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## THE “DARK” REALITY OF A “FAIR” MARKET: A CASE AGAINST “RACIST” TRADEMARKS & THE PERNICIOUS PRECIPICES OF PUBLIC POLICY

### *Abstract*

*“To know values is to know the meaning of the market”*

*Charles Dow*

*The tragic death of George Floyd on 25 May 2020 and the subsequent protests (as a part of the #BlackLivesMatter Movement) that shook the world thereafter have once again, brought the deep-rooted issues of xenophobia and casteism to the fore. However, it is quite ironic that from India’s Fair & Lovely Face Cream<sup>1</sup> to America’s Aunt Jemimah’s Pancake Syrup<sup>2</sup> - products with inherently racist and/or xenophobic credentials are not just commonplace, but have also shown solid growth across capital markets worldwide.*

*As the origin of any marketable product lies in the realm of Intellectual Property (IP), the present article seeks an answer to just one question. Is it possible to refuse the registration of, or to delist a Trademark on the account of it being “racist” or “xenophobic” and thus opposed to the principles of public policy? If so, are there any legal hurdles involved?*

*The authors shall try to answer this question by looking at past and present instances of Trademark Application rejections, Case Laws, and National and International regulations. This paper shall also seek to move a step forward from Bonadio’s publication related to ‘Racist Trademarks’, published in the Marquette Intellectual Property Law Review<sup>3</sup> by looking at how the #BlackLivesMatter and #MeToo movements have proven how the antediluvian principles of “laissez faire” and “Public Policy” ignore certain deep-rooted truths about caste, race, economic privilege and the deeply fractious nature of social milieus in America and other Commonwealth states.*

### *Annotasiya*

*“Dəyəri anlamaq bazarın mahiyyətini anlamaq deməkdir”*

*Çarlz Dou*

*Corc Floydun 25 may 2020-ci ildə faciəvi ölümü və dünyanı sarsıdan sonrakı etirazlar (#BlackLivesMatter hərəkətinin bir hissəsi kimi) bir daha dərin köklü ksenofobiya və*

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<sup>1</sup> Seema Chishti, Explained: Why Dropping the ‘Fair’ from Fair and Lovely Cream Matters: Or Does It? (2020), <https://indianexpress.com/article/explained/fair-and-lovely-rebranding-hindustan-lever-racism-protests-6476480/> (last visited Jan. 9, 2021).

<sup>2</sup> Angelina R Riley & Sonia K Katyal, Aunt Jemima is Gone: Can We Finally End Racist Branding? (2020), <https://www.nytimes.com/2020/06/19/opinion/aunt-jemima-racist-branding.html> (last visited Jan. 9, 2021).

<sup>3</sup> Enrico R Bonadio, *Brands, Morality and Public Policy: Some Reflections on the Ban of Controversial Trademarks*, 19 Marquette Int. Prop. L. Rev., 43-61. Available at: <https://scholarship.law.marquette.edu/cgi/viewcontent.cgi?article=1270&context=iplr>

*kastaçılıq məsələlərini gündəmə gətirdi. Lakin Hindistanın “Fair & Lovely Face Cream”-dən Amerikanın “Aunt Jemimah’s Pancake Syrup”-na qədər irqçi və/və ya ksenofob göstəricilərə malik məhsulların yalnız adı deyil, həm də dünya miqyaslı kapital bazarlarında möhkəm artım nümayiş etdirməsi olduqca istehza doğurur.*

*Hər hansı satılan məhsulun mənşəyi Əqli Mülkiyyət sahəsində olduğu üçün hazırki məqalə sadəcə bir suala cavab axtarır: Ticarət markasının irqçi və ya ksenofobik olduğu və bununla da dövlət siyasəti prinsiplərinə zidd olduğu səbəbindən qeydiyyatdan imtina etmək və ya siyahıdan çıxarmaq mümkün müdür? Elədirsə, qanuni əngəllər varmı?*

*Müəlliflər bu sualı keçmiş və indiki ticarət markası üçün müraciətlərin rədd edilməsinə, məhkəmə qanunlarına, milli və beynəlxalq qaydalara baxaraq cavablandırmağa çalışacaqlar.*

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## Introduction

**A** citizens gathered across cities in the United States to protest the tragic death of George Floyd, various individuals filed applications before the United States Patents and Trademarks Office (USPTO) in order to trademark the slogans “#BlackLivesMatter” and “I can’t breathe” for

commercial use- ranging from T-Shirts to Moscato Wine.<sup>4</sup> Although legal experts have stated that such efforts have failed before and may fail again,<sup>5</sup> the fact that numerous fresh applications were filed (with 20+ containing the phrase “Black Lives Matter” approved out of which a vast majority are owned by non-blacks),<sup>6</sup> as opposed to just 14 in the last 3 years, is a clear indication of the inter-cultural significance that this movement holds and how Intellectual Property can be the catalyst that drives the resistance against racism and xenophobia and blends it with the global market.

However, it is important to note that sometimes IP, not just in the US but in other developed and emerging economies too, is more of a foe than a friend.

## I. *Laissez Faire* in intellectual property and capital markets- a breeding ground for racism

The markets of any modern-day capitalist economy are characterised by the phrase, *Laissez Faire*, which was first quoted by French economic theorists Dr. Francois Quesnay and Marquis de Mirabeau in the early 18<sup>th</sup> century.<sup>7</sup> This was later expanded in Adam Smith’s *Wealth of Nations* in 1776,<sup>8</sup> although there are scholars who disagree with the fact that he is “not the theoretical ancestor of modern laissez-faire economics”.<sup>9</sup>

The term literally translates to the phrase “leave it be” or “let it be”, and supports the idea of a market economy that regulates its own self, devoid of any interference by the institutions of the state.<sup>10</sup> This philosophy, although post-dated in comparison to the *Statute of Monopolies, 1624* and the *British Statute of Anne, 1710* (which are the earliest known statutes of Copyright and Patent Law)<sup>11</sup> left an indelible blot on the concept of IPR, one which the world is suffering from even two centuries years later - a lack of empathy towards the interests, emotions and wellbeing of the disadvantaged (economically or socially), differently-abled and the minorities.

