Disparaging, Immoral, and Scandalous Trademarks

Just Because You Can, Doesn't Mean You Should

A discussion on disparaging, immoral, and scandalous trademarks after the *Slants* case in the context of the present social climate

By Jennifer M. Hetu and Julie E. Reitz



At a Glance

Even though the Supreme Court has paved the way for brands to register trademarks that may be considered disparaging, immoral, or scandalous, brand owners are reversing themselves and voluntarily changing. The public is forcing companies to realize — just because they can, doesn't mean they should.

ection 2(a) of the Lanham Act (also known as the Trademark Act of 1946), codified at 15 USC 1052(a), provides an absolute bar to federal registration of a trademark that "[c]onsists of or comprises immoral, deceptive, or scandalous matter; or matter which may disparage... persons, living or dead, institutions, beliefs, or national symbols...." In recent years, however, the U.S. Supreme Court has ruled that the statutory bar against registration of such marks in Section 2(a) of the Trademark Act violates the First Amendment. Therefore, the provision under Section 2(a) prohibiting disparaging, scandalous, or immoral trademarks is no longer a valid ground to refuse registration. A term deemed to be disparaging, scandalous, or immoral may now be afforded federal trademark registration but, as the saying goes: Just because you can, doesn't mean you should.

In *Matal v. Tam*, the Supreme Court affirmed the Court of Appeals for the Federal Circuit decision that struck down the restriction on registration of marks that are considered disparaging under Section 2(a).¹ The case involved a trademark application for the mark "The Slants" for entertainment services, which the U.S. Patent and Trademark Office (USPTO) refused under Section 2(a), finding the mark to be disparaging to those of Asian descent. The owner of the mark, Simon Shiao Tam, defended its use, indicating that his intention was not to disparage individuals of Asian descent, but to reclaim and take ownership of the term.² The Supreme Court found that denying Tam the right to register "The Slants" violated the free speech clause of the First Amendment.³

In *Iancu v. Brunetti*, the Supreme Court reached a similar decision when it struck down the immoral/scandalous provision of Section 2(a).⁴ In *Iancu*, Erik Brunetti sought to register the mark "FUCT" for clothing. The USPTO refused registration of the mark, claiming it was phonetically like a four-letter expletive established as scandalous under Section 2(a).⁵ However, like the finding in *Matal*, the Supreme Court found such prohibition violated the First Amendment because the USPTO's

determination of whether a mark is immoral or scandalous was not viewpoint-neutral and, therefore, the government was regulating speech.⁶

In both the *Matal* and *Iancu* cases, the Supreme Court issued decisions that allowed registration of marks consisting of terms that many consider to be disparaging, immoral, or scandalous. However, the trend has been to *not* protect such marks. Instead, throughout 2020 and 2021, many companies have sought to distance themselves from disparaging marks seen to be racially or ethnically offensive or insensitive.⁷

Perhaps the most notable organization to benefit from the Supreme Court decisions was Pro-Football, Inc., which owns registrations for the "Redskins" trademark for football-related entertainment services.⁸ In 2014, the USPTO cancelled the trademark, finding it in violation of the disparagement clause of Section 2(a).⁹ Despite the cancellation of its trademark registrations, Pro-Football continued to use Redskins as the name for its Washington, D.C., football team; owner Daniel Snyder claimed he would never change the name.¹⁰ The *Matal* case effectively ended the litigation surrounding the mark and reinstated the trademark registration. Nonetheless, in 2020, Pro-Football stopped using Redskins amidst growing pressure from investors.¹¹

Even though the Supreme Court has paved the way for brands to register trademarks that may be considered disparaging, immoral, or scandalous, brand owners may shy away from taking advantage of such precedent. Put another way: Just because companies can register such marks, should they?

Ultimately, the USPTO and the Supreme Court have not emerged as the ultimate authority of trademarks that *should* be used and registered. Instead, the public — in the form of individual consumers, investors, sponsors, etc. — has increasingly shaped some companies' branding decisions via social media, as well as with investment choices and purchase decisions. While the USPTO no longer prohibits registration of disparaging trademarks, members of the public, as seen in the case of the Washington Redskins, have successfully lobbied against brands perceived to have racially offensive or insensitive trademarks. So, while the Supreme Court has stated that the government cannot regulate speech in the form of trademarks, the public still can.

