

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
ALEXANDRIA DIVISION

PRO-FOOTBALL, INC.,

Plaintiff,

v.

AMANDA BLACKHORSE, MARCUS
BRIGGS-CLOUD, PHILLIP GOVER,
JILLIAN PAPPAN and COURTNEY
TSOTIGH,

Defendants.

Civil Action No.: 1:14-cv-1043-GBL-IDD

**DEFENDANTS' MEMORANDUM IN SUPPORT OF THEIR MOTION
FOR PARTIAL SUMMARY JUDGMENT ON COUNTS 3 THROUGH 6
AND IN OPPOSITION TO PLAINTIFF'S MOTION FOR
SUMMARY JUDGMENT ON CONSTITUTIONAL CLAIMS III-VI**

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INTRODUCTION

Defendants are entitled to summary judgment on Counts 3, 4, 5 and 6 – the Constitutional claims asserted by Plaintiff Pro-Football, Inc. (“PFI”) – and PFI’s motion for summary judgment on these Counts should be denied. In addition to the arguments set out below, Defendants adopt all arguments of Intervenor United States in support of its motion for summary judgment.

PFI’s First Amendment argument (Count 3) has already been rejected by the Federal Circuit and the Fifth Circuit. *See, e.g., In re McGinley*, 660 F.2d 481 (C.C.P.A. 1981). Cancelling PFI’s registrations will not restrict PFI’s speech rights; at most, it will restrict PFI’s ability to restrict the speech rights of others. In addition, the Lanham Act’s bar against registering trademarks that “may disparage” is exempt from First Amendment review under the Government speech doctrine. In the alternative, the statutory bar is a permissible regulation of commercial speech that advances the substantial interest of disassociating the Government from trademark content that may disparage fellow Americans.

PFI’s void-for-vagueness argument (Count 4) fails because “may disparage” is not impermissibly vague. “Disparage” is defined consistently by dictionaries, and the Supreme Court even utilized the word “disparage” to establish a legal standard for Establishment Clause purposes. *Marsh v. Chambers*, 463 U.S. 783 (1983). In addition, courts have affirmed statutory language that is far vaguer than “may disparage.”

PFI’s Takings argument (Count 5) fails because a party may not enjoin an alleged Taking where it can seek compensation after the Taking. Here, the Tucker Act provides a monetary remedy, and the Lanham Act does not eliminate that remedy. In addition, no “property” would be taken by a cancellation.

Finally, Defendants are also entitled to summary judgment on PFI’s Due Process

argument (Count 6). PFI has not demonstrated prejudice due to any delay. Furthermore, the Lanham Act put PFI on clear notice that a petition to cancel its registration could be filed “at any time,” 15 U.S.C. § 1064, and PFI knew or should have known that trademarks that contain “redskin” could be vulnerable to a challenge under Section 2(a) of the Lanham Act.

For these reasons, and the reasons advanced in the Government’s brief, Defendants are entitled to summary judgment on Counts 3, 4, 5 and 6.

STATEMENT OF MATERIAL FACTS

1. Before and during the period PFI sought to register trademarks using the word “redskins,” dictionaries noted that the word “redskin” was often “contemptuous” or “offensive.” [Dkt. 72-6 – Dkt. 72-11].

2. In 1972, Leon Cook, President of the National Congress of American Indians (“NCAI”), and other Indian leaders, met with the PFI President to complain that the team name was a slur and to demand a change. [Dkt. 71-3] at 5-6; [Dkt. 73-24] at 12-14; [Dkt. 73-25]. The PFI President reported the meeting to the NFL Commissioner the following day. [Dkt. 73-27].

3. In 1971-72, there were multiple news articles carried in Washington, D.C. newspapers and elsewhere reporting on Native American opposition to the name “redskins;” some of the articles reported on the 1972 meeting between the Native American leaders and the PFI President. [Dkt. 73-12 – Dkt. 73-14]; [Dkt. 73-29 – Dkt. 73-38].

4. An official 1972 game program discussed the controversy over PFI’s team name. The article even stated that opponents of the name might ultimately prevail. [Dkt. 72-5] at 6.

5. PFI’s lexicography witness, David Barnhart, admitted that from 1967 to 1985, the term “redskin” “certainly might be offensive.” [Dkt. 72-14] at 8-9.

6. Since 1992, USPTO Examining Attorneys have rejected twelve applications to

register marks that contain “redskins” in connection with Native Americans, including seven applications submitted by PFI. Ex. A, Declaration of Patrick Thompson in Support of Defendants’ Motion For Partial Summary Judgment On Counts 3 Through 6 (“Thompson Decl.”) Exs. 1-12.

TRADEMARK LAW BACKGROUND

A. Trademarks And Registrations

Nine times, PFI’s brief refers inaccurately to the “cancellation of the Redskins Marks,” blurring the distinction between a trademark and a registration. [Dkt. 56] at 1, 25-28. This word choice could leave the mistaken impression that the Trademark Trial and Appeal Board (“TTAB”) ordered cancellation of PFI’s trademarks.¹ In fact, the TTAB has ordered cancellation of the *registrations*, not the trademarks. The TTAB has no authority to cancel a trademark and did not purport to do so.

A trademark is a word, name, symbol or combination thereof that is used in commerce to identify and distinguish the goods or services of one entity from the goods or services of others. 15 U.S.C. § 1127; *Microstrategy, Inc. v. Motorola, Inc.*, 245 F.3d 335, 341 (4th Cir. 2001). Trademark rights arise from use of a mark in commerce. *See id.*; *see also Va. Polytechnic Inst. v. Hokie Real Estate*, 813 F. Supp. 2d 745, 756 (W.D. Va. 2011).

The Lanham Act, 15 U.S.C. §§ 1051 *et seq.*, establishes a mechanism for the owner of a trademark to apply for a federal registration from the United States Patent and Trademark Office (“USPTO”) for its mark. A registration is *not* required for a trademark owner to use or enforce its trademark against others. To the contrary, the Lanham Act creates a cause of action for owners of unregistered trademarks to bring infringement actions seeking injunctions and

¹ Once, PFI refers correctly to “[c]ancellation of Redskins’ Marks’ *registrations*.” [Dkt. 56] at 3 (emphasis added).

damages. *See* 15 U.S.C. § 1125(a) (creating cause of action to enforce trademarks, regardless of whether they are registered); *San Juan Prods., Inc. v. San Juan Pools, Inc.*, 849 F.2d 468 (10th Cir. 1988) (“Unlike the registration of a patent, a trademark registration of itself *does not create the underlying right to exclude*. Nor is a trademark created by registration. While federal registration triggers certain substantive and procedural rights, the absence of federal registration does not unleash the mark to public use. The Lanham Act protects unregistered marks as does the common law.”) (emphasis added).

