IP Alert: Federal District Court Affirms Cancellation of “REDSKINS” Marks on Summary Judgment and Holds that First Amendment Does Not Control

FEDERAL DISTRICT COURT AFFIRMS CANCELLATION OF “REDSKINS” MARKS ON SUMMARY JUDGMENT AND HOLDS THAT FIRST AMENDMENT DOES NOT CONTROL

By Maurine L. Knutsson

On July 8, 2015, the Federal District Court of the Eastern District of Virginia affirmed the Trademark Trial and Appeal Board's cancellation of the REDSKINS federal trademark registrations owned by Pro-Football, Inc. Pro-Football Inc. v. Amanda Blackhorse et al., CN: 1:14-cv-01043, in the U.S. District Court for the Eastern District of Virginia (July 8, 2015). The Court granted the defendants' (Amanda Blackhorse, Marcus Briggs-Cloud, Phillip Gover, Jillian Pappan, Courtney Tsotigh and the United States) motions for summary judgment, holding among other things that the REDSKINS marks were disparaging to a significant composite of Native Americans between 1967 and 1990 (when the marks at issued registered), the First Amendment is not implicated by Section 2(a) of the Lanham Act, the federal trademark registration program is government speech and therefore exempt from First Amendment scrutiny, and the laches defense does not apply because of the public interest at stake.

This case may help set the stage for a possible conflict in the circuits regarding the legality of the statute-based restrictions laid out in Section 2(a) of the Lanham Act. (Section 2(a) prohibits issuance of a federal registration for a mark deemed to be disparaging.) Recently, the Court of Appeals for the Federal Circuit decided to rehear a case en banc in order to consider the constitutionality of the disparagement provision of the Lanham Act. See, In re Tam, 114 USPQ2d 1469 (Fed. Cir. 2015). The case before the Federal Circuit is an appeal from a denial by the United States Patent and Trademark Office of registration of the mark THE SLANTS (the name of a musical performing group) on the grounds that it is disparaging to members of the Asian community. The case is pending before the Federal Circuit now. If Pro Football, Inc. appeals its case to the Fourth Circuit Court of Appeals — as it is expected to do — it will be interesting to see how the two appellate courts decide the issue. If there is a split in the circuits, the case may make its way to the Supreme Court.

The decision by the U.S. District Court does not affect the team's ability to use the REDSKINS marks and the marks will not be officially cancelled until the team exhausts its appellate options. Further, this does not prevent fans from wearing their REDSKINS gear.

Background

The Redskins name was chosen in 1933, and according to the team's complaint, at the time the name was chosen four players and the head coach identified themselves as Native Americans. The team has six federal trademark registrations that include the REDSKINS mark, the first of which registered in 1967 and the last in 1990. For the past two decades the Washington Redskins team has been defending its right to keep its six federal trademark registrations.

The most recent decision is an appeal from the second TTAB proceeding filed by Native Americans to cancel the registrations. The first proceeding, which lasted from 1992 to 2009, finally ended with the U.S. Court of Appeals for the District of Columbia Circuit affirming that laches barred the court

from deciding the merits of the case. Pro-Football, Inc. v. Harjo, 75 415 F.3d 44, USPQ2d 1525 (D.C. Cir. 2005). The court determined that the Native American plaintiffs in the first case had waited too long after their right to sue vested when they turned 18 to file the suit. Id. The current case was initiated before the TTAB in 2006 by younger Native Americans trying to avoid the laches issue.

On June 18, 2014, in a 2-1 decision the TTAB cancelled the team's six federal trademark registrations. For additional background on the appealed TTAB case, a summary can be found here. The team appealed this decision on August 14, 2014, in the U.S. District Court for the Eastern District of Virginia. In February 2015, the plaintiff and the defendants all filed motions for summary judgment.

