

No. 22-704

In the Supreme Court of the United States

KATHERINE K. VIDAL, UNDER SECRETARY OF
COMMERCE FOR INTELLECTUAL PROPERTY AND
DIRECTOR, UNITED STATES PATENT AND
TRADEMARK OFFICE, PETITIONER

v.

STEVE ELSTER

*ON PETITION FOR A WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT*

REPLY BRIEF FOR THE PETITIONER

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The court of appeals held that 15 U.S.C. 1052(c) is unconstitutional as applied to an entire category of marks that identify and criticize individual government officials or public figures. Respondent argues that the decision below lacks broad significance because the court left open the possibility that Section 1052(c) might validly be applied to other marks. But under the court's decision, the United States Patent and Trademark Office (USPTO) can give Section 1052(c) continued practical effect only by incorporating into trademark-registration practices the very viewpoint discrimination that this Court has twice found unconstitutional. See *Matal v. Tam*, 137 S. Ct. 1744 (2017); *Iancu v. Brunetti*, 139 S. Ct. 2294 (2019). The Court's review is particularly appropriate because this case presents a recurring

issue concerning the proper First Amendment framework for analyzing viewpoint-neutral bars on federal trademark registration.

Respondent also argues that this Court's review should await a circuit conflict. But as in *Tam* and *Brunetti*, there is no meaningful likelihood that such a conflict will arise or that a better vehicle for addressing the constitutionality of the statute will emerge. The petition for a writ of certiorari should be granted.

A. This Court's Review Is Warranted

1. Respondent contends (Br. in Opp. 12) that this Court's review is unwarranted because the Federal Circuit held Section 1052(c) unconstitutional "only as applied." But this Court regularly grants review of decisions holding federal statutes invalid as applied, including under the First Amendment. See, e.g., *Agency for Int'l Dev. v. Alliance for Open Soc'y Int'l, Inc.*, 140 S. Ct. 2082, 2085-2086 (2020) (reviewing the invalidation under the First Amendment of a federal statutory condition on funding as applied to "foreign organizations operating abroad"); *DHS v. Thuraissigiam*, 140 S. Ct. 1959, 1964 (2020) (reviewing the invalidation under the Suspension Clause of federal statutory limitations on habeas review "as applied" to certain noncitizens); *United States v. Kebodeaux*, 570 U.S. 387, 399 (2013) (reviewing the invalidation under Article I of federal statutory registration requirements "as applied" to certain offenders); *United States v. Edge Broad. Co.*, 509 U.S. 418, 421 (1993) (reviewing the invalidation under the First Amendment of a federal statutory prohibition on lottery advertising "as applied to respondent").

That practice reflects the respect this Court owes to "the duly enacted and carefully considered decision of a coequal and representative branch of our Government."

Walters v. National Ass’n of Radiation Survivors, 473 U.S. 305, 319 (1985). Whether a lower court holds a federal statute unconstitutional on its face or as applied to a category of cases, the effect of its decision is to prevent the full realization of Congress’s objectives. The Court has treated that result as a reason to grant review in appropriate cases. See, e.g., *Kebodeaux*, 570 U.S. at 391 (granting certiorari to review an as-applied invalidation “in light of the fact that a Federal Court of Appeals has held a federal statute unconstitutional”); *Edge Broad.*, 509 U.S. at 425 (granting certiorari to review an as-applied invalidation “[b]ecause the court below declared a federal statute unconstitutional”).¹

This Court’s review is particularly appropriate here given the breadth of the Federal Circuit’s as-applied holding. Far from issuing “a one-off” decision, Br. in Opp. 2, the court of appeals held Section 1052(c) invalid as applied to an entire category of marks that contain “speech critical of government officials or public figures,” Pet. App. 20a. The court understood its holding in those terms. *Ibid.*; see *id.* at 11a (framing the issue as “whether the government has an interest in limiting speech on privacy or publicity grounds if that speech involves criticism of government officials”). The court further acknowledged that, as a result of its holding, “a

¹ Respondent cites (Br. in Opp. 12-13) two cases in which he asserts that the Court denied a government certiorari petition seeking review of an as-applied invalidation of a federal statute. But in one of those cases—*SpeechNow.org v. FEC*, 599 F.3d 686 (D.C. Cir.) (en banc), cert. denied, 562 U.S. 1003 (2010)—the government did not seek review in this Court. The only certiorari petition in that case was one that the government opposed. See Br. in Opp. at 7, 9-10, *Keating v. FEC*, 562 U.S. 1003 (2010) (No. 10-145).

substantial number of section [1052(c)'s] applications” may be “unconstitutional.” *Id.* at 20a-21a.

