

**TRADE MARKS ACT 1938 (AS AMENDED) AND
TRADE MARKS ACT 1994**

**IN THE MATTER OF APPLICATION No 1509788 IN THE
NAME OF GALLAHER LTD TO REGISTER THE
MARK STATE LINE IN CLASS 34**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
No 39634 BY ARDATH TOBACCO COMPANY LTD**

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**IN THE MATTER OF Application No 1509788
in the name of Gallaher Ltd to register the mark
State Line in Class 34**

10 **and**

**IN THE MATTER OF Opposition thereto under
No 39634 by Ardath Tobacco Company Ltd**

15

DECISION

On 19 August 1992 Gallaher Limited applied under Section 17 of the Trade Marks Act
20 1938 to register the mark STATE LINE for a specification of goods which reads as
follows:-

25 Snuff, cigarettes, tobacco whether manufactured or unmanufactured; substances for
smoking, sold separately or blended with tobacco, none being for medicinal or
curative purposes; smokers' articles, lighters, cigarette papers, cigarette tubes and
matches; all included in Class 34.

The application is numbered 1509788.

30 On 23 May 1994 Ardath Tobacco Company Limited filed notice of opposition to this
application. The grounds of opposition are, in summary, as follows:-

35 (i) under Section 12(1) by reason of the opponents' registration of the mark
STATE EXPRESS (No 193697) in Class 34 for a specification of goods
comprising "tobacco, raw or manufactured"; details of a number of other
registrations are given in the opponents' evidence but I need not refer to
them here.

40 (ii) under Section 11 by reason of the opponents' use of and reputation in their
mark.

They also ask the Registrar to refuse the application in the exercise of his discretion.

45 The applicants filed a counterstatement denying these grounds. Both sides seek an award of
costs in their favour.

Both sides filed evidence. The matter came to be heard on 9 June 1998 when the applicants were represented by Ms D McFarland of Counsel instructed by J E Evans-Johnson & Co, their trade mark agents and the opponents by Mr G Burkill of Counsel instructed by Wildbore & Gibbons, their trade mark attorneys.

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By the time this matter came to be heard, the Trade Marks Act 1938 had been repealed in accordance with Section 106(2) and Schedule 5 of the Trade Marks Act 1994. In accordance with the transitional provisions set out in Schedule 3 to that Act however, I must continue to apply the relevant provisions of the old law to these proceedings.

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Accordingly, all references in the later parts of this decision are references to the provisions of the old law.

Opponents' evidence (Rule 49)

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The opponents filed a statutory declaration dated 8 May 1996 by Murray Gilliland Charles Anderson, the Company Secretary of Ardath Tobacco Company Ltd. He is authorised to make the declaration on behalf of the company.

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Mr Anderson says that his company's main business is the manufacture and sale of tobacco products and that his company is a member of the British-American Tobacco (BAT) group of companies. The trade mark STATE EXPRESS has been used in this country chiefly in relation to cigarettes for export to various countries around the world. During the course of 1992 the STATE EXPRESS 555 brand was sold in either the domestic or duty free markets of over 60 countries around the world.

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The STATE EXPRESS name is said to have been first adopted as a trade mark and used in the UK in relation to tobacco products as early as 1895. Examples of promotional materials produced in 1995 to celebrate the centenary of the brand are exhibited (MGCA2). A copy of an article from 1983 which appeared in a BAT internal publication describing the history of the STATE EXPRESS brand is exhibited (MGCA3). Sales of cigarettes bearing the mark in the UK domestic market have amounted to in excess of 21.9 billion since 1976.

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Exhibited at MGCA4 are examples of the current packaging designs for STATE EXPRESS 555 cigarettes. A test market operation for the current design was carried out in the UK between 1976 and 1978 which was immediately followed by a national launch in May 1978. The launch was supported by advertising and promotional activity with expenditure of some £5 million between May and September of 1978.

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Mr Anderson goes on to say that the brand STATE EXPRESS 555 is now his company's leading international brand. He gives details of some of the most important overseas markets and worldwide sales figures for cigarettes between 1990 (12 billion) and 1994 (27 billion). Sample advertising material used around the world is exhibited (MGCA5).

