



Fictive manufacturing under European law

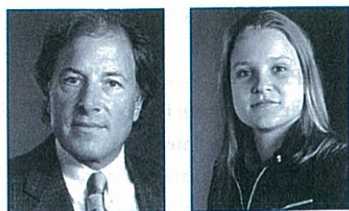
IN SUMMARY

–This article addresses the concept of fictive manufacturing, which entails that goods in transit that are blocked by the customs authorities of a Member State of the European Union at an IP right holder's request are presumed to have been manufactured in that country. It therefore gives IP right holders an extra tool in the battle against piracy.

AUTHORS

Charles Gielen is a member of the *Trademark World* editorial board. He is Professor of Intellectual Property Law at the University of Groningen and a partner at the law firm NautaDutilh N.V. in Amsterdam. He specialises in intellectual property law and mainly handles patent and trademark litigation.

Marlous Schrijvers is an associate at NautaDutilh N.V. in Amsterdam. She advises in various areas of intellectual property law, especially trademark, trade name, design right and copyright law.



The battle against counterfeiting and piracy continues

By **Charles Gielen** and **Marlous Schrijvers** of NautaDutilh N.V.

This article addresses the concept of “fictive manufacturing”, which was born under the former Anti-Piracy Regulation (APR), and the question as to whether this baby is still alive. In short, the concept entails that goods in transit which are blocked by the customs authorities of a Member State of the European Union at an IP right holder's request are presumed to have been manufactured in that country. It therefore gives IP right holders an extra tool in the battle against piracy.

As a result of recent case law of the European Court of Justice (ECJ), the concept of fictive manufacturing appears, according to some, to be at risk. Not, however, according to us. In this contribution we will discuss the history of the concept and the way in which the courts in the Netherlands and the ECJ have coped with a number of difficulties that are due to the concurrence of the APR – on which the concept is based – and the Trade Mark Harmonisation Directive (TMD). In the end we hope to make clear that there is no reason to assume that fictive manufacturing is “dead”, as has also recently been confirmed by the District Court of The Hague in the Netherlands.

APR vs. TMD

The concept of fictive manufacturing was contained in the old APR,¹ specifically in Art. 6(2)(b) (in conjunction with Art. 1) in connection with Art. 2. The relevant provisions read as follows.

Article 1(1)(a)

This Regulation shall lay down:

- (a) the conditions under which the customs authorities shall take action where goods suspected of being counterfeit or pirated are:
- entered for free circulation, export or re-export,
 - found when checks are made on goods placed under a suspensive procedure within the meaning of Article 84 (1) (a) of Council Regulation (EEC) No 2913/92 of 12 October 1992 establishing the Community Customs Code (5), or re-exported subject to notification.

Article 2

The release for free circulation, export, re-export or placing under a suspensive procedure of goods found to be counterfeit or pirated on completion of

the procedure provided for in Article 6 shall be prohibited.

Article 6(2)(b)

The law in force in the Member State within the territory of which the goods are placed in one of the situations referred to in Article 1

- (1) (a) shall apply as regards:
- (b) reaching the decision to be taken by that authority. In the absence of Community rules in this regard, the criteria to be used in reaching that decision shall be the same as those used to determine whether goods produced in the Member State concerned infringe the rights of the holder. Reasons shall be given for decisions adopted by the competent authority.

The old APR was replaced by the new APR² with effect from 1 July 2004. The latter no longer provides for the concept of fictive manufacturing in so many words. However, it can be argued (in our view rightfully) that the concept is still to be found in the new APR, namely in Art. 10 (in conjunction with Arts. 1 and 2) in connection with recital 8 of the preamble. The relevant provisions and recital read as follows.

Recital 8

Proceedings initiated to determine whether an intellectual property right has been infringed under national law will be conducted with reference to the criteria used to establish whether goods produced in that Member State infringe intellectual property rights. This Regulation does not affect the Member States' provisions on the competence of the courts or judicial procedures.