Respondent asserts that “the government recognizes” that “these narrow facts rarely arise and may not arise again.” Br. in Opp. 10; see *id.* at 13 (asserting that the government “[r]ecognize[s] the narrowness of the decision below”). To the contrary, the government has maintained, both in seeking rehearing below and in seeking this Court’s review, that “the question whether Section 1052(c) is constitutional as applied to marks [that criticize a government official or public figure] is itself an issue of substantial legal and practical importance.” Pet. 12; see Gov’t C.A. Pet. for Reh’g En Banc 1 (emphasizing that the question presented is one of “exceptional importance”). Indeed, the USPTO currently has before it numerous pending trademark-registration applications involving marks critical of government officials or public figures that would otherwise be subject to refusal under Section 1052(c). Pet. 11.²

The viewpoint-based way in which the Federal Circuit has defined the marks subject to its holding reinforces the need for this Court’s review. The principle that most strongly emerges from this Court’s decisions in *Tam* and *Brunetti* is that, in fashioning and applying the criteria that govern federal trademark registration, “[t]he government may not discriminate against speech based on the ideas or opinions it conveys.” *Brunetti*, 139 S. Ct. at 2299. But if the decision below remains in place, the USPTO can give Section 1052(c) continued practical effect only by distinguishing for registration

² See, e.g., U.S. Trademark Application Serial Nos. 97423848 (filed May 23, 2022), 97309127 (filed Mar. 12, 2022), 97133289 (filed Nov. 19, 2021), 97120483 (filed Nov. 11, 2021), 88936129 (filed May 27, 2020).

purposes between marks that are “critical of government officials or public figures” and marks that are not. Pet. App. 20a; see Br. in Opp. 12 (stating that the decision below holds Section 1052(c) unconstitutional as applied to marks that “involve[] criticism of government officials’” but leaves “all other applications” “undisturbed”) (citation omitted). Thus, to the extent the decision below stops short of holding Section 1052(c) facially invalid, it does so only by introducing into that provision the very viewpoint discrimination that this Court found unconstitutional in *Tam* and *Brunetti*.

2. Respondent contends (Br. in Opp. 8) that this Court’s review is unwarranted because there is no circuit split. But the Court has repeatedly granted review of decisions holding federal statutes invalid on First Amendment grounds, even in the absence of a circuit conflict. See Pet. 10 (citing cases). Those include the Federal Circuit’s decisions in *Tam* and *Brunetti*, which held that other provisions within Section 1052 violated the First Amendment. See *ibid.* The absence of a circuit conflict likewise should not prevent further review here.

As in *Tam* and *Brunetti*, there is no meaningful likelihood that a circuit conflict will develop. The USPTO’s examining attorneys and the Trademark Trial and Appeal Board (Board) follow Federal Circuit precedent. Pet. 11. Pending the Court’s disposition of this case, those agency officials have “suspend[ed] action on pending applications involving marks subject to refusal under section [1052(c)] that are critical of government officials or public figures.” USPTO, *Examination Guide 1-23: Examination for Compliance with Section 2(c) While Constitutionality of Section 2(c) As Applied to Marks That Are Critical of Government Officials or*

Public Figures Remains in Question (Feb. 22, 2023).³ If this Court denies review here, examining attorneys and the Board will simply grant those registration applications in accordance with the decision below. And even if the agency declined to acquiesce in that decision, a dissatisfied applicant would have no reason to seek judicial review anywhere other than the Federal Circuit. See Pet. 10-11; 15 U.S.C. 1071(a)(1) (Supp. III 2021) (granting an applicant “who is dissatisfied with the decision of the [Board]” the right to appeal to the Federal Circuit).

Citing 15 U.S.C. 1071(b)(1) (Supp. III 2021), respondent contends that a public figure aggrieved by the registration of a trademark that incorporates his name could seek to litigate the constitutionality of Section 1052(c) “by filing a civil action in federal district court.” Br. in Opp. 9; see *id.* at 9-10. The Lanham Act, ch. 540, 60 Stat. 427 (15 U.S.C. 1051 *et seq.*), authorizes a person who believes that he will be damaged by the registration of a trademark to oppose, or to petition to cancel, the registration. See 15 U.S.C. 1063; 15 U.S.C. 1064 (2018 & Supp. II 2020). But such inter partes proceedings are conducted before the Board, not in district court. See 15 U.S.C. 1067(a).