B. USPTO Process To Review Applications For Registration.

If the USPTO approves a registration application, it will publish the trademark on the federal trademark registry, which is the official record of all trademarks registered by the United States. *See* 15 U.S.C. § 1057. The USPTO maintains two separate registers, a “Principal Register” and a “Supplemental Register.” 15 U.S.C. §§ 1057, 1091; 37 C.F.R. §§ 2.46-2.47, 2.151. Members of the public or other trademark owners review the USPTO’s registers to determine which marks have received USPTO registration. *See* [Dkt. 56] at 4.²

Examining Attorneys review applications to determine whether they meet federal statutory and USPTO administrative requirements for registration. 15 U.S.C. § 1051; 37 C.F.R. § 2.61. Section 2 of the Lanham Act contains numerous statutory bars to registration. For instance, it provides that a mark may not be registered if, among other limitations, it contains or comprises matter that: is scandalous; may be disparaging; contains a geographical indication for wine or spirits other than the place of origin of the goods; depicts an insignia of the United States, a state or a municipality; identifies a living person without consent; bears a confusing

² The USPTO publishes “descriptive marks” on the Supplemental Register. A descriptive mark initially lacks trademark significance but can acquire such significance through use in commerce. *See* 15 U.S.C. § 1091.

similarity to a prior mark or trade name; is generic; is primarily a surname; or is functional. 15 U.S.C. § 1052(a)-(e). Applicants must also specify a sufficient “basis” to support registration. 15 U.S.C. § 1051; 37 C.F.R. § 2.34. They may apply, for instance, based on their current use of the mark in commerce, their “intent to use” a mark in commerce, their foreign registration certificate, or other reasons. *Id.* If an applicant does not specify a valid basis – *e.g.*, if the applicant claims “current use” but does not provide an acceptable specimen demonstrating use of the mark in U.S. commerce – the Examining Attorney must refuse registration. 37 C.F.R. § 2.61.

If an Examining Attorney refuses registration, the applicant may appeal to the TTAB. 15 U.S.C. § 1070. Alternatively, if the Examining Attorney believes that the application satisfies registration criteria, the USPTO publishes the application in the *Official Gazette*, a USPTO weekly periodical available in both print and online formats. 15 U.S.C. §1062; 37 C.F.R. §§ 2.61 & 2.80. For 30 days following publication in the *Official Gazette*, a third party who believes it might be damaged by registration of the mark may object by filing an opposition proceeding with the TTAB. *See* 15 U.S.C. § 1063. If there is no objection, the USPTO will issue a Notice of Allowance or registration certificate to the applicant and will list the mark on the Principal Register. 15 U.S.C. § 1057; 37 C.F.R. § 2.151.

In addition, as occurred here, after the USPTO publishes a trademark on the Principal Register, third parties may petition the TTAB to cancel a registration. *See* 15 U.S.C. § 1064.

C. Effect Of USPTO Registration And Impact Of A Cancellation

Publication by the USPTO of a registration on the Principal Register leads to certain benefits for the trademark owner, such as providing constructive notice to the public of ownership, and constituting *prima facie* evidence of validity, ownership, and the exclusive right to use. *See* 15 U.S.C. §§ 1057(b), 1115(a). After five years, these presumptions become

“incontestable.” *See id.* §§ 1065, 1115(b). In an infringement action, the owner of a registered mark may be able to recover treble profits and attorneys’ fees, and registration of a mark is a factor to consider in whether a mark is “famous” such that the trademark owner can bring an “anti-dilution” claim against others. *See id.* §§ 1117, 1125(c). A registration may also be filed with the Customs Service to prevent importation of infringing foreign goods. *See id.* § 1124.

Cancellation of a registration, and its removal from the Principal Register, eliminates these benefits, but cancellation does not affect the trademark owner’s ability to use the mark or to prevent others from using similar words or symbols. As noted, the owner of an *unregistered* mark may bring an infringement action under the Lanham Act and the common law for injunction or damages. *See* 15 U.S.C. § 1125(a); *Wal-Mart Stores, Inc. v. Samara Bros., Inc.*, 529 U.S. 205 (2000); *San Juan Prods.*, 849 F.2d at 474.

PFI engages in unsupported, whopping hyperbole when it asserts that “[w]ithout a federal registration, enforcement of trademark rights becomes exponentially more burdensome.” [Dkt. 56] at 8. A registration adds little and possibly no valuable to a widely known trademark. Compared to a less well-known trademark, a well-known mark has a lesser need for the evidentiary presumptions that a registration creates.

ARGUMENT

I. DEFENDANTS ARE ENTITLED TO SUMMARY JUDGMENT ON COUNT 3.

Defendants are entitled to summary judgment on PFI’s First Amendment claim, Count 3, for three independent reasons. First, cancellation of the registrations will not reduce any of PFI’s rights protected by the Free Speech Clause. Second, cancellation of the registrations is exempt from First Amendment scrutiny under the Government speech doctrine. Third, even if viewed as a regulation affecting PFI’s speech, Section 2(a) satisfies the test for commercial speech regulation because it closely fits and advances a substantial government interest.

A. Cancellation Of The Registrations Does Not Reduce Plaintiff's Rights Protected By The First Amendment.

PFI's argument that the Lanham Act violates the First Amendment has been rejected by every court to consider it. The Federal Circuit and the Fifth Circuit have both held that the USPTO does not violate First Amendment rights of trademark owners when it finds a trademark ineligible for registration. See *In re McGinley*, 660 F.2d 481 (C.C.P.A. 1981); *Test Masters Educ. Servs., Inc. v. Singh*, 428 F.3d 559, 578 n.9 (5th Cir. 2005) ("We join our sister circuit in rejecting Singh's argument that prohibiting him from registering a mark with the PTO violates his first amendment rights."). The Federal Circuit explained that the refusal to register does not restrict the trademark owner's right to use the mark or engage in any form of expression:

With respect to [the trademark owner's] First Amendment rights, it is clear that the PTO's refusal to register [his] mark does not affect his right to use it. No conduct is proscribed, and no tangible form of expression is suppressed. Consequently, [his] First Amendment rights would not be abridged by the refusal to register his mark.

McGinley, 660 F.2d at 484 (internal citation omitted); see also *In re Fox*, 702 F.3d 633, 635 (Fed. Cir. 2012) following *McGinley*; *In re Boulevard Entm't, Inc.*, 334 F.3d 1336, 1343 (Fed. Cir. 2003) (same); *In re Mavety Media*, 33 F.3d 1367, 1374 (Fed. Cir. 1994) (same).

This Court should follow the Federal and Fifth Circuits. PFI's contention that Section 2(a) restricts a trademark owner's First Amendment rights is logically flawed. Indeed, it turns trademark law on its head. Trademark law is not a device to protect the First Amendment free speech rights of the trademark holder, but to decrease the speech rights of everyone else. Cancellation of PFI's registrations may reduce PFI's ability to bar others from using the matter in PFI's marks, but the power to restrain the speech of others is not a First Amendment right.