Article 1(1)

This Regulation sets out the conditions for action by the customs authorities when goods are suspected of infringing an intellectual property right in the following situations:

- (a) when they are entered for release for free circulation, export or re-export in accordance with Article 61 of Council Regulation (EC) No 2913/92 of 12 October 1992 establishing the Community Customs Code⁽⁴⁾;
- (b) when they are found during checks on goods entering or leaving the Community customs territory in accordance with Articles 37 and 183 of Regulation (EEC) No 2913/92, placed under a suspensive procedure within the meaning of Article 84(1)(a) of that Regulation, in the process

of being re-exported subject to notification under Article 182(2) of that Regulation or placed in a free zone or free warehouse within the meaning of Article 166 of that Regulation.

Article 2

This Article defines the terms "goods infringing an intellectual property right" (i.e. counterfeit goods and pirated goods) and "right holder", and equates moulds or matrices which are specifically designed or adapted for the manufacture of goods infringing an intellectual property right with goods of that kind.

“ As a result of recent case law of the ECJ, the concept of fictive manufacturing appears, according to some, to be at risk. Not, however, according to us ”

Article 10

The law in force in the Member State within the territory of which the goods are placed in one of the situations referred to in Article 1(1) shall apply when deciding whether an intellectual property right has been infringed under national law.

Of course, a trademark owner can also invoke national trademark law based on the TMD³ when seeking to block infringing goods in transit. In such a case, the relevant provisions would be Art. 5(1) and 5(3):

Article 5(1)

Rights conferred by a trademark.

The registered trademark shall confer on the proprietor exclusive rights therein. The proprietor shall be entitled to prevent all third parties not having his consent from using in the course of trade:

- (a) any sign which is identical with the trademark in relation to goods or services which are identical with those for which the trademark is registered;
- (b) any sign where, because of its identity with, or similarity to, the trademark and the identity or similarity of the goods or services covered by the trademark and the sign, there exists a likelihood of confusion on the part of the public, which includes

the likelihood of association between the sign and the trademark.

Article 5(3)

The following, inter alia, may be prohibited under paragraphs 1 and 2:

- (a) affixing the sign to the goods or to the packaging thereof;
- (b) offering the goods, or putting them on the market or stocking them for these purposes under that sign, or offering or supplying services thereunder;
- (c) importing or exporting the goods under the sign;
- (d) using the sign on business papers and in advertising.

When seeking to prevent infringing goods from coming onto the EU market, IP right holders can thus either start with an application for customs intervention based on the APR, or proceed, without such intervention, to invoke (indirectly through national trademark law) the TMD. Eventually, both courses of action lead to the application of national trademark law. It is possible, however, that by bypassing customs intervention (and thus bypassing the APR), the IP right holder will have a lesser chance of successfully blocking the goods, as will be further elaborated on below.

As we have seen, the APR in fact regulates actions by customs authorities against infringing goods, whereas the TMD regulates the actions of trademark owners against such goods. The APR and the TMD each serve different interests and policy aims; the APR is based on Art. 133 of the EC Treaty (the combating of counterfeiting and piracy is part of the common commercial policy, which is of public interest), whereas the TMD is intended to protect the private interests of the individual trademark owner by protecting the specific object of his/its trademark rights.⁴ However, the APR seems to also give IP right holders the possibility to call upon the assistance of customs authorities in their fight against counterfeiting and piracy, albeit that this should not impede the freedom of legitimate trade. This can be seen from recital 3 of the preamble in both the old and the new APR, see below.

Recital 3 old APR

Whereas, in so far as counterfeit or pirated goods and similar products are imported from third countries, it is important to prohibit their release for free circulation in

the Community or their entry for a suspensive procedure and to set up an appropriate procedure enabling the customs authorities to act to ensure that such a prohibition can be properly enforced;

Recital 3 new APR

In cases where counterfeit goods, pirated goods and, more generally, goods infringing an intellectual property right originate in or come from third countries, their introduction into the Community customs territory, including their transshipment, release for free circulation in the Community, placing under a suspensive procedure and placing in a free zone or warehouse, should be prohibited and a procedure set up to enable the customs authorities to enforce this prohibition as effectively as possible.

