



Reports of Cases

ORDER OF THE COURT (Third Chamber)

30 January 2014*

(Appeal — Article 181 of the Rules of Procedure — Community trade mark — Opposition proceedings — Application for Community word mark CLORALEX — Earlier national word mark CLOROX — Likelihood of confusion — Regulation (EC) No 207/2009 — Article 8(1)(b) — Cross-appeal — Article 176 of the Rules of Procedure — Requirement to introduce the cross-appeal by a separate document)

In Case C-422/12 P,

APPEAL under Article 56 of the Statute of the Court of Justice of the European Union, brought on 12 September 2012,

Industrias Alen SA de CV, established in Santa Catarina (Mexico), represented by A. Padial Martinez, abogada,

appellant,

the other parties to the proceedings being:

The Clorox Company, established in Oakland (United States), represented by S. Malynicz, Barrister,

applicant at first instance,

Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM), represented by J. Crespo Carrillo, acting as Agent,

defendant at first instance,

THE COURT (Third Chamber),

composed of M. Ilešič, President of the Chamber, C.G. Fernlund (Rapporteur), A. Ó Caoimh, C. Toader and E. Jarašiūnas, Judges,

Advocate General: M. Szpunar,

Registrar: A. Calot Escobar,

having decided, after hearing the Advocate General, to give its decision by reasoned order, in accordance with Article 181 of the Rules of Procedure of the Court,

makes the following

* Language of the case: Spanish.

Order

- 1 By its appeal, Industrias Alen SA de CV ('Alen') seeks to have set aside the judgment of the General Court of the European Union of 10 July 2012 in Case T-135/11 *Clorox v OHIM – Industrias Alen (CLORALEX)* ('the judgment under appeal'), by which the General Court set aside the decision of the Fourth Board of Appeal of the Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) of 16 December 2010 (Case R 521/2009-4) concerning opposition proceedings between The Clorox Company ('Clorox') and Alen ('the contested decision').

Legal context

- 2 Council Regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark (OJ 1994 L 11, p. 1) was repealed and replaced by Council Regulation (EC) No 207/2009 of 26 February 2009 on the Community trade mark (OJ 2009 L 78, p. 1), which entered into force on 13 April 2009.

- 3 Under the heading 'Relative grounds for refusal', Article 8(1) of Regulation No 207/2009 provides:

'Upon opposition by the proprietor of an earlier trade mark, the trade mark applied for shall not be registered:

...

- (b) if because of its identity with, or similarity to, the earlier trade mark and the identity or similarity of the goods or services covered by the trade marks there exists a likelihood of confusion on the part of the public in the territory in which the earlier trade mark is protected; the likelihood of confusion includes the likelihood of association with the earlier trade mark.'
- 4 Article 8(1)(b) of Regulation No 40/94 was drafted in similar terms to the corresponding provision of Regulation No 207/2009.

Background to the dispute

- 5 On 24 September 2004 Alen filed an application for registration of a Community trade mark with OHIM for the word mark 'CLORALEX'.
- 6 The goods in respect of which registration was sought are in Classes 3, 'Bleaching preparations and other substances for laundry use; cleaning, polishing, scouring and abrasive preparations; (abrasive preparations) soap for household use', and 5 'Disinfectants (excluding such goods for human use)' of the Nice Agreement of 15 June 1957 concerning the International Classification of Goods and Services for the Purpose of the Registration of Marks, as revised and amended ('the Nice Agreement').
- 7 On 22 March 2006, Clorox filed a notice of opposition against the registration of that sign as a Community trade mark. That opposition was based on the existence of earlier trade marks for goods in Classes 3 and 5 of the Nice Agreement identical to those described in the abovementioned application.
- 8 By decision of 16 March 2009, the Opposition Division of OHIM allowed the opposition on the ground that there was a likelihood of confusion under Article 8(1)(b) of Regulation No 40/94 between the sign 'CLORALEX' and the Greek mark CLOROX registered on 19 January 2004 in respect of goods in Classes 3 and 5 of the Nice Agreement.