Trademark law empowers trademark owners to limit speech of the general public; it grants owners the right to enjoin others from speaking as they might wish or to force others to

pay for a license to use words and symbols that they want to use. *See San Juan Prods.*, 849 F.2d at 474 (owning a trademark is a “right to exclude”). Thus, in *Park 'N Fly v Dollar Park & Fly, Inc.*, 469 U.S. 189 (1985), a trademark owner successfully enjoined others from using the words “Park and Fly” in connection with their business. In *San Francisco Arts & Athletics, Inc. v. U. S. Olympic Comm.*, 483 U.S. 522 (1987), the United States Olympic committee barred a group from using the words “Gay Olympic Games.” Recently, in *The Radiance Found., Inc. v. NAACP*, 25 F. Supp. 3d 865, 901-02 (E.D. Va. 2014), *on appeal*, No. 14-1568 (4th Cir.), the NAACP enjoined an organization from using strong language (“National Association for the Abortion of Colored People”) to protest the NAACP’s decision to collaborate with Planned Parenthood. In each instance, the trademarks placed limits on speech.

The point and function of trademark law is to restrict the speech of the general public. “[T]he primary cost of recognizing property rights in trademarks is the removal of words from (or perhaps non-entrance into) our language.” *Brother Records, Inc. v. Jardine*, 318 F.3d 900, 906 (9th Cir 2003) (internal quotation omitted). In *CPC Int’l, Inc. v. Skippy, Inc.*, 214 F.3d 456 (4th Cir. 2000), the Court discussed the tradeoff between enforcing a trademark and restricting the free speech of the public, and vacated a trademark injunction that restricted the rights of others to speak. *Id.* at 461; *see also Bd. Of Trustees v. New Life Art*, 683 F.3d 1266, 1276-78 (11th Cir. 2012) (discussing how to balance between the public’s First Amendment rights and University’s trademark rights). When trademarks are enforced, it is only because doing so advances a substantial Government interest. *See Skippy*, 214 F.3d at 461-62; *see also Bd. of Trs. v. Fox*, 492 U.S. 469, 476 (1989) (justifying trademark-law restrictions on public speech rights because trademark enforcement advances a substantial Government interest); *San Francisco Arts & Athletics, Inc.*, 483 U.S. at 534-535 (same).

Indeed, PFI and the ACLU both admit that cancelling PFI's registrations would result in reducing PFI's ability to restrict the speech of others. According to PFI, cancellation could lead others to use words or symbols that may amount to "unlicensed" or "diluting uses" of its trademarked words and symbols. [Dkt. 56] at 16. The ACLU similarly observed:

Furthermore, cancelling the Washington team's trademark may not even be effective, because cancelling a trademark doesn't prevent the team from using it. *It does, however, make it easier for other people to disseminate it. So the Trademark Office decision in this case might result in even more use of a distasteful term – not less.*

Esha Bandari, 'You're Not Wrong, You're Just an A**hole,' ACLU Blog of Rights (Mar. 6, 2015), <https://www.aclu.org/blog/free-speech/youre-not-wrong-youre-just-ahole> (emphasis added). These admissions doom PFI's First Amendment argument. Making it "easier for other people" to use words and symbols, and allowing them to do so without first obtaining a license from PFI, means that more speech would be legally permitted by cancelling the registrations.

PFI's right to enjoin others from using certain words or symbols is not a right arising under the First Amendment. It is a right arising under trademark law. Thus, cancelling PFI's trademark registrations, and thereby possibly making it more difficult for PFI to bar others from speaking, will not reduce any of PFI's rights protected under the First Amendment.

For these reasons, Section 2(a) of the Lanham Act does not violate PFI's rights under the First Amendment, and Defendants are entitled to summary judgment on Count 3.

B. Congress Had The Right To Design The Federal Registration Program So As Not To Subsidize Trademarks That May Disparage Persons.

Alternatively, Defendants are entitled to summary judgment on grounds that USPTO cancellation of trademarks under Section 2(a) is a permissible exercise of Government speech. The First Amendment does not limit the Government's ability to select which private speech to support. Congress was free to include content-based criteria in the federal registration program.

1. Government Speech Is Exempt From First Amendment Scrutiny And Need Not Be Viewpoint-Neutral.

Under the Government speech doctrine, “the Government’s own speech ... is exempt from First Amendment scrutiny.” *Johanns v. Livestock Mktg. Assn.*, 544 U.S. 550, 553, (2005). “The Free Speech Clause restricts government’s regulation of private speech; it does not regulate government speech.” *Pleasant Grove City, Utah v. Summum*, 555 U.S. 460, 467 (2009). When the Government engages in its own expressive conduct, viewpoint neutrality requirements have “no applicability”; the Government can select the messages it wants to support based on the viewpoint expressed. *Id.*; *ACLU of N.C. v. Tata*, 742 F.3d 563, 568 (4th Cir. 2014). A government entity is “entitled to say what it wishes,” *Rosenberger v. Rector and Visitors of Univ.*, 515 U.S. 819, 833 (1995), and to select the views that it wants to express. *See Rust v. Sullivan*, 500 U.S. 173, 194 (1991).

As the Fourth Circuit has explained, “*Rust [v. Sullivan]* stands for the principle that when the government creates and manages its own program, it may determine the contents and limits of that program.” *Planned Parenthood of S.C. v. Rose*, 361 F.3d 786, 796 (4th Cir. 2004). Accordingly, “[w]hen Congress established a National Endowment for Democracy to encourage other countries to adopt democratic principles ..., it was not constitutionally required to fund a program to encourage competing lines of political philosophy such as Communism and Facism.” *Rust*, 500 U.S. at 194; *see also Regan v. Taxation with Representation of Washington*, 461 U.S. 540, 550-51 (1983) (Congress could allow lobbying by tax-exempt veterans groups but not by other tax-exempt organizations). Under *Rust* and *Regan*, Congress could open the federal registration program to non-disparaging marks while excluding marks that may disparage.

In its brief, PFI ignores the Government speech doctrine and asserts that the Government may not “condition[] access to the federal registration program on whether a mark ‘may

disparage.’” [Dkt. 56] at 11. In fact, the Government may condition participating in Government programs – including the federal registration program – on the recipient’s speech. In *Rust*, the Court upheld regulations that restricted the speech of recipients of federal grants for family planning projects. Under regulations that the Court upheld, as part of federally funded family planning projects, grant recipients were barred from counseling about abortion, making referrals to abortion providers, or providing information about abortion as a method of family planning. *See Rust*, 500 U.S. at 193. The Court held that because the Government was free to define the limits of the program it was supporting, it could bar grant recipients from promoting abortion as a family planning method within the federally funded programs. *See id.* at 193-94.

In *Agency for Int’l Dev. v. Alliance for Open Soc’y Int’l, Inc.*, 133 S. Ct. 2321, 2330 (2013) (“*Open Society*”), the Court further clarified that the Government may impose speech conditions on parties who wish to participate in Government programs. The Court explained that the Government *may restrict* participants in programs from engaging certain speech but *may not leverage participation* in the program as a means of restricting the participant’s speech outside the program. “[T]he relevant distinction ... is between conditions that define the limits of the government spending program – those that specify the activities that Congress wants to subsidize – and conditions that seek to leverage funding to regulate speech outside the contours of the program itself.” *Id.* at 2328. The Court distinguished “between conditions that define the federal program [permissible] and those that reach outside it [impermissible].” *Id.* at 2330.