Below, an overview will be given of the state of affairs by referring to several cases brought before the Dutch courts as well as the ECJ. From these cases it seems that when attempting to act against infringing goods that are in transit, it can make a difference to the outcome of the case whether or not the application of the APR is requested.

Relevant case law

The Netherlands

In the Netherlands it has been standard case law to apply the concept of fictive manufacturing. In a case before the Supreme Court in 2004 (*Philips/Postech*)⁵, it was held that: "from the opening words and subparagraph (b) of Art. 6(2) of the EC Anti-Piracy Regulation, it follows that, when the question of infringement is being assessed, goods which are in a situation as referred to in Art. 1(1)(a) are to be seen, by way of fiction, as goods manufactured in the Netherlands." In other words, for goods which were physically found on Dutch territory but were placed under a suspensive procedure, the right holder was granted a right of action if the manufacturing of the relevant goods in the Netherlands would have constituted infringing behaviour. This line of reasoning has also been applied under the new APR in two cases before the District Court of The Hague (*Philips/Princo et al.*⁶ in 2005 and *BenQ Europe/Sisvel and the State of the Netherlands*⁷ in 2006).⁸

Europe⁹

The ECJ also seems to have followed a more or less steady line.

In its *Polo/Lauren* judgment¹⁰ the ECJ held that the old APR was also applicable to

goods which are only present on Community territory for transit purposes. The reason for this is that the customs status of such goods is a fiction and that the goods do affect the internal market, solely because they actually cross Community territory. Goods which are imported from a non-EU country and are transhipped across Community territory before they are exported to another non-EU country can have implications for the internal market, even more so in the case of counterfeit goods which are placed under the external transit procedure, because of the risk that they will illegally end up on the Community market. This, in our view, is fully in line with the purpose of the APR (old and new). In its *Rolux* judgment¹¹, the ECJ again emphasised the above legal rule.

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In the *Rioglass* case¹², which concerned goods which had been manufactured in a Member State and were being exported to Poland (not a Member State at the time), and which had not been placed under a suspensive procedure, the ECJ held that Arts. 28 and 30 of the EC Treaty applied to the relevant goods¹³, regardless of their destination. As a consequence, the ECJ had to decide whether the limitation on the free movement of those goods was justified by the need to ensure the protection of

intellectual property (Art. 30). The ECJ stated that¹⁴ Art. 30 only allows deviation from the fundamental principle of the free movement of goods when such deviation is justified in order to protect the rights which are the specific object¹⁵ of the relevant intellectual property right. In the end, the ECJ held that as long as the goods in question are not yet being marketed, but are merely in transit (as was the case in this matter according to the ECJ), the specific object of trademark law is not at risk and accordingly there can be no trademark infringement.

In the *Class/SKB* case¹⁶ the ECJ followed the same line as in the *Rioglass* case. *Class/SKB* concerned original goods that originated from a non-EU country and were placed under a suspensive procedure while in transit to another non-EU country. The ECJ began by stating that for the question of whether a trademark owner has a right of action, it is decisive whether – from a trademark law point of view – there is “use” of the trademark. The mere physical entry of goods is not considered “importing” (within the meaning of Art. 5(3)(c) TMD) which a trademark owner can oppose, if such physical entry is not also combined with the placing of the goods on the free market. To summarise the ECJ’s decision, it can be said that a trademark owner cannot oppose the transit of original goods bearing his/its trademark, as long as the functions of the trademark are not at risk. No such risk exists when the relevant goods are placed under a suspensive procedure. The actual placing of the goods on the Community market is therefore decisive for the question of whether the trademark owner can invoke his/its rights. Only if it necessarily follows from certain acts (e.g. the sale or offering for sale of the goods) that the goods will be put on the Community market does the trademark owner have a right of action before the goods are actually put on the market.

The European Commission seems to interpret the APR, insofar as transshipment is concerned, in line with the ECJ’s judgments in the *Rolux* and *Polo/Lauren* cases. In a communication dated 11 October 2005¹⁷, the Commission states, in part 3.1.1., that on the basis of the APR, customs authorities “can stop suspected fakes during import, export, transit or transshipment” (our emphasis), and points out that these powers are exercised on a large scale in practice: 22,000 interventions in 2004 which resulted in seizures of fake goods (as



trademark constitutes a form of use which can be prohibited by reason of such an infringement.

