

High Court provides clarity on parallel imports post-*Junek*

Dansac and ors v Salts Healthcare Limited and ors [2019] EWHC 104 (Ch)

This was a strike out application by the Defendants in a case involving parallel imports of trade marked medical devices into the United Kingdom. Following the Court of Justice's judgment in *Junek v Rauscher* (C-642/16) where the court said that the *BMS* criteria (see below) did not apply to an over-stickered label showing the name of the parallel importer, there has been uncertainty in legal circles as to the reach of this judgment. Did it mean that the *BMS* criteria did not apply to every case where there is no repackaging or interference with the condition of the goods? The Defendants argued that such was indeed the reach. The Claimants argued that *Junek* was a very special case which should be confined to its facts – namely a small innocuous label merely showing the name of the parallel importer (and address) on a blank part of the packaging. They said it did not apply to a mere over-stickering case where the label was large, contained information about the product (albeit correct information) and an unregistered mark of the Claimants.

In his judgment, Birss J rejected the Claimants' argument that the fact that the box was not opened was not a relevant issue in *Junek*. Equally, he said that it is not authority for the proposition that if the box has not been opened and the label does not cover an existing label, then the *BMS* criteria do not apply. He said that such would be true provided that the over-stickered label creates no risk to the guarantee of origin. He said that if there was no such risk, then the *BMS* criteria do not apply. Thus, in a case of over-stickering where there is no repackaging, the Claimants must show that there is such a risk to the essential function of the mark. Merely saying that no proper notice had been given (as required by the *BMS* criteria) was not good enough.

Accordingly, he struck out the Amended Particulars of Claim which alleged that there had been infringement of the relabelled boxes by reason of a lack of notice. However, he allowed the case to proceed to trial based on the allegation in the draft Re-Amended Particulars of Claim whereby the Defendants had used an unregistered product mark (EasiFold) instead of the unregistered product mark used in Spain and Italy (being Fold Up). Whilst he considered that such was unobjectionable, he felt that it was arguable that such did create a risk of guarantee of origin and the right way to decide this was at trial and not in a strike out application.

If you would like to speak to someone about this news item, please contact:

Ian Bowie, Chambers' Director: ibowie@hogarthchambers.com

or call Hogarth Chambers on +44(0)207 404 0404

clerks@hogarthchambers.com



High Court provides clarity on parallel imports post-*Junek*

This case provides welcome clarity on the law of trade marks relating to parallel imports. No longer will there be a mechanistic application of the *BMS* criteria to merely over-stickered pharmaceuticals or medical devices imported into the United Kingdom

The *BMS* criteria (which come from the case *Bristol Myers Squibb*) are five fold:-

- The exercise of trade marks would contribute to the artificial partitioning of the market between Member States
- The repackaging does not affect the original condition of the product
- The new packaging states who repackaged the product
- The presentation of the repackaged product is not liable to harm the reputation of the trade mark
- The importer gives advance notice to the trade mark owner of the repackaged product

[Guy Tritton](#) acted for the First and Second Defendants.

If you would like to speak to someone about this news item, please contact:

Ian Bowie, Chambers' Director: ibowie@hogarthchambers.com

or call Hogarth Chambers on +44(0)207 404 0404

clerks@hogarthchambers.com

