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UK Court of Appeal largely confirms favorable court ruling on name use

Merck KGaA, Darmstadt, Germany secured a favorable ruling in the UK Court of Appeal following four years of litigation with US-based Merck Sharp & Dohme Corp (MSD) regarding the use of the term “Merck”. In its judgement, the UK Court of Appeal upheld the UK High Court decision of January 15, 2016 according to which MSD had breached a co-existence agreement with Merck KGaA, Darmstadt, Germany by using “Merck” alone in the UK as either a trademark or a name, online or offline. Merck KGaA, Darmstadt, Germany and MSD had entered the agreement in 1955 and amended it in 1970. According to this agreement, Merck KGaA, Darmstadt, Germany is entitled to use the name everywhere in the world, except the U.S. and Canada. The Court of Appeal held that MSD’s use of “Merck” on its global websites were directed to the UK and consequently constituted a breach of contract.

However, the Court of Appeal rejected Merck KGaA, Darmstadt, Germany’s appeal that the remedies granted should cover more jurisdictions than the UK. It also remitted back to the High Court certain questions relating to whether there had been trade mark infringements, as well as what remedies should be ordered against MSD as a consequence of breach of contract and/or trade mark infringement.

