

## Brands, Morality and Public Policy: Some Reflections on the Ban on Registration of Controversial Trademarks

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# BRANDS, MORALITY AND PUBLIC POLICY: SOME REFLECTIONS ON THE BAN ON REGISTRATION OF CONTROVERSIAL TRADEMARKS

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## INTRODUCTION

Commercial enterprises in several industries are increasingly using aggressive marketing strategies to attract and keep customers. Amongst these strategies, the choice of the “right” brand is obviously key. Brands are indeed the main tool used by companies to communicate to their current and potential customers. As they are continuously shown on TVs, streets, billboards, and at social, cultural and sporting events, trademarks are often compulsory viewing and constitute a permanent image that viewers cannot avoid.<sup>1</sup>

Brands are also sometimes chosen that aim at shocking existing and potential customers, especially youngsters. Not rarely, companies adopt debatable trademarks for “shock value” in order to win consumers’ attention and eventually increase their market share.<sup>2</sup> In other terms, enterprises may be attracted by the commercial success they can gain from edgy and controversial brands or borderline trademarks, which make the latter more memorable, more discussed, and accordingly more appealing and valuable to consumers.<sup>3</sup> In short, in some circumstances, being rude or immoral may be commercially viable.<sup>4</sup>

Yet, attempts at registering controversial trademarks are likely to encounter legislative obstacles. Indeed, several international, regional, and national legislations prohibit the registration of a variety of debatable signs. Terminology varies depending on the jurisdiction. The European Union (EU) Trademark Directive<sup>5</sup> and Regulation,<sup>6</sup> as well as the United Kingdom (U.K.) Trade Mark Act,<sup>7</sup> ban the registration of trademarks that are “contrary to public policy or to accepted principles of morality.” Similar language had been

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1. See generally Anne-Marie Cropley, *The Registration of Scandalous Trade Marks*, INTELLECTUAL PROPERTY FORUM 20 (2008); Patricia Loughlan, *Oh Yuck! The Registration of Scandalous Trade Marks*, INTELLECTUAL PROPERTY FORUM 38 (2006).

2. See generally Rosalyn Gladwin, *Bullshit, I Can’t Believe that was Registered*, INTELLECTUAL PROPERTY FORUM 38 (2006).

3. Cropley, *supra* note 1, at 20; Amanda Scardamaglia, *Are you Nuckin Futs? Registering “Scandalous” Trade Marks in Australia*, 34 EUR. INTELL. PROP. REV. 628, 629 (2012); Loughlan, *supra* note 1, at 38 (stressing that the very edginess of a trademark and its capacity to offend certain sections of the population may enhance its attractiveness to others and its effectiveness as a marketing tool).

4. Gordon Humphreys, *Freedom of speech and trademarks: Gauging public sensitivities or curtailing civil liberties?* (2009), available at [http://fordhamipconference.com/wp-content/uploads/2010/08/Gordon\\_Humphreys\\_Freedom\\_of\\_Speech\\_and\\_Trademarks.pdf](http://fordhamipconference.com/wp-content/uploads/2010/08/Gordon_Humphreys_Freedom_of_Speech_and_Trademarks.pdf) (last visited July 5, 2014); see generally Gordon Humphreys, *Deceit and immorality in trade mark matters: does it pay to be bad?* 2 J. INTELL. PROP. L. & PRAC. 89 (2007).

5. Directive 2008/95/EC Approximate the Laws of the Member States Relating to Trade Marks, Eur. Parliament & Council [2008] O.J. (L 299/25) § (3)(1)(f).

6. Regulation 207/2009, Cmty. Trade Mark, Eur. Union Council [2009] O.J. (L 78/1) § 7(1)(f).

7. Trade Marks Act, 1994, c. 26, § 3(3)(a) (U.K.).

adopted by the Paris Convention, which prohibits the registration of signs “contrary to morality or public order.”<sup>8</sup> The United States (U.S.) Lanham Act provides that no trademark shall be refused registration unless it consists of or comprises immoral, scandalous, or disparaging matter.<sup>9</sup> An analogous provision is contained in the Australian Trade Marks Act according to which a trade mark will not be registered if it “contains or consists of scandalous matter.”<sup>10</sup>

Thus, in many jurisdictions, registration cannot be offered to signs that contravene the state of law or are perceived as morally unacceptable.<sup>11</sup> As U.S. Judge Lenroot stressed in the old case *Riverbank Canning*, “[t]he field is almost limitless from which to select words for use as trade-marks, and one who uses debatable marks does so at the peril that his mark may not be entitled to registration.”<sup>12</sup>

### *A Look at Some Cases*

In the following pages, I will briefly analyse several decisions concerning refusal of registration on morality and public policy grounds. I will mostly (but not exclusively) refer to decisions that have denied registration or confirmed unregistrability on said grounds. Such signs have been refused registration because they conveyed messages that governments deem unacceptable and therefore do not want to encourage; for example, sexually explicit messages, coarse language, incitement to violence, and other unlawful behaviours including consumption of illegal drugs, support of authoritarian political regimes or terroristic organizations, as well as messages that offended religious beliefs or disparaged ethnic and other minorities.

#### United Kingdom

In 2011, the sign “Tiny Penis” was refused registration because it was considered contrary to current principles of morality (the products were articles of clothing). The “Appointed Person”<sup>13</sup> held that a distinction should be drawn

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8. Paris Convention for the Protection of Industrial Property, Mar. 20, 1883, Art. 6<sup>quinquies</sup>(B)(3) (1979).

9. Trademark Act of 1946, Pub. L. No. 79-489, 60 Stat. 427 (codified as amended at 15 U.S.C. § 1052 (2006)) (U.S.).

10. *Trade Marks Act 1995*, § 42(a), (b) (Austl.).

11. *Absolute grounds for refusal and community collective marks*, THE MANUAL CONCERNING PROCEEDINGS BEFORE THE OFFICE FOR HARMONIZATION IN THE INTERNAL MARKET (TRADE MARKS AND DESIGNS) 13 (Part B 2012), available at [https://oami.europa.eu/tunnel-web/secure/webdav/guest/document\\_library/contentPdfs/law\\_and\\_practice/trade\\_marks\\_practice\\_manual/part%20\\_b\\_section\\_4\\_ag\\_manual\\_after\\_gl\\_en.pdf](https://oami.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/law_and_practice/trade_marks_practice_manual/part%20_b_section_4_ag_manual_after_gl_en.pdf) (last visited June 20, 2014).

12. *In re Riverbank Canning Co.*, 95 F.2d 327, 329 (C.C.P.A. 1938).

