concurring opinion, Justice Alito emphasized that the Court's decision "does not prevent Congress from adopting a more carefully focused statute that precludes the registration of marks containing vulgar terms that play no real part in the expression of ideas," thus leaving room for legislators to develop a more narrowly tailored alternative.
- Unless and until a new law is proposed and passed, however, the U.S. Patent and Trademark Office will have no statutory basis to refuse federal registration of potentially vulgar, profane, offensive, disreputable, or obscene words and images.

As always, Gibson Dunn's lawyers are available to assist in addressing any questions you may have regarding developments at the Supreme Court. Please feel free to contact the following practice leaders:

Appellate and Constitutional Law Practice

Allyson N. Ho
+1 214.698.3233
aho@gibsondunn.com

Mark A. Perry
+1 202.887.3667
mperry@gibsondunn.com

Related Practice: Intellectual Property

Wayne Barsky
+1 310.552.8500
wbarsky@gibsondunn.com

Josh Krevitt
+1 212.351.4000
jkrevitt@gibsondunn.com

Mark Reiter
+1 214.698.3100
mreiter@gibsondunn.com

Related Practice: Fashion, Retail and Consumer Products

Howard S. Hogan
+1 202.887.3640
hhogan@gibsondunn.com