

Casebook Update: On December 22, 2015 the Federal Circuit held that section 2(a) of the Lanham Act violates the First Amendment – their decision is excerpted below. This handout replaces pages 163-166 of the casebook (through the end of Problem 6-1).

In re Tam, 808 F.3d 1321 (Fed. Cir. 2015)

MOORE, Circuit Judge.

Section 2(a) of the Lanham Act bars the Patent and Trademark Office (“PTO”) from registering scandalous, immoral, or disparaging marks. The government enacted this law—and defends it today—because it disapproves of the messages conveyed by disparaging marks. It is a bedrock principle underlying the First Amendment that the government may not penalize private speech merely because it disapproves of the message it conveys. That principle governs even when the government’s message-discriminatory penalty is less than a prohibition.

Courts have been slow to appreciate the expressive power of trademarks. Words—even a single word—can be powerful. Mr. Simon Shiao Tam named his band THE SLANTS to make a statement about racial and cultural issues in this country. With his band name, Mr. Tam conveys more about our society than many volumes of undisputedly protected speech. Another rejected mark, STOP THE ISLAMISATION OF AMERICA, proclaims that Islamisation is undesirable and should be stopped. Many of the marks rejected as disparaging convey hurtful speech that harms members of oft-stigmatized communities. But the First Amendment protects even hurtful speech.

The government cannot refuse to register disparaging marks because it disapproves of the expressive messages conveyed by the marks. It cannot refuse to register marks because it concludes that such marks will be disparaging to others. The government regulation at issue amounts to viewpoint discrimination, and under the strict scrutiny review appropriate for government regulation of message or viewpoint, we conclude that the disparagement proscription of § 2(a) is unconstitutional. Because the government has offered no legitimate interests justifying § 2(a), we conclude that it would also be unconstitutional under the intermediate scrutiny traditionally applied to regulation of the commercial aspects of speech. We therefore vacate the Trademark Trial and Appeal Board’s (“Board”) holding that Mr. Tam’s mark is unregistrable, and remand this case to the Board for further proceedings.

BACKGROUND

“Registration is significant. The Lanham Act confers important legal rights and benefits on trademark owners who register their marks.” These benefits—unavailable in the absence of federal registration—are numerous, and include both substantive and procedural rights....

Under the Lanham Act, the PTO must register source-identifying trademarks unless the mark falls into one of several categories of marks precluded from registration. § 1052 (“*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....*” (emphasis added)). Many of these categories bar the registration of deceptive or misleading speech, because such speech actually undermines the interests served by trademark protection and, thus, the Lanham Act’s purposes in providing for registration. Section 2(a), however, is a hodgepodge of restrictions. Among them is the bar on registration of a mark that “[c]onsists 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.” Section 2(a) contains proscriptions against deceptive speech... but other restrictions in § 2(a) differ in that they are based on the expressive nature of the content, such as the ban on marks that may disparage persons or are scandalous or immoral. These latter restrictions cannot be justified on the basis that they further the Lanham Act’s purpose in preventing consumers from being deceived. These exclusions from registration do not rest on any judgment that the mark is deceptive or likely to cause consumer confusion, nor do they protect the markholder’s investment in his mark. They deny the protections of registration for reasons quite separate from any ability of the mark to serve the consumer and investment interests underlying trademark protection. In fact, § 2(a)’s exclusions can undermine those interests because they can even be employed in cancellation proceedings challenging a mark many years after its issuance and after the markholder has invested millions of dollars protecting its brand identity and consumers have come to rely on the mark as a brand identifier.

This case involves the disparagement provision of § 2(a).[FN1] Section 2(a)’s ban on the federal registration of “immoral” or “scandalous” marks originated in the trademark legislation of 1905. The provision barring registration based on disparagement first appeared in the Lanham Act in 1946. It had no roots in the earlier trademark statute or the common law. There were few marks rejected under the disparagement provision following enactment of the Lanham Act. Only in the last several decades has the disparagement provision become a more frequent ground of rejection or cancellation of trademarks.

