



THINK FORWARD

Federal Circuit Will Decide, En Banc, Constitutionality of Bar on Registering Disparaging Trademarks

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The Federal Circuit has decided, *sua sponte*, to rehear en banc a trademark case on the constitutionality of the Lanham Act's prohibition against disparaging trademarks. The case involves the rock band The Slants, which is comprised of Asian-American musicians. The band's founder, Simon Shiao Tam, applied to federally register the band's name. The Examining Attorney at the U.S. Patent & Trademark Office ("PTO") refused registration on the ground that the mark consists of matter "which may disparage or bring into contempt or disrepute persons, institutions, beliefs or national symbols pursuant to 15 U.S.C. §1052(a)." The Examining Attorney cited 162 examples of the term "slant" used in a derogatory way to refer to Asian people.

The Trademark Trial and Appeal Board ("TTAB") affirmed, and Mr. Tam then appealed to the Federal Circuit. The Federal Circuit affirmed the TTAB's decision and held that "The Slants" would be perceived as disparaging by a substantial segment of Asians.

The Court's decision to rehear the case provides an opportunity for the en banc Court to rule on the important question: Does the Lanham Act's prohibition against registering disparaging marks violate the First Amendment?

A holding that the bar on registration of disparaging marks violates the First Amendment would affect a wide range of marks that are currently not registerable. A notable example is the REDSKINS trademark for Washington D.C.'s professional football team. That mark was refused registration on grounds of disparagement. The team's appeal is currently pending in the District Court for the Eastern District of Virginia. Although district courts are not bound by Federal Circuit trademark precedent, a decision by that influential court declaring the prohibition against disparaging trademarks unconstitutional could make district and circuit courts more receptive to such an argument.

The Court's decision to rehear the case vindicates, at least temporarily, the lengthy dissenting opinion of Judge Kimberly Moore questioning the constitutionality of §1052(a). Judge Moore stated that THE SLANTS mark represents protectable commercial and non-commercial speech. She explained that it represents non-commercial speech because it conveys a message aside from being used "solely as a source identifier." Based on the band's website and previous statements, Judge Moore concluded that the band's use of the mark is an attempt to re-appropriate a traditionally derogatory word to empower Asians.

Judge Moore acknowledged that the band could continue using the mark THE SLANTS absent federal registration. She noted, however, that §1052(a) effectively bars the band from seeking relief in federal and state courts to enforce their trademark rights. According to Judge Moore, this is an inappropriate hindrance of the band's free speech rights. Judge Moore reasoned that the funding the PTO receives from the government is too attenuated to constitute the type of federal program under which the

government could restrain speech.

The case is *In re Simon Shiao Tam*, No. 2014-1203 (Fed. Cir. 2015), appeal from TTAB No. 85472044.

If you have any questions about the Court's decision or how it may impact your business, please contact one of our [Trademark Attorneys](#).