- 9 On 7 May 2009, Alen lodged an appeal with OHIM against that decision. By the contested decision, the Fourth Board of Appeal of OHIM ('the Board of Appeal') annulled the decision of the Opposition Division and dismissed the opposition in its entirety. The Board of Appeal found, essentially, that the signs 'CLOROX' and 'CLORALEX' were not sufficiently similar from a visual, phonetic or conceptual point of view for there to be a likelihood of confusion.

The procedure before the General Court and the judgment under appeal

- 10 By application lodged at the Registry of the General Court on 4 March 2011, Clorox brought an action for the annulment of the contested decision.
- 11 In support of its action, Clorox raised a single plea in law, alleging breach of Article 8(1)(b) of Regulation No 207/2009. It criticised the Board of Appeal over its finding that the 'clor' element has a weak distinctive character and, consequently, for not taking it into account at the stage of comparison of the signs at issue.
- 12 By the judgment under appeal, the General Court allowed the application and annulled the contested decision.
- 13 At the outset, the General Court recalled the principles established by the case-law of the Court of Justice with regard to the application of Article 8(1)(b) of Regulation No 207/2009. It observed, in particular, in paragraph 17 of the judgment under appeal, that the likelihood of confusion, under that provision, must be assessed globally, according to the perception by the relevant public of the signs and the goods or services in question, and taking into account all factors relevant to the circumstances of the case, in particular the interdependence between similarity of the signs and similarity of the goods or services that they cover. It then specified, in paragraph 18 of the judgment, that a likelihood of confusion, under that provision, presupposes both that the two marks are identical or similar and that the goods or services which they cover are identical or similar. Finally, in paragraphs 19 and 20 of that judgment, the General Court recalled, in the context of the global assessment of the likelihood of confusion, that account should be taken of the average consumer of the category of the goods concerned (Greek in the present case), who is reasonably well-informed and reasonably observant and circumspect, while indicating that the level of attention of the average consumer is liable to vary depending on the category of the goods or services at issue.
- 14 After finding that only the comparison of the signs and the global assessment of the likelihood of confusion were under dispute, the General Court examined each of those two points in turn.
- 15 With regard to the comparison of the signs, the General Court recalled, in paragraph 22 of the judgment under appeal, the case-law of the Court which indicates that the average consumer normally perceives a mark as a whole and does not proceed to analyse its various details. However, it also noted, in paragraph 27 of the judgment, that the consumer, while perceiving a word sign, will break it down into word elements which have a concrete meaning for him or which resemble words known to him. The General Court approved, in paragraphs 29 to 31 of the judgment under appeal, the Board of Appeal's finding of the distinctiveness of the 'clor' element, which is descriptive of one of the ingredients of the goods covered by the mark in respect of which registration is sought or forms part of the family of cleaning products.
- 16 The General Court then examined Clorox's criticism that the Board of Appeal should not have taken into account the low degree of distinctiveness of the 'clor' element only at the stage of assessing the likelihood of confusion. It held, in paragraph 33 of the judgment under appeal, that Clorox was wrong to rely on paragraph 42 of the order of 27 April 2006 in Case C-235/05 P *L'Oréal v OHIM*, according

to which the distinctiveness of the earlier mark is not relevant to the comparison of the signs in question, as that rule relates to the distinctiveness of the earlier mark as a whole and not the distinctiveness of one element of that mark.