The facts of the case (a German one) were as follows: a stock of jeans bearing the name DIESEL, which were in transit under a suspensive procedure, were blocked by the German customs authorities based on a request for action by Diesel pursuant to provisions of the (old) APR. The jeans were manufactured by Montex in Poland (not an EU Member State at the time) and were on their way to Ireland (where Diesel did not have trademark rights) by way of Germany (where Diesel did have such rights).

the market. The ECJ then stated that in *Montex/Diesel* the same rule applied to goods bearing a trademark and placed under a suspensive procedure which cross a country where the trademark is protected (Germany) but are bound for a country where no such protection exists.

This judgment has led several commentators to believe that this was the end of the concept of fictive manufacturing,¹⁹ mainly because of the conclusion of the ECJ that is set out in the first paragraph of this section. To us, it does seem that, based on the TMD, it will be more difficult for a trademark owner to oppose transit than it was before. Previously, in trademark case law it was mostly assumed that the concepts of “import”, “transit” and “export” were to be defined in terms of physical entry in, presence on and/or exit from Community territory. It did not matter whether or not the relevant goods were imported within the meaning of customs law. However, since *Class/SKB* and *Montex/Diesel* it seems that a trademark owner cannot – on the basis of trademark law – oppose the mere transshipment of goods, whether original (Class) or fake (Montex), unless he/it proves that certain actions are being performed which necessarily imply that the goods will be put on the market of the Member State through which they are being transhipped.

In finding 37 of the *Montex/Diesel* decision, the ECJ stated that the old APR governs (1) the conditions under which the customs authorities can take action in relation to goods suspected of being counterfeit and (2) the measures to be taken by the competent authorities with regard to those goods. In addition, the ECJ pointed out that the 2nd and 3rd recitals of the preamble to the old APR expressly refer to the marketing of counterfeit goods or to the placing of such goods on the market, and to the need to prohibit the release of such goods for free circulation in the Community. Based on these arguments, the ECJ concluded that none of the provisions of the (old) APR introduce a new criterion for assessing whether there is an infringement of a trademark right or for establishing whether the use of a trademark can be prohibited by reason of such an infringement. To some authors, this conclusion means that the question of whether or not there is infringement of a trademark right is to be answered solely on

opposed to 10,000 such interventions in 2003). The Commission also indicates that “EU customs legislation in this area is now reckoned to be among the strongest in the world (China has now adopted new legislation of a similar type) [...] With controls on all movement of goods, especially during transshipment, customs protect not only the EU but also other parts of the world and in particular the least developed countries which are often targeted by fraudsters (cf. seizures of fake medicines, condoms and parts stopped at EU borders on route to Africa)”.

So far so good: from the above case law it can be concluded that it is possible for IP right holders to at least act against counterfeit goods that are in transit in Community territory, because the ECJ did not deviate from its *Polo/Lauren* and *Rolex* judgments (*Rioglass* concerned which were lawfully manufactured in a Member State and *Class* also concerned original goods). Until...

Montex/Diesel

In 2006 the ECJ caused a considerable stir among IP right holders and IP lawyers with its judgment in the *Montex/Diesel* case. In this judgment, the ECJ inter alia held that none of the provisions of the (old) APR introduce a new criterion for assessing whether there is a trademark infringement or for establishing whether the use of a

Montex felt that it was not infringing Diesel’s rights since the jeans were merely being transhipped across German territory. Diesel, on the other hand, felt that the transshipment did constitute infringement, due to the risk of the goods never reaching Ireland and being put on the German market.

