In the world of trademarks, only the strong survive. In the ordinary sense, it rarely matters what a brand is or what message it may be trying to communicate to the consuming public, as long as the trademark or service mark is sufficiently powerful, i.e., distinctive, to be afforded protection and registration with the United States Patent and Trademark Office under the Lanham Act, 15 U.S.C. § 1051 et seq., the federal statute governing trademarks in the United States. As such, the provision of the Lanham Act that has barred registration of disparaging, immoral and scandalous marks since 1947 has not been a large part of the trademark conversation.1

In 2017 and 2019, however, two landmark decisions by the U.S. Supreme Court found, almost surprisingly, that the Lanham Act’s prohibition on the federal registration of disparaging, immoral and scandalous marks is a violation of the First Amendment as an unconstitutional abridgement of free speech.2 In 2017, a musician named Simon Tam took his challenge against the prohibition of disparaging trademarks to the Supreme Court, which struck it down as unconstitutional in violation of the First Amendment. In 2019, a 6-3 panel of the Supreme Court also ruled to strike down the bar on immoral or scandalous marks in Iancu v. Brunetti. Some justices expressed anxiety over a cavalcade of obscene brands entering the marketplace, while others took an opportunity to encourage reexamination of categorical approaches to reviewing content-based regulations. In any case, it appears that the U.S. Patent and Trademark’s rule as the government’s moral police of the commercial marketplace, such as it was, is over.

I. Brunetti’s Road to the Supreme Court

Erik Brunetti filed an application to register the mark FUCT in connection with athletic apparel with the U.S. Patent and Trademark Office (USPTO). The USPTO refused registration of Brunetti’s mark for comprising “immoral or scandalous matter” pursuant to Section 2(a) of the Lanham Act.3 The examining attorney reviewing Brunetti’s application found his mark FUCT to be phonetically equivalent to a swear word, which was considered vulgar, profane and scandalous slang ineligible for registration under Section 3 Lanham Act, Section 2(a).

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2(a). Brunetti’s arguments that “vulgar” was not equivalent to “immoral or scandalous,” that there was insufficient evidence to prove FUCT was scandalous, that the mark was a coined term with no ordinary meaning, and even that Section 2(a) of the Lanham Act was unconstitutional all fell on deaf ears.

The USPTO’s Trademark Trial and Appeal Board (TTAB) heard Brunetti’s appeal of the decision by the trademark examining attorney but came to the same conclusion. The TTAB affirmed the refusal to register based on FUCT being a vulgar term, and therefore, immoral and/or scandalous based on its prior jurisprudence. The TTAB supported its conclusion with a review of Brunetti’s use of the mark, which the board found intended to convey the vulgar meaning of the word by referencing the swear word. The TTAB did not decide Brunetti’s constitutional challenge to Section 2(a), which Brunetti brought on appeal to the Court of Appeals for the Federal Circuit (CAFC).

The CAFC found the prohibition against immoral or scandalous trademarks to violate the First Amendment. The CAFC affirmed the TTAB’s deliberations on FUCT being vulgar and therefore immoral or scandalous, the circuit court decided that the bar against registration of immoral or scandalous marks was a content-based regulation that infringed the freedom of speech. The USPTO argued that the immoral/scandalous provision survived judicial scrutiny because it was substantially related to the government’s important government interest, which the CAFC rejected, finding all of the government’s arguments and exceptions to free speech insubstantial. The USPTO’s main argument encouraged a narrower reading of the statute. In trying to save the statute, the government argued for a limiting construction to narrow the statutory bar to marks that are offensive or shocking because of their mode of expression, independent of any views they may express. In its vision of statutory interpretation, the USPTO would only reject marks that are lewd, sexually explicit or profane, but the court refused to engage in contrived interpretation of what it saw as unambiguous and all-encompassing statutory language prohibiting any deemed the prohibition against immoral/scandalous marks unconstitutional under the First Amendment.

II. The Supreme Court’s Holding

Justice Kagan delivered the opinion of the court. The majority found Section 2(a) to have an inherent viewpoint bias on its face by allowing registration of marks only when their messages align with society’s sense of decency or propriety, distinguishing between viewpoints coinciding with moral standards and viewpoints that are in contrast to them. Accordingly, the court found that because the statute was facially biased, it has been applied in a viewpoint-discriminatory way. The USPTO argued that the immoral/scandalous provision survived judicial scrutiny because it was substantially related to furthering an important government interest, which the CAFC rejected, finding all of the government’s arguments and exceptions to free speech insubstantial. The CAFC decided that the immoral/scandalous bar discriminated on the basis of viewpoint whereby marks that expressed a positive viewpoint were permitted and those expressing a negative one outlawed. Just like the disparagement bar before it, the CAFC deemed the prohibition against immoral/scandalous marks unconstitutional under the First Amendment.