13. Trade Marks Act 1994, c. 26, § 76 (U.K.). Appointed Persons hear *ex parte* and *inter partes*

between offence that amounts only to distaste and offence that would justifiably provoke outrage or would be the subject of justifiable censure as being likely to undermine current religious, family, or social values.<sup>14</sup> Similarly, the sign “Fook” was refused registration in 2005 because it has, at least in oral use, the same ability to cause offence and outrage as the word “Fuck,” which is a swear word and deeply offensive and insulting to many people and therefore capable to undermine current religious, family, or social values.<sup>15</sup> On the contrary, the sign “FCUK”—the acronym for the U.K. clothing company *French Connection*—was granted registration, and the registration was confirmed. Although it is arguable that the word in question is capable of being seen as a swear word, on the other hand it does not always evoke such a word in consumers’ minds. It was also noted that the reason why a different conclusion was reached in the case regarding the sign “Fook” was that such word is phonetically identical to “Fuck”—and the same is not true of the sign “FCUK.”<sup>16</sup>

Registration has also been denied to signs that encourage violence, especially in the context of sporting events such as football matches. For instance, the sign “standupifyouhatemanu.com” was refused registration in connection with a range of products including polo shirts, baseball caps, and scarves because such combination of words is capable of leading to criminal or other offensive behaviour. Indeed, the connection between football and violent behaviour of some fans is well known and, according to the Registrar, the trademark in question conveyed a clearly violent message; for example, an invitation to people, in particular—football fans, to actively express their hatred of a football team (in this case Manchester United).<sup>17</sup> Similarly, the sign “Inter City Firm,” in connection with clothing and footwear, was refused registration since the sign was the name chosen by a well-known English football hooligan group mainly active in the 1970s, 1980s, and early 1990s, and it was associated with the football team West Ham United. As noted by the Registrar, a Chelsea football fan seeing a West Ham fan wearing a shirt bearing the sign in question could easily be provoked into violence.<sup>18</sup> This trademark, it was therefore held,

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appeals from decisions by the Registrar of Trade Marks Hearing Officers. *Id.*

14. U.K. Trademark Application Serial No. 2232411 (filed May 13, 2000); *application denied*, p. 2 (Jan. 9, 2001).

15. U.K. Trademark Application Serial No. 2309350 (filed Aug. 30, 2002); *application denied*, Dec. 0-133-04, paras. 13-14, 20 (May 13, 2004).

16. *French Connection Ltd., No. 2184549 v. Woodman, No. 81862*, Dec. 0-137-06, para. 83 (May 17, 2006) (U.K.).

17. *CDW Graphic Design Ltd. Application No 2227520 v. Manchester United Merch. Ltd. No. 51354*, paras. 22, 27, 33, 37 (Nov. 20, 2002) (U.K.).

18. U.K. Trademark Application Serial No. 2376955 (filed Oct. 29, 2004); *application denied*, Dec. 0-302-05, paras. 12, 14 (Nov. 11, 2005).

constitutes a form of anti-social branding and is likely to cause alarm or distress. These two decisions are consistent with the U.K. Registrar Work Manual that recommend that signs which encourage or promote criminal activities should not be registered.<sup>19</sup>

Signs which offend religions have also been denied registration. For example, the mark “Jesus,” in connection with clothing products, has been considered to cause greater offence to a large sector of the public than mere distaste, and therefore it has been denied registration. The very idea that the word “Jesus” should be appropriated for commercial purposes, as stressed by the Appointed Person, is anathema to believers as well as to people who believe in the need to respect the religious sensibilities of others.<sup>20</sup>

#### European Union

Several community trademarks have also been refused registrations on grounds of public policy or morality. For example, the application for the sign “Screw You” was rejected in connection with several ordinary items such as clothing, footwear, and sunglasses. Yet, the registration was granted in relation to certain products sold in sex shops.<sup>21</sup> This does not come as a surprise. Indeed, sex shops’ clients are unlikely to be shocked by that trademark. Another case concerned the application for the words “Fucking Freezing.” The applicant tried to convince the examiner that the term “fucking” used together with an adjective is, nowadays, considered a synonym of “very” or “particularly.” The Board of Appeals of the Office of Harmonization for the Internal Market (OHIM) did not accept that argument and considered that the sign had, in fact, a vulgar and offensive meaning.<sup>22</sup> Similarly, the sign “Hijoputa,” which in Spanish means “son of a whore,” was denied registration, and the refusal was confirmed by the General Court because of the insulting message conveyed by such expression.<sup>23</sup> Conversely, the sign “Dick & Funny” was registrable as it “does not proclaim an opinion, it contains no incitement, and conveys no insult.”<sup>24</sup>

The sign “Paki,” filed by a logistics company, was considered racially

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19. REGISTRAR’S WORK MANUAL, c. 6, para. 9.1.

20. U.K. International Trademark Application Serial Nos. 689374 & 776058; *applications denied*, Dec. 0-021-05, paras. 15-20 (Jan. 18, 2005).

21. *Kenneth v. J.A. Kemp & Co.*, [2006] OHIM R 495/2005-G, paras. 26-29 (appeal taken from Eng.).

22. *Entscheidung*, [2011] HARMONISIERUNGSAMT FÜR DEN BINNENMARKT, OHIM R 0168/201-1 (appeal taken from Ger.).

23. *López v. OHIM* [2012] S.T.G., Dec. T-417/10, No. 207/2009, para. 23 (Spain).

24. U.K. Trademark Application Serial No. 1 535 947 (filed Mar. 2, 2000); *application denied* (Nov. 28, 2001); *rev’d*, Dec. R 111/2002-4 (Mar. 25, 2003) (U.K.).

offensive and thus unregistrable. This term is used in English-speaking countries to insult people from Pakistan or, in general, the Indian subcontinent. In this decision, the General Court clarified that there is no need to bring evidence that the applicant wants to shock or offend consumers; the objective fact that the sign might be perceived as a shock or an offense is enough to deny registration.<sup>25</sup>

Trademarks that remind consumers of terrorist organizations or authoritarian regimes have also been refused registration. The sign “Bin Ladin”—applied for by an import/export company whose sole shareholder was named Bin Ladin—is amongst those signs. The applicant’s argument that the application was filed four months prior to the 9/11 attacks and therefore was not meant to recall the founder of al-Qaeda was dismissed by the OHIM Board of Appeal. Indeed, the famous Islamist terrorist was known to the public before the September 2001 attacks.<sup>26</sup> The figurative sign consisting of a representation of the coat of arms of the former Soviet Union, which included the hammer and sickle (a well-known communist symbol), was also refused registration. The General Court confirmed that such mark would be perceived by a substantial section of the relevant public in Hungary and other former communist countries (which have banned that sign and similar ones as they are associated to the despotic regimes that ruled them in the past) as being contrary to public policy.<sup>27</sup>

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25. *PAKI Logistics GmbH v. OHIM* [2011] Dec. T-526/09 (Fr.); *see also* Birgit Clark, *General Court refuses ‘racist’ PAKI trade mark*, 7 J. INTELL. PROP. L. & PRAC. 392, 392–94 (2012).

26. *Switz. Trademark Application Serial No. 2 223 907* (filed Sept. 29, 2004) (Switz) (stating that the al-Qaeda leader was known as the orchestrator of the U.S. embassy bombings in Nairobi and Tanzania in 1998, which triggered the United Nations Security Council Resolution 1267 of Oct. 15, 1999). Similar decisions have also been taken in the United States. *See, e.g.*, U.S. Trademark Application Serial No. 77/086,418 (Feb. 6, 2007) (U.S.) (rejecting the application “OBAMA BIN LADEN” because, amongst other things, it referred to a terrorist and associated him with a U.S. presidential candidate); U.S. Trademark Application Serial No. 78/400,213 (filed Feb. 23, 2005) (U.S.) (rejecting “BABY AL-QAEDA”); U.S. Trademark Application Serial No. 78/444,968 (filed Nov. 22, 2004) (U.S.) (refusing registration of “AL-QAEDA” because the sign refers to an organization that undertakes the bombing of civilians and other terrorist activities that are contrary to the sense of decency).