Marks that the PTO has found to be disparaging include: REDSKINS, STOP THE ISLAMISATION OF AMERICA, THE CHRISTIAN PROSTITUTE, AMISHHOMO, MORMON WHISKEY, KHORAN for wine, HAVE YOU HEARD THAT SATAN IS A REPUBLICAN?, RIDE HARD RETARD, ABORT THE REPUBLICANS, HEEB, SEX ROD, MARRIAGE IS FOR FAGS, DEMOCRATS SHOULDN'T BREED, REPUBLICANS SHOULDN'T BREED, 2 DYKE MINIMUM, WET BAC/WET B.A.C., URBAN INJUN, SQUAW VALLEY, DON'T BE A WET BACK, FAGDOG, N.I.G.G.A. NATURALLY INTELLIGENT GOD GIFTED AFRICANS, a mark depicting a defecating dog, an image consisting of the national symbol of the Soviet Union with an "X" over it, and DOUGH-BOY [for condoms].

A disparaging mark is a mark which "dishonors by comparison with what is inferior, slights, deprecates, degrades, or affects or injures by unjust comparison." To determine if a mark is disparaging under § 2(a), a trademark examiner of the PTO considers:

- (1) What is the likely meaning of the matter in question, taking into account not only dictionary definitions, but also the relationship of the matter to the other elements in the mark, the nature of the goods or services, and the manner in which the mark is used in the marketplace in connection with the goods or services; and
- (2) If that meaning is found to refer to identifiable persons, institutions, beliefs or national symbols, whether that meaning may be disparaging to a substantial composite of the referenced group.

If the examiner "make[s] a prima facie showing that a substantial composite, although not necessarily a majority, of the referenced group would find the proposed mark, as used on or in connection with the relevant goods or services, to be disparaging in the context of contemporary attitudes," the burden shifts to the applicant for rebuttal....

II. Facts of This Case

Mr. Tam is the "front man" for the Asian-American dance-rock band The Slants. Mr. Tam named his band The Slants to "reclaim" and "take ownership" of Asian stereotypes. The band draws inspiration for its lyrics from childhood slurs and mocking nursery rhymes, and its albums include "The Yellow Album" and "Slanted Eyes, Slanted Hearts." The band "feel[s] strongly that Asians should be proud of their cultural heri[ta]ge, and not be offended by stereotypical descriptions." With their lyrics, performances, and band name, Mr. Tam and his band weigh in on cultural and political discussions about race and society that are within the heartland of speech protected by the First Amendment.

On November 14, 2011, Mr. Tam filed the instant application seeking to register the mark THE SLANTS for "Entertainment in the nature of live performances by a musical band," based on his use of the mark since 2006. The examiner refused to register Mr. Tam's mark, finding it likely disparaging to "persons of Asian descent" under § 2(a). The examiner found that the mark likely referred to people of Asian descent in a disparaging way, explaining that the term "slants" had "a long history of being used to deride and mock a physical feature" of people of Asian descent. And even though Mr. Tam may have chosen the mark to "reappropriate the disparaging term," the examiner found that a substantial composite of persons of Asian descent would find the term offensive.

The Board affirmed the examiner's refusal to register the mark. The Board wrote that "it is abundantly clear from the record not only that THE SLANTS ... would have the 'likely meaning' of people of Asian descent but also that such meaning has been so perceived and has prompted significant responses by prospective attendees or hosts of the band's performances." To support its finding that the mark likely referred to people of Asian descent, the Board pointed to dictionary definitions, the band's website, which displayed the mark next to "a depiction of an Asian woman, utilizing rising sun imagery and using a stylized dragon image," and a statement by Mr. Tam that he selected the mark in order to "own" the stereotype it represents. The Board also found that the mark is disparaging to a substantial component of people of Asian descent because "[t]he dictionary definitions, reference works and all other evidence unanimously categorize the word 'slant,' when meaning a person of Asian descent, as disparaging," and because there was record evidence of individuals and groups in the Asian community objecting to Mr. Tam's use of the word. The Board therefore disqualified the mark for registration under § 2(a)...

[In an earlier opinion, a panel of this Court, on appeal] held that binding precedent foreclosed Mr. Tam's arguments that § 2(a) is unconstitutional, including Mr. Tam's argument that § 2(a) violates the First Amendment on its face. As the panel explained, in *In re McGinley*, our predecessor court held that the refusal to register a mark under § 2(a) does not bar the applicant from using the mark, and therefore does not implicate the First Amendment. The entirety of the *McGinley* analysis was:

With respect to appellant's First Amendment rights, it is clear that the PTO's refusal to register appellant's mark does not affect his right to use it. No conduct is proscribed, and no tangible form of expression is suppressed. Consequently, appellant's First Amendment rights would not be abridged by the refusal to register his mark.

