



## MEDIA AND ENTERTAINMENT LAW NEWSLETTER

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### **Ban on Federal Registration of Disparaging Trademarks Is Challenged ... But Thus Far Remains Intact**

Federal law prohibits registration of trademarks that disparage or offend a group of persons. Two trademark owners of late have challenged refusals of registrations, contending that the relevant portion of the law - Section 2(a) of the Lanham Act - improperly stifles their First Amendment rights and is thus unconstitutional. In one of these cases, involving the Washington Redskins brand, both the Trademark Office and a federal district court have upheld Section 2(a). Yet, the legal battle is not over for either trademark owner.

### **Redskins**

Last year, the Trademark Trial and Appeal Board of the U.S. Patent and Trademark Office, or TTAB, affirmed the cancellation of several Redskins trademarks associated with the National Football League team as being “disparaging to Native Americans at the respective times they were registered.” The decision, ***Amanda Blackhorse, et al. v. Pro-Football, Inc.*** (<http://ttabvue.uspto.gov/ttabvue/v?pno=92046185&pty=CAN&eno=199>), was the culmination of more than 20 years of litigation, and even marked the second time that the TTAB ruled upon requests to cancel those registrations.

The Redskins brand owner, Pro-Football, Inc., appealed to the U.S. District Court for the Eastern District of Virginia. On July 8, 2015, the Virginia district court affirmed. In ***Pro-Football, Inc. v. Blackhorse*** (<http://law.justia.com/cases/federal/district-courts/virginia/vaedce/1:2014cv01043/308029/161/>), the court concluded that the evidentiary record shows that the word Redskins for several decades has functioned as a disparaging racial designation. (Evidence included dictionaries indicating that the term is offensive, disparaging, contemptuous, or at least not preferred; and articles and a resolution showing that about thirty percent, or more, of Native Americans found the term offensive.)

In addition to deciding whether Redskins fits the classification of disparaging, the court reviewed Pro-Football’s newly presented arguments as to the constitutionality of Section 2(a). The opening judge concluded that Section 2(a)

of the Lanham Act does not impinge upon the First Amendment, for a few key reasons.

First, the court ruled that registration and its benefits are **government speech** and thus the First Amendment is not implicated. The court called on the Supreme Court’s decision only three weeks earlier in **Walker v. Texas Division of the Sons of Confederate Veterans Inc.** (<http://www.scotusblog.com/case-files/cases/walker-v-texas-division-sons-of-confederate-veterans-inc/>) for support. Walker held that the State of Texas may refuse to make license plates bearing the Confederate flag, as license plates project government speech. The Virginia court deemed the government’s registration process and ® symbol to be government speech, rejecting Pro-Football’s argument that trademarks convey private speech.

Second, the court concluded that the cancellations “do not burden, restrict, or prohibit” the Washington

team’s ability to **use the name**. Federal registration does indeed provide certain benefits to a business’ ability to protect a mark. But, if a trademark is refused federal registration, it can still be used in U.S. commerce and the owner may develop common law rights enforceable against infringers. As the opinion stated, “Courts do not create trademarks....” (The judge could have gone on to state that the U.S. Patent and Trademark Office also does not create trademarks. Rather, it issues registrations for them.)

Federal registration does afford owners benefits, including in enforcement actions nationwide, for blocking infringing goods at the border through U.S. Customs, and for greater penalties against counterfeit products. As Pro-Football contends, if the Trademark Office continues to make judgments about whether marks are disparaging and unworthy of registration, then the Trademark Office could improperly define the messages of companies and persons doing business.

**IN THE NEWS**



We are proud to announce that Laura Prather’s law review article on the Anti-SLAPP statute entitled “Bullies Beware: Safeguarding Constitutional Rights Through Anti-SLAPP in Texas” and co-authored with First Court of Appeals Judge Jane Bland will be published in Volume 47, Book 4 of the *TEXAS TECH LAW REVIEW* at the end of July.

**DID YOU KNOW ...**



Haynes and Boone lawyer Phil Hampton has decades of Redskins case knowledge. In the 1990s, while Assistant Commissioner of the U.S. Patent and Trademark Office, he was a judge in the Redskins case before the TTAB.

**ANNUAL PUBLICATION**



Haynes and Boone discusses national trends in right of publicity, anti-SLAPP, and drones. **Download** the Media and Entertainment Law Year in Review (<http://www.haynesboone.com/-/media/files/attorney%20publications/2015/media-entertainmentreview201415.ashx>).

## The Slants

In a second case, the TTAB refused registration on the mark The Slants, the name of a band comprised of Asian-American musicians, as being disparaging to Asians. The band owner has stated that he is attempting to reclaim a historically negative term and stifle its power. As the TTAB countered, the disparagement standard considers the trademark's impact on a group and not the intentions of the mark holder.

On April 20, 2015, in *In re Tam*, the Court of Appeals for the Federal Circuit affirmed the mark's refusal. A concurring Judge's opinion included a lengthy discussion in which she indicated that Section 2(a) appears unconstitutional and should be revisited.

One week later, the Federal Circuit withdrew its opinion and agreed to re-hear it en banc.

## What's Next?

Pro-Football has stated it will appeal to the Fourth Circuit Court of Appeals. In any event, a Circuit split could develop between the Fourth and Federal Circuits, leaving the United States Supreme Court to potentially take up a case that could lead to a reshaping or removal (or affirmation) of Section 2(a).

In the interim, we might see an increase in third-party challenges on disparagement grounds to trademarks - including ones that have been in the marketplace for decades - with questionable cultural implications. Phrases, logos, or other brands that convey a message arguably negative to an ethnicity, gender or other group, may come under more serious challenge.

We would be happy to discuss these issues further with you.

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### **Haynes and Boone Successfully Defends *The New York Times***

A team of Haynes and Boone, LLP lawyers successfully defended *The New York Times* in the Texas Supreme Court against Brandon Darby, a former activist who sued the newspaper for defamation in connection with an article that mentioned his involvement as an FBI informant in a plot to firebomb police cars outside the 2008 Republican National Convention.

In 2011, Darby sued *The New York Times* and its reporter, Jim McKinley, over the article, which Darby claimed inaccurately said he had encouraged two members of the Austin anarchist community to make firebombs and hurl them at police cars during the convention. The mention came in a story McKinley had written about a fire at the governor's mansion that alleged Darby had ties to the Austin anarchist community.

The legal team, led by Laura Prather, initially won on summary judgment in Hays County and was then appealed to the Texas Court of Appeals, which upheld the summary judgment on actual malice grounds.

Darby then filed a petition for review with the Texas Supreme Court but the court denied the petition.

"This was a compelling case and we are exceptionally pleased with the outcome," said Laura Lee Prather, Haynes and Boone partner and lead counsel on the case. "The case has been ongoing for years and the entire team of lawyers did a fantastic job seeing it through to the end."

The article mentioned that Darby had been involved as an FBI informant in a plot to bomb the Republican National Convention in Minnesota. He subsequently turned in two young men, known as the "Texas Two," for making and plotting to throw Molotov cocktails at the convention. The young men pleaded guilty and were sent to jail for two and four years, respectively. However Darby's role in the entire matter has remained controversial – with many saying he overstepped as an informant and actually encouraged the men he later turned in to police.