JONES DAY

ALERT

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Supreme Court Holds Immoral and Scandalous Trademarks Are Registrable

Supreme Court rules that the Lanham Act's statutory bar against registering immoral or scandalous marks violates the First Amendment.

On June 24, 2019, in *Iancu v. Brunetti*, 588 U.S. __ (2019), the U.S. Supreme Court confirmed 6-3 that trademarks cannot be refused federal registration on the basis that they constitute immoral or scandalous matter. In an opinion delivered by Justice Kagan, the Court held that Section 2(a) of the Lanham Act, 15 U.S.C. § 1052(a), which prohibits the registration of a trademark that is "immoral" or "scandalous," violates the Free Speech Clause of the First Amendment. Slip op. at 1.

This case concerned a trademark application for the mark FUCT, covering clothing, which the U.S. Patent and Trademark Office ("PTO") refused to register based on Section 2(a). On appeal, the U.S. Court of Appeals for the Federal Circuit held that the bar against registration of "immoral or scandalous" marks was unconstitutional, citing the Supreme Court's reasoning in *Matal v. Tam*, 137 S. Ct. 1744 (2017), holding unconstitutional Section 2(a)'s bar on registering disparaging trademarks.

Affirming, the Supreme Court reiterated from *Tam* that "a law disfavoring 'ideas that offend' discriminates based on viewpoint, in violation of the First Amendment." Slip op. at 8. The Court rejected the government's suggestion to narrow the provision to "restrict the PTO to refusing marks that are 'vulgar'—meaning 'lewd,' 'sexually explicit or profane,'" and thus offensive because of their mode of expression regardless of the views expressed. *Id.* at 8-9. This would have required the Court "not to interpret the statute Congress enacted, but to fashion a new one." *Id.* at 9. However, Chief Justice Roberts and Justices Breyer and Sotomayor parted from the majority with respect to whether the "scandalous" portion of the provision could be narrowed.

The immediate effect of this decision is that the PTO will not have a statutory basis to refuse trademark applications for marks containing or comprising vulgar, profane, or obscene matter. However, as Justice Alito advised in his concurring opinion, this 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." Alito, J., concurring, at 1.


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