27. *Couture Tech. Ltd. v. OHIM*, [2011] Gen. Ct. T-232/10. Similarly, the Hungarian Trademark Office refused registration of the sign “Stalinskaya,” as this word derives from the name of the well-known communist dictator Stalin. *See* Gabriella Sasvary, *Hungary: Trade and Service Marks – Use of Name “Stalin” - Whether Contrary to Public Morality*, 15 ENTMT’L REV. PAGE, 47–48 (2004). Analogous decision was taken by the Japanese Trademark Office with reference to the sign “Hitler” in connection with pinball machines. This sign was refused registration on the basis of Japanese trademark legislation banning registration of signs contrary to morals and public order. *See* Jeremy Phillips & Ilanah Simon, *No Marks for Hitler: A radical Reappraisal of Trade Mark Use and Political Sensitivity*, 26 EUR. INTELL. PROP. REV., 327, 327–30 (2004); Caspar P.L. van Woensel, *Fuhrer Wines at your Local Store: Legal Means against Commercial Exploitation of Intolerable Portrayals*, 27 EUR. INTELL. PROP. REV., 37, 37–42 (2005).

## United States

In the U.S., the trademark “Redskins,” registered by the famous American football team, has been challenged by some Native American petitioners. The Board of the United States Patent and Trademark Office (USPTO) first cancelled the registration on the grounds that it might disparage Native Americans and may bring them into contempt or disrepute, but denied the petitioners’ allegation that the sign was scandalous.<sup>28</sup> The Court of Appeals for the District of Columbia Circuit then found that the disparagement and contempt claims were barred by laches.<sup>29</sup> In a subsequent proceeding related to the same sign, the USPTO Board held again that the Redskins trademark is disparaging and cancelled six registrations.<sup>30</sup>

A line of cases also regarded sexual messages. In *McGinley*, the sign included “a photograph of a nude man and woman kissing and embracing in a manner appearing to expose the male genitalia”<sup>31</sup> (the product was a newsletter dealing with sexual topics). The mark was considered offensive to propriety, morality, and decency, and it was shocking to the moral sense of the members of the community.<sup>32</sup> An opposite conclusion was reached in both *Old Glory Condom* and *Mavety*. In the former case, the sign was “a pictorial representation of a condom decorated with stars and stripes in a manner to suggest the American flag.”<sup>33</sup> The Trademark Trial and Appeal Board rejected the Examiner’s argument that a majority of people would be scandalized and offended by the juxtaposition of the American flag and goods related to sexual activity. It is believed that the Board’s decision was influenced by its approval of the message that the applicant was meant to convey; for example, that it is Americans’ patriotic duty to fight AIDS by practicing safe sex.<sup>34</sup> In *Mavety*, the publisher of an adult magazine, featuring naked African-American women, was allowed to register the title “Black Tail.” The sign was not barred under the immoral or scandalous prohibition as the public would mainly believe that the term “tail” refers to buttocks and not to a female sex object.<sup>35</sup>

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28. *Harjo v. Pro-Football, Inc.*, 50 U.S.P.Q.2d 1705 (T.T.A.B. 1999), *rev’d*, 284 F. Supp. 2d 96, 68 U.S.P.Q.2d 1225 (D.D.C. 2003), *remanded to* 415 F.3d 44, 75 U.S.P.Q.2d 1525 (D.C. Cir. 2005).

29. *Pro-Football, Inc. v. Harjo*, 565 F.3d 880, 90 U.S.P.Q.2d 1593 (D.C. Cir. 2009), *cert. denied*, 130 S. Ct. 631 (2009).

30. *Blackhorse, Briggs-Cloud, Gover, Lone-Bentley, Pappan, & Tsoitigh v. Pro-Football, Inc.*, 111 U.S.P.Q.2d 1080 (T.T.A.B. 2014).

31. *In re McGinley*, 660 F.2d 481, 482 (C.C.P.A. 1981).

32. *McGinley*, 660 F.2d at 482.

33. *In re Old Glory Condom Corp.*, 26 U.S.P.Q. 2d 1216 (T.T.A.B. 1993).

34. *Id.* at 1221.

35. *In re Mavety Media Group*, 33 F.3d 1367, 1369, 1373, 31 U.S.P.Q.2d 1923 (Fed. Cir. 1994) (stating that the case was vacated and remanded to deduce if the Board could support its reasoning for believing the mark was immoral or scandalous).

## Australia

The sign “Kunt” was refused registration in relation to clothing. The Australian Registrar refused the applicant’s argument that the term has become not offensive under the present social mores. It was indeed held that:

[N]either is it necessary that all people might find the word obscene. It is enough . . . that a substantial number of people are likely to find the word shocking—but this number need not be as much or greater than 50%. . . . [I]t is sufficient if the result of the user of the trade mark will be that a not insubstantial number of people will be, or are likely to be, shocked.<sup>36</sup>

Conversely, the expression “Nuckin Futs,” in connection with prepared nuts, mixtures of nuts, and dried fruits, was considered acceptable, despite the fact that it is a clear spoonerism for “fucking nuts.” The registration is, however, conditional upon the trademark not being used on goods marketed to children.<sup>37</sup> Such condition should not jeopardise the owner of the registration since the products are sold in pubs that kids cannot enter.

A very recent case regards an application by a Malaysian company for the sign “MH17,” which was filed in July 2014 on the day after the Malaysian Airlines flight MH17 crashed into fields in eastern Ukraine, killing all 298 passengers aboard (it was probably hit by a missile launched by pro-Russian rebels).<sup>38</sup> It will be interesting to know the outcome of the application. It seems probable that such a distasteful attempt to capitalise on a tragedy that has attracted worldwide media coverage will be rejected by the Australian Trademark Office.

*The Right and Duty of Public Authorities to Have a Say*

One may argue that trademark offices and judges should not be bothered with assessing whether a sign is immoral, scandalous, offensive, or against public policy. Market forces alone—the argument goes—would be able to address such issues because, if the sign is really controversial, consumers would feel offended and refuse to buy the relevant products or services, which will eventually push the brand out of the market.<sup>39</sup>

I believe such argument is flawed. Indeed, many members of the public could be attracted to buying the relevant product or service exactly because of

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36. *In re Kuntstreetwear Pty Ltd.* Trade Mark Application [2007] 73 IPR 438.

37. Austl. Trademark Application Serial No. 14082134 (filed Mar. 3, 2011) (Austl.) in the name of Universal Trading Australia Pty Ltd as trustee for Basil and Groovy Trust.

38. See *Company’s bid for MH17 trademark*, THE AUSTRALIAN (July 24, 2014, 5:54 PM), <http://www.theaustralian.com.au/news/latest-news/companys-bid-for-mh17-trademark/story-fn3dxiwe-1227000391660>.