The ECJ gave its judgment in answer to a number of questions posed by the German Bundesgerichtshof.¹⁸ Referring to its earlier *Polo/Lauren* judgment, the ECJ firstly held that non-Community goods which are placed under a suspensive procedure are treated as if they have never entered Community territory. It then went on to reiterate its judgment in *Rioglass* – in which it had held that transit, consisting of the mere passage through a Member State of goods lawfully manufactured in another Member State on their way to a third country, does not constitute infringing behaviour since the specific object of the trademark right is not at risk – and its judgment in *Class/SKB* – in which it had held, for the same reason, that a trademark owner cannot oppose the transit of original trademark goods which have not yet been put on the Community market with the trademark owner’s consent, not even when the goods are offered for sale or are sold, as long as it does not necessarily follow from such actions that the goods will be put on

the basis of the TMD, without the help of any fictions under the APR. This means that an IP right holder cannot act against counterfeit goods on the basis of the APR, if it is not possible for him/it to act on the basis of trademark law. Some of these authors find, however, that the ECJ's conclusion does not affect the ability of the customs authorities to take action against the mere transshipment of counterfeit goods.²⁰ This, in our view, is true, given that when the APR is invoked, the relevant goods must be treated as though they have been manufactured in the country where they are blocked and the latter country's national trademark law must be applied. Others are of the opinion that *Montex/Diesel* justifies an adjustment of the blocking policy of the customs authorities.²¹

In general, we do not agree with the manner in which these authors interpret the ECJ's conclusion in *Montex/Diesel* (i.e. that no help from the APR should be expected), as will be explained below.

Fictive manufacturing is alive and well!

We are of the opinion that the concept of fictive manufacturing under the APR still provides IP right holders with the possibility of taking action against the transshipment of counterfeit goods.²²

Firstly: the preliminary questions posed by the Bundesgerichtshof to the ECJ in *Montex/Diesel* did not relate to Art. 6(2)(b) of the old APR (on which the previous decisions regarding the applicability of the concept of fictive manufacturing under the APR are based), because Art. 6(2)(b) was not invoked in these proceedings; the provisions that were invoked were Art. 5(1) and 5(3) TMD and Arts. 28 and 30 of the EC Treaty. The ECJ only had to decide whether the interpretation of Art. 5 TMD can be affected by the account taken of the (old) APR and the ECJ's case law. The ECJ concluded that none of the provisions of the old APR introduce a new criterion for the purposes of ascertaining the existence of a trademark infringement. It did not, however, take Art. 6(2)(b) of the old APR (on which the concept is based) into consideration. *Montex/Diesel* therefore solely concerns an assessment of the questions on trademark law put before the ECJ, which means that the decision does not touch upon the possibility of acting against goods in transit based on the APR. Therefore, the ECJ's ruling seems to be irrelevant for the interpretation of Art. 6(2)(b) of the old APR

and of Art. 10 (in conjunction with recital 8 of the preamble) of the new APR.

In our view, the conclusion of the ECJ should be interpreted to mean simply that the APR (old or new) does not expand the list of actions which are reserved for the benefit of the relevant absolute rights (in this case trademark rights) in the event of an infringement, i.e. the APR does not expand the criteria for trademark infringement. This, however, does not mean that it is not possible to act against counterfeit goods based on the APR if such an action is not possible under trademark law. The ECJ's ruling does not, in our opinion, have a more far-reaching scope than this and it cannot be concluded from *Montex/Diesel* that the question regarding the transit of goods under a suspensive procedure in general has been answered.

The ECJ did not give any indication that it wished to impair its earlier decisions, such as those in the *Rolex* and *Polo/Lauren* cases, in

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which it was established that the (old) APR can be invoked in order to act against the transit of fake goods. Given the negative impact a different, more far-reaching interpretation would have on the actions of IP right holders, it would have been appropriate for the ECJ to indicate that it indeed intended such a major change. It did not give any such indication. Moreover, such an interpretation would deprive the APR of its practical effect.

Needless to say, the interpretation which we support also does not affect the actions (whether under criminal law or otherwise) that can be taken by the customs authorities.²³ However, in Europe the enforcement of IP rights mainly occurs

under civil law and in our view the APR can still serve its valuable purpose for IP right holders in their fight against piracy.

