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# Parallel import – German court gives trademark owner the right to demand a specimen from parallel importer of medical devices

Bettina Clefsen (b/cl IP) · Thursday, June 16th, 2016

The Higher District Court of Düsseldorf had to decide whether the parallel importer of medical devices also had to provide the trademark owner at its request with a specimen of the re-labelled product. In its detailed decision of 12 April 2016 on case I-20 U 48/15 the court held that medical devices were rather more comparable with pharmaceuticals than with food/beverages and gave the trademark owner the right to request a specimen.

The claimant owns an EU trademark for medical pads and dressings ("trademark owner"). The defendant buys medical pads and dressings branded with this mark from the claimant and sells them in Germany ("parallel importer"). It attached an additional label stating that it is the importer into Germany, its address and the new PIP / NDC code for marketing the product in Germany. Initially it had not notified the claimant about the sales of these re-labelled products in Germany.

With its complaint the trademark owner demands in particular that the parallel importer ceases and desists from selling these re-labelled products in Germany without notifying it before-hand and providing a specimen at its request. In addition, it requests information, payment of damages as well as recall and destruction of the products.

The District Court of Düsseldorf had issued a decision largely in favor of the trademark owner. It argued that the parallel importer could not rely on exhaustion of the claimant's Community trademark rights, as it had not before-hand notified the trademark owner of the parallel import and did not give it the chance to demand a specimen of the products. It also granted the request for recall and destruction of the products arguing that these requests were only under exceptional circumstances disproportionate.

The parallel importer appealed the decision. Afterwards, in August 2015, it notified the trademark owner of the parallel import of most of the products subject to the proceedings. In response to the notification, the trademark owner did not demand a specimen of the products.

The trademark owner did not follow the Higher District Court's advice to declare the cease and desist claims regarding the products for which it had received notifications in August 2015 as settled. The court therefore still had to decide on these claims and held that these were no longer given following the notification received from the parallel importer in August 2015. The court agreed that the trademark owner was entitled to request a specimen. It distinguished the parallel

import of sterile medical devices from alcoholic beverages for which the ECJ denied an obligation for the parallel importer to provide a specimen (Loendersloot / Ballantine). It argued that medical devices were rather comparable with pharmaceuticals and thereby relied on the legal requirements for marketing medical devices, in particular the CE conformity declaration. These legal requirements for marketing medical devices would justify an obligation for the parallel importer to provide a specimen at the trademark owner's request. However, in this case the trademark owner did not request a specimen within reasonable time after the notification in August 2015 and it was therefore barred from demanding specimens for these products now. The cease and desist claims only aimed at prohibiting the marketing of these products without notification and provision of a specimen at the trademark owner's request (within reasonable time) and not at prohibiting the marketing of the products as such. They were therefore no longer given following the notification in August 2015.

The court also lifted the decision with respect to recall and destruction of the products. The products which were put on the marketplace after notification do not have to be recalled or destroyed, in particular because there were no material reasons for an objection to the marketing of these products. Neither was the additional label attached to the products in an untidily manner nor was its content misleading. Also the labelling with the parallel importer's PIP / NDC code was not unlawful, as this code is necessary to enable pharmacies to invoice the sales of these products to health insurances.

A further appeal to the Federal Supreme Court was allowed and already filed (Case reference: I ZR 98/16). It will take at least a year before a decision by the Federal Supreme Court will be rendered.

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