39. Jasmine Abdel-Khalik, *To Live in In-’Fame’-Y: Reconceiving Scandalous Marks as Analogous to Famous Marks*, 25 CARDOZO ARTS & ENT. L.J. 173, 176 (2007).

the debatable message conveyed by the brand. As has been held in the U.S. case regarding the (refusal of) registration of the sign “DICK HEADS,” coupled with a clear representation of male genitalia (in connection with restaurant and bar services), “some people may well buy applicant’s promotional items *because* of the scandalous nature of the mark, for ‘shock’ value, but this does not mean that the mark, in the context in which it is used, is not offensive to a substantial composite of the general public.”<sup>40</sup> In other words, the fact that a brand is offensive may be seen by some consumers as a positive aspect of the whole commercial offer and constitute a driver of purchasing behaviours. Yet, this does not make the message conveyed by the trademark morally acceptable.

That is why there is a need for governments to intervene. Attempts by commercial enterprises to go beyond the line of what is decent and win consumers’ attention by relying on morally unacceptable brands<sup>41</sup> (which can inflict emotional distress on a substantial portion of people) should be neutralised.<sup>42</sup> It is public authorities, namely trademark examiners and judges, that have the right and duty to prevent such attempts and protect decency, welfare, and morals—and they accomplish such a duty by denying or cancelling the registration of these controversial signs.<sup>43</sup> On the contrary, trademarks that convey neutral and inoffensive messages, or even positive messages (e.g. *Old Glory Condom* case above), do not constitute a threat to morality and thus should not be denied protection.

Moreover, it has been argued that public authorities should not waste their precious time and resources by dealing with the signs in question.<sup>44</sup> This has also been affirmed in both the U.S. and EU decisions. For example, in *McGinley*, it was held that scandalous trademarks should not “occupy the time, services, and use of funds of the federal government.”<sup>45</sup> In the EU case concerning the sign “Screw You,” it was held that:

[T]he rationale of the provision is that the privileges of trade mark registration should not be granted in favour of signs that are contrary to public policy or the accepted principles of morality. In other words, the organs of government and public administration should not positively assist people who wish to further their business aims by means of trade marks that offend against

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40. *In re Wilcher Corp.*, 40 U.S.P.Q.2d 1929, 1934 (T.T.A.B. 1996).

41. Cropley, *supra* note 1, at 20; Gladwin, *supra* note 2, at 38.

42. Anne Gilson LaLonde & Jerome Gilson, *Trademarks Laid Bare: Marks that May Be Scandalous or Immoral*, 101 TRADEMARK REP. 1476, 1485 (2011).

43. Stephen R. Baird, *Moral Intervention in the Trademark Arena: Banning the Registration of Scandalous and Immoral Trademarks*, 83 TRADEMARK REP. 661, 675–76 (1993).

44. *Id.* at 788.

45. *McGinley*, 660 F.2d at 486, 211 U.S.P.Q. 668. See also Jeffrey Lefstin, *Does the First Amendment Bar Cancellation of REDSKINS?*, 52 STAN. L. REV. 665, 683 (2000).

certain basic values of civilised society.<sup>46</sup>

A category of consumers and people that particularly need to be protected from controversial brands are children, even when they are not the intended consumers of the relevant goods and products. The OHIM Manual of Trademark Practice expressly refers to them. There is an interest, the Manual stresses, in ensuring that children and young people, even if they do not constitute the public of the goods and services in question, do not encounter offensive words in shops that are accessible to the general public.<sup>47</sup> In the OHIM's decision regarding the sign "Screw You," it was interestingly held that:

It is also necessary to bear in mind that, while broad-minded adults may enjoy bawdy humour in a particular context, they might not wish to be exposed to material with explicit sexual content when walking down the street or watching television in the company of their children . . . . [A] substantial proportion of ordinary citizens in Britain and Ireland whose values and standards are representative of society as a whole would find the words SCREW YOU offensive and objectionable, especially if they encountered them as a trade mark in ordinary shops to which children have access, or if they were advertised on television at a time when children were likely to be watching or if they were displayed prominently on clothing worn in the street or visible in shop windows.<sup>48</sup>

The Australian decision involving the sign "Nuckin Futs" is also relevant. As we have seen in that case, registration was granted on the condition that the underlying products are not marketed to children.<sup>49</sup>

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46. Kenneth v. J.A. Kemp & Co., [2006] OHIM R 495/2005-G, para. 13 (appeal taken from Eng.). The concept of "privilege of trade mark registration" is also mentioned in the OHIM's decision concerning the coarse words "Fucking Freezing." It is the responsibility of OHIM—confirmed by the First Board of Appeal in that case—to ensure that the privileges of trade mark registration are not extended to trade marks which are deeply offensive, vulgar, disgusting or potentially capable of causing outrage." See Entscheidung, [2011] HARMONISIERUNGSAMT FÜR DEN BINNENMARKT, OHIM R 0168/201-1 (appeal taken from Ger.).

47. *Absolute grounds for refusal and community collective marks*, THE MANUAL CONCERNING PROCEEDINGS BEFORE THE OFFICE FOR HARMONIZATION IN THE INTERNAL MARKET (TRADE MARKS AND DESIGNS) 15 (Part B 2012), available at [https://oami.europa.eu/tunnel-web/secure/webdav/guest/document\\_library/contentPdfs/law\\_and\\_practice/trade\\_marks\\_practice\\_manual/part%20\\_b\\_section\\_4\\_ag\\_manual\\_after\\_gl\\_en.pdf](https://oami.europa.eu/tunnel-web/secure/webdav/guest/document_library/contentPdfs/law_and_practice/trade_marks_practice_manual/part%20_b_section_4_ag_manual_after_gl_en.pdf) (last visited June 20, 2014).

48. Kenneth v. J.A. Kemp & Co., [2006] OHIM R 495/2005-G, paras. 21, 26 (appeal taken from Eng.); see also Entscheidung, [2011] HARMONISIERUNGSAMT FÜR DEN BINNENMARKT, OHIM R 0168/201-1, para. 25 (appeal taken from Ger.). The need to protect family values has also been stressed in the decisions concerning the U.K. trademarks "Tiny Penis," U.K. Trademark Application Serial No. 2232411 (filed May 13, 2000); *application denied* (Jan. 9, 2001), and "Fook," U.K. Trademark Application Serial No. 2309350 (filed Aug. 30, 2002); *application denied*, Dec. 0-133-04, para. 12 (May 13, 2004).