In subsequent cases, panels of this Court relied on the holding in *McGinley*. More than thirty years have passed since the decision in *McGinley*, and in that time both the *McGinley* decision and our reliance on it have been widely criticized. Furthermore, the *McGinley* analysis was cursory, without citation to legal authority, and decided at a time when the First Amendment had only recently been applied to commercial speech. First Amendment jurisprudence on the

unconstitutional conditions doctrine and the protection accorded to commercial speech has evolved significantly since the *McGinley* decision.

Other courts' reliance on the reasoning in *McGinley* [also] reinforces the importance of taking this case en banc.... For these reasons, we *sua sponte* ordered rehearing en banc....

DISCUSSION

I. Section 2(a)'s Denial of Important Legal Rights to Private Speech Based on Disapproval of the Message Conveyed Is Subject to, and Cannot Survive, Strict Scrutiny

Strict scrutiny is used to review any governmental regulation that burdens private speech based on disapproval of the message conveyed. Section 2(a), which denies important legal rights to private speech on that basis, is such a regulation. It is therefore subject to strict scrutiny. It is undisputed that it cannot survive strict scrutiny.

A. The Disparagement Provision, Which Discriminates Based on Disapproval of the Message, Is Not Content or Viewpoint Neutral

“Content-based regulations are presumptively invalid.” “Content-based laws—those that target speech based on its communicative content—are presumptively unconstitutional and may be justified only if the government proves that they are narrowly tailored to serve compelling state interests.” A regulation is content based even when its reach is defined simply by the topic (subject matter) of the covered speech.

Viewpoint-based regulations, targeting the substance of the viewpoint expressed, are even more suspect. They are recognized as a particularly “egregious form of content discrimination,” though they have sometimes been discussed without being cleanly separated from topic discrimination. Such measures “raise[] the specter that the government may effectively drive certain ideas or viewpoints from the marketplace.” “The First Amendment requires heightened scrutiny whenever the government creates ‘a regulation of speech because of disagreement with the message it conveys.’ ” This is true whether the regulation bans or merely burdens speech.... “The distinction between laws burdening and laws banning speech is but a matter of degree. The Government’s content-based burdens must satisfy the same rigorous scrutiny as its content-based bans.” “Lawmakers may no more silence unwanted speech by burdening its utterance than by censoring its content.”

It is beyond dispute that § 2(a) discriminates on the basis of content in the sense that it “applies to particular speech because of the topic discussed.” Section 2(a) prevents the registration of disparaging marks—it cannot reasonably be argued that this is not a content-based restriction or that it is a content-neutral regulation of speech. And the test for disparagement—whether a substantial composite of the referenced group would find the mark disparaging—makes clear that it is the nature of the message conveyed by the speech which is being regulated. If the mark is found disparaging by the referenced group, it is denied registration. “Listeners’ reaction to speech is not a content-neutral basis for regulation.”

And § 2(a) does more than discriminate on the basis of topic. It also discriminates on the basis of message conveyed, “the idea or message expressed”; it targets “viewpoints [in] the marketplace.” It does so as a matter of avowed and undeniable purpose, and it does so on its face.

First, the government enacted and continues to defend § 2(a) “because of disagreement with the message [disparaging marks] convey [].” When the government refuses to register a mark under § 2(a), it does so because it disapproves of “the message a speaker conveys” by the mark.... The legal significance of viewpoint discrimination is the same whether the government disapproves of the message or claims that some part of the populace will disapprove of the message. This point is recognized in the Supreme Court’s long-standing condemnation of government impositions on speech based on adverse reactions among the public.

Second, the disparagement provision at issue is viewpoint discriminatory on its face. The PTO rejects marks under § 2(a) when it finds the marks refer to a group in a negative way, but it permits the registration of marks that refer to a group in a positive, non-disparaging manner. In this case the PTO refused to register Mr. Tam’s mark because it found the mark “disparaging” and “objectionable” to people of Asian descent. But the PTO has registered marks that refer positively to people of Asian descent. *See, e.g.,* CELEBRASIANS, ASIAN EFFICIENCY. Similarly, the PTO has prohibited the registration of marks that it found disparaged other groups. *See, e.g., Pro-Football* (affirming cancellation of REDSKINS); *Geller* (affirming rejection of STOP THE ISLAMISATION OF AMERICA); *Lebanese Arak Corp.* (refusing to register KHORAN for wine); *Heeb Media* (refusing to register HEEB); *Squaw Valley Dev. Co.* (refusing to register SQUAW VALLEY for one class of goods, but registering it for another). Yet the government registers marks that refer to particular ethnic groups or religions in positive or neutral ways—for example, NAACP, THINK ISLAM, NEW MUSLIM COOL, MORMON SAVINGS, JEWISHSTAR, and PROUD 2 B CATHOLIC....