Although there was a marked growth in the principles of Democracy and Constitutionalism (particularly with the growth of grounds such as “opposition to the principles of public policy”) in the last 2 centuries - the

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<sup>4</sup> Michael Tobin, “Black Lives Matter” Trade Applications Surge after Protests (2020), <https://www.bloomberg.com/news/articles/2020-06-24/-black-lives-matter-trademark-applications-surge-after-protests> (last visited Jul. 2, 2020).

<sup>5</sup> *Ibid.*

<sup>6</sup> Justia Trademarks, <https://trademarks.justia.com/search?q=black+lives+matter> (last visited Sep. 13, 2020).

<sup>7</sup> Gustav Schachter, *Francois Quesnay: Interpreters and Critics Revisited*, 50 Am. J. of Eco. & Soc. 313, 315-317, 313-322.

<sup>8</sup> Christopher W. Calvo, *The Emergence of Capitalism in Early America*, 27-74 (2020).

<sup>9</sup> John F. Henry, *The Ideology of the Laissez Faire Program*, 42 J. of Eco. Issues 209, 209 (2008).

<sup>10</sup> Paul Tracy, *What is Laissez Faire?* (2020), <https://investinganswers.com/dictionary/l/laissez-faire> (last visited Jul. 2, 2020).

<sup>11</sup> Isabella Alexander, *All Change for the Digital Economy: Copyright and Business Models in the Early Eighteenth Century*, 25 Berkeley Tech. L. J. 1351, 1353 (2010).

rudimentary thought of those who decide whether to register a Trademark or a Copyright has remained strikingly similar throughout. In the simplest possible terms- If it is original, unique and possesses commercial utility, give it a green signal. Racist, Misogynist, Xenophobic, Homophobic and etc. - well, let the market decide! Thus, it was and is presumed that any of those allegations, if true, will result in the market punishing the product for the same by refusing to buy it.

However, it is important to note that the market is always tempered by two strong factors - money and power, the latter leading to the accumulation of the former, or vice versa. Those who were the beholders of these two precious resources turned into the “visible market majority” (even though they may not be in “numerical majority”, as is seen in the case of mid-19<sup>th</sup> century America where there was no black stockbroker apart from Jeremiah G. Hamilton,<sup>12</sup> who was also not a revered figure in his community)<sup>13</sup> - and thus, their views decided what was morally acceptable and what wasn’t simply because they possessed the highest “purchasing power”. Even in 2020, the situation remains eerily similar- out of 600+ Billionaires in the United States, only 5 of them are black, with Oprah Winfrey the only black woman.<sup>14</sup>

In the meantime, consumerism has taken over our thinking and controlled the way we react. From Fairness Creams to a Physical Education textbook in India prescribing “36-24-36” as the “ideal figure” for women<sup>15</sup> - the rot runs deep.

This, in turn, brings us to the issue of “public policy”, and the numerous instances in which it has been utilised as a ground to set aside a Trademark or a Copyright application.

## **II. Public policy as a ground for rejecting/delisting trademarks: an analysis of case laws in the United States**

Although courts across commonwealth nations tend to agree to the fact that there is no harmonious definition of the “unruly horse”<sup>16</sup> called public policy, and that it must be determined on a case-to-case basis, there seems to exist certain broad parameters which Common Law Courts, in general, agree upon

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<sup>12</sup> Timothy Verhoeven, *Shane White, Prince of Darkness: The Untold Story of Jeremiah G. Hamilton, Wall Street’s First Black Millionaire*, 36 *Australasian J. of American Studies: Regionalizing American Studies* 149, 149-151 (2017).

<sup>13</sup> Taylor Nicole Rogers, There are 607 Billionaires in the United States, and only 5 of them are Black (2020), <https://www.businessinsider.in/thelife/news/there-are-607-billionaires-in-the-united-states-and-only-5-of-them-are-black/articleshow/74090350.cms> (last visited Jan. 9, 2021).

<sup>14</sup> *Ibid.*

<sup>15</sup> India TV News Desk, CBSE Class XII textbook defines “36-24-36” as the best female body shape, sparks row (2017), INDIA TV (<https://www.indiatvnews.com/news/india-cbse-class-xii-textbook-defines-36-24-36-as-best-female-body-shape-sparks-row-376825>) (last visited Jan. 9, 2021).

<sup>16</sup> See *Richardson v. Mellish* (1824).

to constitute the term “public policy”- (1) They are decisions taken by the government, (2) They are taken for the benefit of society “at large” and (3) taken post consultation with all stakeholders. However, in developing nations where caste, class and race rule the roost; it goes without saying that the reality of how public policy is formulated is inherently different. All said and done, the invisible hand is actually not as invisible as it was two to three centuries earlier.

We shall now delve into the few known cases where a Trademark, Design or other IP symbols were challenged or rejected on the grounds of public policy.

### **A. In Re Riverbank Canning Co. (1938)**

This is a case that took place prior to the enactment of the Lanham Act, when the Trademark Act, 1905<sup>17</sup> was in force.

In the present case,<sup>18</sup> a man named Mr. Zerillo (born in 1889) immigrated to the United States at the beginning of the 20<sup>th</sup> century and eventually settled in the city of Riverbank, California in 1924 and set up the Riverbank Canning Co. (the plant was subsequently acquired by the Gangi Brothers post the Second World War<sup>19</sup> and then by Aiello Brothers and Co, now called Contadina, and was one of the United States’ earliest known manufacturers of canned pear tomatoes) soon thereafter, and began to produce canned pear tomatoes. As the label’s fame grew nationwide, the plant also began to manufacture canned peaches, pears, fruit cocktail and spinach.