- 17 It nevertheless found, in paragraphs 34 and 35 of the judgment under appeal, that, having regard to the circumstances of the case, there was no longer a need to exclude the descriptive elements from consideration during the examination of the similarity of the signs in question, as the low degree of distinctiveness of one element of a mark does not necessarily mean that the latter will not be taken into consideration by the relevant public. It held that that was the case in the present proceedings while noting, in paragraph 36 of the judgment under appeal, that the common element 'clor' determines, to a large extent, the overall impression conveyed by the two signs at issue. It inferred from that, in paragraph 37 of the judgment under appeal, that the Board of Appeal made an error in disregarding, in the circumstances of the case, the common word element 'clor' in its comparison of the signs at issue.
- 18 The General Court then considered whether that error had had an impact on the Board of Appeal's assessment of the likelihood of confusion.
- 19 With regard to the visual comparison of the signs at issue, the General Court found, in paragraph 39 of the judgment under appeal, a strong visual resemblance which, contrary to what the Board of Appeal considered, was not capable of being counterbalanced, to any significant extent, by the difference between the two marks. It therefore found that the Board of Appeal was wrong to find a low level of visual similarity.
- 20 In paragraph 40 of the judgment under appeal, the General Court made a similar finding as regards aural similarity.
- 21 Finally, in paragraph 41 of the judgment under appeal, the General Court considered, contrary to the Board of Appeal, that the descriptiveness of the reference to cleaning products containing chlorine does not conflict with the finding of any conceptual similarity between the marks at issue.
- 22 On that basis, the General Court held, in paragraph 42 of the judgment under appeal, that the Board of Appeal had made errors in the examination of the visual, aural and conceptual similarity between the marks at issue. As a result, it examined the impact that those errors had had on the overall assessment of the likelihood of confusion carried out by the Board of Appeal, relying on the finding that the marks in question were averagely similar on a visual and aural level, and highly similar on a conceptual level.
- 23 Having taken into account that average, or even high, degree of similarity, the General Court held, in paragraph 46 of the judgment under appeal, that there was a likelihood of confusion between the mark in respect of which registration is sought and the earlier mark, regardless of the fact that the earlier mark, assessed globally, was not particularly distinctive. Consequently, the General Court accepted the plea and annulled the contested decision.

Forms of order sought by the parties before the Court

- 24 By its appeal, Alen asks the Court to set aside the judgment under appeal, to refer the dispute back to the General Court and to order OHIM to pay the costs.
- 25 OHIM, by cross-appeal, asks the Court to set aside the judgment under appeal and to dismiss the action brought against the contested decision or to refer the dispute back to the General Court and to order Clorox to pay the costs.

26 Clorox asks the Court to dismiss the appeal and to order Alen to pay the costs.

The main appeal

27 Under Article 181 of its Rules of Procedure, where an appeal is, in whole or in part, clearly inadmissible or clearly unfounded, the Court may at any time, acting on a report from the Judge-Rapporteur and after hearing the Advocate General, by reasoned order decide to dismiss the appeal in whole or in part, without opening the oral procedure.

28 That provision should be applied in the present case.

29 In support of its appeal, Alen puts forward, in essence, a single plea, alleging infringement of Article 8(1)(b) of Regulation No 207/2009.

30 First, Alen complains that the General Court took into account the descriptive element ‘clor’ in the overall comparison of the ‘CLOROX’ and ‘CLORALEX’ signs, whereas that element is perceived by the public as a reference to chlorine and not to the mark as a whole.

31 Alen considers the General Court’s analysis to be illogical and incorrect. It maintains that there could not be a likelihood of confusion between two marks whose only similar elements, apart from their last letter, are descriptive. Moreover, the presence of descriptive elements in a mark would prevent its proprietor from relying on those elements against the marks of third parties. Alen considers that the inverse solution would amount to granting a monopoly to the mark’s proprietor over a descriptive sign. It would not be possible to impede the use or registration of a descriptive element of a product such as chlorine (see, to that effect, Case T-117/02 *Grupo El Prado Cervera v OHIM - Héritiers Debuschewitz (CHUFAFIT)* [2004] ECR II-2073, paragraphs 50 to 53).

32 Second, Alen disputes the General Court’s assessments as regards the visual, aural and conceptual comparison of the signs at issue.

33 Third, Allen disputes the assessment of the likelihood of confusion between the marks in question.

34 Allen first considers there to be no such likelihood of confusion, since:

- the overall impression of the two marks is different;
- the distinctive elements are different;
- ‘CLORALEX’ is a distinctive sign which cannot be confused with ‘CLOROX’ on the basis of those signs sharing the same descriptive element;
- the suffix ‘alex’ is still dominant as compared to the suffix ‘ox’.

35 Alen then maintains that there are numerous other examples of marks in Classes 3 and 5 of the Nice Arrangement containing the sign ‘clor’.

36 Finally, Alen maintains that it concluded trademark coexistence agreements with Clorox, which would suggest that the latter also considers there to be no likelihood of confusion between the marks at issue.