In 2020, in the wake of national racial equity protests, some companies and artists reevaluated their trademarks and have moved — or are in the process of moving — away from marks associated with disparaging themes. In addition to Pro-Football's decision to stop using Redskins:

- The band Lady Antebellum changed its name and mark to Lady A because "antebellum" refers to the pre-Civil War South when slavery was legal.¹²
- The band Dixie Chicks and Dixie Beer both dropped "Dixie" from their names and marks to distance the brands from the Confederate-era South.¹³
- Eskimo Pie ice cream bars have been rebranded as Edy's Pie after acknowledging that the original name was offensive to native Arctic groups.¹⁴
- Geechie Boy Mill food products have been rebranded as Marsh Hen Mill after being accused of appropriating Black culture.¹⁵

- Proctor and Gamble, the parent company of Spic and Span, is changing that product name and visual brand identity after acknowledging the brand's "origins are based on a hurtful racial slur."¹⁶
- Uncle Ben's rice is now Ben's Original rice, and the image of the elderly Black man in a bow tie has been removed from its packaging after the image and name were criticized for perpetuating racial stereotypes.¹⁷
- Acknowledging the brand's origins were based on a racial stereotype, Quaker Oats ceased use of its Aunt Jemima mark and associated image and adopted the mark Pearl Milling Company.¹⁸
- Citing a need to "answer the call for racial equity and inclusion," insurance company Mutual of Omaha stopped using Native American imagery in its corporate logo.¹⁹
- The image of a Native American woman was removed from Land O'Lakes butter packaging in 2020. The company didn't publicly address its reason for doing so.²⁰

It is important to note that the USPTO allowed marks like "Lady Antebellum," "Geechie Boy Mill," "Eskimo Pie," and "Aunt Jemima" to register even with the Section 2(a) disparagement clause in place. So, it follows that the government is not the ultimate best regulator of disparaging trademarks,

> especially as society's tolerance for such terms in connection with consumer products and services diminishes. Instead of refusing registration of a disparaging mark (or immoral or scandalous for that matter), the Supreme Court has signaled that the USPTO should focus on a contentneutral examination of trademarks - for example, examination focusing on a term's ability to denote the source of goods or services or if it is confusingly similar to a previously registered mark.²¹ This puts the determination of whether a mark is disparaging, immoral, or scandalous into the hands of the public. The public has some power to shape a company's branding by deciding if it wants to buy the associated good or service or invest in or sponsor the company. If a company determines that it is losing revenue, investments, and sponsorship dollars because its mark is disparaging or in poor taste, recent events show a rebrand is possible.

> Allowing the public to determine which marks are disparaging, scandalous, or immoral (and if they should survive) is an



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alternative option to the government regulating speech in the form of trademarks. While the Supreme Court has struck down the statutory bar against registration of disparaging, immoral, and scandalous marks under Section 2(a), many companies are now proceeding with caution and voluntarily reviewing their use and registration of marks. Through the will of the people, companies are voluntarily asking: We can, but should we?



Jennifer Hetu is a member at Bodman, where her practice focuses on trademark law and brand protection. She advises clients ranging from small businesses to Fortune 500 companies on trademark matters in the United States and internationally, including searching and clearance, use and registration strategies, prosecution, enforcement, and corporate transactions.



Julie Reitz is a partner at Honigman and leader of the trademark and copyright practice group. A salient feature of her practice is counseling brand owners in the worldwide selection and protection of their marks. Her years of experience in the field, along with strong client relationships, allow her to provide practical wisdom and common-sense business

advice to trademark owners.

ENDNOTES

- 1. Matal v Tam, 137 S Ct 1744, 1765; 198 L Ed 2d 366 (2017).
- 2. Id. at 1754.
- 3. Id. at 1761, 1765.
- 4. lancu v Brunetti, 139 S Ct 2294, 2302; 204 L Ed 2d 714 (2019).
- 5. Id. at 2298.
- 6. Id. at 2299.
- 7. Aunt Jemima Brand To Remove Image From Packaging And Change Brand Name, The Quaker Oats Company (June 17, 2020), available at https://www.prnewswire.com/news-releases/aunt-jemima-brand-to-remove-image-from-packaging-and-change-brand-name-301078593.html [https://perma. cc/DP3U-32JL]; Toh, Australian company renames racially offensive cheese brand, CNN (January 13, 2021) https://www.cnn.com/2021/01/13/business/cheer-cheese-australia-rebrand-intl-hnk/index.html [https://perma. cc/WG6Y-JHK8]; and Oliveira, Dixie Beer to change name amid protests

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