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Redskins Win Big In Fed. Circ. Free Speech Ruling

By **Bill Donahue**

Law360, New York (December 22, 2015, 9:53 PM ET) -- The real winner in the Federal Circuit's ruling Tuesday overturning the government's ban on "disparaging" trademark registrations was the Washington Redskins organization, which is now in a far better position — no matter what happens next — to win back the registrations on their controversial name.

The Federal Circuit struck down a ban on "disparaging" trademark registrations, which could give the embattled Washington Redskins a chance to reclaim their controversial name. (Credit: AP)

Of course, in a more direct sense, the appeals court's en banc **ruling that the Lanham Act provision was unconstitutional** was a victory for The Slants — the Seattle-based rock band that fought the case after it was refused a trademark registration on its name on the grounds that it was offensive to Asian Americans.

The band members, themselves Asian Americans, said they had been wrongly deprived the benefits of registration on a name that was intended to reclaim, not glorify, a racial slur. On Tuesday, more than five years after they applied for the mark, the band finally won the right to register it.

But the bigger winner on Tuesday was the decades-old, billion-dollar football franchise from the nation's capital with the controversial name — which just so happened to **lose its trademark registrations last summer** because of the exact same provision.

With the Redskins currently making the same First Amendment argument against the

"disparaging" ban in the Fourth Circuit, Tuesday's ruling was a gift. At best, it gives the judges weighing the team's appeal a clear roadmap for how to hand the Redskins an outright victory; at worst, it gives the team a great chance at a trip to the U.S. Supreme Court.

"This is a huge decision in response to a core constitutional value — the freedom of speech — and an issue that will certainly influence the Redskins' case," said Josh Schiller, a partner at Boies Schiller & Flexner LLP.

Redskins Roadmap

In their case, the Redskins are asking a Fourth Circuit panel to overturn **a July ruling by U.S. District Judge Gerald Bruce Lee**, which said the ban on disparaging trademarks — enshrined in the Lanham Act's Section 2a — passes constitutional muster.

While Tuesday's ruling for the Slants doesn't require the Fourth Circuit to do so, it certainly doesn't hurt. That's because the Federal Circuit rejected, in detail, the key to Judge Lee's ruling: That trademark registrations, like government-issued license plates, are so-called government speech, meaning they're exempt from First Amendment scrutiny.

Judge Kimberly Moore, writing for the Federal Circuit majority, spent pages explaining why that finding was wrong, saying it 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," Judge Kimberly Moore wrote for the majority. "It does not speak for itself."

Again, the Fourth Circuit isn't bound to follow that logic, but the Redskins now have an exhaustive new authority to point to as to why it should.

"The decision flat out rejects that argument and really goes into detail as to why it does so," said Dyan Finguerra-DuCharme, a partner with Pryor Cashman LLP. "It so strongly rejects the notion that this is government speech, and that was really of the heart of the decision in Redskins case."

Tuesday's ruling also expressly overturned the Federal Circuit's longstanding "McGinley" precedent, which had held since 1981 that the ban on disparaging marks passed constitutional muster because it doesn't actually stop trademark owners from using a mark, merely from registering it.

That's also important to the Redskins, because McGinley, one of the only major rulings to deal with the constitutionality of Section 2a, was cited multiple times in Judge Lee's ruling against the Redskins.

"McGinley is wiped off the books," said Robert Carroll, a partner with Goodwin Procter LLP. "I think the Fourth Circuit will do its own analysis, but this certainly changes the calculus."

Fit for a Split

Even if the Fourth Circuit bucks the Federal Circuit and rules that Section 2a is constitutional, Tuesday's ruling means that the Redskins will, at the very least, have a great shot at getting the Supreme Court to consider their case.

For starters, the obvious reason: Two federal appeals courts would have reached diametrically opposed conclusions on a federal statute, creating the kind of gaping circuit split that the high court is supposed to clean up.

"If the Fourth Circuit and Federal Circuit come out opposite ways here, I don't want to say that it's required, but I would find it extremely surprising if the Supreme Court did not grant certiorari," Carroll said. "I think it almost certainly would."

And even more so than a normal question of statutory law, the split on Section 2a would pose ongoing disruption for the U.S. Patent and Trademark Office.

"It would be split on a fundamental question of how a government entity should function," said Pryor Cashman's Finguerra-DuCharme. "I think it is something that the Supreme Court would definitely want to in weigh in upon."

The Redskins case is currently being briefed before the Fourth Circuit, and oral arguments have yet to be scheduled.

The Slants are represented by Ronald D. Coleman of Archer & Greiner PC.

The USPTO is represented in-house by Nathan K. Kelley, Christina Hieber, Thomas W. Krause, Molly R. Silfen and Thomas L. Casagrande as well as by Mark R. Freeman, Joshua Marc Salzman, and Daniel Tenny of the U.S. Department of Justice.

The case is In re: Simon Shiao Tam, case number 14-1203, at the U.S. Court of Appeal for the Federal Circuit.

— Editing by John Quinn and Ben Guilfoy.