

Offensive trade marks vs free speech

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The issue of offensive trade marks rumbles on.

In 2017, the landmark US decision in *Matal v Tam* came after the founder of an Asian-American rock group sought trade mark registration for the band's name, The Slants. The US Patent and Trademark Office (the "USPTO") refused the application on the basis that the trade mark was offensive. The USPTO relied on section 2(a) of US trade mark legislation, the Lanham Act, which says that it will not be lawful to register trade marks that comprise "immoral, deceptive or scandalous matter, or matter which may disparage ... persons ... institutions, beliefs or national symbols, or bring them into contempt or disrepute."

The issue here was that the word "slant" is derogatory of people of Asian descent. Tam, an American of Asian extraction, argued that he wanted to reclaim the stereotype. The case went all the way to the US Supreme Court, which overruled the USPTO's refusal. It held that trade marks are a form of private speech as opposed to government speech, and therefore subject to the First Amendment. It held that section 2(a) of the Lanham Act violated the First Amendment's free speech clause, which prohibits government from "abridging the freedom of speech". It summed up its thinking with these memorable words: "The proudest boast of our free speech jurisprudence is that we protect the freedom to express the thoughts we hate."

The *Tam* decision relates to trade marks that disparage. But what about trade marks that don't disparage, but might be regarded as immoral or scandalous? Does the prohibition on these trade marks also contravene the right to free speech? A recent US decision suggests that this is indeed the case.

In the *Erik Brunetti* case, a decision of a Federal Circuit court dated 15 December 2017, the issue was simple enough: had the USPTO been justified in refusing an application to register the trade mark "Fuct" for clothing? The USPTO had refused the application on the basis that the trade mark was immoral or scandalous, making the self-evident point that it is a derivative of a well-known expletive. Relying on the *Tam* decision, however, the court reversed the refusal. It held that the prohibition on immoral and scandalous trade marks is unconstitutional because it violates the First Amendment.

In the process, the court made some interesting findings. It rejected the argument that the terms "immoral" and "scandalous" should be restricted to trade marks that are sexually obscene. It said that, although trade marks clearly designate the commercial origin of the goods, they can also be expressive, which means that the prohibition on immoral and scandalous trade marks effectively empowers the USPTO to reject trade marks on the grounds that they convey offensive ideas. But the court went on to make the point that even if trade marks are purely indicators of origin, the prohibition

is still unconstitutional. It said that “the government’s general interest in protecting the public from marks it deems ‘off-putting’ ... is not a substantial interest justifying broad suppression of speech.” It distinguished trade marks from radio broadcasts, saying that a trade mark “is not foisted upon listeners by virtue of its being registered”.

There seems to be a trend towards adopting a robust approach in these matters. We recently reported on a European decision, where the European trade mark authority decided that an application to register the trade mark “Brexit” did not contravene the prohibition on offensive trade marks. It made reference to the legally protected right to freedom of expression. It also said that, although Brexit might refer to “a contentious and controversial topic”, the word is not “a provocation or incitement to crime or disorder”; it is not “an emblem for discrimination”; it is not a “synonym for social unrest” and it is not a “byword for hate”.

So, what about South Africa? There are various issues to consider. The Trade Marks Act, 1993 specifically states that trade mark registration will be refused if the use of that trade mark would be “contrary to law”, “contra bonos mores” or “likely to give offence to any class of persons”. Section 16 of the Bill of Rights (the Constitution) protects freedom of expression, although this right does not extend to advocacy of hatred that is based on race, ethnicity, gender or religion, or that constitutes incitement to cause harm. The Constitutional Court once dealt with a trade mark case where freedom of expression in the form of parody and political comment was successfully raised as a defence to a trade mark infringement claim, with the free speech right effectively trumping the property right.

In my view, any trade mark that is racially offensive or that advocates hatred based on race or ethnicity is almost certainly going to be refused in South Africa. But, for the rest, the registry seems to be quite relaxed and broad-minded.

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