This point of view has been confirmed by the District Court of The Hague in its recent interlocutory judgment of 18 July 2008, in the case between *Sosecal Industria E Comercio Ltda* (“Sosecal”) and *Societa Italiana Lo Sviluppo Dell' Elettronica* (“Sisvel”).

Sosecal/ Sisvel

In January 2008, Sisvel (a sub-licensor of several MP3 patents with authority to act on behalf of Philips et al.) had asked the Dutch customs authorities to block 6000 MP4 players, owned by Sosecal, which were being transported by KLM from China to South America, i.e. non-EU goods. After first having seized the MP4 players, Sisvel obtained a court order to have the players destroyed. Sosecal, however, had in the meantime started interlocutory proceedings to have the seizure lifted, for which reason Sisvel suspended the destruction of the players.

The parties' views

Logically, Sosecal was of the opinion that as the goods were in transit and destined for South America, they could not be seized and, in addition, that no question of patent infringement could arise. According to Sosecal, this was because the concept of fictive manufacturing (in this case in the Netherlands) no longer applied, in light of the ECJ's findings in, inter alia, *Montex/Diesel*.

Sisvel, on the other hand, was of the opinion that the concept should still apply – also after the *Montex/Diesel* judgment – given that the latter only related to questions of trademark law and that the APR was not even invoked in the relevant case. According to Sisvel, the ECJ's ruling that the APR did not expand the criteria for trademark infringement did not mean that a party was precluded from opposing counterfeit goods based on the APR where this would not be possible based on trademark law.

The District Court's answer

In its preliminary ruling, the District Court of The Hague agreed with Sisvel. Specifically, it stated that, as argued by Sisvel, the relevant part of the ECJ's judgment in *Montex/Diesel* pertained only to trademark law and should not be interpreted more broadly. Furthermore, it could not be concluded that the ECJ had made a ruling on the issue of the transshipment of goods in


external transit in general; nor had the ECJ given any indication that it intended to render a judgment that was inconsistent with those previously rendered in the *Rolex* and *Polo/Lauren* cases (in which it was held that the old APR could be invoked to deal with counterfeit goods).

Therefore, the court did not see any reason to depart from a steady line in case law. In other words, for the time being there was insufficient evidence to be found in *Montex/Diesel* in support of a break with that trend, which would cause the court adjudicating the merits of the case to decide that the concept of fictive manufacturing can no longer be applied.

Since the patent infringement itself had not been sufficiently contested by Sosecal in a serious way, the court dismissed the request to have the seizure lifted and ordered Sosecal to pay the costs of the proceedings.

Conclusion

By its judgment in *Sosecal/Sisvel* the District Court of The Hague has decided that, with respect to patent infringement, the concept of fictive manufacturing still applies under the new APR, in spite of the ECJ's judgment in *Montex/Diesel*.

This means that, a patent owner at any rate, still has the means to tackle counterfeit goods in the Netherlands originating from outside the EU when they are blocked by the customs authorities, even if the goods are in transit. We do not see any reason why the concept of fictive manufacturing, as applied in respect of patent owners, cannot be applied in respect of trademark owners too. Furthermore, we believe that trademark owners should use the APR when acting against the transit of counterfeit goods, so as to make it possible for the courts to read the concept into national trademark law and to increase the chances of success of their battle against counterfeiting and piracy. We would also suggest the reinstatement in the new APR of clear wording with regard to fictive manufacturing, as was included in the old APR, in order to avoid any doubt in the future. 

Notes

- 1 Council Regulation (EC) No 3295/94 of 22 December 1994 laying down measures to prohibit the release for free circulation, export, re-export or entry for a suspensive procedure of counterfeit and pirated goods.
- 2 Council Regulation (EC) No 1383/2003 of 22 July 2003 concerning customs action against goods suspected of infringing certain

intellectual property rights and the measures to be taken against goods found to have infringed such rights.