In *Open Society*, the Court considered requirements that to receive federal grants to combat HIV/AIDS around the world, grant applicants must: (i) not use funds to advocate the legalization of prostitution or sex trafficking and (ii) adopt a “policy explicitly opposing prostitution and sex trafficking” (the “Policy Requirement”). *Id.* at 2324. There was no

challenge as to the first requirement barring grant recipients from using federal funds to advocate the legalization of prostitution; the first requirement is permissible under *Rust. Id.* at 2330. In *Open Society*, the Court held the second requirement violated the First Amendment because it imposed a speech restriction that went beyond the federal program. *Id.* at 2332. As the Court explained, “[a] recipient cannot avow the belief dictated by the Policy Requirement when spending [Government] funds, and then turn around and assert a contrary belief, or claim neutrality, when participating in activities on its own time and dime. By requiring recipients to profess a specific belief, the Policy Requirement goes beyond defining the limits of the federally funded program to defining the recipient.” *Id.* at 2330.

The federal registration program qualifies as permissible Government speech under *Open Society*. The Lanham Act’s registration criteria *define* the Government’s program and do not limit anyone’s freedom of expression when “participating in activities on [their] own time and dime.” *See Id.* at 2330. The Lanham Act sets forth overarching rules for eligibility in the federal registration program. Under the Lanham Act, in addition to marks that are scandalous or immoral or that may disparage persons or bring them into contempt or disrepute, 15 U.S.C. § 1052(a), a mark may not be registered if it contains a geographical indication for wine or spirits other than the place of origin of the goods; depicts an insignia of the United States, a state, or a municipality; identifies a living person without consent; bears a confusing similarity to a prior mark or trade name; is generic; is primarily a surname; or is functional. 15 U.S.C. § 1052(a)-(e).

These are the requirements of the registration program, not devices to leverage speech outside of the program. Indeed, the Lanham Act even creates an infringement cause of action to enforce unregistered marks, *see* 15 U.S.C. § 1125(a), as does the common law.

2. The Cancellation Of PFI's Registrations Was Government Speech Under the Fourth Circuit's Test.

In addition to qualifying as Government Speech under *Open Society* and *Rust*, the federal registration program requirements satisfy the Fourth Circuit's more-developed test for Government speech. The Fourth Circuit has identified four "instructive" factors to consider in whether speech is that of the Government or a private party: (1) the central purpose of the program in which the speech in question occurs; (2) the degree of editorial control exercised by the government or private entities over the content of the speech; (3) the identity of the literal speaker; and (4) whether the government or the private entity bears the ultimate responsibility for the content of the speech. See *Sons of Confederate Veterans, Inc. v. Comm'r of the Va. Dept. of Motor Vehicles*, 288 F.3d 610, 618 (4th Cir. 2002). These factors are to be considered as part of a "flexible approach" and are neither "exhaustive nor always uniformly applicable." *ACLU v. Tata*, 742 F.3d 563, 569 (4th Cir. 2014) (internal quotation omitted). Here, each of the four factors weighs in favor of concluding that trademark registration and cancellation decisions constitute Government speech.

First, the "central purpose" of the program is to advance traditional governmental functions – consumer protection and the protection of private property. See *Park 'N Fly*, 469 U.S. at 198. The objective of the Lanham Act is "the protection of trade-marks, securing to the owner the goodwill of his business, and protecting the public against spurious and falsely marked goods." S. Rep. No. 79-1333, at 3 (1946) *reprinted in* 1946 U.S.C.C.A.N. 1274. Furthermore, the message conveyed by a registration is a Governmental message, not a private message. A registration communicates certain evidentiary presumptions about a mark, namely, *prima facie* evidence that the mark is valid, that the registrant owns the mark, and that the owner has an exclusive right to use the registered mark in commerce. See 15 U.S.C. §1057(b), 1115(a). Only

the Government can establish or cancel evidentiary presumptions, and it is the Government that communicates whether it has granted the evidentiary presumptions through the Principal Register.

As to the second factor, the Government has absolute “editorial control” over what is published in the Principal Register, *i.e.*, over the marks that are registered. Congress enacted a statute providing the Government editorial control over the Principal Register and the criteria for registration. *See* 15 U.S.C. § 1052; *see also Sumnum*, 555 U.S. at 473 (finding Government speech occurred where governmental entity “effectively controls” the messages communicated by exercising “final approval authority” of its selection). USPTO employees, Examining Attorneys and Administrative Trademark Judges, decide which marks will be registered and published on the Principal Register based on the extensive statutory criteria of 15 U.S.C. § 1052.

Third, the Government is the “literal speaker.” The USPTO is the publisher of the Principal Register and is the agency that makes registration and cancellation decisions. The registration certificate, which is offered as proof of the evidentiary presumptions that come with registration, is issued in the name of the United States of America under the seal of the United States Patent and Trademark Office, is signed by the USPTO Director, and a record of it is kept in the USPTO. 15 U.S.C. § 1057. Likewise, USPTO is the speaker when it cancels registrations, such as when the TTAB issued its lengthy opinion ordering cancellation of PFI’s registrations and their removal from the Principal Register. *See Blackhorse v. Pro-Football, Inc.*, 2014 WL 2757516 (TTAB 2014).

Fourth, the Government bears ultimate responsibility for the content of the speech, *i.e.*, the cancellation of PFI’s registration on grounds that it may disparage. Congress enacted the Lanham Act, including the criteria for registration eligibility, and the USPTO is responsible for applying the criteria and maintaining the Principal Register. *See WV Ass’n of Club Owners and*

Fraternal Servs., Inc. v. Musgrave, 553 F.3d 292, 299 (4th Cir. 2009) (“The fact that the state is conveying a message for which it is politically accountable suggests that the speech at issue is government speech.”). USPTO Examining Attorneys are responsible for reviewing every application for registration and are responsible for every message concerning a registration issuance or refusal. Even beyond the substantive statutory requirements for registration, Examining Attorneys are required to refuse registration or amend an application where: it fails to state a valid basis for registration, the application specimen does not match the mark drawing, the specimen does not constitute valid proof of use, the mark drawing is unclear, the drawing constitutes more than one mark, the goods and services descriptions are unduly vague, the mark description is incomplete, a disclaimer of certain terms should be entered, or a claim of prior registrations should be entered. TRADEMARK MANUAL OF EXAMINING PROCEDURE (“T.M.E.P.”) §§ 806-808, 812, 904, 1213 (available at www.uspto.gov). For appeals and cancellations, USPTO Administrative Trademark Judges are responsible for the USPTO decision.

Thus, under the Fourth Circuit test for Government speech, the USPTO’s cancellation of trademark registrations is not subject to First Amendment scrutiny.

C. In The Alternative, Section 2(a) Is A Valid Regulation Of Commercial Speech.

As explained above, Section 2(a) does not abridge the First Amendment rights of trademark owners. In addition, decisions to grant, refuse, or cancel registrations are Government speech, not private speech.