In 1932, Zerillo founded the Riverbank Wine Co<sup>20</sup> and filed an application in order to trademark the name “Madonna Wine” on January 20, 1934, and was published on July 17, 1934. In the intervening period, an opposition was filed “based on the likelihood of a confusion in trade”.<sup>21</sup> Upon perusal by the Examiner of Trademarks, the application was rejected on October 8, 1934, on the ground that it was in violation of Section 5 (a) of the 1905 Act as it was “scandalous, immoral and offensive”. The Commissioner of Trademarks further upheld the Examiner’s decision, upon which the appeal was filed before the Court of Customs and Patent Appeals.

The Court upheld the original decision of the Examiner, stating that: “It is true that the Bible records that the Savior changed water into wine at the behest of his Virgin Mother at the wedding feast, and quotations can be made

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<sup>17</sup> 15 U.S.C. Available at: [https://www.ipmall.info/sites/default/files/hosted\\_resources/lipa/trademarks/PreLanhamAct\\_086\\_Act\\_of\\_1905.htm](https://www.ipmall.info/sites/default/files/hosted_resources/lipa/trademarks/PreLanhamAct_086_Act_of_1905.htm) (last visited Aug. 3, 2020).

<sup>18</sup> See Riverbank News RIVERBANK NEWS (1993), <https://www.newspapers.com/clip/38549366/riverbank-news/> (last visited Aug. 3, 2020).

<sup>19</sup> Teresa Giovanzana, Delicious Tomato Memories (2013), <http://www.teresagiovanzana.com/delicious-tomato-memories> (last visited Aug. 3, 2020).

<sup>20</sup> *Supra* note 16.

<sup>21</sup> *In Re Riverbank Canning Co.*, 95 F.2d 327 (1938), <https://www.leagle.com/decision/193842295f2d3271326> (last visited Aug. 3, 2020).

from the Bible commending the use of wine; but it is also true that the evils growing out of the excessive use of intoxicating beverages are probably much greater today than they were 1900 years ago... The Virgin Mary stands as the highest example of the purity of womanhood and the entire Christian world pays homage to her as such... In our opinion, to commercialize the name of, or a representation of, the Virgin Mary as a trade-mark is of very doubtful propriety, and we feel certain that its use upon wine for beverage purposes would be shocking to the sense of propriety of nearly all who do not use wine as a beverage, and also to many who do so use it; therefore, we think such use of the word "Madonna" would be scandalous and its registration prohibited under said trade-mark act".<sup>22</sup>

### ***B. Washington Redskins trademark dispute (1992)***

*The origins of this controversy lie in the year 1933; one-year post the National Football League adopted the format because of which it has become world-famous today.<sup>23</sup> The team, which was initially founded as the Boston Braves was rechristened by its owner George Preston Marshall as the Washington Redskins in 1934. However, the rationale behind this decision is disputed – some scholars argue that it was in order to retain the Native American imagery of the team, whereas other scholars argue that it was in order to honor their team coach William Henry Dietz; who possessed Native American ancestry (although that, too, is a disputed fact).<sup>24</sup>*

*The name came under fire from Native Americans as it consisted of a slur<sup>25</sup> that has been historically used in order to disparage the Native American community,<sup>26</sup> with protests getting particularly vehement during the 1960s and resurging in wake of the #BlackLivesMatter movement and the broader campaign to eradicate racism in America.*

*In 1992, Suzan Harjo and six other Native Americans filed a case before the TTAB demanding that the Trademark be revoked as it disparages the sentiments of the Native American community. After 7 years of prolonged legal battle, the TTAB cancelled the registration of the trademark in 1999, basing its decision on a violation of Section 2(a) of the Lanham Act, stating that "the subject marks may disparage Native Americans and may bring them into contempt or disrepute".<sup>27</sup>*

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<sup>22</sup> *Id.*

<sup>23</sup> Steve Fiorillo, *History of the NFL: From the 1890s to the Present* (2018),

<https://www.thestreet.com/lifestyle/sports/nfl-history-14761022> (last visited Oct. 2, 2020).

<sup>24</sup> Richard Leiby, *The Legend of Lone Star Dietz: Redskins namesake, coach- and possible impostor?* (2013), [https://www.washingtonpost.com/lifestyle/style/the-legend-of-lone-star-dietz-redskins-namesake-coach--and-possible-imposter/2013/11/06/a1358a76-466b-11e3-bf0c-cebf37c6f484\\_story.html](https://www.washingtonpost.com/lifestyle/style/the-legend-of-lone-star-dietz-redskins-namesake-coach--and-possible-imposter/2013/11/06/a1358a76-466b-11e3-bf0c-cebf37c6f484_story.html) (last visited Oct. 4, 2020).

<sup>25</sup> John McWhorter, *Why 'Redskins' Is a Bad Word* (2015), <https://time.com/4070537/redskins-linguistics/> (last visited Oct. 2, 2020); *See also* Dr. Daniel R. Reid.

<sup>26</sup> Nancy Shoemaker, *How Indians Got to Be Red*, 102 *The American Historical Rev.* 625, 625-626 (1997).

<sup>27</sup> Steptoe & Johnson, *Trademark Sensitivity: Learning from the Washington Redskins* (2014), <https://www.natlawreview.com/article/trademark-sensitivity-learning-washington-redskins> (last visited Oct. 10, 2020).

The owners of trademark appealed and the District Court of Columbia reversed the USPTO's decision on the grounds of insufficient and no substantial evidence of disparagement<sup>28</sup> in 2005 while the subsequent appeals were rejected stating that the plaintiffs had claimed their rights in a delayed and untimely manner.