Total sales in the United Kingdom domestic and duty free markets are given as follows:-

	DATE	NUMBER OF CIGARETTES
5	1986	46,072,000
	1987	-
	1988	3,861,000
	1989	3,922,000
	1990	3,433,000
10	1991	2,404,000

Finally Mr Anderson makes a number of observations on the respective marks including the possible added risk of confusion in export markets where English is not the first language. I take these comments into account in reaching my decision.

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Applicants' evidence (Rule 50)

The applicants filed evidence in the form of a statutory declaration dated 5 August 1996 by Nigel Peter Bulpitt, the Company Secretary of Gallaher Ltd. He has 11 years experience in the tobacco industry and has full access to the records of his company.

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Mr Bulpitt firstly confirms that his company is involved in the business of the manufacture, sale and distribution of tobacco products including goods produced and sold under or in relation to the trade mark STATE LINE. The mark was first adopted in 1992 and since then the applicants have continuously sold goods under the mark in many different countries around the world.

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Worldwide sales of cigarettes sold under the trade mark STATE LINE in 1994 amounted to approximately 340 million cigarettes with a total retail value of sales of approximately £4.9 million. Worldwide sales since the launch of the STATE LINE brand have been approximately 1454 million cigarettes with a total retail value of sales in excess of £19 million.

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As a result of these sales Mr Bulpitt says his company has acquired a considerable reputation in its trade mark STATE LINE and has applied to register its trade mark STATE LINE in over 50 countries. The trade mark STATE LINE has been registered in over 30 countries. A schedule of all the company's registrations for the trade mark STATE LINE is exhibited (NPB1).

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In relation to the issue of likelihood of confusion Mr Bulpitt makes a number of observations which I summarise as being:

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- the respective marks co-exist in the trade mark registers of a number of countries (over 30 are mentioned). No actual instances of confusion have been reported.

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- opposition proceedings against the applicants' mark in a number of countries have been decided in the applicants' favour. Copies of the original decisions and/or English translations are exhibited (NPB2).
- 5 - the marks STATE LINE and 555 STATE EXPRESS are not confusingly similar either verbally, visually or conceptually. He develops this theme by reference to examples of packaging (Exhibits NPB3 and 4) and notes that the opponents' label refers to "of London" connoting an English origin whereas the applicants' goods have a strong American theme.
- 10 - he contends that the dominant element of the opponents' mark and the elements by which it is commonly known is the numeral 555. He supports this by reference to the opponents' own advertisements (Exhibits NPB5 and 6) and a copy of a Lithuanian article (NPB7).
- 15 - he comments on the meanings likely to be attributed to the respective marks.

Turning to Mr Anderson's declaration, Mr Bulpitt denies that STATE is the essential and dominant element of the opponents' mark. He exhibits (NPB8) a schedule of trade mark registrations in Class 34 covering various countries which include the word STATE and where the opponents also have applications or registrations for their STATE EXPRESS mark. From this he draws the conclusion that the opponents do not have a monopoly in the use of the word STATE. He goes on to make further observations on the issue of confusion and says that to the best of his knowledge and belief there have been no actual instances of confusion. He dismisses as irrelevant the opponents' claim that confusion would arise where English is not the first language.

Mr Bulpitt goes on to comment on the sales figures put forward by Mr Anderson. He claims that the sales shown represent a small and declining share of the overall British cigarette market where the brand leaders are said to sell the equivalent of over 1 billion packs of 20 cigarettes a year. He notes that no sales are shown for the year 1992 onwards. He attributes this to the fact that the opponents are essentially an exporting company with a minimal presence in the domestic market. He concludes by summarising the applicants' position in the following terms:-

35 "Accordingly my Company would contend that within the United Kingdom the applicants have effectively no sales of their 555 STATE EXPRESS cigarettes, that consequently they have little or no reputation for their 555 STATE EXPRESS brand in the United Kingdom, that in any event their brand is known almost exclusively by the 555 name and not by the name STATE EXPRESS and that the Opponents have no exclusivity in the word STATE in relation to trade marks for tobacco products in Class 34 either in the United Kingdom or elsewhere.