49. See *supra* note 35. Austl. Trademark Application No. 14082134 in the name of Universal

## THE “PARADOX” AND THE “LACK OF INCENTIVE”

The opponents of the provisions that ban the registration of controversial trademarks often highlight a paradox stemming from such rules, namely the fact that even if the registration is denied, the applicant can still use the sign in the course of trade. The refusal of registration, the argument goes, does not prohibit use of the immoral sign by the applicant and would therefore be useless. Actually, as any trader would be free to adopt the trademark in question, the denial of registration could even increase its use, which would be exactly the opposite of what the rules in question aim to accomplish.<sup>50</sup>

Several decisions have referred or hinted to this paradox. In the case concerning the U.K. trademark application for “Tiny Penis,” the Appointed Person held that “the system of registration of trademarks is to protect both traders and the public . . . [and the refusal of registration] does not prevent a trader using a mark but merely denies him the protection of registration.”<sup>51</sup> And in the decision concerning the U.K. trademark “FCUK,” it was noted that “withholding protection is, at least in principle, more likely to result in that subject matter being widely disseminated than if protection were conferred.”<sup>52</sup>

This paradox-focused argument, I believe, is not convincing. There is indeed no doubt that a trademark registration constitutes an incentive to make investments in a certain sign. The owner of a trademark that has been refused registration or whose registration has been cancelled may not have economic incentive to continue to use the brand. If exclusive rights are lost, it would make no sense economically to keep using the sign.<sup>53</sup> Thus, the refusal or cancellation of registration on grounds of public policy and morality greatly decreases the value of the trademark (e.g., the use of the ® symbol next to the brand would be prohibited) such that the owner would likely choose not to use it anymore.<sup>54</sup> Seen from this perspective, the ban on registrability can be an appropriate tool for states to discourage the use of debatable signs<sup>55</sup> and,

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Trading Australia Pty Ltd as trustee for Basil and Groovy Trust.

50. Phillips & Simon, *supra* note 27, at 328.

51. U.K. Trademark Application Serial No. 2232411 (filed May 13, 2000); *application denied* (Jan. 9, 2001) (U.K.). *See also* López v. OHIM [2012] S.T.G., Dec. T-417/10, No. 207/2009, para. 26 (Spain). (regarding the word “Hijoputa”).

52. French Connection Ltd., No. 2184549 v. Woodman, No. 81862, Dec. 0-137-06, para. 54 (May 17, 2006) (U.K.).

53. Baird, *supra* note 43, at 673 n. 39.

54. Paul E. Loving, *Native American Team Names in Athletics: It’s Time to Trade These Marks*, 13 LOY. L.A. ENT. L.J. 1, 2 (1992).

55. *See* Abdel-Khalik, *supra* note 39, at 213.

The obvious justification for prohibiting registration of scandalous marks is to regulate morality and, specifically, to guide potential trademark owners away from “improper” trademarks. In 1909, for example, the Commissioner of Patents indicated that the role of the

therefore, preserve morality and welfare.<sup>56</sup>

#### CHANGES IN MORAL STANDARDS

Moral standards change over time and space. What was considered morally unacceptable fifty years ago might be considered acceptable nowadays, due to changes in social attitudes. Also, what is deemed morally admissible in a country could be considered outrageous in another, given the cultural and social differences between nations and people. Trademarks are no exception, and the period and place where the perception of a brand by the relevant public is measured becomes relevant.<sup>57</sup> Therefore, it does not come as a surprise that trademark offices and judges may make different decisions in similar cases. For example, the word “Jesus” has been refused registration in the U.K.,<sup>58</sup> whereas in Australia, signs containing the same word have been recently registered.<sup>59</sup> While the sign “Madonna” was considered scandalous in connection with bottles of wine in the U.S. in 1938,<sup>60</sup> the same trademark has been lawfully registered decades later by the famous pop music star,<sup>61</sup> whose use of Christian symbols in erotic contexts may be considered much more scandalous than in relation to wine. Also, the signs “Mecca” and “Hallelujah” have been rejected in the past,<sup>62</sup> but later have been registered.<sup>63</sup>

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Patent Office included discouraging the use of marks that detract from “the dignity of the high office which [Presidents] have held.”

56. Baird, *supra* note 43, at 788; Ron Phillips, *A Case for Scandal and Immorality: Proposing Thin Protection of Controversial Trademarks*, 17 U. BALT. INTELL. PROP. L.J. 55, 67 (2008); Bruce C. Kelber, “Scalping the Redskins:” *Can Trademark Law Start Athletic Teams Bearing Native American Nicknames And Images On The Road To Racial Reform?*, 17 HAMLIN L. REV. 533, 555–56 (1994); Kimberly A. Pace, *The Washington Redskins Case and The Doctrine of Disparagement: How Politically Correct Must a Trademark Be?*, 22 PEPP. L. REV. 7, 37 (1994).

57. It is widely accepted that the conformity of a trademark with morality must be judged at the date of its application. See HALLELUJAH Trade Mark Application [1976] 22 R.P.C. 605, 607 (U.K.) (concerning the refusal of an application to register the sign “Hallelujah” for clothing). In this decision, the hearing officer held that “it is well established that the registrability of a trade mark must be judged as at the date of its application. I conclude that the phrase ‘contrary to morality’ falls to be considered by the generally accepted standards of today and not by those of 1938.” *Id.*

58. U.K. International Trademark Application Serial Nos. 689374 & 776058; *applications denied*, Dec. 0-021-05, para. 27 (Jan. 18, 2005).

59. See, e.g., EPIC JESUS, Registration No. 1028403 (Austl. 2006); J.A.M. JESUS AND ME, Registration No. 943758 (Austl. 2003); HANGING OUT WITH JESUS, Registration No. 742126 (Austl. 1997).

60. Riverbank Canning Co., 95 F.2d at 329.

61. MADONNA, Registration No. 1,463,601 (U.S.) (for clothing); MADONNA, Registration No. 1,473,554 (U.S.) (for entertainment services).

62. See generally HALLELUJAH Trade Mark Application [1976] 22 R.P.C. 605 (U.K.); MERCY’S Trade Mark Application [1955] 25 A.O.J.P. 938 (Austl.).

63. HAIR MECCA, Registration No. 1392748 (Austl.); HALLELUJAH CLOTHING, Registration No. 1200316 (Austl.).

In the already mentioned U.S. case *Old Glory Condom*, the USPTO Trademark Trial and Appeals Board noted that “what was considered scandalous as a trademark or service mark twenty, thirty, or fifty years ago may no longer be considered so, given the changes in societal attitudes. Marks once thought scandalous may now be thought merely humorous (or even quaint).”<sup>64</sup> Similarly, in *Mavety*, the U.S. Court warned to be “mindful of ever-changing social attitudes and sensitivities. Today’s scandal can be tomorrow’s vogue.”<sup>65</sup>

Changes in moral attitudes may also happen the other way around. Words or expressions which were considered acceptable decades ago may not be considered admissible nowadays. Some racist names or adjectives such as “colored” and “yellow” had sometimes been used in the past to refer to black or Asian people, but in the present day they are considered as having racist connotations.<sup>66</sup> For instance, trademarks such as “Nigger Head Brand” for canned vegetables and “Niggerhair Tobacco” accompanied by a caricature of a black woman with a bushy Afro and rings through her nose<sup>67</sup> had been used in the U.S. in the past. It has been noted that while such trademarks could have been acceptable in the first part of the twentieth century, “an era politically and economically dominated by white men,” they cannot be accepted in the current multi-cultural society.<sup>68</sup> That is also why some companies have tried to adapt, over the decades, certain debatable trademarks, mostly to avoid offending or alienating large categories of customers.<sup>69</sup>

I believe that trademarks which have, over the years, become morally unacceptable should be kept out of the register. They should be refused registration if they are scandalous or contrary to accepted principles of morality at the time of filing, and if already registered, they should be revoked.