4 See Brunetti, 588 U.S. ___, at *3.
5 See In re Brunetti, Serial No. 85310960 (TTAB 2014) (nonprecedential).
6 Id.
8 Id. at 1339-40, 1357.
9 Id. at 1342-55 (deciding that trademark registration is not governmental speech, a limited public forum, or purely commercial speech, and that no important government interest existed for prohibiting registration of immoral/scandalous marks). The court also found that Section 2(a) is not substantially related or narrowly tailored to compelling an important or compelling government interest, if that existed, because it does not prohibit use of a vulgar mark, just its registration. This is a common refrain in the procedural history of the Section 2(a) cases.
10 The CAFC previously decided that the Lanham Act, Section 2(a)’s similar prohibition against disparaging marks was also unconstitutional in In re Tam, 808 F.3d 1321 (Fed. Cir. 2015).
11 See Brunetti, 588 U.S. ___, at *5.
12 Id. at *6.
13 Marks such as D.A.R.E., PRAISE THE LORD, and WAR ON TERROR MEMORIAL have been permitted registration. On the other hand, KO KANE, BONG HITS 4 JESUS, and AL-QAEDA have been denied registration.
14 See Brunetti, 588 U.S. ___, at *8.
immoral or scandalous mark. As such, the court found Section 2(a) impermissibly overbroad, thereby violating the First Amendment.

III. Concurring and Dissenting Opinions from the Bench

Some interesting insights may be gleaned from the opinions of the other justices who weighed in on the decision. Justice Alito, concurring with the majority, viewed the ruling as a win for social justice because of the susceptibility of the statute for abuse by the government. He also off-handedly encouraged Congress to develop a more narrowly tailored statute to prohibit the registration of vulgar marks, such as the very one in question in Brunetti.

Justice Roberts sought for a divided reading of the statute in his concurring-in-part, dissenting-in-part opinion. He found the specific bar on scandalous marks to be susceptible to a narrow reading to preserve its constitutionality, just like the government requested. While “immoral” was impermissibly overbroad and incapable of being interpreted narrowly, “scandalous” could be read to bar marks solely on their mode of expression, i.e., those that are obscene, vulgar, or profane. Such a prohibition, according to Justice Roberts, would not offend the First Amendment because the marks can still be used in commerce, even without the ability to have them registered with the government.

Justice Breyer, in a most dramatic turn, argued for a different metric by which to judge content-based regulations, expressing disappointment with the categorical approach taken thus far. Observing that trademarks are not purely any category of speech (commercial, government, public, private), adherence to categories of regulations and which judicial scrutiny rubric to use may not make sense, according to Justice Breyer. Instead, courts should analyze whether the First Amendment interests for any particular regulation are disproportionate to the government interests.

Lastly, Justice Sotomayor expressed the ever-present fear of the Supreme Court in issuing any decision: the slippery slope. In her eyes, we may be facing an onslaught of registrations for vulgar, profane and obscene words and images, having taken away the USPTO’s power to prohibit the registrations of such marks. Along with Justice Breyer, Justice Sotomayor argues for the narrowing construction of scandalous marks to bar obscenity, vulgarity and profanity from being part of the federal trademark registration system.

IV. The USPTO’s Examination Guide 2-19

Prior to the Brunetti decision, the USPTO was suspending action on pending trademark registration applications before it that fell under the purview of Section 2(a). The new examination guide entitled Examination Guidance for Section 2(a)’s Scandalous Marks Provision after Iancu v. Brunetti now states that marks may consist of or comprise immoral or scandalous matter and that such is no longer a valid ground on which to refuse registration or cancel a registration. All suspended applications will now be examined by the USPTO for other requirements on the way to registration.

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15 Id. at *9 (“The statute as written does not draw the line at lewd, sexually explicit, or profane marks. Nor does it refer only to marks whose ‘modes of expression,’ independent of viewpoint, is particularly offensive ... It covers the universe of immoral or scandalous – or (to use some PTO synonyms) offensive or disreputable – material ... To the cut the statute off where the Government urges is not to interpret the statute Congress enacted, but to fashion a new one.”).
16 Id. at *11.
17 Id. at *1 (Alito, J., concurring).
18 Id. at *1 (Roberts, J., concurring in part, dissenting in part).
19 Id. at *1 (Breyer, J., concurring in part, dissenting in part).
20 Id. at *1 (Sotomayor, J., concurring in part, dissenting in part).
The ITC Trial Lawyers Association (ITCTLA), the Philadelphia Intellectual Property Law Association (PIPLA) and New Jersey Intellectual Property Law Association (NJIPLA) co-sponsored a Philadelphia outreach conference on International Trade Commission (ITC) Section 337 practice and procedure at the Kline Institute of Trial Advocacy, Drexel University Thomas R. Kline School of Law. The conference on Sept. 17 featured issues in Section 337 investigations involving biopharma and high-tech products and included the following four panels:

• **Panel 1: “The ITC Can Provide a Viable Alternative or Supplement to the ‘Patent Dance’ of the Biologics Price Competition and Innovation Act (BPCIA)”** addressed a number of reasons why Section 337 investigations can provide a viable alternative or supplement to the patent dance. The panel also addressed that while imported licensed biologics and biosimilars are viable candidates for Section 337 jurisdiction, further restrictions under which ITC jurisdiction can be obtained with respect to an unapproved biosimilar that is the subject of an Abbreviated New Biologics Application (ABLA).