Even if Section 2(a) were reviewed under the test for commercial speech regulation, however, it is permissible. Regulation of commercial speech passes First Amendment muster if the regulation “directly advances a substantial government interest and the measure is drawn to achieve that interest.” *Sorrell v. IMS Health, Inc.*, 131 S.Ct. 2653, 2667-68 (2011). Here, the

Section 2(a) prohibition against registering marks that may disparage satisfies the test.

While it may have other substantial interests as well, the Government certainly has a substantial interest in dissociating itself from commercial trademarks that may disparage fellow American citizens or others, especially marks that may disparage based on ethnicity or race. In *Bd. of Trs. of the Emps' Retirement Sys. of Balt. v. Mayor and City Council of Balt.*, 562 A.2d 720 (Md. 1989), the Maryland Court of Appeals explained Baltimore's interest in disassociating itself from racial discrimination as it upheld an ordinance requiring divestiture from companies doing business in South Africa during apartheid:

[I]t is indisputable that the Ordinances effectuate legitimate, local public interests. . . . They permit the City and its citizens to distance themselves from the moral taint of coventuring in firms that, in the view of many, help to maintain South Africa's system of racial discrimination. Finally, they express the City's sensitivity to the deep feeling of its citizenry on this matter of fundamental human dignity.

Id. at 143. Just as Baltimore wanted to avoid the “moral taint” of associating with firms that did business in South Africa and wanted to express sensitivity to the feelings of its citizens on a “matter of fundamental human dignity,” Congress wanted to avoid the moral taint from registering marks that may disparage. *See also Perry v. McDonald*, 280 F.3d 159, 170 (2d Cir. 2001) (recognizing Vermont's interest in “not associating the State with such [offensive] speech” when it issues vanity license plates); *Air Transp. Ass'n of Am. V. City & Cnty. of San Francisco*, 992 F. Supp. 1149, 1164 (C.D. Cal. 1998) (holding that San Francisco had an interest in dissociating itself from contractors whose employee benefit plans discriminated between employees with opposite-sex spouses and employees with same-sex domestic partners).

Finally, Section 2(a) closely fits the Government's interest. It bars marks that “may disparage” persons, closely fitting the Government's interest of dissociating from words and

symbols that may harm members of the public. *See Bd. of Trs., State Univ. of N.Y. v. Fox*, 492 U.S. 469, 480 (1989) (requiring a reasonable fit, proportionate to the interest served).

Accordingly, even if Section 2(a) were viewed as a regulation of commercial speech, it is permissible under the First Amendment.

II. DEFENDANTS ARE ENTITLED TO SUMMARY JUDGMENT ON COUNT 4.

Defendants are entitled to summary judgment on Count 4, in which PFI alleges that because Section 2(a) is supposedly void for vagueness, cancellation of its trademark registrations would violate the Due Process Clause of the Fifth Amendment. As explained below, Section 2(a) is not void for vagueness either on its face or as applied.

A. The Standard Of Review Is Lenient In Light Of The Enactment At Issue.

A statute is void for vagueness when it “fails to provide a person of ordinary intelligence fair notice of what is *prohibited*, or is so standardless that it authorizes or encourages seriously discriminatory enforcement.” *United States v. Williams*, 553 U.S. 285, 304 (U.S. 2008) (emphasis added). The void-for-vagueness doctrine ensures that statutes and regulations give a “person of ordinary intelligence a reasonable opportunity to know what is *prohibited*, so that he may act accordingly.” *Grayned v. City of Rockford*, 408 U.S. 104, 108-09 (1972); *see also Hill v. Colo.*, 530 U.S. 703, 732 (2000) (emphasis added).

Here, Section 2(a) of the Lanham Act prohibits no conduct or speech. Trademark owners face no criminal sanction or civil penalties if they adopt or use a mark that is not eligible for registration. A greater degree of vagueness is therefore tolerated by the Constitution: . “The degree of vagueness that the Constitution tolerates – as well as the relative importance of fair notice and fair enforcement – depends in part on the nature of the enactment.” *Hoffman Estates v. The Flipside, Hoffman Estates, Inc.*, 455 U.S. 489, 498 (1982). Economic regulation is “subject to a less strict vagueness test.” *Id.* Further, “[t]he Court has also expressed greater

tolerance of enactments with civil, rather than criminal, penalties because the consequences of imprecision are qualitatively less severe.” *Id.* at 498-99; *see Nat’l Endowment for the Arts v. Finley*, 524 U.S. 569, 589 (1998) (stating that criminal statutes are subject to more stringent void-for-vagueness review); *Greenville Women’s Clinic v. Comm’r*, 317 F.3d 357, 367 (4th Cir. 2002) (noting that level of scrutiny varies depending on type of enactment). As this Court stated, there is a “level of deference and flexibility accorded statutes imposing civil penalties” as opposed to criminal penalties. *United States v. 1866.75 Board Feet and 11 Doors And Casings*, 587 F. Supp. 2d 740, 753 (E.D. Va. 2008). While statutes and regulations that impose civil penalties on speech merit careful review because of their chilling effect, *see FCC v. Fox TV Stations, Inc.*, 132 S. Ct. 2307, 2317 (2012), where the statute in question does not prohibit speech or impose criminal or civil penalties, the scrutiny is relaxed. *See Finley*, 524 U.S. at 589 (noting that a relaxed vagueness standard applies to review a statute setting criteria for NEA subsidy decisions even though those criteria may affect the artistic decisions of artists).

Accordingly, Section 2(a) should be reviewed under a lenient standard.

B. PFI Has Not Supported A Facial Void-For-Vagueness Challenge.

PFI purports to bring both a facial and an as-applied void-for-vagueness challenge to Section 2(a). PFI, however, does not provide support for a facial challenge, which cannot be proven in the context of this case. Under *United States v. Salerno*, 481 U. S. 739 (1987), a plaintiff can only succeed in a facial challenge by “establish[ing] that no set of circumstances exists under which the Act would be valid,” *i.e.*, that the law is unconstitutional in all of its applications. *Id.*, at 745; *see also Wash. State Grange v. Wash. State Republican Party*, 552 U.S. 442, 449 (2008). It is not possible to consider every conceivable set of words, symbols or combination thereof, to determine whether Section 2(a) is invalid on its face. Moreover, PFI has not argued that the term “may disparage” is unconstitutionally vague at to every application.

Accordingly, its facial challenge cannot be entertained. *Wash. State Grange*, 552 U.S. at n. 6.

C. The Section 2(a) “May Disparage” Requirement Is Not Void For Vagueness.

To be void for vagueness, a statute must “fail to provide the kind of notice that will enable ordinary people to understand what conduct it prohibits . . . [or] authorize and even encourage arbitrary and discriminatory enforcement” by Government officials. *City of Chicago v. Morales*, 527 U.S. 41, 56 (1999); *see also Hill v. Colo.*, 530 U.S. 703, 732 (2000). Neither concern applies here.

