Keywords: trademark registration, 15 U.S.C. §1052(a)**,** Lanham Act, obscene speech, immoral speech

In re: Erik Brunetti
United States Court of Appeals for the Federal Circuit
No. 2015-1109
Decided December 15, 2017

I. Facts

Mr. Erik Brunetti has owned and operated the clothing brand, "FUCT," since 1990. In 2011, Mr. Brunetti filed an intent-to-use application with the United States Patent and Trademark Office ("USPTO") to trademark the mark FUCT for various items of apparel. The examining attorney at the USPTO refused to register the mark under 15 U.S.C. §1052(a) of the Lanham Act ("§ 2(a)") under the reasoning that the mark comprises immoral or scandalous matter. Since the examining attorney held the reasoning that the mark in question, FUCT, is equivalent the past tense of the verb "fuck," a word that is undoubtedly scandalous, the examining attorney rejected the mark, FUCT, for also being scandalous.

In response to the refusal, Mr. Brunetti requested reconsideration under an appeal to the Trademark Trial and Appeals Board ("Board"). The examining attorney rejected the request and the Board affirmed. The Board noted in their decision that dictionary definitions clearly characterizes the word "fuck" as offensive, profane, or vulgar. In light of additional evidence, including a google search providing example uses of the requested mark FUCT showing a clear explicit message, the Board concluded that the mark is vulgar and therefore registrable under § 2(a). Mr. Brunetti appealed the decision.

II. Issue

1) Did the Board err in its decision to refuse to register the mark FUCT under § 2(a) because it comprises immoral or scandalous matter?

2) Is § 2(a) an unconstitutional restriction of free speech?

III. Discussion

1) No - The mark FUCT *is* scandalous because FUCT sounds like "fucked".

The court did not agree with attempted arguments asserting that the vulgarity of "fuck" is irrelevant to the alleged vulgarity of the mark FUCT, and found substantial evidence supporting the Board's findings that mark FUCT is a phonetic twin of "fucked" (e.g., Mr. Brunetti uses the mark FUCT on products containing sexual imagery). The court concluded by finding no merit in Mr. Brunetti's arguments relating to the mark FUCT not being scandalous and therefore rules to prohibit registration under § 2(a).

2) Yes - § 2(a)'s bar on immoral or scandalous marks is an unconstitutional content-based restriction on speech under the First Amendment, based on precedential analysis established in *Matal v. Tam*[1].

In *Matal v. Tam*, the court established that trademark registration is not government speech nor a federal subsidy. The court additionally established that without evidence of substantial interest related to regulating speech via trademarks, the government cannot justify the regulation of speech via trademarks under the disparagement provision of § 2(a). In sum, trademarks are private speech, not government speech.

Based on *Matal v. Tam*, the court concluded that the immoral or scandalous provision of § 2(a) impermissibly discriminates based on content of the provision in violation of the Frist Amendment,

[1] *Metal v. Tam*, No. 2015-1293 (Fed. Cir. June 19, 2017).

independent of whether the immoral or scandalous provision of § 2(a) is viewpoint discriminatory. The court continued with an analysis paralleling that of the disparagement provision in *Matal v. Tam*.

a) Trademark registration is not a government subsidy program nor a limited public forum.

The court wrote that U.S. Constitution provides Congress the discretion to tax/spend for the general welfare and the discretion to conditionally allocate federal benefits– if the conditions do not infringe upon constitutionally protected freedoms (e.g., free speech). The court relied on Matal *v. Tam* to reiterate that the government subsidy framework does not apply to trademark registration – in particular, because trademark registration does not grant an applicant federal funds upon consideration/grant of the mark. Further, the court found that the trademark registration bears no resemblance to limited public forms defined by case law (e.g., public schools, federal workplace, government property, army base, etc.). Thus, because trademark registration is not a government subsidy program nor part of a limited public forum, the court found that government registration of trademarks does not give the government the right to freely restrict speech via the trademarks.

b) The prohibition on the registration of immoral or scandalous trademarks targets the expressive content of speech, and therefore strict scrutiny should be applied.

Similar to *Matal v. Tam*, the court noted that USPTO's rejections under § 2(a)'s bar on immoral or scandalous marks are based in the government's belief that the rejected mark conveys an expressive message – in particular, a message that is scandalous or offensive to a substantial portion of the general population. Thus, the court reasoned that § 2(a) regulates the expressive components of speech, not the commercial components of speech, and as such it should be subject to strict intermediate scrutiny to determine the constitutionality of the immoral and scandalous provision.

c) § 2(a)'s bar on immoral or scandalous marks does not survive intermediate scrutiny.