Later in 2013, a petition was filed by Amanda Blackhorse and a group of other Native Americans before the USPTO to cancel the trademark as it was disparaging to Native Americans. TTAB granted the petition and held that the registration should be cancelled in 2014, leading the owners to file an appeal at the United States District Court for the Eastern District of Virginia.<sup>29</sup> After the District Court overturned the appeal, the petitioners approached the Supreme Court. However, while the dispute was going on, the court unanimously held Section 2(a) of the Lanham Act unconstitutional in *Matal v. Tam*- thus making the Petitioners withdraw their appeal.<sup>30</sup>

After a long legal battle over the trademark erupted onto the streets in wake of the #BlackLivesMatter movement George Floyd and the risk of severing its ties with sponsors<sup>31</sup> such as FedEx, Nike, PepsiCo, etc. if the team does not reconsider its name<sup>32</sup> - Daniel Snyder (the owner of Pro Football Inc, the corporate entity holding all the legal rights of the team) agreed to temporarily change the name of the Washington Red Skins Team to the "Washington Football Team", with a single letter block "W" as a logo for the 2020 NFL season before coming up with a new permanent name in 2021.

### III. The "Bin Laden" trademark rejections (2001 & 2007)

#### A. Switzerland

On 16<sup>th</sup> August 2001, Yeslam Bin Ladin, one of the 54 siblings of global terrorist Osama Bin Laden registered a trademark "Bin Ladin" in order to market sports goods under the ambit of his company, Falcon Sporting Goods. Bin Ladin's contention that he had only registered the trademark to make sure that no one else used it was rejected. The Swiss Federal Institute of Intellectual Property proceeded to ban the trademark (consequently withdrawing the protections it enjoyed in then 70 other TRIPS signatory nations) citing that it could lead to "violence or offensive reactions" by the public at large,<sup>33</sup>

<sup>28</sup> *Pro Football, Inc. v. Harjo* 415 F. 3d 44 (D.C. Cir. 2005).

<sup>29</sup> *Pro Football, Inc v. Blackhorse* 112 F. Supp. 3d 439 (E. D. Va. 2015).

<sup>30</sup> Lee Rowland, Esha Bhandari, Brett Max Kaufman, Cancellation of a Trademark based on disparaging language (2015), <https://acluva.org/en/cases/pro-football-inc-v-blackhorse> (last visited Jan. 9, 2021).

<sup>31</sup> Liz Clarke, FedEx Calls on Redskins to Change Name Following Investors's Demands on Sponsors (2020), <https://www.washingtonpost.com/sports/2020/07/02/fedex-redskins-name-change/> (last visited Jan. 9, 2021).

<sup>32</sup> Allen Kim, Wayne Sterling, Washington's Football Team to Call Itself Washington Football Team until It Settles on a New Name (2020), <https://edition.cnn.com/2020/07/23/us/washington-football-team-spt-trnd/index.html> (last visited Jan. 9, 2021).

<sup>33</sup> Swiss Ban "Bin Ladin" Ladin' Trademark (2002),

especially with regards to the terror attacks that took place across the United States precisely one month post the registration of the trademark. **The same was never challenged in Court.**

## **B. United States of America**

In February 2007, a man named Alexandre Batlle paid 325\$<sup>34</sup> in order to apply to trademark “Obama Bin Laden”, a name which conflated Barack Obama (then a Presidential Candidate) and the terrorist Osama Bin Laden. Batlle planned to sell T-Shirts and other merchandise via his website [www.obamabinladen.net](http://www.obamabinladen.net). One of the most famous T-Shirts that Batlle sold due to the trademark application becoming national news was one of Barack Obama in a white robe and turban holding a machine gun and of Hillary Clinton in an abaya.

In response, the same was rejected as it falsely suggested “a connection between the individuals Osama Bin Laden and Barack Obama”.<sup>35</sup> It further went to state that Batlle would require the permission of both the individuals to register the same. Lastly, and most importantly, the “public policy” ground of “scandalous content”<sup>36</sup> was used by the US Patent and Trademarks Office (USPTO) in order to reject the trademark. It explained that the trademark was inherently scandalous as the name Bin Laden evoked “public disgrace and anger” with regards to the 9/11 terrorist attack. However, it is interesting to note how open-ended and ambiguous the definition of the term is. Any material is said to be scandalous as per the U.S.C. if the same is “disgraceful, offensive or disreputable”.

The question that arises is - causing disrepute *to whom* and *by what extent*? The answer remains inherently couched with class privilege dating back to the antediluvian times- “a substantial composite of the “general public”....in the context of contemporary attitudes”,<sup>37</sup> although it’s crucial to note that meanings of the term encompassed in various dictionaries have been relied onto in past decisions by Courts of Law in the US.<sup>38</sup> Needless to say, numerous terminologies such as the “general public” and “contemporary attitudes” may be interpreted very differently based on one’s socioeconomic background. Although Batlle was given 6 months to appeal the decision, the same was never done.

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<http://edition.cnn.com/2002/WORLD/europe/07/18/gen.swiss.label/> (last visited Jul. 19, 2020).

<sup>34</sup> “Obama Bin Laden” Trademark Rejected (2007), <https://www.cbsnews.com/news/obama-bin-laden-trademark-rejected/> (last visited Jan. 9, 2021).

<sup>35</sup> Washington Post, *Patent Office Rejects rejects Trademark for “Obama Bin Laden”* (2007), <https://www.chron.com/news/nation-world/article/Patent-Office-rejects-trademark-for-Obama-bin-1567162.php> (last visited Jul. 19, 2020).

<sup>36</sup> 15 U.S.C. sec. 1052(a).

<sup>37</sup> *Ibid.*

<sup>38</sup> *Supra* note 19, 17.



