

# Germany: Cease-and-Desist Orders Include Implicit Obligation to Recall Infringing Products

By Katherine Lyon Dayton

Obligation of the Respondent to Recall Infringing Products – “*Rescue Tropfen*,” Case I ZB 34/15, Federal Court of Justice, September 29, 2016 (published January 10, 2017)

In a landmark decision, the Federal Court of Justice,[More](#)

By Katherine Lyon Dayton

Obligation of the Respondent to Recall Infringing Products – “*Rescue Tropfen*,” Case I ZB 34/15, Federal Court of Justice, September 29, 2016 (published January 10, 2017)

In a landmark decision, the Federal Court of Justice, the German supreme court, ruled that a cease-and-desist order, as a matter of course, obligates an infringer to withdraw the infringing products from the market. This obligation applies even to those goods that are out of the infringer’s direct control and are being distributed by third-party business partners and retailers.

The defendant in this matter was found to be unlawfully distributing, via third-party pharmacies, products under the trademarks RESCUE TROPFEN and RESCUE NIGHT SPRAY which had been held by an intermediate German court to infringe the complainant’s rights. In a judgment of January 31, 2013, which included a cease-and-desist order, the defendant was prohibited from distributing or promoting these products. However, this order nowhere stated that the defendant was obligated to recall its RESCUE TROPFEN and RESCUE NIGHT SPRAY products from the market, nor had the rights owner’s claims specifically raised this point.

The Supreme Court observed, however, that an infringer is not required merely to refrain from injurious activity, but must do all that is necessary and reasonable to prevent future infringements from occurring, or to correct ongoing infringements. Applying this standard, the Supreme Court noted that the defendant had not availed itself of all available and reasonable measures to prevent the distribution of the infringing RESCUE TROPFEN and RESCUE NIGHT SPRAY products through the pharmacies that the infringer itself had supplied. Specifically, the defendant's failure to recall the products contravened its obligation under the earlier cease-and-desist order.

This decision provides trademark owners with fresh munition in enforcing their rights in Germany and ridding the market of objectionable goods. On the other hand, it significantly adds to the imperative that traders doing business in Germany must be ever vigilant of prior rights, or risk making a potentially costly misstep that can inflict serious business damage.

## **Primary Contacts**

Katherine Lyon Dayton