1. Section 2(a) Gives Fair Warning.

Although a statute must give “people of ordinary intelligence a reasonable opportunity to understand what conduct it prohibits,” *Hill*, 530 U.S. at 732, the Constitution does not require “perfect clarity and precise guidance.” *Ward v. Rock Against Racism*, 491 U.S. 781, 794 (1989). Because we are “condemned to the use of words, we can never expect mathematical certainty from our language.” *Grayned v. City of Rockford*, 408 U.S. at 110. Courts will look to “[d]ictionary definitions and old-fashioned common sense” in evaluating whether a statutory or regulatory term is unduly vague. *See Wag More Dogs, LLC v. Cozart*, 680 F.3d 359, 371 (4th Cir. 2012). Dictionary definitions, common sense, and judicial precedent demonstrate that “may disparage” in Section 2(a) is not void for vagueness.

Section 2(a) states in relevant part that a mark “shall be refused registration on the principal register” if it “consists or comprises . . . matter which may disparage . . . persons.” 15 U.S.C. § 1052(a). This language is straightforward and well-defined. As PFI admits, at the time the Lanham Act was enacted, multiple dictionaries contained “materially identical definitions of ‘disparage.’” [Dkt. 56] at 19 n.14. The TTAB relied on these dictionary definitions of “disparage.” *Harjo v. Pro-Football, Inc.*, 50 U.S.P.Q.2d 1705, 1738 (T.T.A.B. 1999) (quoting *Webster's New International Dictionary*, G. & C. Merriam Company (2nd ed. 1947) and *New*

“*Standard*” *Dictionary of the English Language*, Funk and Wagnalls Company (1947)).

Furthermore, the inclusion of the word “may” in front of “disparage” clarifies the statute further because the USPTO need not determine with certainty that a trademark does disparage, only that it “may” do so.³

The Supreme Court also does not believe “disparage” is too vague. The Court employed “disparage” when it established the test under the Establishment Clause for the scope of permitted prayer to begin a legislative session: “The content of the prayer is not of concern to judges where, as here, there is no indication that the prayer opportunity has been exploited to proselytize or advance any one, *or to disparage any other*, faith or belief.” *Marsh v. Chambers*, 463 U.S. 783, 794-95 (1983) (emphasis added); *see also Town of Greece v. Galloway*, 134 S. Ct. 1811, 1823-1824 (2014) (applying *Marsh* disparagement test); *Simpson v. Chesterfield Cnty. Bd. of Supervisors*, 404 F.3d 276, 284 (4th Cir. Va. 2005) (approving local ordinance adopting *Marsh* disparagement language). If the Supreme Court selected “disparage” for its Establishment Clause standard, it cannot be unconstitutionally vague for Congress to include “disparage” among its standards for trademark registration. *See also Ridley v. Mass. Bay Transp. Auth.*, 390 F.3d 65, 74 (1st Cir. 2004) (holding that transit authority’s written policy barring bus advertisements that “disparage[]” was not void for vagueness).

Further, “may disparage” is less vague than other legislative and regulatory terms that have been upheld in vagueness challenges. In *National Endowment for the Arts v. Finley*, the Court reviewed a statute directing the NEA to fund works of art based on “artistic excellence and artistic merit . . . , taking into consideration general standards of decency and respect for the

³ PFI quotes the 1939 Congressional testimony of a former USPTO Assistant Commissioner. [Dkt. 56] at 19. The hearing concerned an unpassed, prior version of the bill that would have precluded registration from marks that “tends to disparage.” [Dkt. 75-31] at 5. Congress subsequently changed the text from “tends to disparage” to “may disparage.” [Dkt. 75-33] at 3.

diverse beliefs and values of the American public.” *Finley*, 524 U.S. at 572, 589. The Court held that this language – “general standards of decency and respect” and “diverse beliefs and values of the American public,” even though “undeniably opaque,” was not void for vagueness. *Id.* at 576, 584, 588.

In the Lanham Act context, the Federal Circuit held that Section 2(a)’s bar against registering “scandalous” marks was not void for vagueness. *McGinley*, 660 F.2d at 485 (stating that statute was “sufficiently precise to enable the PTO and the courts to apply the law fairly and to notify a would-be registrant that the mark he adopts will not be granted a federal registration”); *see also In re Mavety*, 33 F.3d at 1374 (rejecting argument that Section 2(a) bar against registering marks containing “scandalous” matter was unconstitutionally vague).

Likewise, the Fourth Circuit has held that it is not impermissibly vague for licensure of reproductive clinics to be contingent on their being “free from odors,” (even though odors are in a medical clinic are unavoidable) and the “inherently ambiguous requirement[] . . . that ‘all staff *and/or* consulting physicians shall have admitting privileges at one or more local hospitals.’” *Greenville Women’s Clinic*, 317 F.3d at 365-67. Criminal punishment for “[c]onduct on property which creates loud or unusual noise . . . or the use of loud, abusive or otherwise improper language” in a Veterans Administration facility is also not too vague. *See United States v. Fentress*, 241 F.Supp.2d 526, 529-30 (D.Md. 2003).

Accordingly, the “may disparage” language of Section 2(a) gives sufficient notice.

2. The Lanham Act Does Not Authorize Or Encourage “Arbitrary And Discriminatory Enforcement” Of Section 2(a).

In addition, the Lanham Act is not so standardless as to “authorize or encourage” USPTO Examining Attorneys and TTAB Administrative Trademark Judges by to engage in “arbitrary

and discriminatory enforcement” of Section 2(a). *See Williams*, 553 U.S. at 304; *Hill*, 503 U.S. at 732.

Furthermore, a challenge to vagueness in the enforcement of a statute requires demonstrating a pattern of unlawful favoritism. *Wag More Dogs*, 680 F.3d at 372. PFI, however, has not established or argued that it is the victim of unlawful favoritism. To the contrary, the Lanham Act and USPTO regulations procedures are designed to ensure evenhandedness – and certainly do not “authorize” or “encourage” “arbitrary and discriminatory” enforcement. Examining Attorneys are lawyers whose decisions and rationales are transparent to the public. They author letters approving or refusing trademark registrations, and those letters are published on the USPTO web site and can be reviewed by the public. *See T.M.E.P.* §§ 108.01, 705. Likewise, TTAB Administrative Trademark Judges who review Examining Attorney decisions act in a public manner with controls that prevent (and do not “authorize or encourage”) arbitrary and discriminatory enforcement. The TTAB consists of the Director and Deputy Director of the USPTO, the Commissioner for Patents, the Commissioner for Trademarks and Administrative Trademark Judges appointed by the Secretary of Commerce in consultation with the Director. 15 U.S.C. § 1067(b). The members of the TTAB are publicly known. The TTAB sits in three-member panels when it reviews Examining Attorney decisions. 37 C.F.R. §§ 2.129(a) & 2.142(e)(1). TTAB decisions are written and published, identify the Judges who served on the panel, and are available for review and discussion by the public.