45 In the light of the foregoing I believe that no confusion would arise in the minds of either the trade or purchasing public between my Company's STATE LINE trade mark and the Opponents' 555 STATE EXPRESS trade mark."

Opponents' evidence in reply (Rule 51)

The opponents filed evidence in reply in the form of a further statutory declaration dated 24 February 1997 by Murray Gilliland Charles Anderson. In response to Mr Bulpitt's
5 declaration he makes the following points (in summary):

- 10 - the co-existence of the marks in other countries is not necessarily of significance as many of these countries operate a "deposit system" of trade mark registration.
- 15 - in many of the overseas countries there is no opportunity to oppose before a mark is placed on the register. However the opponents are actively seeking cancellation of STATE LINE registrations in a number of countries.
- 20 - where no such cancellation proceedings have commenced it is on the basis that negotiations are continuing with a view to a settlement.
- 25 - the absence of any reported instances of confusion is not a reliable indicator as to what might happen and may simply reflect lack of sales activity.
- 30 - he comments on the proceedings in other jurisdictions and notes in particular that the Estonian decision was based on the mistaken belief that the applicants had a registration in the UK.
- 35 - he denies Mr Bulpitt's assertion that the term American blend (on the applicants' packaging) indicates an American connection. It is, he says, a particular type of tobacco. In any case he says STATE EXPRESS is itself derived from the concept of American railway travel.
- 40 - he denies the relevance of other registrations incorporating the word STATE. Some are owned by an affiliated company (the NORTH STATE marks) whilst others do not have STATE as a separate element (STATESMAN) or are otherwise unobjectionable (ESTATE).
- 45 - he makes a number of further comments on his company's use of their mark and points in particular to export sales of 161 billion cigarettes since 1988.

That completes my review of the evidence.

40 I will deal firstly with the objection based on Section 12. This reads as follows:

45 "12 (1) Subject to the provisions of subsection (2) of this section, no trade mark shall be registered in respect of any goods or description of goods that is identical with or nearly resembles a mark belonging to a different proprietor and already on the register in respect of:-

- a. the same goods
- b. the same description of goods, or
- 5 c. services or a description of services which are associated with those goods or goods of that description.”

The reference in Section 12(1) to a near resemblance is clarified by Section 68(2B) of the Act which states that references in the Act to a near resemblance of marks are references to a
10 resemblance so near as to be likely to deceive or cause confusion.

The established test for an objection under these provisions is set down in Smith Hayden and Company Ltd’s application (Volume 1946 63 RPC 101). Adapted to the matter in hand, the test may be expressed as follows:

15 Assuming user by the opponents of their mark STATE EXPRESS in a normal and fair manner for any of the goods covered by the registration of that mark, is the tribunal satisfied that there will be no reasonable likelihood of deception among a number of persons if the applicants use their mark STATE LINE normally and fairly in respect
20 of any goods covered by their proposed registration?

Mr Burkill, for the opponents, built his case on three main pillars. Firstly that the word STATE was the first and dominant element of both marks; secondly that either or both marks could be abbreviated in practice to STATE alone; and thirdly that both marks have
25 associations with railways principally through their second elements but, in the case of the opponents’ mark he also pointed to its derivation (based on a train called the Empire State Express - Exhibit MGA3 to Mr Anderson’s declaration). Ms McFarland, for the applicants, took a different view of the matter and said that the look and sound of the marks was quite different. Moreover the words STATE LINE would be taken as meaning the term used in the
30 United States to indicate a state border or boundary. On this basis the marks were said to be conceptually different as well. There were also submissions before me as to the extent to which (if at all) the opponents could claim a monopoly of STATE marks in relation to the goods at issue. I was also referred to an earlier reported case in this country involving one of the registrations relied on by the opponents and a number of decisions in other jurisdictions
35 where comparable disputes had arisen between the parties. I will go on to give my views on these issues in due course.