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64. *Old Glory Condom Corp.*, 26 U.S.P.Q. 2d at 1219.

65. *Mavety Media Group*, 33 F.3d at 1371.

66. Regan Smith, *Trademark Law and Free Speech: Protection for Scandalous and Disparaging Marks*, 42 HAR. C.R.-C.L. L. REV. 451, 480–81 (2007).

67. Nancy Kruh, *Collecting Controversy - Evolving Images: Aunt Jemima, Uncle Ben and The Chef of Cream of Wheat*, THE DALLAS MORNING NEWS, Feb. 13, 1994, at 1F, available at [http://infoweb.newsbank.com/iw-search/we/InfoWeb?p\\_product=NewsBank&p\\_theme=aggregated5&p\\_action=doc&p\\_docid=0ED3D43F7B1EDD78&p\\_docnum=1&p\\_queryname=2](http://infoweb.newsbank.com/iw-search/we/InfoWeb?p_product=NewsBank&p_theme=aggregated5&p_action=doc&p_docid=0ED3D43F7B1EDD78&p_docnum=1&p_queryname=2).

68. Pace, *supra* note 56, at 8–9.

69. See, e.g., *id.* at 8–9. Perhaps the best example of an evolution of a brand over the years is the “Aunt Jemima” trademark owned by the Quaker Oats Company. When the brand was first used in 1893, Aunt Jemima “appeared as a caricature of a black ‘mammy’ grinning with a handkerchief over the head,” (indeed a caricature of slave-like servitude). *Id.* at 9. Her image conveyed messages related not only to family lives and secret recipes, but also to plantation life as a happy slave contributes to the post civil war idealism of southern life and America’s developing consumer culture. Since then, Aunt Jemima has undergone several makeovers aimed at making the brand a less racially stereotyped one. See *id.* at 9–10.

## REFUSAL OF REGISTRATION AND FREEDOM OF SPEECH

As mentioned above, there is little economic incentive in using unregistered signs, and refusing registration often encourages applicants to abandon the brand. Can, therefore, a refusal by a trademark office to register a sign on morality and public policy grounds be considered as a restriction on commercial free speech?

First, it should be noted that trademarks do constitute commercial expression, as brands definitely provide current and potential customers with useful information that enable them to make educated purchase choices.<sup>70</sup> And such expression attracts some form of protection. In *Friedman*, the U.S. Supreme Court held that since trade names are “used as part of a proposal of a commercial transaction,” their use is a form of commercial speech that deserves a limited measure of protection under the First Amendment.<sup>71</sup> Commercial expression is also protected in Europe under Article 10 of the European Convention on Human Rights and Fundamental Freedoms (ECHR).<sup>72</sup>

70. Jerome Gilson, TRADEMARK PROTECTION AND PRACTICE, § 5.09(5)(a), 5-165.

[T]rademarks and advertising, potent forms of communication, transmit commercial images, thoughts, claims and facts. Their purpose is to sell: to convince would-be purchasers that this product is the best, that it comes from a reliable source, that its quality is unsurpassed, that the purchaser’s well being would undoubtedly be enhanced by a purchase.

Id.

71. *Friedman v. Rogers*, 440 U.S. 1, 11 (1979). See also Baird, *supra* note 43, at 687 (noting, however, that the Supreme Court’s finding cannot be interpreted as giving trademark owners unconditional rights to use their signs). The First Amendment to the U.S. Constitution states that “Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or *abridging the freedom of speech*, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.” U.S. CONST. amend. I (emphasis added).

72. ECHR art. 10.

Everyone has the right to freedom of expression. This right shall include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers.

The exercise of these freedoms, since it carries with it duties and responsibilities, may be subject to such formalities, conditions, restrictions or penalties as are prescribed by law and are necessary in a democratic society, in the interests of national security, territorial integrity or public safety, *for the prevention of disorder or crime, for the protection of health or morals*, for the protection of the reputation or rights of others, for preventing the disclosure of information received in confidence, or for maintaining the authority and impartiality of the judiciary.

*Id.* (emphasis added). The European Court of Human Rights (ECtHR) held on several occasions that statements made in a commercial context are protected by Article 10 ECHR, and that the latter does not distinguish between various forms of expression. Accordingly all expression, whatever its content (political, commercial, etc.) is protected as free speech. See, e.g., *Krone Verlag GmbH & Co. KG v. Austria*, Eur. Ct. H.R. 1, 4, paras. 19-20 (2002); *Casado Coca v. Spain*, Eur. Ct. H.R. 1, 11-12, paras. 33-37 (1994) (this case regarded restrictions on lawyers’ advertising). The court noted that:

[T]he impugned notices merely gave the applicant’s name, profession, address and telephone

Having said that, trademark owners might argue that the government or other interested parties, including competitors, who raise the moral or public policy issue before an office or a court want to censor or silence them on the basis of the content of their brands. As has been noted, refusals by governments to register such signs have the potential to drive particular forms of expression from the marketplace, so they must be scrutinised under free speech legislation.<sup>73</sup>

Several courts in the U.K., EU, and U.S. have already touched on this issue. U.K. and EU judges and examiners, in particular, increasingly refer to Article 10 ECHR when it comes to refusing registration of signs which are considered contrary to public policy and morality. Yet, they have often concluded that no interference with free speech takes place since the denial of registration does not prevent the applicant from using the sign.<sup>74</sup> U.S. courts have taken a similar approach. In *McGinley*, the court held that no violation of free speech stems from denial of registration as “no conduct is proscribed, and no tangible form of expression is suppressed. Consequently, appellant’s First Amendment rights would not be abridged by the refusal to register his mark.”<sup>75</sup>

Yet, one may also argue that the refusal of registration still represents an indirect restriction of applicant’s free speech under both Article 10 ECHR or the First Amendment as companies may be unwilling to invest in large-scale promotional and marketing campaigns for signs that are not registered,<sup>76</sup> which would have chilling effects on commercial expression.<sup>77</sup> U.S. Judge Pauline Newman’s dissenting opinion in *Ritchie v. Simpson* followed this line of reasoning by generally noting that “abridgement may result from a law that

number. They were clearly published with the aim of advertising, but they provided persons requiring legal assistance with information that was of definite use and likely to facilitate their access to justice. Article 10 (art. 10) is therefore applicable.

*Id.* at 12, paras. 36–37; Markt Intern Verlag GmbH & Klaus Beermann v. Germany, Eur. Ct. H.R. 1, 1617, paras. 37–38 (1989).

73. Lefstin, *supra* note 45, at 677–79, 692 (noting in general that any commercial speech regulation aims at suppressing information about a product or service).