It is true that, at the conclusion of such a proceeding, a party aggrieved by the Board’s decision could seek review in a district court and then further review in a regional court of appeals. See 15 U.S.C. 1071(b)(1) (Supp. III 2021). But the speculative possibility that such litigation could ultimately produce a circuit conflict is no substitute for immediate review by this Court. That is especially so because, in the meantime, the USPTO

³ <https://www.uspto.gov/sites/default/files/documents/TM-ExamGuide-1-23.pdf>.

would be bound by the decision below and could avoid treating Section 1052(c) as a nullity only by administering it in a viewpoint-discriminatory manner. See pp. 4-5, *supra*.⁴

3. As our petition explains (at 11), this case also presents an opportunity for the Court to address a recurring issue left open in *Tam* and *Brunetti*: “whether a Lanham Act bar” on the registration of a trademark is “a condition on a government benefit or a simple restriction on speech.” *Brunetti*, 139 S. Ct. at 2299. Respondent contends that this case is a poor vehicle for answering that question because “the Federal Circuit concluded” that “the government’s purported interest” in refusing to register marks like respondent’s “fails ‘under any conceivable standard of review.’” Br. in Opp. 13 (quoting Pet. App. 21a). But that contention goes to the merits of the Federal Circuit’s decision, not to the suitability of this case as a vehicle for clarifying the applicable legal framework. After all, the Federal Circuit’s analysis of the First Amendment question is precisely what our petition asks this Court to review and reject.

In any event, the Federal Circuit did not hold that the outcome of this case would be the same no matter the appropriate level of scrutiny. Because the Federal

⁴ Respondent relies in part (Br. in Opp. 9-10) on *Aktieselskabet AF 21. Nov. 2001 v. Fame Jeans Inc.*, 525 F.3d 8 (2008), in which the D.C. Circuit described 15 U.S.C. 1119 as “provid[ing] an independent civil action to cancel a completed trademark registration without first petitioning the PTO.” 525 F.3d at 14. The court’s citation to Section 1119 was inapt. That provision states that “[i]n any action involving a registered mark the court may” exercise specified powers, including the power to “order the cancelation of registrations.” 15 U.S.C. 1119. Section 1119 thus describes the powers that courts may exercise in trademark cases *otherwise* within their jurisdiction; it is not an independent grant of authority to entertain a suit.

Circuit viewed Section 1052(c) as a “restriction[.]” on speech, it addressed only whether Section 1052(c) would satisfy either “strict” or “intermediate” scrutiny. Pet. App. 9a; see *id.* at 20a (concluding that “the outcome is the same” under either “strict” or “intermediate scrutiny”) (citation omitted). The court did not address whether Section 1052(c) would satisfy the more deferential standard that applies to conditions on government benefits. See *id.* at 4a-20a.

B. The Court Of Appeals’ Decision Is Wrong

On the merits, respondent repeats the Federal Circuit’s errors. Contrary to respondent’s contention (Br. in Opp. 14-18), Section 1052(c) is not a restriction on speech, but a condition on a government benefit. And because it is a reasonable viewpoint-neutral condition, Section 1052(c) is consistent with the First Amendment, both on its face and as applied to marks like respondent’s.

1. Respondent acknowledges, as he did below, that Section 1052(c) “may not be viewpoint based.” Br. in Opp. 15. Yet various passages in his brief in opposition imply that it is. Respondent states, for example, that “[t]he Federal Circuit correctly held that the First Amendment prohibits the [USPTO] from denying registration on the ground that a trademark criticizes a former president.” *Id.* at 14 (emphasis omitted). He also characterizes “the government’s purported interest” in enforcing Section 1052(c) as one “in protecting public figures from critical trademarks.” *Id.* at 13. The USPTO’s refusal to register respondent’s mark, however, had nothing to do with the viewpoint that mark expresses. Rather, as respondent elsewhere acknowledges, the USPTO refused registration for the viewpoint-neutral reason that his mark incorporates “a name * * * identifying a particular living individual” without that indi-

vidual’s “written consent.” 15 U.S.C. 1052(c); see Br. in Opp. 1.

2. Because Section 1052(c) is not viewpoint-based, the key question under the Free Speech Clause is whether Section 1052(c) is “a condition on a government benefit or a simple restriction on speech.” *Brunetti*, 139 S. Ct. at 2299. As our petition explains (at 13-15), Section 1052(c) is a condition on a government benefit—namely, “the ancillary benefits that come with [federal trademark] registration.” *Brunetti*, 139 S. Ct. at 2317 (Sotomayor, J., concurring in part and dissenting in part). Respondent does not identify any respect in which the provision restricts his speech. Although he asserts that Section 1052(c) “disfavors” his mark, the only “disadvantage” that he identifies is the denial of the benefits that come with registration. Br. in Opp. 16 (citations omitted).