## IV. *Matal v. Tam* (2017) & *Iancu v. Brunetti* (2019): One step forward, two steps backward?

In the former case, Simon Tam and his Asian-American friends founded a rock band in Portland named “The Slants”, in 2006 and released their first album “*Slanted Eyes, Slanted Hearts*”.<sup>39</sup> They saw their name as an expression of their American-Asian entity, which they sought to “reclaim” as it leads to the empowerment of and stood for the solidarity of his ethnic community.<sup>40</sup> They eventually filed a trademark application in 2011, which was promptly rejected by Michelle Kwok Lee, the Director of the USPTO as being contrary to the provisions of section 2(a) of the Lanham Act.<sup>41</sup>

Tam appealed to the Trademark Trial and Appellate Board (TTAB) and alleged that the USPTO’s decision was arbitrary and also pointed out the USPTO’s past approval of trademarks such as “Niggas With Attitude”<sup>42</sup> (NWA) (2000), Dykes on Bikes<sup>43</sup> (2003), Celebrasians<sup>44</sup> and Dago Swagg.

The TTAB declined Tam’s appeal on the ground that the trademark application fell under the ambit of the “Central Hudson Test”,<sup>45</sup> and relied primarily on two out of the four pillars stipulated in the test, namely - (1) That the meaning of the term “Slants” clearly refers to an identifiable person or community (in this case, the Asian community) and (2) it disparaged the referred group.<sup>46</sup> The Board went on to note that the band can still use this mark and the Board’s refusal to register the same did not violate the appellant’s First Amendment rights. It is interesting to note that the tort of “passing off” may also be used to protect against an intellectual property devoid of Trademark Protection, but that is a discussion for another day.

Tam further appealed at Federal Circuit, claiming that his rights enshrined under the First Amendment had been violated.<sup>47</sup> *Judge Anthony Kennedy opined that the government could not discriminate between different trademark applicants based on their viewpoints or opinions by the way of prohibiting their speech, even more so while giving the clean chit to expressions that are complementary or benign in nature. The USPTO argued that Trademarks are primarily a medium to facilitate*

<sup>39</sup> See *Slanted Eyes, Slanted Hearts*, [http://www.theslants.com/album/slanted-eyes-slanted-hearts/theslants\\_coverart/](http://www.theslants.com/album/slanted-eyes-slanted-hearts/theslants_coverart/) (last visited Jan. 9, 2021).

<sup>40</sup> Simon Tam, *The Slants on the Power of Repurposing a Slur* (last visited Jan. 9, 2021), (2017), <https://www.nytimes.com/2017/06/23/opinion/the-power-of-repurposing-a-slur.html> (last visited Jan 9, 2021).

<sup>41</sup> *In re Tam*, 808 F.3d 1321 (2015).

<sup>42</sup> *In Battle over Band Name, Supreme Court Considers Free Speech and Trademarks* (2017), <https://www.npr.org/2017/01/18/510310945/in-battle-over-band-name-supreme-court-considers-free-speech-and-trademarks> (last visited Jan. 9, 2021).

<sup>43</sup> *Ibid.*

<sup>44</sup> *Ibid.*

<sup>45</sup> *Central Hudson Gas & Electric Corp. v Public Service Commission* (1980); See also Deirdre O’Donoghue, *How the Central Hudson Test Influenced Commercial Speech* (2019), <https://learn.g2.com/commercial-speech> (last visited Jan. 9, 2021).

<sup>46</sup> *In re Tam*, 108 U.S.P.Q.2d (BNA) 1305, 1309, 1311–1313 (T.T.A.B. 2013).

<sup>47</sup> *In re Tam*, 785 F.3d 567, 568–569, 571 (Fed. Cir. 2015).

*expression whereas the Government argued that the inherent nature of trademarks is commercial. Judge Kennedy went on to agree with the government's opinion and also noted that Trademark Registration is purely to gain a foothold in capital markets and thus it would not be fair for any of the organs of the government to interfere in the same. Judge Moore further highlighted that Section 2(a) of the Lanham Act is unconstitutional as it satisfied the "doctrine of vagueness". On the contrary, Judge Dyk went on to say that Trademarks lack the expressive characteristics that would cause a violation of Tam's First Amendment rights. Judge Lourie reiterated the TTAB's decision when he opined that Tam's right to speech is not violated due to denial of registration as without federal registration too he can use the mark.*

*The USPTO appealed the decision while raising the question: "whether the disparagement provision in 15 U.S.C. 1052(a) is facially invalid under the Free Speech Clause of the First Amendment?"<sup>48</sup>*

*The petition for certiorari was granted in September 2016. On 19 June 2017, the SC voted unanimously (8-0) to affirm the decision of the lower court and held that the law prohibiting trademarks that disparage any person, living or dead, is unconstitutional as the Section 2(a) of the Lanham Act violated the Free Speech Clause that is guaranteed by First Amendment. Justice Samuel Alito further reasoned that the ban on disparaging terms violated the "bedrock principle" of the First Amendment,<sup>49</sup> as banning some and allowing others trademark on the grounds of them being "obscene and/or disparaging" will create a strong disincentive for some expressions and thus give preference to certain discourses over the others- for example, giving the green signal to a trademark application titled "Trump = America Great Again" and denying "~~Trump~~ = America Great Again".*

## V. Iancu v. Brunetti

Erik Brunetti, along with skateboarder Natas Kaupas (who left the company later), founded a clothing brand named Friends U Can't Trust<sup>50</sup> (FUCT) in Los Angeles in 1990 and filed as a business under the name "FUCT Designs" in 1991.<sup>51</sup> Brunetti had chosen the unique acronym because he wanted people to question its pronunciation.<sup>52</sup> The brand gradually gained

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<sup>48</sup> Lee v. Tam, No. 15-1293 (2015).

<sup>49</sup> David L. Hudson Jr., Matal v. Tam (2017), <https://www.mtsu.edu/first-amendment/article/1528/matal-v-tam#:~:text=In%20Matal%20v.,it%20expresses%20ideas%20that%20offend.%E2%80%9D> (last visited Jan. 9, 2021).