I should say at the outset that it does not appear to be disputed that the same goods and/or goods of the same description are involved. The matter essentially, therefore, resolves itself
40 into one of a comparison of the respective marks. The established test for this purpose is the one propounded by Parker J in Pianotist Co’s application 1906 23 RPC 774 at page 777 line 26 et seq, which reads as follows:

45 “You must take the two words. You must judge of them both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In

fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of these trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion - that is to say - not necessarily that one will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public, which will lead to confusion in the goods - then you may refuse the registration, or rather you must refuse the registration in that case.”

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10 As Mr Burkill submitted at the hearing the first elements of marks are often of particular importance for the purposes of comparison (TRIPCASTROID [1925] 42 RPC page 264). It is self evident that STATE is the first element of each of the marks here. It is also a separate word in each of the marks which gives rise to the possibility that normal and fair use might result in the words being presented on separate lines. Clearly such usage must to an extent at least highlight the common element. However it seems to me that, taking the marks as totalities there are sufficient visual and aural differences that there must be some doubt as to whether there is a likelihood of confusion on the basis of the first part of the PIANOTIST test. I think it was for this reason that the evidence and submissions concentrated on other considerations including whether there was a conceptual similarity between the marks.

20 This is a somewhat unusual case in that the registration mainly relied on by the opponents (No 193697) featured in an earlier reported case - United Kingdom Tobacco Company Ltd's application to register the word STATEROOM 1912 RPC 489. It will be convenient, therefore to consider the circumstances of that case and its relevance to the proceedings before me. Ardath Tobacco Company opposed the application to register STATEROOM using their STATE EXPRESS registration as the basis of their objection. The Comptroller-General held at first instance that there was no reasonable probability of confusion or deception but this decision was reversed on appeal by Parker J. The case appears at first glance to be strong support for the opponents' position not least because it seems to me that the mark at issue before me, STATE LINE, is arguably in a weaker position than the mark STATEROOM. I say this for two reasons. Firstly the word STATEROOM had a very clear meaning. I am less certain as to what STATE LINE would be taken as signifying in this country (see below). Secondly it is a single word as opposed to the two words of STATE EXPRESS (I note also from page 491 of the decision, lines 48 to 50, that the evidence apparently showed the word EXPRESS placed below the word STATE). However, it is clear from the earlier case that a substantial body of evidence was brought forward to show that it was common for the public and even the trade to refer to the opponents' goods as STATE (or STATES) cigarettes. Arising from all this it was Mr Burkill's view that I should take note not simply of the decision itself but also the possibility that either or both of the marks before me could be abbreviated to STATE or STATES. In the absence of contemporaneous evidence to support this latter proposition I have some difficulty in accepting Mr Burkill's submissions. It is well established that marks must be considered as wholes and not artificially dissected for the purposes of comparison (ERECTIKO [1935] 52 RPC 136). By the same token I do not think I can lightly ignore elements in the marks or assume that normal and fair use will involve use in an abbreviated form. Nor can I assume that the practice of some customers to abbreviate STATE EXPRESS to STATE or STATES as

evidenced in the reported case is necessarily indicative of consumer or trade practice at the material date in these proceedings. The earlier case is over 80 years old. Commercial advertising and promotion practices have no doubt changed; the presentation of the opponents' mark has evolved; and consumer awareness of and reaction to marks changes. At
5 the very least it would in my view be necessary to provide evidence to show that what was true in 1912 is still true today. In short having given the earlier case careful consideration I do not think it can be decisive in relation to the issue before me. It also follows that because I am not persuaded that the opponents' mark is referred to in abbreviated form I do not need to formally decide whether such usage could properly be taken into account within the terms of
10 the Section 12 test.

