## Allowing 'Trump Too Small' Will Spark Name and Likeness Products

By Monica Talley

Sterne Kessler's Monica Talley says a future US Supreme Court ruling on a Federal Circuit refusal to register a "Trump Too Small" clothing trademark might trim living persons' rights in their own names if part of the Lanham Act is overturned.

The US Supreme Court granted cert to review a February 2022 Federal Circuit decision overturning the Trademark Trial and Appeal Board's refusal to register the mark "Trump Too Small" for clothing, finding that the board's refusal unconstitutionally restricted the applicant's free speech.

The Supreme Court will consider whether the refusal to register a trademark under 15 U.S.C. § 1052(c) violates the free speech clause of the First Amendment when the mark contains criticism of a government official or public figure.

In the underlying case, the board had affirmed the US Patent and Trademark Office's refusal to register the mark "Trump Too Small" based on Section 2(c) of the Lanham Act, which precludes registration of marks consisting of a living person's name, portrait, or signature without their written consent.

The board noted that Section 2(c) has been found not to be an unconstitutional restriction on free speech because it is "narrowly tailored to advance two compelling government interests: protecting the named individual's rights of privacy and publicity and protecting consumers against source deception."

On appeal, the Federal Circuit disagreed, finding that Section 2(c) violates the First Amendment when the mark contains criticism of a government official or public figure. In the decision, the Federal Circuit stated that the government's interest in protecting privacy and publicity rights do not outweigh the applicant's First Amendment right to criticize public figures.

The Federal Circuit referred to its analysis in *Matal v. Tam* and *lancu v. Brunetti* to support the rationale that "a trademark represents 'private, not government, speech' entitled to some form of First Amendment protection." The court said that "[e]ven though the government in the trademark area has not imposed an absolute prohibition on speech, Brunetti further established that denying trademark registration 'disfavors' the speech being regulated."

However, the Federal Circuit opted not to decide whether Section 2(c) was unconstitutional, but did comment that Section 2(c) may be too broad, as it "leaves the USPTO no discretion to exempt trademarks that advance parody, criticisms, commentary on matters of public importance, artistic transformation, or any other First Amendment interests."

In its cert petition, the USPTO asked the court to clarify whether a bar on the registration of a trademark is "a condition on a government benefit or a simple restriction on speech," and noted that earlier high court precedent did not appear to answer this question. It also noted that the court usually grants review when a court of appeals has invalidated the application of a federal statute.

This case differs significantly from those recently before the court that invalidated Lanham Act prohibitions on registration of disparaging marks (*Matal v. Tam*) and marks that are scandalous or immoral (*lancu v. Brunetti*).

In those cases, the result was simply that registration is now available for marks containing potentially objectionable material. In contrast, if the court similarly strikes down Section 2(c) of the Lanham Act, it would do more than enable third parties to register trademarks that contain public commentary. Instead, it would strip away the right of living individuals to control use of their own name and likeness in a commercial sense, paving the way for third parties to register trademarks comprised of the name of famous living individuals. This could open the floodgates for potential applications for new brands such as Taylor Swift for cat sitting services, and Martha Stewart lawn care, for example.

Many brand owners are understandably concerned that a complete overturn, or even significant narrowing, of Section 2(c) would appear contrary to the purpose and intent of the Lanham Act in refusing to recognize that living persons may have valuable rights in their own names. It is certainly easy to understand how consumer confusion as to source or sponsorship could arise if third parties were allowed to commercial exploit an individual's name without their consent.

The case will likely be argued in the fall, with a decision to follow sometime next year. In the meantime, the USPTO has suspended action on any applications for trademarks that cover phrases "that are critical of government officials or public figures," while the office waits for the Supreme Court to weigh in.

The case is Vidal v. Elster, U.S., No. 22-704.

This article does not necessarily reflect the opinion of Bloomberg Industry Group, Inc., the publisher of Bloomberg Law and Bloomberg Tax, or its owners.

## Author Information

Monica Talley is a director at Sterne Kessler and heads the firm's trademark and brand protection practice.

## Write for Us: Author Guidelines

## © 2023 Bloomberg Industry Group, Inc. All Rights Reserved

Reproduced with permission. Published June 9, 2023. Copyright 2023 Bloomberg Industry Group 800-372-1033. For further use please visit https://www.bloombergindustry.com/copyright-and-usage-guidelines-copyright/