74. See, e.g., López v. OHIM [2012] S.T.G., Dec. T-417/10, No. 207/2009, para. 26 (Spain) (regarding “Hijoputa”); Entscheidung, [2011] HARMONISIERUNGSAMT FÜR DEN BINNENMARKT, OHIM R 0168/201-1 (appeal taken from Ger.) (concerning the sign “Fucking Freezing”); Couture Tech. Ltd. v. OHIM, [2011] Gen. Ct. T-232/10, paras. 69–71 (appeal taken from Lux) (referencing the sign consisting of a representation of the coat of arms of the former Soviet Union, which included the hammer and sickle).

75. See generally *McGinley*, 660 F.2d at 481. See also *Ritchie v. Simpson*, 170 F.3d 1092, 1099 (Fed. Cir. 1999) (stressing *in dicta* that the First Amendment is not implicated in denial of trademark registrations); *In re Boulevard Entertainment*, 334 F.3d 1336, 1343 (2003); *Mavety Media Group*, 33 F.3d at 1374 (citing *McGinley*, 660 F.2d at 481).

76. *Kenneth v. J.A. Kemp & Co.*, [2006] OHIM R 495/2005-G, para. 15 (appeal taken from Eng.) (emphasis added).

77. *Baird*, *supra* note 43, at 686 n. 87.

merely burdens an exercise of speech.”<sup>78</sup>

Even assuming an interference with the right to commercial free speech takes place, such interference could still be justified if certain conditions are met. Under Article 10(2) ECHR, an interference would be justified if it is: (i) proscribed by law,<sup>79</sup> (ii) for one of the permitted aims mentioned in the second part of the provision (which includes the prevention of disorder or crime as well as the protection of health or morals),<sup>80</sup> and (iii) “necessary in a democratic society.”<sup>81</sup> The latter requirement is particularly important. The European Court of Human Rights (ECtHR) has constantly held that such a requirement includes three conditions, for example: interferences should address pressing social needs, be proportional, and be accompanied by relevant and sufficient reasons.<sup>82</sup> Not very different requirements have been laid out by the U.S. Supreme Court in *Central Hudson Gas & Electric Corporation v. Public Service Commission*.<sup>83</sup> In order to restrict (protected) commercial free speech, (i) the government must establish a substantial interest in such a restriction, (ii) the latter must directly advance the governmental interest in question, and (iii) it must be no more extensive than necessary to serve said interest (i.e. a proportionality rule).<sup>84</sup>

As far as the European scenario is concerned, one may thus argue that the refusal to register the signs in question aims at preventing disorders and crimes

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78. *Ritchie*, 170 F.3d at 1103 (Newman, J., dissenting); Melville B. Nimmer, *Nimmer on Freedom of Speech*, 4-33 (1984).

Abridging” within the meaning of the First Amendment may occur even if the law in question does not by its terms either prohibit or punish speech . . . . State action may nevertheless be invalid if it constitutes a “discouragement” of speech, or perhaps, if it eliminates a “basic incentive” to engage in speech.

*Id.* See also *Am. Comm’n Ass’n v. Douds*, 339 U.S. 382, 402 (1950) (“[I]ndirect ‘discouragements’ undoubtedly have the same coercive effect upon the exercise of First Amendment rights as imprisonment, fines, injunctions or taxes.”); Jendi B. Reiter, *Redskins and Scarlet Letters: Why “Immoral” and “Scandalous” Trademarks Should Be Federally Registrable*, 6 FED. CIR. B.J. 191, 198 (1996).

79. This condition would be met in case of refusal to register signs which are contrary to *public order* or morality as the principles enshrined in the provisions in question have sufficient legal certainty and foreseeability to qualify as “law” under the ECHR. See Jonathan Griffiths, *Is There a Right to an Immoral Trade Mark?*, SOC. SCI. RESEARCH NETWORK 1, 3 (2009), <http://ssrn.com/abstract=1492117>.

80. ECHR art. 10; *Krone Verlag GmbH & Co. KG v. Austria*, Eur. Ct. H.R. 1, 4, paras. 19–20 (2002); *Casado Coca v. Spain*, Eur. Ct. H.R. 1, 11–12, paras. 33–37 (1994); *Markt Intern Verlag GmbH & Klaus Beermann v. Germany*, Eur. Ct. H.R. 1, 16–17, paras. 37–38 (1989).

81. ECHR art. 10(2).

82. This requirement would be met in the scenario in question as the refusals of registration under the provisions prohibiting the registration of signs contrary to *public order* or morality always include written reasons. See, e.g., Griffiths, *supra* note 79, at 7.

83. *Central Hudson Gas & Elec. Corp. v. Pub. Serv. Comm’n*, 447 U.S. 557, 564 (1980).

84. Kelber, *supra* note 56, at 559–60.

(e.g. the cases concerning the signs “www.standupifyouhate manu,” “Inter City Firm,” “Bin Ladin,” etc.) as well as at protecting morals (e.g. the decisions regarding “Jesus,”<sup>85</sup> “Tiny Penis,” “Screw You,” “Fook,” “Fucking Freezing,” etc.), and that therefore the interference with commercial free speech addresses pressing social needs.<sup>86</sup> As to the U.S. scenario, it has been noted that the federal government has several substantial interests that would justify the ban on registration of scandalous and disparaging trademarks,<sup>87</sup> including to discourage their use by denying exclusive rights, the need not to waste financial resources dealing with these issues,<sup>88</sup> and the duty to protect the health, safety, and welfare of the people.<sup>89</sup> The additional requirement under *Central Hudson*, namely that the restriction directly advances the substantial interests in question, seems satisfied also. This burden requires the government to show an “immediate connection” between the restriction and the interest pursued.<sup>90</sup> Again the disincentive-related argument could be used; it could be argued in particular that by refusing to monopolise the trademarks in question, the government pursues its legitimate aim to discourage their use, as well as to not waste time and resources with said signs, and to protect the health, safety, and welfare of the public.<sup>91</sup>

Then comes the proportionality requirement. Both Article 10(2) ECHR and the First Amendment as interpreted in *Central Hudson* and *Board of Trustees v. Fox*<sup>92</sup> require governments that want to restrict commercial free speech to

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85. See generally U.K. International Trademark Application Serial Nos. 689374 & 776058; *applications denied*, Dec. 0-021-05 (Jan. 18, 2005). Section 3(3)(a) of the U.K. Trade Mark Act “seeks to prohibit registration in cases where it would be legitimate for the ‘prevention of disorder’ or ‘protection of . . . morals’ to regard use of the trade mark in question as objectionable in accordance with the criteria identified in Article 10 ECHR.” *Id.* at para. 6. The use of the sign Jesus “as a trademark should . . . be regarded as seriously troubling in terms of the public interest in the ‘prevention of disorder’ and ‘protection of morals’ under Article 10 ECHR.” *Id.* at para. 26.

86. *French Connection Ltd., No. 2184549 v. Woodman, No. 81862*, Dec. 0-137-06, para. 60 (May 17, 2006) (U.K.) (“[R]egistration should be refused only where this is justified by a pressing social need.”).

87. Thus far, however, no court has analyzed the ban on registrability of scandalous and disparaging signs under the *Central Hudson* test. See Baird, *supra* note 43, at 788.