<sup>50</sup> Supreme Court Review to Government Ban on Fuct& Other "Scandalous" Trademarks (2019), <https://www.thefashionlaw.com/the-validity-of-fuct-and-other-immoral-or-scandalous-trademarks-is-back-in-question/> (last visited Jan. 9, 2021).

<sup>51</sup> See generally Erik Brunetti, Aaron Rose, Gary Warnett, Fuct (2013).

<sup>52</sup> Ian Michna, Discussing the History of FUCT & the Current Streetwear Market (2019), <http://www.jenkemmag.com/home/2019/05/23/discussing-history-fuct-current-streetwear-market/> (last visited Jan. 9, 2021).

steam due to its counter-cultural marketing and subversive advertising, particularly amongst skateboarding enthusiasts.

In 2011, Erik Brunetti filed a federal trademark application in order to safeguard the brand against a large number of online market players knocking off its products. However, the USPTO rejected the application on the basis that the name is phonetically similar to the vulgar slang “fuck” and declared it as “immoral and scandalous” as per section 2(a) of the Lanham Act, which was later upheld by the TTAB in 2014.

Brunetti further appealed to the United States Court of Appeal for the Federal court and the American Civil Liberties Union (ACLU) argued on behalf of the company. At one hand, the Federal Circuit accepted that although “Fuct” sounds like a vulgar word and might, *prima facie*, fall under the ambit of “scandalous” of section 2(a) of the Lanham Act - it is important to interpret the same in light of the Supreme Court’s affirmation in *Matal v. Tam* related to “disparaging” trademarks and ruled that the TTAB’s trademark rejection amounted to a violation of applicant’s right to speech. Andrei Iancu, USPTO’s director, filed a writ of certiorari to the Supreme Court and the key question is whether the trademark application for the word “FUCT” could be rejected on the ground of it being “immoral” or “scandalous”. The Supreme Court observed that similar trademarks such as “FUCK” and “FUBAR” were previously granted approval by the same office which has now rejected “FUCT”. On 24 November 2019, the ban was struck down on the ground that it violates the First Amendment Rights of the applicant, read with the “no discrimination based on viewpoint” policy of the Supreme Court in light of *Matal v Tam*.<sup>53</sup> Even the Trump administration opined that undermining the law would lead to a market flooded with scandalous and shocking trademarks and images but all nine justices argued that the ban on “scandalous or immoral” speech stood in the way of free expression.

While going beyond United States Code, we can find that the protection of trademarks is envisaged under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS - under Articles 15-21) and that the definition of the term ‘trademark’ given under TRIPS is similar to that given by European Union. An application can also be made for a Community trademark under Article 4 of Regulation No. 40/94 of the European Union, also known as the Community Trade Mark Regulation (CTMR). In many ways, the Lanham Act’s provisions and definitions are consistent and echoed in the international standard. International law recognizes and acknowledges the concept of Community Trademarks and also permits countries, states, or regions to protect the same. However, similar claims are likely to be rejected

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<sup>53</sup> *Iancu v. Brunetti*, 588 U.S. 18, 6 (2019). Available at: [https://www.supremecourt.gov/opinions/18pdf/18-302\\_e29g.pdf](https://www.supremecourt.gov/opinions/18pdf/18-302_e29g.pdf)

under United States law if the Courts form an opinion that the Community Trademark would, *prima facie*, not protect history, facts, or language.<sup>54</sup>

*Matal v. Tam & Iancu v. Brunetti* have once again opened up a debate on the right to use words that allegedly harm the sentiments of the public and are a clarion call with regards to the importance of understanding the intersection between social justice, capital markets and intellectual property.

## VI. Trademark controversies around the world

### A. United Kingdom

#### 1. The “Fcuk” trademark controversy (2000-2020)

In the early 1970s, Stephen Marks incorporated an enterprise, French Connection; whose parent company named French Connection Group PLC is listed on the London Stock Exchange<sup>55</sup> (debuting on 31 July 1998) and has stores (dealing in clothing, homeware and accessories) in the UK, US, Canada and across the globe. In the early 2000s, the UK based wholesaler and retailer started using the word “fcuk” during its advertising campaigns. Around the same time, Dennis Woodman, a retired businessman in the UK, challenged the use of the FCUK brand, alleging it to be against “generally accepted principles of morality or public policy”, based on Section 3(3)(a) of the 1994 Trade Marks Act (UK). In response to the same, the company cited prevailing trademarks such as Dick & Fanny which were deemed to be acceptable.<sup>56</sup>

The Court concluded that the word “FCUK” was not phonetically or visually identical to the swear word, though it might be interpreted, depending upon the circumstances, as the swear word- however, in any case, “FCUK” was not the word itself. In a similar case, Kevin Scranage’s Trade Mark Application<sup>57</sup> (also known as the “FOOK” case) was rejected as the Court was of the opinion that the word “FOOK” was phonetically similar to the word “FUCK”.<sup>58</sup>

In the “FCUK” case, the court drew a line and opined that there was a difference between a mark that was considered to be against “generally accepted moral principles” and a mark that merely offended some sections of the society. The aforementioned observation was also seen in the *Tiny Penis* trademark rejection matter, where the Court had ruled that the Trademark

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<sup>54</sup> Sarah La Voi, *Cultural Heritage Tug of War: Balancing Preservation Interests and Commercial Rights*, 53 DePaul L. Rev. 875, 880 (2013).

<sup>55</sup> See French Connection Group PLC (2020), <https://www.londonstockexchange.com/stock/FCCN/french-connection-group-plc/company-page?lang=en> (last visited Nov. 7, 2020).