The Section 2(a) “may disparage” language also gives the USPTO a standard to apply that can be understood using dictionaries, relies on a term found sufficiently clear by the Supreme Court in *Marsh v. Chambers*, 463 U.S. at 794, and can be compared against a factual record. The Lanham Act does not resemble cases where the Supreme Court found that statutes

“authorized or encouraged” “arbitrary and discriminatory” enforcement, such as where police officers, with no transparent process, could be empowered improperly to exploit a standardless statute to the detriment of the public. *See Morales*, 527 U.S. at 601 (finding that statute under review “necessarily entrusts lawmaking to the moment-to-moment judgment of the policeman on his beat”) (quoting *Kolender v. Lawson*, 461 U.S. 352, 360 (1983)). Nor is this situation like *City of Lakewood v. Plain Dealer Pub. Co.*, 486 U.S. 750, 771 (1988), where a local ordinance gave “unbounded authority” to a small-town mayor to grant or deny applications for newsrack permits based on his whim and “unfettered discretion,” where the ordinance set no regulatory standard to apply in the permitting decision.

PFI asserts that the USPTO has not given its Examining Attorneys guidelines to interpret Section 2(a). *See* [Dkt. 56] at 20 (“Nor has the PTO promulgated any additional guidelines to assist examiners”). In fact, the USPTO has published instructions to Examining Attorneys in its Trademark Manual of Examining Procedure. T.M.E.P. § 1203(b) addresses the “may disparage” prong of Section 2(a) of the Lanham Act. It sets forth the two part test that the TTAB has adopted (and recently employed in *In re Geller*, 751 F. 3d 1355, 1358 (Fed. Cir. 2014)) and gives citations to TTAB opinions applying the test in different cases. *See* Thompson Decl. Ex. 13.

PFI also asserts that the chart on page 21 of its brief demonstrates that the Lanham Act authorizes or encourages arbitrary or discriminatory enforcement. It does not. While the chart shows some possible inconsistencies among decisions of Examining Attorneys, these are not final USPTO decisions. They can be appealed to the TTAB. PFI has identified no inconsistencies in decisions of the TTAB.

Furthermore, it is unavoidable – and not unconstitutional – that legal determinations by frontline Government employees, like a USPTO Examining Attorney, may be inconsistent with

one another. *See United States v. Mead Corp.*, 533 U.S. 218, 224-25, 233-34 (2001).

Inconsistency among Examining Attorneys does not show that the Lanham Act “authorizes” or “encourages” “arbitrary or discriminatory conduct.” *See Boulevard Entm’t.*, 334 F.3d at 1343 (“The fact that, whether because of administrative error or otherwise, some marks have been registered even though they may be in violation of the governing statutory standard does not mean that the agency must forgo applying that standard in all other cases.”). Disagreement between officials regarding the application of a rule, especially in the absence of a full factual record, does not make a rule impermissibly vague. *See United States v. 1866.75 Board Feet And 11 Doors And Casings, More Or Less, Of Dipteryx Panamensis Imported From Nicaragua*, 587 F.Supp.2d 740, 752 (E.D.Va 2008).

PFI’s chart is also irrelevant to the extent it concerns non-“redskins” marks. As noted above, PFI has not properly asserted a facial challenge.

For these reasons, PFI cannot establish that the Lanham Act authorizes or encourages discriminatory or arbitrary conduct on the part of the USPTO.

3. Section 2(a) Is Not Vague As Applied To PFI.

PFI’s contention that Section 2(a) is unconstitutionally vague as applied to its trademarks has no merit. Whether the term “redskins” may disparage Native Americans is no more vague than numerous other statutory and regulatory questions that courts have upheld against vagueness challenges. *See supra* Part II.C.1.

PFI claims that it “could not have reasonably understood that [its] Marks would fall within the purview of Section 2(a)” because some Native Americans have used “redskins” for their own sports team names. PFI, however, introduces no evidence that it knew or relied upon these other team names when registering its marks. In fact, PFI adopted its team name in 1933.

Further, when it applied for its registrations, PFI was fully on notice that its marks contained matter that may disparage. Dictionaries before and during the time when PFI obtained its registrations stated that “redskin” is an offensive term. Statement of Material Facts, *supra*, (“SMF”) ¶ 1. Based on the dictionaries, PFI’s expert lexicographer David Barnhart admitted that in 1967, 1975 and 1985 the term “redskin” “certainly might be offensive.” SMF ¶ 5. In 1972, Leon Cook, President of the NCAI, led a delegation of leaders who met with PFI’s President to demand a change in the team name because it was offensive, a meeting that PFI’s President reported to the NFL Commissioner. SMF ¶ 2. Also in 1971-72, there were numerous newspaper articles reporting on Native American and other opposition to the team’s name. SMF ¶ 3. A PFI game program in 1972 even acknowledged the controversy over the team’s name. SMF ¶ 4.

Furthermore, the USPTO has shown no inconsistency regarding “redskins” as a term that may disparage. Ever since the *Harjo* petition gave the USPTO evidence of the disparaging nature of the “redskins” marks, Examining Attorneys have consistently refused applications to register marks with “redskins” used in reference to Native Americans. Since November 1992, Examining Attorneys have refused at least twelve applications on grounds that “redskins” may disparage. *See* Thompson Decl. Exs. 1-12. Seven of these refusals involved PFI applications. *See id.* Exs. 1-7.

PFI also erroneously implies that the USPTO’s renewals of the six registrations at issue in this case shows inconsistent USPTO conduct. [Dkt. 56] at 2, 23. It does not. The registrability of a mark is not evaluated anew each time the registration is renewed. The Section 2 bars do not apply to a renewal; to obtain a renewal, a registrant need only file a combined declaration of use and application for renewal with the USPTO under Sections 8 and 9 of the

Lanham Act. *See* 15 U.S.C. §§ 1058-1059. Until a mark is cancelled (and the marks at issue have only been scheduled for cancellation but not cancelled), it may be renewed. *See id.*

III. DEFENDANTS ARE ENTITLED TO SUMMARY JUDGMENT ON COUNT 5.

Count 5, which seeks to enjoin the USPTO's supposed unconstitutional Taking of private property, fails because: (1) a party may not enjoin the Government from taking its property where, as here, a remedy for compensation is available; (2) PFI did not have a property interest in the registrations; and (3) the Government has not effected a Taking.

A. PFI Has No Right To Equitable Relief Even If The Cancellation Of A Registration Were A Taking.

Even if cancellation of a registration were a Fifth Amendment Taking (which it is not), PFI cannot bring an action in this Court to enjoin the alleged Taking. The appropriate remedy is to bring an action under the Tucker Act, 28 U.S.C. § 1491, before the Federal Court of Claims.

In *Ruckelshaus v. Monsanto Co.*, 467 U.S. 986, 1016 (1984), the Court held that a party cannot obtain injunctive relief to prevent a putative Taking when it can pursue a Tucker Act claim for compensation after the fact. Tucker Act remedies are available in all federal Takings unless the statute in question specifically removes the right to pursue compensation. *See* 28 U.S.C. § 1491; *Ruckleshaus*, 467 U.S. at 1017; *United States v. Riverside Bayview Homes, Inc.*, 474 U.S. 121, 127-29 (1985); *Horne v. Dep't of Agric.*, 133 S. Ct. 2053, 2062-63 (U.S. 2013).⁴ Here, the Lanham Act does not remove the right to pursue compensation. Therefore, under *Ruckelshaus*, PFI cannot obtain an injunction to prevent the alleged Taking, and Defendants are entitled to summary judgment on Count 5.