Intermediate scrutiny requires that the government show that the statute in question directly advances a substantial governmental interest via four-part test. (1) The court determined that immoral or scandalous provision clearly meets the first prong requiring that the provision concern lawful activity and not be misleading. (2) The court determined that the immoral or scandalous provision does not meet the second prong requiring that the provision is used to support substantial government interest because protecting public order/morality is not considered substantial government interest. Elaborating on the second prong, the court continued that protecting the public from profane marks is not akin to precedential government interest in unsuspecting listeners to profanity on the radio, as previously supported by case law. Moreover, adults have a First Amendment right to view and hear speech that is profane and scandalous. (3) *Arguendo*, the court continued the analysis pretending that the government has a substantial interest in protecting the public from immoral or scandalous marks. The court found that the immoral or scandalous provision does not meet the third prong requiring that the provision directly advance the government's asserted interest of the second prong. The court asserted that the government failed with meeting the third prong because regardless of whether a trademark is federally registered, an applicant can still brand with the mark of the application and bypass the bar on immoral or scandalous matter. (4) Regardless of the specific type of government interest, the court reasoned, the immoral or scandalous provision does not meet the fourth prong requiring the provision to *not* be more extensive than necessary to serve government interest. The court cited that inconsistent application of the provision by the government creates doubt that the provision was carefully tailored for the government interest. Several examples were submitted where nearly identical marks were rejected by one examiner and approved by another (e.g., USPTO allowing "FUGLY" for use on clothing but not for use on alcoholic beverage, *See* Opinion, page 35).

Considering the four prongs of the test, the immoral or scandalous provision of § 2(a) does not survive intermediate scrutiny.

d) There is no reasonable definition of the statutory terms "scandalous" and "immoral" which would preserve their constitutionality.

The court wrote that their goal is to interpret statutes narrowly to preserve their constitutionality, when possible and where construction of the statute is reasonable. In sum, the court wrote, while the legislature could rewrite the immoral or scandalous provision, the court cannot. The concurrence proposed using "obscene" as a replacement for "immoral" and "scandalous," however the majority did not see how the words "immoral" and "scandalous" could reasonably be read to be limited to "obscene" (e.g., material of or relating to sexual natures).

IV. Conclusion

The court ruled that the Board did not err in refusing to register the mark FUCT because the mark does comprise immoral or scandalous matter. The court additional ruled that § 2(a)'s bar on registering immoral or scandalous matter is an unconstitutional restriction of free speech. The court reversed the Board's holding and determined that Mr. Brunetti's mark is registerable.

V. Concurring Opinion

Circuit Judge Dyk disagreed in his concurring opinion and believes that a saving construction is possible and that the Courts are obligated to adopt it. Circuit Judge Dyk proposed to limit the clause's reach to obscene marks, rather than declaring the entirety of § 2(a) as unconstitutional. Circuit Judge Dyk explained in his concurring opinion that there is a long history of the Supreme Court narrowing the scope of similarly worded statutes to cover only obscene speech and continued to explain that he concurs on the grounds that there is no substantial evidence that the mark FUCT is obscene.

VI. Appendix

Excerpt from the Lanham Act:

> §1052 TRADEMARKS REGISTRABLE ON PRINCIPAL REGISTER; CONCURRENT REGISTRATION
>
> No trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it—
>
> (a) *Consists of or comprises immoral, deceptive, or scandalous matter*; or matter which may disparage or falsely suggest a connection with persons, living or dead, institutions, beliefs, or national symbols, or bring them into contempt, or disrepute; or a geographical indication which, when used on or in connection with wines or spirits, identifies a place other than the origin of the goods and is first used on or in connection with wines or spirits by the applicant on or after one year after the date on which the WTO Agreement (as defined in section 3501(9) of title 19) enters into force with respect to the United States.
>
> **Lanham Act of 1946, 15 U.S.C. §1052(a)**

Example uses of mark FUCT by Mr. Brunetti:

[2]

[2] *Lay-z-Boy Webstore*, webstore.lay-z-boy.jp/eshopdo/refer/vidf01400.html.