• **Panel 2: “Remedy Issues in the High Tech and Bio-Pharma Spaces”** addressed available remedies in Section 337 investigations and whether remedies apply to electronic transmissions and components used in electronic transmissions. While the commission has not yet decided whether exclusion of a biologic or biosimilar product would be against the public interest, the panel addressed a number of public interest issues that were outlined by the Commission in Recombinant Factor VIII Products (Inv. No. 337-TA-956) before this investigation settled.

• **Panel 3: “Leveraging High Tech R&D to Establish a Domestic Industry”** addressed such issues as how to establish a domestic industry based on research and development and when all your manufacturing occurs abroad, and whether it is necessary to demonstrate an injury to our domestic industry.

• **Panel 4: “Enforcement Issues in the High Tech and Bio-Pharma Spaces”** addressed strategies for assisting U.S. Customs and Border Protection with its enforcement of Section 337 exclusion orders. The panel also addressed such issues as post-exclusion order strategies/procedures to avoid seizure/obtain release, ITC enforcement, modification and advisory proceedings, including effective use of cease-and-desist orders and design-arounds, and challenges in monitoring shipments in high-tech and biopharma, including use of data services and updates on tracking and manifest data.

The ITCTLA, PIPLA and NJIPLA wish to thank ITC Chief Administrative Law Judge Charles E. Bullock, who participated in Panel 3; Christopher Bullard, attorney-advisor, Intellectual Property Rights Branch, U.S. Customs and Border Protection, who participated in Panel 4; and Jeffrey Hsu, ITC supervisory attorney, who participated in Panel 2.

Following closing remarks, a networking reception was held within the beautiful confines of the Kline Institute of Trial Advocacy. CLE credit for Pennsylvania, New Jersey, and New York practitioners was available to those attending the conference.

Tony Pezzano is a partner in the New York offices of DLA Piper LLP (US). Tony has successfully tried numerous cases in federal district courts and the ITC involving technology innovation across a diverse range of industries, including in ITC Section 337 investigations involving biologics, SeaDoo/Waverunners, wireless communication devices, including mobile phones and tablets, computer routers and Segways/hoverboards.

The takeaway here is more academic than substantive, but the Federal Circuit recently found that the PTAB judge (APJ) appointments process “violates the Appointments Clause, U.S. Const., art. II, § 2, cl. 2.” The court held that APJs are “principal officers” and thus require appointment by the President rather than merely the Secretary of Commerce. The court also provided a remedy to the quandary of potentially having no valid APJs by invalidating a portion of the statute that limited the PTO’s ability to remove APJs from the board — thus making judges fireable. By making removal easier, the PTAB judges are now properly-appointed “inferior officers.”

(2) The USPTO has a list of subject matter eligibility cases, organized by several categories in an Excel spreadsheet. This may be helpful to prosecutors and litigators. Here is the link.

(3) The USPTO also recently put out more *subject matter eligibility guidance*. The guidance limits “abstract ideas” to three groupings: Mathematical Concepts; Methods of Organizing Human Activity; and Mental Processes. The thing to note for prosecution is that, under the guidance, claims that do not recite matter within one of these three groups “should not [ordinarily] be treated as reciting abstract ideas” except in “rare circumstances.”

The guidance (over 22 pages) also tackles the following:
- What does it mean to “recite a judicial exception?”
- Can you further define the abstract idea “groupings?”
- What if an examiner thinks that a claim recites an abstract idea that doesn’t fit in the grouping?
- How to know if the recited judicial exception is integrated into a practical application?
- How does an examiner establish a prima facie case of ineligibility?

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**Officers’ Favorite Thanksgiving Dishes**
- Nicole O’Hara, chair: brussel sprouts
- Glenn Massina, immediate past chair: candied yams
- Frank Mazzeo, past chair: stuffing
- Peter Krzyzbyl, vice chair: mashed potatoes
- Alexxys Ehresman, secretary: mashed potatoes
- Denis Yanishevskiy, treasurer: mashed potatoes
- Kelly Williams, Trademark Committee chair: dressing
- Monica Ugliuzza, PBA youth liaison: bourbon pecan pie

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**How to Contribute to the PBA Intellectual Property Law Section Newsletter**

All Intellectual Property Law Section members are invited to contribute to the section newsletter. Articles must be related to intellectual property and preferably between 500 and 1,500 words long.

To submit an article or for inquiries, please contact Denis Yanishevskiy. To avoid duplication of topics, it is suggested that you submit your topic to the editor before writing your article.

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