B. The Disparagement Provision Regulates the Expressive Aspects of the Mark, Not Its Function As Commercial Speech

The government cannot escape strict scrutiny by arguing that § 2(a) regulates commercial speech. True, trademarks identify the source of a product or service, and therefore play a role in the “dissemination of information as to who is producing and selling what product, for what reason, and at what price.” But they very commonly do much more than that. And, critically, it is always a mark’s expressive character, not its ability to serve as a source identifier, that is the basis for the disparagement exclusion from registration.... This case exemplifies how marks often have an expressive aspect over and above their commercial-speech aspect. Mr. Tam explicitly selected his mark to create a dialogue on controversial political and social issues. With his band name, Mr. Tam makes a statement about racial and ethnic identity. He seeks to shift the meaning of, and thereby reclaim, an emotionally charged word. He advocates for social change and challenges perceptions of people of Asian descent. His band name pushes people. It offends. Despite this—indeed, because of it—Mr. Tam’s band name is expressive speech. Importantly, *every time* the PTO refuses to register a mark under § 2(a), it does so because it believes the mark conveys an expressive message—a message that is disparaging to certain groups....

II. Section 2(a) Is Not Saved From Strict Scrutiny Because It Bans No Speech or By Government–Speech or Government–Subsidy Doctrines

Faced with the daunting prospect of defending a content- and viewpoint-discriminatory regulation of speech, the government argues that § 2(a) does not implicate the First Amendment at all. First, the government suggests that § 2(a) is immune from First Amendment scrutiny because it prohibits no speech, but leaves Mr. Tam free to name his band as he wishes and use this name in commerce. Second, the government suggests that trademark registration is government speech, and thus the government can grant and reject trademark registrations without implicating the First Amendment. Finally, the government argues that § 2(a) merely withholds a government subsidy for Mr. Tam’s speech and is valid as a permissible definition of a government subsidy program. We reject each of the government’s arguments.

A. Strict Scrutiny Applies to § 2(a), Which Significantly Chills Private Speech on Discriminatory Grounds, Though It Does Not Ban Speech

The government argues that § 2(a) does not implicate the First Amendment because it does not prohibit any speech. The government’s argument is essentially the same as that of our predecessor court in *McGinley*: “it is clear that the PTO’s refusal to register appellant’s mark does not affect his right to use it. No conduct is proscribed, and no tangible form of expression is suppressed.” But the First Amendment’s standards, including those broadly invalidating message discrimination, are not limited to such prohibitions. *See Pitt News v. Pappert*, 379 F.3d 96, 111–12 (3d Cir.2004) (Alito, J.) (“The threat to the First Amendment arises from the imposition of financial burdens that may have the effect of influencing or suppressing speech, and whether those burdens take the form of taxes or some other form is unimportant.”).

The point has been recognized in various doctrinal settings. “For if the government could deny a benefit to a person because of his constitutionally protected speech or associations, his exercise of those freedoms would in effect be penalized and inhibited. This would allow the government to produce a result which it could not command directly.”... The general principle is clear: “Lawmakers may no more silence unwanted speech by burdening its utterance than by censoring its content.”... Here, too, § 2(a) burdens some speakers and benefits others. And while it is true that a trademark owner may use its mark in commerce even without federal registration, it has been widely recognized that federal trademark registration bestows *truly* significant and financially valuable benefits upon markholders. Denial of these benefits creates a serious disincentive to adopt a mark which the government may deem offensive or disparaging....

For those reasons, the § 2(a) bar on registration creates a strong disincentive to choose a “disparaging” mark. And that disincentive is not cabined to a clearly understandable range of expressions. The statute extends the uncertainty to marks that “may disparage.” The uncertainty as to what *might be deemed* disparaging is not only evident on its face, given the subjective-reaction element and shifting usages in different parts of society. It is confirmed by the record of PTO grants and denials over the years, from which the public would have a hard time drawing much reliable guidance.[FN7]Such uncertainty of speech-affecting standards has long been recognized as a First Amendment problem, *e.g.*, in the overbreadth doctrine....

