

Kluwer Trademark Blog

Can a German Trademark be used to prohibit possessing goods outside of Germany?

Bettina Clefsen (b/cl IP) · Wednesday, February 28th, 2024



Will the CJEU take a deep dive into the right of possession?

The European Court of Justice will have to deal with this question following a reference from the German Federal Supreme Court (Decision of 23 January 2024 in Case I ZR 205/22). The detailed questions which the Court will have to answer are:

1. Can the proprietor of a national trademark have it prohibited under Article 10(3)(b) of Directive (EU) 2015/2436 that a person abroad possesses trademark infringing goods for the purpose of offering the goods for sale or putting them on the market in the country of protection?
2. Does the concept of possession within the meaning of Article 10(3)(b) of Directive (EU) 2015/2436 depend on actual access to trademark infringing goods or is the possibility of being

able to influence the person who has actual access to those goods sufficient?

The German Federal Supreme Court referred the case to the CJEU following an appeal against a decision of the Higher District Court (OLG) Nuremberg. The underlying facts of the case are as follows:

The defendant, an online trader based in Spain, offered diving equipment for sale in several EU member states, including Germany. The goods were advertised using the claimant's German word-/device trademark "ED" and "EXTREME DURABLE" ("EXTREME DURABLE-marks"). The claimant made a test order for the product to Germany. The product which arrived in Germany was not bearing the EXTREME DURABLE-marks, but it is undisputed between the parties that the defendant also had stocked products bearing the EXTREME DURABLE-marks in Spain.

Already in first instance, the defendant had accepted to cease and desist from promoting and offering the products bearing the EXTREME DURABLE-marks. Further claims were dismissed.

In second instance before the OLG Nuremberg, the defendant was also ordered to cease and desist from distributing and possessing goods bearing the EXTREME DURABLE-marks for these purposes. According to the Court, the promoting and offering of these products also establishes risk of recurrent infringement through distributing and possessing trademark infringing products.

Whereas this might not come as a surprise for distributing trademark infringing products, the result may be questionable for possessing these products outside of Germany.

For the OLG Nuremberg, possessing the products for the purpose of offering and distributing them in Germany was a typical preparatory action which was also to be prohibited based on the German trademark, no matter where it took place (Decision of [29 November 2022 in Case 3 U 493/22](#)). Decisive was only that the purpose of the action, i.e. the offering or distributing of the trademark infringing products in Germany, either already happened or was imminent. The appeal to the Federal Supreme Court was allowed.

The Federal Supreme Court felt that it needed guidance from the CJEU on the question whether the defendant could lawfully be ordered to cease and desist from possessing goods bearing the EXTREME DURABLE-marks (in Spain) for the purpose of offering and distributing them in Germany. The term "possessing" has its origin in the [Trademark Directive \(EU\) 2015/2436](#). It therefore must be interpreted autonomously. Decisions from the CJEU on the interpretation of the term possessing in the context of trademark infringement were so far missing. The subject matter has been touched somehow in the field of copyright, where the CJEU dealt with the question whether the distribution of copies from abroad infringes the author's right of distribution in the country of protection (Decision of the [CJEU of 21 June 2012 in Case C-5/11 – Donner](#)).

In trademark law, on the one hand the principle of territoriality of IP rights could prohibit an interpretation of the term which would also cover possessing the products in Spain (where the German mark is not protected). On the other hand, it could also be that it is sufficient if the goods are possessed abroad where the purpose is to offer and distribute the goods in Germany. Decisive could also be the legal meaning of the term "possessing". In some member states the term may comprise also indirect possession, i.e. scenarios where the trademark infringing goods are not possessed directly but indirectly through others that have actual access to the goods. However, it is

doubtful whether such an interpretation is acceptable in the EU context, as the term is translated in most other language version of the Trademark Directive rather in the sense of “stocking”.

Personally, I ask myself how a decision ordering the defendant to cease and desist from possessing trademark infringing products for the purpose of offering / distributing them in Germany will be enforced abroad. How will these products be distinguished from other products intended for sale in other countries and where the possession is therefore not unlawful?

We will provide an update once the CJEU rendered its decision.

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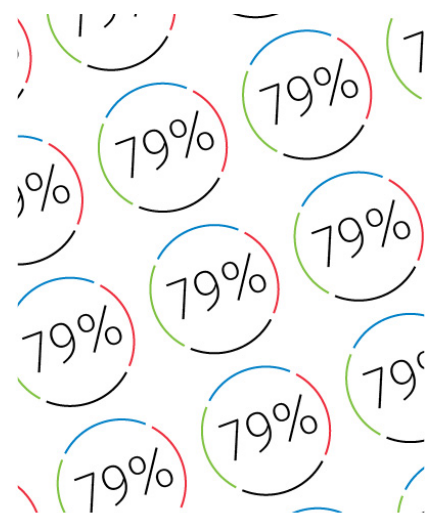
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