

# Brand battle

## Washington Redskins' trademark battle and the implications for brand owners

One of the more interesting and controversial trademark cases of the past decade is the invalidation of the Washington Redskins trademarks. The social implications are apparent, but there are also lessons to be learned for businesses.

Nearly 10 years ago, the Trademark Trial and Appeal Board (TTAB) cancelled all Washington Redskins marks, a decision that was later reversed by the U.S. District Court for the District of Columbia in *Pro-Football, Inc. v. Harjo*. Under Section 2 of the Lanham Act, a trademark cannot be registered if it is disparaging to persons living or dead, and a mark is disparaging if it may 'slight, deprecate, degrade, or affect or injure by unjust comparison.'

"The social ramifications stemming from any decision are fairly predictable. Legally, however, the lasting effects are less obvious," says Ashley Johnson, a law clerk at Fay Sharpe LLP.

"Moving forward, it would be beneficial for trademark owners to take a step back and look at whether or not a group or an individual may find their marks disparaging," says Rachel A. Smoot, an attorney at Fay Sharpe. "Should the marks imply insult or ridicule, it may save registrants a great deal of effort to change the marks."

*Smart Business* spoke with Johnson and Smoot about the Redskins' cases and what they could mean for businesses.

### What happened in the Redskins cases?

The District Court ruled that the TTAB lacked evidence to find disparagement in the time frame at issue, and Harjo's petition was barred by laches, a legal theory prohibiting a party from waiting so long to file a claim that it becomes unfair to the other party. Harjo appealed, but ultimately

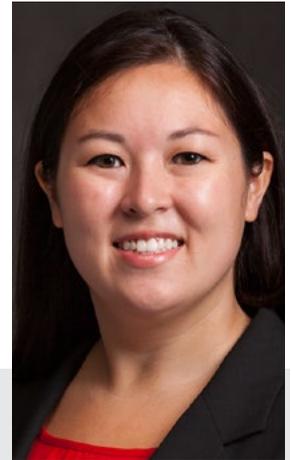
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the District Court found in favor of Pro-Football, asserting that laches barred the case.

Fast forward to 2012 and *Blackhorse v. Pro-Football, Inc.* Pro-Football is again named as a party, but this time the opposition includes younger plaintiffs unhindered by laches. In June 2014, the TTAB again found disparagement and voided six Redskins marks. With millions of dollars and a decades-long reputation at stake, Pro-Football has filed an appeal.

### Where do the cases stand today?

As of now, the Redskins marks are scheduled to be cancelled, but Pro-Football is still fighting. Should the TTAB's decision stand, it will effectively make the Washington Redskins' marks available for public use, preventing Pro-Football from receiving benefits of federal registration.

Pro-Football is taking up the fight on several issues, and is asking the District Court to dismiss the case against it, asserting that because *Blackhorse* is not seeking economic or legal benefits from the decision, *Blackhorse* has no stake in the outcome of the case, and therefore the case against it is improper.

### What implications could this have for sports teams with similar names?

Professional teams such as the Cleveland

Indians, in addition to thousands of high schools and recreational leagues, may find themselves under examination as to whether a 'substantial composite' of Native Americans are offended. Moreover, should the District Court maintain the TTAB's decision, then the door is opened to dozens of questions, such as: Will the court take the composite of Native Americans as a whole? Will it focus on a particular state? Where does the line between disparaging and nonoffensive actually lie?

While the forthcoming ruling may not have an immediate economic effect on the Redskins franchise, cancellation of marks in sister franchises as well as of marks in other professional sports may lead to a lasting impact legally and financially.

### How might this affect business owners?

For business owners who may need to prepare for national cancellation, international mark protection may still be available as long as the marks are registered directly in other countries. Ultimately, whether or not a mark owner should launch an alternative mark is an individual decision based on many factors including: the amount of time and money required to rebrand, the likelihood that the new brand will bring in revenue compared to the old brand, and the potential impact on any profit-sharing partners. ●