- 3 First Council Directive 89/104/EEC of 21 December 1988 to approximate the laws of the Member States relating to trademarks.
- 4 G. van der Wal and F. van Schaik, "Zet het arrest *Montex/Diesel* de deur open voor ongebreidelde transitohandel van nagemaakte merkgoederen, of toch niet?" b9 3000 of 4 December 2006 on www.boek9.nl
- 5 Supreme Court, 19 March 2004, IER 2004, 50 (Philips/Postech).
- 6 District Court of The Hague, 13 July 2005, case no. 02-2947 (*Philips/Princo et al.*, not published).
- 7 President of the District Court of The Hague, 24 March 2006, b9 1823 (BenQ Europe/Sisvel and the State of the Netherlands) on www.boek9.nl
- 8 From the judgment of the District Court of The Hague, as discussed in section 5 of this article, it appears that an Italian court in Bari also applied the concept under the new APR in two judgments (in October 2005 and in January 2006).
- 9 For a more elaborate summary of the ECJ case law referred to under this heading, see O. Schmutzer, "Montex: is transitongrijpbaar geworden?" IER 2007, p.287 - 293.
- 10 ECJ 6 April 2000, case C-383/98, BMM-Bulletin 2006, p. 12 (Polo/Lauren).
- 11 ECJ 7 January 2004, case C-60/02, IER 2004, 30 (Rolex/X).
- 12 ECJ 23 October 2003, case C-115/02, IER 2004, 14 (Rioglass).
- 13 Referring to previous decisions in that area: ECJ 4 October 1991, case C-367/89, Jur. 1991, p. I-4621 (Richardt).
- 14 With reference to ECJ 17 October 1990, case C-10/89, Jur. 1990, p. I-3711 (HAG GF) and ECJ 22 September 1998, case C-61/97, Jur. 1998, p. I-5171 (FDV).
- 15 The specific object of trademark law being to grant trademark owners the exclusive right to use their trademark for the purpose of putting a product on the market for the first time, and to protect them against competitors wishing to abuse the trademark's status and reputation by selling products illegally bearing it. In this regard, the ECJ refers to ECJ 31 October 1974, case 16/74, Jur. 1974, p. 1183 (Winthrop); ECJ 23 May 1978, case 102/77, Jur. 1978, p. 1139 (Hoffmann-La Roche) and ECJ 11 November 1997, case C-349/95, Jur. 1997, p. I-6229 (Loendersloot).
- 16 ECJ 18 October 2005, case C-405/03, IER 2006 (Class/SKB).
- 17 COM (2005) 479 final, Communication from the Commission to the Council, the European Parliament and the European Economic and Social Committee on a Customs response to latest trends in Counterfeiting and piracy, 11.10.2005. The text of the Communication can be found on <http://eur-lex.europa.eu>
- 18 1. Does a registered trademark grant its proprietor the right to prohibit the transit of goods with the sign? 2. If the answer is in the affirmative: may a particular assessment be based on the fact that the sign enjoys no protection in the country of destination? 3. If the answer to the first question is in the affirmative, and irrespective of the answer to the second question, is a distinction to be drawn according to whether the article whose destination is a Member State comes from a Member State, an associated State or a third country? Is it relevant in this regard whether the article has been produced in the country of origin lawfully or in infringement of a right to a sign existing there held by the trademark proprietor?
- 19 For example, G. van der Wal and F. van Schaik, "Zet het arrest *Montex/Diesel* de deur open voor ongebreidelde transitohandel van nagemaakte merkgoederen, of toch niet?" b9 3000 of 4 December 2006 on www.boek9.nl and O. Schmutzer, "Montex: is transitongrijpbaar geworden?" IER 2007, p.287 - 293, which was followed by a rejecting response from L. Heslenfeld (with a postscript from O. Schmutzer) in IER 2008, p. 10.
- 20 G. van der Wal and F. van Schaik, see footnote 19.
- 21 O. Schmutzer, see footnote 19.
- 22 This view is also supported by F. Eijvogels in "Some remarks on *Montex Holdings Ltd./Diesel SpA*", b9 2968 of 24 November 2006 on www.boek9.nl and Puts, "Enkele bedenkingen bij het *Montex*-arrest" RCD 2007/7, p. 664 ff., both as referred to in the *Sosecal/Sisvel* decision discussed in section 5 of this article.
- 23 L. Heslenfeld (IER