The government argues that the denial of Mr. Tam’s registration “does not eliminate any common-law rights that might exist in [his] mark.” But as the government’s use of “might” indicates, it is unclear whether Mr. Tam could actually enforce any common law rights to a disparaging mark. The 1964 Model State Trademark Act, which most states have adopted, provides that “[n]othing herein shall adversely affect the rights or the enforcement of rights in marks acquired in good faith at any time at common law.” However, the term “mark” is defined as “any trademark or service mark *entitled* to registration under this Act whether registered or not.” Common law rights to a mark may thus be limited to marks “entitled to registration.” Whether a user of an unregistrable, disparaging mark has any enforceable common law rights is at best unclear. The Restatement (Third) of Unfair Competition notes that the Lanham Act and the Model State Trademark Bill both prohibit

registration of disparaging marks and that adoption and use of such marks may preclude enforcement under the common law doctrine of unclean hands. The government has not pointed to a single case where the common-law holder of a disparaging mark was able to enforce that mark, nor could we find one. The government's suggestion that Mr. Tam has common-law rights to his mark appears illusory.

Whether Mr. Tam has enforceable common-law rights to his mark or could bring suit under § 43(a) does not change our conclusion. Federal trademark registration brings with it valuable substantive and procedural rights unavailable in the absence of registration. These benefits are denied to anyone whose trademark expresses a message that the government finds disparages any group, Mr. Tam included. The loss of these rights, standing alone, is enough for us to conclude that § 2(a) has a chilling effect on speech....

B. Trademark Registration Is Not Government Speech

The government suggests, and several amici argue, that trademark registration is government speech, and as such outside the coverage of the First Amendment. "The Free Speech Clause restricts government regulation of private speech; it does not regulate government speech." Although we find it difficult to understand the government's precise position as to how trademark registration constitutes government speech, we conclude that there is no government speech at issue in the rejection of disparaging trademark registrations that would insulate § 2(a) from First Amendment review....

In *Walker v. Texas Division, Sons of Confederate Veterans, Inc.*, the Supreme Court detailed the indicia of government speech. The Court concluded that specialty license plates were government speech, even though a state law allowed individuals, organizations, and nonprofit groups to request certain designs. The Court found several considerations weighing in favor of this holding. It emphasized that "the history of license plates shows that, insofar as license plates have conveyed more than state names and vehicle identification numbers, they long have communicated messages from the States." It stressed that "[t]he State places the name 'TEXAS' in large letters at the top of every plate," that "the State requires Texas vehicle owners to display license plates, and every Texas license plate is issued by the State," that "Texas also owns the designs on its license plates," and that "Texas dictates the manner in which drivers may dispose of unused plates." As a consequence, the Court reasoned, "Texas license plate designs 'are often closely identified in the public mind with the State.'" Amidst all of its other aspects of control, moreover, "Texas maintains direct control over the messages conveyed on its specialty plates." "Indeed, a person who displays a message on a Texas license plate likely intends to convey to the public that the State has endorsed that message."

The government's argument in this case that trademark registration amounts to government speech is at odds with the Supreme Court's analysis in *Walker* and unmoored from the very concept of government speech. When the government registers a trademark, the only message it conveys is that a mark is registered. The vast array of private trademarks are not created by the government, owned or monopolized by the government, sized and formatted by the government, immediately understood as performing any government function (like unique, visible vehicle identification), aligned with the government, or (putting aside any specific government-secured trademarks) used as a platform for government speech. There is simply no meaningful basis for finding that consumers associate registered private trademarks with the government.

Indeed, the PTO routinely registers marks that no one can say the government endorses. *See, e.g.*, RADICALLY FOLLOWING CHRIST IN MISSION TOGETHER, U.S. Reg. No. 4,759,522; THINK ISLAM, U.S. Reg. No. 4,719,002 (religious marks); GANJA UNIVERSITY, U.S. Reg. No. 4,070,160 (drug-related); CAPITALISM SUCKS DONKEY BALLS, U.S. Reg. No. 4,744,351; TAKE YO PANTIES OFF, U.S. Reg. No. 4,824,028; and MURDER 4 HIRE, U.S. Reg. No. 3,605,862. As the government itself explains, "the USPTO does not endorse any particular product, service, mark, or registrant" when it registers a mark.... Trademarks are understood in society to identify the source of the goods sold, and to the extent that they convey an expressive message, that message is associated with the private party that supplies the goods or services. Trademarks are not understood to convey a government message or carry a government endorsement....