Respondent contends (Br. in Opp. 3) that the Court “has already” held in “both *Tam* and *Brunetti*” that “limits on trademark registration are restrictions on private speech.” That is incorrect. In *Tam*, “no majority emerged to resolve whether a Lanham Act bar is a condition on a government benefit or a simple restriction on speech.” *Brunetti*, 139 S. Ct. at 2298-2299. And in *Brunetti*, the Court declined to “say anything about how to evaluate viewpoint-neutral restrictions on trademark registration.” *Id.* at 2302 n.*. Far from resolving the issue, the Court has expressly recognized that the proper First Amendment framework for analyzing viewpoint-neutral bars on federal trademark registration remains an open question.

Respondent also contends (Br. in Opp. 17-18) that the Court’s decisions in such cases as *National Endowment for the Arts v. Finley*, 524 U.S. 569 (1998), and

Rust v. Sullivan, 500 U.S. 173 (1991), involved government benefits different from those at issue here. Respondent is correct that, unlike the programs at issue in those cases, trademark registration under the Lanham Act does not entail the transfer of federal funds to the registrant. But those decisions did not turn on the precise nature of the assistance that the government had provided. Rather, they turned on the basic distinction between a “restrict[ion]” on speech and a condition on a government benefit. *Ysursa v. Pocatello Educ. Ass’n*, 555 U.S. 353, 355 (2009). Section 1052(c) falls in the latter category.

3. Because Section 1052(c) is a condition on a government benefit, not a restriction on speech, heightened scrutiny under the Free Speech Clause is inappropriate. Pet. 15. It would be particularly anomalous to apply heightened scrutiny where, as here, the effect of granting the government benefit would be to enhance the recipient’s ability to restrict the speech of others. Respondent attempts to minimize (Br. in Opp. 19) the effect of registration on others’ speech by asserting that “[t]he only use of the mark he could prevent is as a source identifier on competing products.” But if respondent’s use of a mark that criticizes a public figure “goes to ‘the heart of the First Amendment,’” *id.* at 1 (citation omitted), then others’ use of the same mark for the same purpose surely does as well.

To the extent respondent contends that Section 1052(c) is an *unreasonable* condition on a government benefit, his arguments lack merit. Respondent argues that Section 1052(c) bears no relation to protecting “the right to privacy” because the USPTO “interprets section [1052(c)] to protect only ‘celebrities and world-famous political figures.’” Br. in Opp. 20 (citation omit-

ted). That is incorrect. To determine whether Section 1052(c) applies to a particular mark, the USPTO asks whether “the public would perceive the name in the proposed mark as identifying a particular living individual.” Pet. App. 27a. That perception is most likely to exist when the name is “so well known that the public would reasonably assume the connection.” *In re Hoeflin*, 97 U.S.P.Q.2d 1174, 2010 WL 5191373, at *1 (T.T.A.B. Dec. 10, 2010). But the test may be satisfied even when marks identify “lesser-known figures.” *Id.* at *2. In any event, even high-level government officials have traditionally been understood to possess common-law rights against commercial appropriation of their names or likenesses. See Restatement (Second) of Torts § 652C cmt. b, illus. 2 (1977) (explaining that, if “A is the President of the United States,” another person’s formation of an insurance business “under the name of A Insurance Company * * * is an invasion of A’s privacy”).

Respondent asserts that “the government hasn’t identified a single case ‘holding that public officials may restrict expressive speech to vindicate their publicity rights.’” Br. in Opp. 21 (quoting Pet. App. 19a). As the court of appeals correctly recognized, the First Amendment largely precludes public figures from invoking common-law rights of privacy or publicity to prevent others from speaking *about* them. See Pet. App. 12a-19a. But Section 1052(c) does not prohibit or restrict any speech—not even the sorts of speech that would violate common-law rights of privacy or publicity. Instead, Congress has simply declined to provide the federal *assistance* that trademark registration entails to efforts by one person to appropriate or assert property rights in another person’s name. Respondent provides

no sound basis for questioning the reasonableness of that judgment.

* * * * *

For the foregoing reasons and those stated in the petition for a writ of certiorari, the petition should be granted.

Respectfully submitted.

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