88. Baird, *supra* note 43, at 788; Lefstin, *supra* note 43, at 683; McGinley, 660 F.2d at 486, 211 U.S.P.Q. 668.

89. Baird, *supra* note 43, at 699.

90. *Adolph Coors Co. v. Brady*, 944 F.2d 1543, 1547 (10th Cir. 1991) (quoting *Central Hudson*, 447 U.S. at 566).

91. Kelber, *supra* note 56, at 560–61.

92. 492 U.S. 469, 477, 480 (1989) (relaxing the proportionality principle established in *Central Hudson*). The test now no longer asks whether the governmental regulation is “no more extensive than reasonably necessary” to service the interest in question, but has been diluted. *Id.* at 477. A perfect fit between the restriction and the interest pursued is no longer required—a reasonable fit is sufficient instead. *Id.* at 480.

prove that such restriction is proportional. Trademark offices or courts must therefore conduct a balancing exercise with a view to finding out whether denying registration of a certain sign is necessary for one of the relevant purposes. Some U.K. and EU decisions have mentioned the need to carry out this test by expressly referring to Article 10(2) ECHR. In the case concerning the sign “FCUK,” for example, it was held that registration should be refused only where this is proportionate to the legitimate aim pursued.<sup>93</sup>

A balanced approach seems to have been taken in the appeal decision, which confirmed the refusal to register the U.K. trademark “Fook.” As in many parts of the United Kingdom, this expression is phonetically identical to the term *Fuck*.<sup>94</sup> Having considered the matter through the eyes of the “right-thinking” member of the public, I have concluded that use of the word “Fook” as a trademark would cause greater offense than mere distaste to a significant section of the general public,<sup>95</sup> and therefore, I conclude that the trademark applied for is contrary to public policy. This does not come as a surprise. It should be noted that, especially in Europe, public authorities benefit from greater freedom when it comes to restricting commercial expression as opposed to political speech and media speech. The ECtHR has constantly accorded less weight to commercial communication than to other forms of speech, with the result that states enjoy a wider margin of appreciation when it comes to restricting such speech, including the refusal to grant monopolistic rights on a debatable sign (which should therefore be subject to a more relaxed scrutiny).<sup>96</sup> As has been interestingly noted, the mere application of a trademark to products or services cannot be compared to other more complex forms of communication such as political or artistic speeches.<sup>97</sup> OHIM’s approach is in line with this interpretation. In the decision concerning the refusal to register the sign “Screw You,” the Grand Board of Appeal stressed that “freedom of artistic expression is regarded as a higher priority than freedom of commercial expression and consequently it is more fiercely protected. The use of profanities in the name of art and literature is circumscribed with great reluctance in democratic and open societies. The same is true in relation to expressing opinions. “A militant atheist may write an article for public consumption ridiculing religion, for

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93. French Connection Ltd., No. 2184549 v. Woodman, No. 81862, Dec. 0-137-06, para. 22 (May 17, 2006) (U.K.).

94. U.K. Trademark Application Serial No. 2309350 (filed Aug. 30, 2002); *application denied*, Dec. 0-133-04, para. 11 (May 13, 2004).

95. *Id.* at paras. 23–24.

96. Griffiths, *supra* note 79, at 11 (citing several ECtHR decisions). Thus far the ECtHR has not heard any case regarding the refusal to register a trademark and its possible interference with the right to free speech under Article 10(2) ECHR.

97. Griffiths, *supra* note. 79, at 14.

example, and the State will not intervene. *But a trade mark mocking, or exploiting the name of, the founder of a major world religion might none the less be kept off the register.*<sup>98</sup>

The margin of appreciation for trademark examiners and judges who are tasked with examining the registrability of controversial signs is not wide just because commercial speech is less weighted than other forms of expression. It is also wide because of the nature of the competing interests, for example: protection of decency, morality, and dignity, as well as compliance with public policy. Indeed, the ECtHR has often accorded states a quite ample margin of appreciation on issues of decency and morality as well as protection of the religious rights of others, public security maintenance, and prevention of disorders.<sup>99</sup>

### CONCLUSION

This article has made the point that economic operators do not have complete freedom when it comes to registering signs, and trademark offices and judges have the right and duty to restrict such freedom by refusing registration if that is necessary to protect competing interests, including: morality, decency, public order, and minorities' rights. Minors are particularly protected by the ban in question, as it has been confirmed in several decisions highlighted in this work that stress the risk of childrens' exposure to sexually-explicit signs (e.g. "Nuckin Futs" and "Screw You").

A criticism of the prohibition on the registration of immoral and scandalous trademarks is that the same would be useless as it does not prohibit the use of the (unregistered) sign in the market. Yet, we have seen that this argument is not convincing as bans on registration of the brands in question are capable of discouraging their use by removing the legal protection which stems from the registration. Indeed, few companies would invest into, and use, brands that will eventually not be registered. The effect of these bans, thus, is to push applicants to abandon controversial signs.

Moreover, the bans analysed in this article might be subject to change. Morality may indeed change over time, and signs that forty or fifty years ago were considered immoral or scandalous, and therefore not registrable, may nowadays be perceived differently and thus registrable, and viceversa. The law must accommodate such changes and allow the registration of signs that are no

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98. *Kenneth v. J.A. Kemp & Co.*, [2006] OHIM R 495/2005-G, para. 24 (appeal taken from Eng.) (emphasis added).

99. *See, e.g.*, *Wingrove v. United Kingdom*, Eur. Ct. H.R. 1, 18, para. 58 (1996); *Otto-Preminger-Inst. v. Austria*, Eur. Ct. H.R. 1, 16–17, paras. 56–57 (1994); *Muller v. Switzerland*, Eur. Ct. H.R. 1, 17–18, para. 36 (1991).

longer considered controversial, while refusing protection of (initially acceptable) signs that have become morally deplorable or *contra legem* later on.

We have also seen that trademark examiners and judges, especially in Europe, increasingly carry out a balancing exercise between, on the one hand, the right of traders to freely choose words and logos to be incorporated into a registered trademark (basically, a freedom of commercial expression) and, on the other hand, the right of the public not to come across outrageous brands. Should trademark offices and courts take an approach that is too strict and paternalistic, and refuse or cancel registration of morally inoffensive signs? Applicants' right to commercial free speech would be unduly undermined. Conversely, an approach that is too liberal may provoke outrage and moral indignation amongst members of the public who have the right not to be confronted with disturbing, insulting, abusive, and even threatening expressions.<sup>100</sup>

Another criticism of the ban at issue is that decisions are sometimes difficult to reconcile and inconsistent between themselves as judges and examiners are human beings and might have different sensibility (also in light of changes in social mores) towards certain topics, including sex, coarse language, and violence-related messages. Yet, I do believe that the ban should be firmly kept in trademark statutes as it seems to produce more benefits (in the form of a strong disincentive towards the use of controversial signs) than costs (i.e. risks of irreconcilable and inconsistent rulings).

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100. Entscheidung, [2011] HARMONISIERUNGSAMT FÜR DEN BINNENMARKT, OHIM R 0168/201-1, para. 11 (appeal taken from Ger.); Kenneth v. J.A. Kemp & Co., [2006] OHIM R 495/2005-G, para. 14 (appeal taken from Eng.).