<sup>56</sup> FCUK Slogan “not offensive” (2005), <https://www.theguardian.com/media/2005/dec/21/marketingandpr.advertising> (last visited Jan. 9, 2021).

<sup>57</sup> Kevin Scranage’s Trademark Application No. 230950 (2005).

<sup>58</sup> Susan Barty, UK: FCUK Trade Mark-not Valid (2006), <https://www.mondaq.com/uk/trademark/41096/fcuk-trade-mark--not-invalid> (last visited Jan. 9, 2021).

(which was to be used for a clothing brand) was against the principles of morality and public policy.<sup>59</sup>

Nonetheless, FCUK continues to face issues in registering its trademark in other Common Law jurisdictions, such as India,<sup>60</sup> where it filed an application in 1998 and advertised the same in 2016 (which is a legal requisite prior to the conferment of a trademark in India) but has been unable to register the same in the face of immense opposition.

### **2. Section 3 (3) (a) and the “shock value” conundrum**

The aforementioned cases prove that a re-examination of Section 3(3)(a) is needed along with a host of other factors in order to ascertain whether it is against the generally accepted principles of morality, such as the trademark justifiably causing censure or outrage amongst an identifiable group or section of the public that is undermining their social, family or religious values. The Appointed Person<sup>61</sup> also asserted that the moral principle should be identified and particularly, in the cases where children might be exposed to swear-words there exist a prohibition on their usage.

The intrinsic and fundamental qualities of the trademark and the way in which the public uses the word and not only the conduct of the applicant should be taken into consideration along with Article 10 of the European Convention of Human Rights, which talks about Freedom of Expression and the ‘Reasonable Restrictions’ that can be entailed as a part of it, as to whether there is a pressing social need to refuse registration that is proportionate to the legitimate aim pursued.

Trademarks and advertisements should be truthful and fair as their impact and influence on the consumers’ choices is profound and it also distorts the competition in the market—a very good method of which is by enhancing its “shock value”,<sup>62</sup> i.e. by making the brand name and its marketing more controversial and edgy – it increases its customer base, and consequently, its market share.<sup>63</sup>

## **B. India**

### **1. Tuff Shoes**

As early as in the 1990s, Milind Soman and Madhu Sapre stirred a nationwide controversy for posing nude, wearing nothing but a pair of Tuff shoes and wrapping a python around their neck. The models were charged

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<sup>59</sup> Ghazilian’s Trademark Rejection Application No. 2232411 (2001).

<sup>60</sup> E-register & Application Status, Trade Marks Registry India, <https://ipindiaonline.gov.in/eregister/> (last visited Jan. 9, 2021).

<sup>61</sup> Intellectual Property Office, New Appointed Persons for Designs and Trademarks (2015), <https://www.gov.uk/government/news/new-appointed-persons-for-designs-and-trade-marks#:~:text=The%20Appointed%20Person%20is%20a,appeal%20to%20the%20Appointed%20Person> (last visited Nov. 12, 2020).

<sup>62</sup> Rosalyn Gladwin, *Bullshit, I Can’t Believe that was Registered*, 38 I. P. Forum 38, 38 (2006).

<sup>63</sup> *Ibid.*

with indecent behavior and obscenity. Another case was filed under the Wildlife Protection Act for the illegal use of a python in the advertisement. In 2009, after nearly 15 years of legal proceedings, the court declared them as not guilty.

### **2. Cadbury Schweppes**

Another controversial ad campaign that came under fire and caused immense public outrage was a tagline used by the Indian subsidiary of the UK based confectionery company, Cadbury-Schweppes, in 2002- featuring the following caption:

“I am good. I am tempting. I am too good to share - “What am I? Cadbury's Temptations or Kashmir”.

The advertisement's attempt to compare the disputed territory with their chocolate bar did not bode well with the sentiments of Indian viewers. To add fuel to the fire, the commencement of the advertising campaign was scheduled to coincide with India's Independence Day.

### **3. Ford**

The Ford Figo's 2013 print ad featuring the tagline “Leave your worries behind with the Figo's extra-large boot” exposed the sorry state of advertising in India and stirred a lot of controversy. The sexist ad cartooned three scantily clad women, tied and gagged in the back of the car's trunk, which was being driven by three-time Italian Prime Minister, Silvio Berlusconi, who was seen flashing a victory sign. The then-Global Marketing chief of Ford, Jim Farley, apologized and the advertising agency JWT India, one of the world's largest ad agencies, tried to downplay the situation by issuing a statement that they merely wished to advertise the spacious trunk of the car in a creative manner. Ironically, the ad was released a few days after India passed new anti-rape law following Delhi gang-rape, which had also sparked massive public outcry and had led to mass protests across the country.

## **VII. From fair & lovely to glow & lovely: Hindustan Unilever, Nirma Industries and the impact of #BlackLivesMatter in India**

The increasing quantity of disposable income and the influence of the Indian movie industry along with western culture have increased the popularity of fairness creams and other cosmetic products in the Indian as well as the broader South Asian market. With initiatives like #BlackLivesMatter gaining momentum in not just the US but across the world, consumers at large are reconsidering products backed by a deep-rooted obsession for fair skin. After a severe backlash of products propagating “color-ism”, companies like Hindustan Unilever Limited (HUL) were forced to drop the word “fair” from their skin bleaching cream called “Fair &

Lovely". Ever since HUL's entry into the Indian market in the 1970s, the product had gained a lot of popularity in India and other South Asian countries as it depicted fair skin as a catalysy in getting a white-collar job and finding a good husband. On the contrary, the company claimed that the product is a combination of vitamin B3, Glycerin, UVA and UVB sunscreens and was not to be viewed as a skin-bleaching product.