In short, the act of registration, which includes the right (but not the obligation) to put an ® symbol on one's goods, receiving a registration certificate, and being listed in a government database, simply cannot amount to government speech. The PTO's processing of trademark registrations no more transforms private speech into government speech than when the government issues permits for street parades, copyright registration certificates, or, for that matter, grants medical, hunting, fishing, or drivers licenses, or records property titles, birth certificates, or articles of incorporation. To conclude otherwise would transform every act of government registration into one of government speech and thus allow rampant viewpoint discrimination. When the government registers a trademark, it regulates private speech. It does not speak for itself....

III. Section 2(a) Is Unconstitutional Even Under the *Central Hudson* Test for Commercial Speech

Even if we were to treat § 2(a) as a regulation of commercial speech, it would fail to survive. In *Central Hudson*, the Supreme Court laid out the intermediate-scrutiny framework for determining the constitutionality of restrictions on

commercial speech. First, commercial speech “must concern lawful activity and not be misleading.” If this is the case, we ask whether “the asserted governmental interest is substantial,” and whether the regulation “directly and materially advanc[es]” the government’s asserted interest and is narrowly tailored to achieve that objective. “Under a commercial speech inquiry, it is the State’s burden to justify its content-based law as consistent with the First Amendment.”

First, we ask whether the regulated activity is lawful and not misleading. Unlike many other provisions of § 2, the disparagement provision does not address misleading, deceptive, or unlawful marks. There is nothing illegal or misleading about a disparaging trademark like Mr. Tam’s mark.

Next, for speech that is lawful and not misleading, a substantial government interest must justify the regulation. But § 2(a) immediately fails at this step. The entire interest of the government in § 2(a) depends on disapproval of the message. That is an insufficient interest to pass the test of intermediate scrutiny, as the Supreme Court made clear in *Sorrell* (law must not “seek to suppress a disfavored message”).

The government proffers several interests to justify its bar on disparaging trademarks. It argues principally that the United States is “entitled to dissociate itself from speech it finds odious.” This core argument rests on intense disapproval of the disparaging marks. And that disapproval is not a legitimate government interest where, as here, for the reasons we have already discussed, there is no plausible basis for treating the speech as government speech or as reasonably attributed to the government by the public.

The government also argues that it has a legitimate interest in “declining to expend its resources to facilitate the use of racial slurs as source identifiers in interstate commerce.” The government’s interest in directing its resources does not warrant regulation of these marks. As discussed, trademark registration is user-funded, not taxpayer-funded. The government expends few resources registering these marks. Its costs are the same costs that would be incidental to any governmental registration: articles of incorporation, copyrights, patents, property deeds, etc. In fact, the government spends far more significant funds defending its refusal decisions under the statute. Finally, labeling this sort of interest as substantial creates an end-run around the unconstitutional conditions doctrine, as virtually all government benefits involve the resources of the federal government in a similar sense. Nearly every government act could be justified under this ground, no matter how minimal. For example, the government could also claim an interest in declining to spend resources to issue permits to racist, sexist, or homophobic protests. The government cannot target speech on this basis, even if it must expend resources to grant parade permits or close down streets to facilitate such speech....

“[I]n public debate we must tolerate insulting, and even outrageous, speech in order to provide adequate breathing space to the freedoms protected by the First Amendment.” The case law does not recognize a substantial interest in discriminatorily regulating private speech to try to reduce racial intolerance.

Moreover, at the level of generality at which the government invokes “racial tolerance,” it is hard to see how one could find that § 2(a) “directly and materially advanc[es]” this interest and is narrowly tailored to achieve that objective. Disparaging speech abounds on the Internet and in books and songs bearing government registered copyrights. And the PTO has granted trademark registrations of many marks with a racially charged character. Further, the connection to a broad goal of racial tolerance would be even weaker to the extent that the government suggests, contrary to our conclusion in II.A *supra*, that denial of registration has no meaningful effect on the actual adoption and use of particular marks in the marketplace....