⁴ PFI's statement that the Lanham Act is "[i]n contravention of the Takings Clause" because it lacks a compensation mechanism makes no sense. [Dkt. 56] at 28. The Tucker Act provides a compensation mechanism for all federal Takings unless the statute in question removes the right to pursue compensation. *See Ruckleshaus*, 467 U.S. at 1017.

B. PFI Does Not Have a Constitutionally Protected Property Interest in the Registration of Its Marks.

The TTAB's action does not constitute a Taking because PFI has no property interest in a trademark registration. In *In re International Flavors & Fragrances Inc.*, 183 F.3d 1361, 1366 (Fed. Cir. 1999), the Federal Circuit held that a trademark registration (as opposed to the underlying trademark) does not constitute a property interest under the Fifth Amendment. Furthermore, PFI has no property interest in registrations granted in violation of 15 U.S.C. § 1052(a) because it contains matter that "may disparage." It was never entitled to obtain registrations of such marks in the first place. *See Henry v. Jefferson Cnty. Comm'n*, 637 F.3d 269, 277 (4th Cir. 2011) (no Taking where landowner invested in expectation of zoning allowance to which he was not entitled).⁵

C. No Taking Occurred.

PFI also cannot show that the government has directly appropriated their marks because even after cancellation of the registrations, PFI retains ownership of the trademarks. *See Lingle v. Chevron U.S.A. Inc.*, 544 U.S. 528, 537 (2005). PFI can still assign and license these marks, and can still bring infringement actions for injunctions and damages. *See, e.g., Visa, U.S.A., Inc. v. Birmingham Trust Nat'l Bank*, 696 F.2d 1371, 1375 (Fed. Cir. 1982); *Int'l Flavors*, 183 F.3d at 1366; 15 U.S.C. § 1125. Where no direct appropriation or a *per se* Taking occurs, courts must perform an ad hoc, factually-dependent inquiry to see if the burden on property owner is "functionally equivalent" to a total deprivation of their property rights. *See Lingle*, 544 U.S. at 539-40. This involves "looking to the regulation's economic harm, its interference with parties'

⁵ Of course, PFI contends that the TTAB erred in cancelling its registrations. If PFI were to prevail in that argument, then there would be no taking because the TTAB's decision would be reversed.

‘investment-backed expectations,’ and ‘the character of the governmental action.’” *Henry*, 637 F.3d at 276 (quoting *Lingle*, 544 U.S. at 538-39.). These factors show no Taking occurred here.

PFI has introduced no evidence to demonstrate that the cancellation was the functional equivalent to a total deprivation of property. Instead, PFI misquotes a stipulation of the parties before the TTAB in *Blackhorse*, asserting that that cancellation of the registrations “would affect the value of PFI’s Marks.” [Dkt. 56] at 3. In fact, the stipulation said that the value of the marks “may be affected” by cancellation. Thompson Decl. Ex. 14. Plainly, “may affect” is vastly different than total deprivation. PFI has no other evidence.

PFI also provides no evidence that cancellation will interfere with investment-backed expectations. [Dkt. 56] at 27. PFI introduces no testimony or other evidence that it made any investments, let alone significant investments, because of the registrations.

As a result, PFI cannot demonstrate that a Taking has occurred.

IV. DEFENDANTS ARE ENTITLED TO SUMMARY JUDGMENT ON COUNT 6.

Defendants are entitled to summary judgment on PFI’s Due Process count for two separate reasons. First, PFI was not deprived of “property” within the meaning of the Due Process Clause, and, second, it received the process to which it was due.

A. PFI Was Not Deprived Of “Property.”

PFI argues that it was deprived of property because a trademark is a form of intellectual property. [Dkt. 56] at 29 (asserting that “[t]he Redskins Marks are ‘property’ for Due Process Clause purposes” and citing two cases holding that trademarks are property). PFI, however, has not been deprived of a trademark. Rather, the TTAB has ordered that the USPTO cancel PFI’s *trademark registrations*. There is no property interest in a *trademark registration* (unlike the underlying trademark) for purposes of the Due Process Clause. *See Int’l Flavors*, 183 F.3d at 1361.

B. PFI Received Due Process.

In addition, Defendants are entitled to summary judgment on Count 6 because PFI received the process to which it was due. There appears to be no dispute that PFI was provided a full opportunity to be heard before the TTAB in accordance with TTAB's rules and procedures. *See Int'l Flavors*, 183 F.3d at 1368 (rejecting due process argument of party that "was provided a full opportunity to prosecute [his] applications and to appeal the examining attorney's final rejections to the [TTAB]").

Instead, PFI asserts in conclusory fashion that it was prejudiced by the delay between when its marks were registered and when the TTAB decided the *Blackhorse* cancellation petition. [Dkt. 56] at 29-30. PFI has introduced no evidence to demonstrate prejudice.

In fact, PFI has been on notice throughout the time period that its registrations were at risk of cancellation on grounds that "redskin" may disparage. The Lanham Act expressly states that a cancellation petition contending that a trademark contains matter that "may disparage" may be brought "at any time." 15 U.S.C. § 1064(3). Moreover, it is only common sense that "one who uses debatable marks does so at the peril that his mark may not be entitled to registration." *In re McGinley*, 660 F.2d 481, 485 n. 7 (quoting *In re Riverbank Canning Co.*, 95 F.2d 327, 329 (C.C.P.A. 1938)).

As discussed above, dictionaries put PFI on notice that "redskins" is an "offensive" term. The 1972 meeting among the PFI President and the Native American leaders put PFI on further notice. A 1972 game program even discussed Native American objections to the team name. *See supra* Part II.C.3. Since 1992 (only two years after the most recent registration), in one form or fashion, PFI has been litigating the registrability of its trademarks.

PFI asserts that it was "lulled into a false sense of security when in 1972, Leon Cook threatened to commence an action ... but no such suit was filed until twenty years later." [Dkt.

56] at 30. PFI, however, provides no evidence to support its assertion that it was “lulled” and it would not be reasonable to be “lulled” based on what Mr. Cook said. In addition, he was a private citizen whose actions cannot be imputed to the Government for Due Process purposes. *See Deshaney v. Winnebago County Dep't of Social Services*, 489 U.S. 189, 195-96 (1989).

Defendant Courtney Tsothigh filed the *Blackhorse* petition only 11 months after turning age 18, and the others were also young adults. [Dkt. 51] at 2. To grant summary judgment to PFI due to the alleged undue delay would deprive them of their rights under the Lanham Act to seek to cancel “at any times” registrations for marks that may disparage.

Accordingly, Defendants are entitled to summary judgment on Count 6.

CONCLUSION

For the foregoing reasons, and the reasons stated in the United States’ brief, Defendants’ Motion for Partial Summary Judgment on Counts 3 through 6 should be granted, and Plaintiff’s Motion for Summary Judgment On Constitutional Claims III-VI should be denied.

Dated: March 23, 2015.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 23rd day of March, 2015, the foregoing pleading or paper was filed and served electronically by the Court's CM/ECF system upon all registered users in this action.

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