37 Nevertheless, it should be recalled that, under Article 256(1) TFEU and the first paragraph of Article 58 of the Statute of the Court of Justice of the European Union, an appeal lies on points of law only. The General Court has exclusive jurisdiction to find and appraise the relevant facts and to assess the evidence. The appraisal of those facts and the assessment of that evidence thus do not, save where

the facts or evidence are distorted, constitute points of law subject, as such, to review by the Court of Justice on appeal (see, inter alia, Case C-104/00 P *DKV v OHIM* [2002] ECR I-7561, paragraph 22, and Case C-16/06 P *Les Éditions Albert René v OHIM* [2008] ECR I-10053, paragraph 68).

- 38 In that regard, it should be recalled that the assessment of the similarities between the signs in question is of a factual nature and, save where the evidence and facts are distorted, is not subject to review by the Court of Justice (Case C-254/09 P *Calvin Klein Trademark Trust v OHIM* [2010] ECR I-7989, paragraph 50). By its arguments relating to the lack of similarity of the signs at issue in terms of visual, aural and conceptual similarity, Alen merely disputes the General Court's assessment of the facts, without alleging any distortion of the facts or evidence.
- 39 It should similarly be recalled that it follows from Article 256(1) second paragraph TFEU, the first paragraph of Article 58 of the Statute of the Court of Justice, and Article 112(1)(c) of the Rules of Procedure of the Court, in the version in force at the date when the appeal was brought, that an appeal must state precisely the contested points of the judgment which the appellant seeks to have set aside and also the legal arguments specifically advanced in support of the appeal (see, inter alia, Case C-352/98 P *Bergaderm and Goupil v Commission* [2000] ECR I-5291, paragraph 34, and order of 23 October 2009 in Cases C-561/08 P *Commission v Potamianos* and C-4/09 P *Potamianos v Commission*, paragraph 58).
- 40 Alen's arguments as to the General Court's illogical and incorrect assessment, the registration of word marks containing the 'clor' element, and the existence of contracts between Alen and Clorox do not specifically indicate the points of the judgment that are criticised or the error of law allegedly made by the General Court. They must therefore be rejected as clearly inadmissible.
- 41 It is therefore only to the extent that Alen's appeal fulfils the conditions set out in paragraphs 37 and 39 of the present order that there is need to give judgment on the substance of the case.
- 42 In that regard, it should be recalled that, according to settled case-law, the global assessment of the likelihood of confusion must, as regards the visual, aural or conceptual similarity of the marks in question, be based on the overall impression created by them, bearing in mind, in particular, their distinctive and dominant elements (see Case C-251/95 *SABEL* [1997] ECR I-6191, paragraph 23; Case C-342/97 *Lloyd Schuhfabrik Meyer* [1999] ECR I-3819, paragraph 25; Case C-334/05 P *OHIM v Shaker* [2007] ECR I-4529, paragraph 35; and Case C-498/07 P *Aceites del Sur-Coosur v Koipe* [2009] ECR I-7371, paragraph 60).
- 43 In particular, the Court has held that the assessment of the similarity between two marks cannot be confined to taking one sole component of a complex mark and comparing it with another mark, but that a comparison must be carried out wherein each of the marks in question is examined as a whole (see Case C-120/04 *Medion* [2005] ECR I-8551, paragraph 29; *OHIM v Shaker*, paragraph 41; and *Aceites del Sur-Coosur v Koipe*, paragraph 61).
- 44 It is true that, in certain circumstances, the overall impression conveyed to the relevant public by a complex mark may be dominated by one or more of its components, such that, if all of the other components of the mark are negligible, the assessment of the similarity can be carried out solely on basis of the dominant element (see *OHIM v Shaker*, paragraphs 41 and 42; in Case C-193/06 P *Nestlé v OHIM* judgment of 20 September 2007, paragraphs 42 and 43; and *Aceites del Sur-Coosur v Koipe*, paragraph 62). However, it cannot be deduced from that case-law on exceptional situations that only the distinctive element of a mark composed of a descriptive element and a distinctive element is decisive when assessing the likelihood of confusion (order of 15 January 2010 in Case C-579/08 P *Messer Group v Air Products and Chemicals*, paragraph 72).

