

# Legal Update

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## THIS SUPREME COURT TERM IMPACTS INTELLECTUAL PROPERTY ISSUES

By Glenn A. Rice

### **Supreme Court to Decide Constitutionality of Ban on Registering Scandalous Trademarks**

The Supreme Court will soon decide another trademark case involving a challenge to the constitutionality of Section 2(a) of the Lanham Act. In our June 2017 [newsletter](#), we covered the Court's decision in *Matal v. Tam*, which struck down Section 2(a)'s bar on registration of "disparaging" trademarks as violating the Free Speech Clause of the First Amendment. In the new case, *Iancu v. Brunetti*, the Court will decide whether Section 2(a)'s bar on federal registration of "scandalous" or "immoral" trademarks also violates the First Amendment.

The case involves an application to register the trademark "FUCTION" for apparel. The U.S. Patent and Trademark Office refused registration based on Section 2(a)'s prohibition on registration of scandalous or immoral trademarks. The Federal Circuit Court of Appeals reversed the refusal, holding that Section 2(a)'s ban on registration of scandalous or immoral marks impermissibly discriminates based on content in violation of the First Amendment.

The government argues that the Supreme Court's earlier decision in the *Tam* case is not controlling and that the Federal Circuit erred in holding unconstitutional Section 2(a)'s prohibition on registration of scandalous or immoral trademarks. Like the decision in *Tam*, the Supreme Court's decision in the case may have important implications for businesses and trademark applicants. The Court will hear oral argument next month, and a decision in the case is expected before the end of its term in June. Stay tuned.

### **Supreme Court Holds Registration (Not Application) Required to Sue for Copyright Infringement**

Last week, the Supreme Court issued an important decision in *Fourth Estate Public Benefit Corp. v. Wall-Street.com, LLC* that resolved a split among the courts over when a party can file a suit for copyright infringement. The Supreme Court held that a party can file suit only after the U.S. Copyright Office has issued a registration. Prior to the decision, some courts held that the filing of an application for registration was sufficient to sue for infringement. In light of the Supreme Court's decision, businesses should be proactive in filing copyright applications for valuable works upon creation.

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