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Redskins Trademark Rights Are Not Significantly Harmed by Loss of Registrations

■ **Analysis:** *As a practical matter, the Washington Redskins' trademark rights might not be significantly affected even if cancellation of its federal trademark registrations is ultimately upheld.*

The Washington Redskins football team has vowed to fight a federal district court's ruling that its trademarks are disparaging and that related federal registrations should be cancelled.

But the Redskins won't be significantly burdened by the loss of those registrations as the legal fight drags on, because both federal and state laws protect unregistered trademarks.

A July 8 ruling by a federal district court affirmed a decision to cancel six federal trademark registrations covering the Redskins name, which the Trademark Trial and Appeal Board had found to be disparaging and thus ineligible for registration under provisions of federal law. *Pro-Football, Inc. v. Blackhorse*, No. 14-01043 (E.D. Va. July 8, 2015) (90 PTCJ 2554, 7/10/15).

The district court ruled that Section 2(a) of the Lanham Trademark Act of 1946, 15 U.S.C. § 1052(a), does not violate the Redskins' free speech rights under the First Amendment or constitute an uncompensated taking of property under the Fifth Amendment.

How Much Are the Redskins Harmed? However, according to trademark practitioners who spoke with Bloomberg BNA, the team's trademark rights won't be seriously damaged, even if the ruling survives on appeal.

"As a practical matter, the actual legal/economic consequences of the decision affirming the cancellation of the Redskins registrations are minimal," Robert J. Kenney of Birch, Stewart, Kolasch & Birch LLP, Falls Church, Va., told Bloomberg BNA in an e-mail message.

Alan S. Cooper of Westerman Hattori Daniels & Adrian LLP, Washington, said that the loss, should it be sustained, was more significant for the team's public, rather than legal, arguments that its name is not offensive or disparaging.

"I agree that the principal negative impact is in a public relations context," Cooper said in an e-mail.

Kenney said that the absence of the presumptions afforded by registration "simply means the team would have to produce evidence to prove those issues when enforcing its rights in the marks."

Without registration, he said, "those marks are now based on the lengthy use of the marks in commerce,"

something that should not be difficult for the Redskins to establish.

No Registration Means Loss of Presumptions. The main advantage of having a federal trademark registration is that when the trademark owner goes to court, it benefits from some presumptions regarding the existence and geographical scope of its trademark rights.

The absence of a registration would not prevent the Redskins from going to court against an infringer, because under both state and federal laws, unregistered trademarks are protected.

Cooper said that it was possible that an alleged infringer could assert an "unclean hands" defense, based on the district court's finding that the term "Redskins" is disparaging.

However, Cooper said, this defense might very well be precluded by principles of equity if the alleged infringement—for example, selling counterfeit clothing—is found to be intentional.

Importation of Counterfeits. One of the concrete advantages of having a federal trademark registration is that the owner can put the registration on file with U.S. Customs and Border Protection and the agency will stop attempted importation of knockoffs at ports. Doing so saves a trademark owner some steps and time in having to seek an injunction from a court.

"The cancelled registrations could not be used" by customs "as a basis for seizure of any imported counterfeit goods," Cooper said. However, he said that a cursory review of the customs database revealed only one Redskins registration for goods—as opposed to services—on file.

Like federal trademark law, state laws also protect both registered and unregistered trademarks. So should the Redskins eventually lose its federal registrations, the team would still be able to bring infringement claims based on their unregistered or common law trademark rights in both state and federal courts.

Divided Views on Success of Appeal. Given the Redskins' statement on July 8 that they would appeal the decision to the U.S. Court of Appeals for the Fourth Circuit, it is up in the air how much of the district court's ruling will ultimately survive.

According to Cooper, "It is difficult to predict what the 4th Circuit will do." He said it would depend on the quality of arguments and even the luck of the draw of which three judges are assigned to an appellate panel.

By ANANDASHANKAR MAZUMDAR

Cooper is a member of this publication's board of advisors.