Yet another brand which has faced massive backlash and consequential decline in sales due to the promotion of the concept of "body positivity" on Indian social media networks and the global outcry against "colourism" is the Ladies' Soap by Nirma Industries, eponymously known since the 90s as the "Saundarya Sabun" (Beauty Soap) in India. The soap remains well known for its ad jingle featuring Bollywood actress Sonali Bendre as an Indian woman wearing "western" clothes, strutting along the streets of a quaint European hamlet on a balmy fall evening as a man sings in the background and objectifies her: "Tum Husn Pari, Tum Jaane Jahaan....Tum Sabse Haseen, Tum Sabse Jawaan....Saundarya Sabun Nirma, Saundarya Sabun Nirma" ("Look at her style, oh she's so nubile....she's the most cheerful, she's so youthful....beauty soap by Nirma, beauty soap by Nirma").

The Advertising Standards Council of India (ASCI), which is a self-regulatory industry body, then issued a set of guidelines called "Guidelines of Advertising for Skin Lightening or Fairness Improvement Products"<sup>64</sup> in 2014 for ensuring that no advertisement communicates any form of discrimination or reinforces any negative social stereotype on the basis of skin color. In 2020, the Ministry of Health and Family Welfare finally recognized this and proposed the *Draft Drugs and Magic Remedies (Objectionable Advertisements) (Amendment) Bill, 2020 that bans the broadcast and publication of advertisements that promote fairness creams, enhance sexual performance, cure premature ageing and greying of hair, improvement in height of children or adults, increase in brain capacity and memory, change of foetal gender by drugs etc. along with proposing rigorous imprisonment in case of conviction.*

The move by major brands to change the names of their products may be labeled as a historic episode by a few, but it will be like old wine in a new bottle as the companies continue to sell the same product with a slightly altered method of advertising. A very good example of the same is Shilajit (Viagra) which was sold by Dabur and later on by smaller players such as Zandu in the Indian market. Dabur, in particular; which had previously faced backlash for its ad showing a knackered Indian white-collar worker suddenly getting reenergized and forcing his wife into sexual intercourse upon having

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<sup>64</sup> See Vikrant Johar, All That Glows is Not "White" – the "fair" legal saga of "fairness creams" (2020), <https://www.cnbctv18.com/views/all-that-glows-is-not-white-the-fair-legal-saga-of-fairness-creams-6317291.htm> (last visited Jan. 9, 2021).

the pill,<sup>65</sup> changed its advertising to emphasize how their product was Ayurvedic, indigenous and in line with Indian Prime Minister Narendra Modi's 2020 Independence Day speech call to his citizens, where he urged Indians to go "vocal for local",<sup>66</sup> in line with the "Atmanirbhar Bharat" (Self-Reliant India) scheme.<sup>67</sup>

The recent outcry on digital and social media platforms bashing unrealistic beauty standards and skin-tone related stereotyping has received national as well as international attention – with consumers across the world urging companies to revisit the names of their products as well as their advertisements.

In India, and other South Asian countries, which speaks volumes of inherent biases and prejudices against particular skin tone, caste and gender. The revolution and the rebranding process have been commenced with big brands like L'Oreal, Nivea, Johnson & Johnson, etc. joining the bandwagon. Johnson & Johnson has decided to discontinue its skin lightening creams Neutrogena Fine Fairness and Clear Fairness by Clean & Clear and L'Oreal announced their plan to remove words like "whitening", "fairness", "lightening" from its products. The change is bound to come.

## Conclusion

After looking at a catena of case laws and legal provisions across America and a host of Commonwealth jurisdictions, the authors have come to the conclusion that public authorities clearly possess the right to restrict the usage of trademarks, if it protects the interests of the "public at large". The idea of the "public at large" remains vague and rife with ambiguities. Trademarks which may be considered "scandalous" or "offensive" 40-50 years ago may not be considered offensive today, and vice versa. This was best evidenced in *Mavety*<sup>68</sup> where the US Court acknowledged that it is important to be "*mindful of ever-changing social attitudes and sensitivities. Today's scandal may be tomorrow's vogue....*"

Thus, it is important to acknowledge, identify and rectify such intrinsic issues so as to ensure that regulations (and consequently, their enforcement) change with time. This is even more significant for nations with diverse

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<sup>65</sup> BestMedia Info Bureau, ASCI Investigates Complaints against 251 Ads in May 2020(See Table Entry No. 4,29, 49, 59) (2020), <https://bestmediainfo.com/2020/07/asci-investigates-complaints-against-251-ads-in-may-2020/> (last visited Nov. 13, 2020).

<sup>66</sup> Simran Kashyap, Modi's 74<sup>th</sup> Independence Day Speech Highlights: Covid not an obstacle to a self-reliant India (2020), <https://www.oneindia.com/india/pm-modi-74th-independence-day-speech-highlights-we-will-win-the-battle-against-coronavirus-says-pm-3134383.html> (last visited Nov. 13, 2020).

<sup>67</sup> Shreeja Singh, Explained: All You Need to Know about the Aatmanirbhar Bharat Rozgar Yojana (2020), <https://www.moneycontrol.com/news/economy/policy/explained-all-you-need-to-know-about-the-aatmanirbhar-bharat-rozgar-yojana-6115561.html> (last visited Jan. 9, 2021).

<sup>68</sup> In re Mavety Media Group Ltd, 33 F. 3d 1367 (Fed. Cir. 1994).



ethnicities or where caste or creed have led to significant social stratification – such as the US and India.

The sad part about IP is that although a ban on the trademark will lead to a lack of legal recognition, it does not bar its usage- which nonetheless reaches the “public at large” and affects their thinking. The rise of xenophobic, casteist and sexist trademarks across markets around the globe gives rise to the thought that Bonadio’s thought of (regulators saying that) “*we don’t mandate, we just suggest*”<sup>69</sup> might not be the affirmative action that matches up to the clarion call that was sent out by the tragic death of George Floyd and the #BlackLivesMatter campaign.

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<sup>69</sup> *Supra* note 1, 41.