- 45 It should also be recalled that the General Court's finding of a likelihood of confusion leads solely to the protection of a certain combination of elements without, however, a descriptive element as such being protected (see, to that effect, order in *Messer Group v Air Products and Chemicals*, paragraph 73).
- 46 Consequently, the criticisms Allen directs towards the consideration of a descriptive element used in the composition of the sign in respect of which registration is sought are clearly unfounded.
- 47 It follows from the foregoing that the main appeal must be rejected as in part clearly inadmissible and in part clearly unfounded.

The cross-appeal

- 48 It should be recalled that, in accordance with Article 172 of the Rules of Procedure of the Court of Justice, which entered into force on 1 November 2012, any party to the relevant case before the General Court having an interest in the appeal being allowed or dismissed may submit a response within two months after service on him of the appeal. Article 176(1) of the Rules further provides that the parties referred to in Article 172 may submit a cross-appeal within the same time-limit as that prescribed for the submission of a response. Finally, Article 176(2) of the Rules provides that the cross-appeal must be introduced by a document separate from the response.
- 49 In the present case, on 29 November 2012 OHIM lodged at the Court Registry a document entitled 'response' by which that Office expressed its approval of Allen's reasoning and forms of order sought.
- 50 Moreover, in that same document, OHIM develops four additional pleas.
- 51 The first plea alleges an error of law made by the General Court where it considers, in paragraph 35 of the judgment under appeal, that the 'clor' element holds an autonomous position in the overall impression conveyed by the marks at issue.
- 52 The second plea alleges a failure to state reasons, the judgment under appeal not giving any reason explaining why the General Court considered that the suffixes 'alex' and 'ox' could not single-handedly characterise, in the perception of the relevant public, the signs at issue.
- 53 The third plea alleges a distortion of the facts where the General Court, in paragraph 37 of the judgment under appeal, indicated that the Board of Appeal had made an error in not considering the common word element 'clor' in its comparison of the signs at issue. That statement was contradicted in paragraphs 19 to 22 of the contested decision, in which the Board of Appeal did consider the word element 'clor' in its comparison of the signs.
- 54 The fourth plea alleges an error of law in the examination of the similarity of the marks at issue. OHIM criticises the General Court for not carrying out a global assessment of the marks at issue in order to determine the likelihood of confusion. The General Court also vitiated the judgment under appeal by a contradiction of reasoning by stating, in paragraph 39 of that judgment, that there is a high degree of visual similarity between the marks at issue and by considering, in paragraph 43, that the marks at issue are only 'moderately similar on a visual level'. Signs of low distinctiveness can give rise only to a low likelihood of confusion. The General Court refused the registration of the CLORALEX mark on the basis of a 'clor' element, which is descriptive, which would amount to conferring upon Clorox a monopoly over that element and preventing third parties from using it in respect of cleaning products.

- 55 It must be held that those four pleas seek to have set aside the judgment under appeal and differ from those raised in the main appeal with which OHIM, in its response, expressed its agreement. It should therefore be found that OHIM, with those pleas, lodged a cross-appeal. That action was not introduced by a document separate and distinct from the response, and therefore does not meet the requirement laid down in Article 176(2) of the Rules of Procedure. Consequently, OHIM's cross-appeal must be dismissed as manifestly inadmissible.
- 56 It follows from all of the foregoing that the principal appeal and the cross-appeal must, pursuant to Article 181 of the Rules of Procedure, be dismissed in their entirety.

Costs

- 57 Under Article 138(1) of the Rules of Procedure, which applies to appeal proceedings pursuant to Article 184(1) thereof, the unsuccessful party is to be ordered to pay the costs if they have been applied for in the successful party's pleadings. Since Clorox has applied for costs against Alen and Alen has been unsuccessful, Alen must be ordered to bear its own costs and pay those incurred by Clorox.
- 58 Since OHIM has also been unsuccessful, it must be ordered to bear its own costs.

On those grounds, the Court (Third Chamber) hereby orders:

- 1. The main appeal and the cross-appeal are dismissed.**
- 2. Industrias Alen SA de CV is ordered to bear its own costs and to pay the costs incurred by The Clorox Company.**
- 3. The Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) is to bear its own costs.**

[Signatures]