Decisions

On July 8, 2015, the District Court ruled for the defendants on all seven counts raised in the complaint as detailed below:

Count I. Disparagement

The court found that dictionary evidence, literary, scholarly and media references and statements of individual Native Americans and Native American groups show that the REDSKINS marks consisted of matter that "may disparage" a substantial composite of Native Americans between 1967 and 1990 when the six federal trademark registrations for the REDSKINS marks were awarded. Therefore under Section 2(a) the court determined that the REDSKINS marks must be cancelled.

Count II. Contempt or Disrepute

The court relied on its analysis and findings on Count I to determine that the defendants were also entitled to summary judgment on Count II.

Count III. First Amendment

In denying the team's second count, the court first held that Section 2(a) does not implicate the First Amendment because the USPTO's refusal to register an applicant's mark does not infringe upon the mark owner's First Amendment rights because the owner can still use the mark and no conduct is proscribed and no tangible form of expression is suppressed.

Second, citing to a recent Supreme Court decision allowing the Texas government to restrict the content of license plates (Walker v. Tex. Div., Sons of Confederate Veterans, Inc. (Walker), 135 S. Ct. 2239 (2015) (upholding Texas' denial of confederate flag design on a specialty license plate) and the Fourth Circuit's mixed/hybrid speech test in Sons of Confederate Veterans, Inc. v. Comm'r of Va. Dep't of Motor Vehicles (SCV), 288 F.3d 610 (4th Cir. 2002) (reversing Virginia's denial of confederate flag design on a specialty license plate), the court held that the federal trademark

registration program is government speech and is therefore exempt from First Amendment scrutiny. The court held that both the Walker and SCV factors weighed in favor of the federal trademark registration being considered government speech.

Applying Walker, the court concluded that all three factors weighed in favor of a finding that the federal trademark registration is government speech because: (1) the approval of the trademark by the USPTO communicates the message that the federal government has approved the trademark, (2) the use of the ® causes the public to closely associate the federal trademark registration with the federal government, and (3) the federal government has editorial control over the federal trademark registration program.

Applying the SCV balancing test, the court concluded that that the first three factors weighed in favor of a finding that the federal trademark registration is government speech because: (1) the central purpose of the program is to provide federal protection to trademarks nor of the expression of private views or interests, which lay in the creation of the mark itself, (2) the USPTO has editorial control and regularly rejects applications for registration under Section 2(a), and (3) the identity of the literal speaker is the federal government because the federal trademark registrations are published by the USPTO. The court found that the fourth factor weighed in favor of a finding of private speech, but did not outweigh the other three factors, because (4) the owners apply for the federal trademark registration and defend the federal trademark registration on their own.

Count IV. Vagueness

A statute is void for vagueness if the public is not given fair notice of what is prohibited by the statute or if the statute, as enforced, is discriminatory. The court found that Section 2(a) is not void for vagueness. In denying Count IV, the court explained that "(1) [Pro-Football, Inc.] cannot show that Section 2(a) is unconstitutional in all of its applications, (2) Section 2(a) gives fair warning of what conduct is prohibited, (3) Section 2(a) does not authorize or encourage "arbitrary and discriminatory enforcement" and (4) Section 2(a) is not impermissibly vague as applied to [Pro-Football, Inc.]"

Count V-VI. Due Process Clause and the Takings Clause of the Fifth Amendment

The court used the same analysis for Counts V and VI. The court found that the Due Process clause and Takings clause are not implicated in this case because the trademark registrations are not property — only the underlying trademark rights constitute a property interest. Because the team can still use the mark and still has ownership in the goodwill in the marks, the court determined that the team is not being deprived of a property right and no taking of property occurs by the enforcement of Section 2(a).

Count VII. Laches

In order to prevail under the laches defense, Pro Football had to prove that after turning 18, each

defendant unreasonably delayed in petitioning the TTAB to cancel the REDSKINS marks. The court found that defendants did not unreasonably delay after they turned 18 because filing the petition any earlier than 2006 would likely have resulted in the filing of unnecessary petitions in view of the pending Harjo proceedings. Further, the court held that the public interest at stake in this case weighs against the application of laches.

Please click here to read the order.

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