

Heslin Rothenberg clients deal John Deere a setback in 'gray market' goods case

BY ERIC DURR
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The clients of an Albany law firm fighting the maker of John Deere farm equipment in a trademark infringement case, have won the latest round in their legal battle with Moline, Ill.-based **Deere & Company**.

Four farm-equipment companies, represented by **Heslin Rothenberg Farley & Mesiti P.C.**, which specializes in intellectual property cases, are arguing they can sell John Deere harvesters made for sale and used in Europe to customers in the United States. Heslin Rothenberg's clients in the case include **Bourdeau Bros.**, a Champlain, Clinton County, farm-equipment seller.

In a March 30 ruling, the **U.S. Court of Appeals** for the federal circuit directed the **U.S. International Trade Commission** to revisit an earlier ruling upholding Deere's contention that sales of the harvesters vio-

lated U.S. law.

"I think it is a significant win for our clients," said David Miranda, the Heslin Rothenberg partner who handled the case. "The federal circuit is a significant court."

He expects the trade commission to reverse its ruling, which said that the importers and sellers of the second-hand John Deere harvesters had violated Deere's trademark rights, Miranda said.

The harvesters in question, made in both the United States and Germany, were designed specifically for sale in Europe and differed materially from models made for sale in the United States, Deere & Company argued. The sale of these harvesters in the United States made them "gray market" goods, and put the importers in violation of the law, the company said.

Gray market goods are produced by the owner of a U.S. trademark, or licensed by that owner, but are not supposed to be sold

in the United States.

In arguing for a reversal of the trade commission decision, the Heslin Rothenberg team maintained that since registered John Deere dealers were reselling the used European harvesters, and employing a John Deere equipment-resale Web site, the company had effectively authorized the sales.

The U.S. Court of Appeals directed the trade commission to consider that argument in rehearing the case.

American farmers were buying the European version of the harvester because they were significantly cheaper. Deere & Company reduced prices on European models because of the marketing climate there, Miranda said.

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