CONCLUSION

Although we find the disparagement provision of § 2(a) unconstitutional, nothing we say should be viewed as an endorsement of the mark at issue. We recognize that invalidating this provision may lead to the wider registration of marks that offend vulnerable communities. Even Mr. Tam, who seeks to reappropriate the term “slants,” may offend members of his community with his use of the mark. But much the same can be (and has been) said of many decisions upholding First Amendment protection of speech that is hurtful or worse. Whatever our personal feelings about the mark at issue here, or other disparaging marks, the First Amendment forbids government regulators to deny registration because they find the speech likely to offend others. Even when speech “inflict[s] great pain,” our Constitution protects it “to ensure that we do not stifle public debate.” The First Amendment protects Mr. Tam’s speech, and the speech of other trademark applicants.

We hold that the disparagement provision of § 2(a) is unconstitutional because it violates the First Amendment. We vacate the Board’s holding that Mr. Tam’s mark is unregistrable, and remand this case to the Board for further proceedings.

¹ We limit our holding in this case to the constitutionality of the § 2(a) disparagement provision. Recognizing, however, that other portions of § 2 may likewise constitute government regulation of expression based on message, such as the exclusions of immoral or scandalous marks, we leave to future panels the consideration of the § 2 provisions other than the disparagement provision at issue here. To be clear,

we overrule *In re McGinley*, 660 F.2d 481 (C.C.P.A.1981), and other precedent insofar as they could be argued to prevent a future panel from considering the constitutionality of other portions of § 2 in light of the present decision.

7 The PTO's record of trademark registrations and denials often appears arbitrary and is rife with inconsistency. The PTO denied the mark HAVE YOU HEARD SATAN IS A REPUBLICAN because it disparaged the Republican Party, App. Ser. No. 85/077647, but did not find the mark THE DEVIL IS A DEMOCRAT disparaging, App. Ser. No. 85/525,066 (abandoned after publication for other reasons). The PTO registered the mark FAGDOG three times and refused it twice, at least once as disparaging. *Compare* Reg. Nos. 2,926,775; 2,828,396; and 3,174,475, with App. Ser. Nos. 76/454,927 and 75/950,535. The PTO refused to register the marks FAG FOREVER A GENIUS!, App. Ser. No. 86/089,512, and MARRIAGE IS FOR FAGS, App. Ser. No. 77/477,549, but allowed the mark F*A*G FABULOUS AND GAY, Reg. No. 2,997,761 (abandoned after publication for other reasons). And PTO examiners have registered DANGEROUS NEGRO, CELEBRETARDS, STINKY GRINGO, MIDGET-MAN, and OFF-WHITE TRASH—all marks that could be offensive to a substantial composite of the referenced group. We see no rationale for the PTO's seemingly arbitrary registration decisions, let alone one that would give applicants much guidance.

O'MALLEY, Circuit Judge, with whom WALLACH, Circuit Judge, joins, concurring.

...I write separately, however, because, I believe §2(a) is also unconstitutionally vague, rendering it unconstitutional under the Fifth Amendment to the United States Constitution.... I find § 2(a)'s disparagement provision to be so vague that I would find it to be unconstitutional, whether or not it could survive Appellant's First Amendment challenge.

DYK, Circuit Judge, concurring in part and dissenting in part, with whom Circuit Judges LOURIE and REYNA join with respect to parts I, II, III, and IV.

The majority is correct that the bar on registration of disparaging marks is unconstitutional as applied to Mr. Tam. But in my view the majority errs in going beyond the facts of this case and holding the statute facially unconstitutional as applied to purely commercial speech....

[T]he purpose of the statute is to protect underrepresented groups in our society from being bombarded with demeaning messages in commercial advertising. The question is whether the statute so designed can survive First Amendment scrutiny. My answer is that the statute is constitutional as applied to purely commercial trademarks, but not as to core political speech, of which Mr. Tam's mark is one example. Ultimately, unlike the majority, I do not think that the government must support, or society tolerate, disparaging trademarks in the name of commercial speech. The majority's opinion not only invalidates the bar on disparaging marks in § 2(a) but may also effectively invalidate the bar on scandalous marks and the analogous provisions of the Model State Trademark Act. The government need not support the inevitable consequence of this decision—"the wider registration of marks that offend vulnerable communities."

PROBLEM 6-1. Does §2(a) abridge the freedom of speech in a way that violates the First Amendment? Do you agree with the majority's analysis? The court confines its holding to the disparagement provision, and leaves open the question of whether §2's exclusion of immoral and scandalous marks is constitutional – how would you answer that question?