In addition to the specific case referred to above, a number of more general points have been made both in the evidence and in submissions at the hearing about the 'state of the register'. Mr Bulpitt exhibited (NPB8) examples of registrations in International Class 34 including the
15 word STATE in various countries where the opponents also have applications/registrations of STATE EXPRESS. Thus it is said the opponents do not have exclusive rights to the use of the word STATE. Three examples were given in the United Kingdom being the marks NORTH STATE, STATESMAN and ESTATE. Whether there are others is not clear but I assume the applicants have put forward their best evidence on the point. In my view these
20 three marks are different in structure and character to the marks before me. STATESMAN has a clear and well known meaning, the element STATE is lost in the word ESTATE and is the second element in the mark NORTH STATE. The latter also creates an idea of its own. Whilst I do not understand the opponents to claim that they enjoy a monopoly of STATE marks in Class 34, it seems to me that, based on what I have been told about the state of the
25 register, the opponents can with some justification say that their position in the United Kingdom has not been diluted by other registrations in third party ownership with STATE as the first (and separate) element. That cannot in itself determine the opposition but it suggests I should be particularly careful to consider the likely impact if the mark STATE LINE were to be entered on the register. Finally on this point I decline to take into account an example
30 of the position in other classes involving STATE marks referred to at the hearing. Such material should have been filed in evidence so that the opponents could comment if necessary or file counter evidence.

I will also deal briefly at this point with the position of the parties in other jurisdictions and the results of decisions in a number of other countries. Mr Bulpitt provided (Exhibit NPB2)
35 copies of decisions relating to unsuccessful actions against the mark STATE LINE in Bulgaria, Estonia, Lithuania and Taiwan. It seems to me that local circumstances played a part in these decisions as well as the more obvious doubts that arise where English is not the first language. For instance the element STATE is said to be "unprotectable" in Bulgaria and
40 the Estonia Appeal Board decision appears to have been operating on the mistaken assumption that both STATE LINE and STATE EXPRESS are registered in this country. I find these decisions to be of marginal relevance and assistance in helping me to reach my own decision.

It follows from my preceding remarks that I am drawn back to consideration of the marks themselves and must form my own view on the likelihood of confusion. As already indicated it is clear from the opponents' evidence that their choice of mark was based on the Empire State Express train. The applicants do not dispute that the mark has "connotations of railways and express trains". The opponents say that the word LINE is similarly associated with railway transportation and thus there is an association of ideas between the marks which underscores the common first element STATE. The applicants on the other hand say that their mark carries the meaning of a border between two states (in the United States) and thus there is a clear conceptual difference.

No evidence has been filed to indicate (crucially) what view the purchasing public would take of the words STATE LINE. Taking account of the PIANOTIST test, I must in relation to these goods, assume that a very broad cross section of the public, will be actual or potential purchasers of the goods. No dictionary material been placed before me to indicate whether the words STATE LINE have passed into common usage in this country as signifying what the applicants claim. For my part I accept that STATE LINE can have the meaning of a state border. I am less certain as to the prevalence of such an understanding of the term or whether, as Ms McFarland suggested, cinema culture has given it general recognition.

The point is not without significance as it seems to me that if an overwhelmingly obvious conceptual difference between the marks had been established it would conceivably have been enough to displace the effect of the common first elements. In the event, and not without some difficulty, I have come to the view that I cannot be sufficiently certain that the state boundary meaning will prevail. To put the matter another way there is a tangible risk that other meanings will be ascribed to the marks which will give rise to confusion. One view of the matter, as the opponents suggest, is that both marks could be construed as having an association with railway transportation. Alternatively if the marks do not convey any obvious or discernible meaning then Mr Burkill's submission that STATE is the first, dominant (and common) element becomes a significant factor. I say this partly because neither EXPRESS nor LINE are strongly distinctive elements in trade marks. They might, therefore, be seen as subordinate features to the key word STATE. Either way there is a risk that confusion will arise. In the final analysis I cannot safely say that any single meaning will prevail. It seems probable that the marks will convey different ideas to different people. It is of course well established that the onus is on the applicants to satisfy me that there is no real tangible risk of confusion. In the event, because of the doubts expressed above, they have in my view failed to discharge that onus. The opposition therefore succeeds under Section 12.

It will be apparent from my comments in relation to the Section 12 issue that I consider the arguments to be finely balanced. Whilst my finding under Section 12 effectively decides the opposition (the consequences being mandatory in the absence of a claim under Section 12(2)) it might be useful if I go on to deal with the Section 11 position not least because both Ms McFarland and Mr Burkill went to some trouble to argue the position at the hearing.

Section 11 reads as follows:-

5 “11. It shall not be lawful to register as a trade mark or part of a trade mark any matter the use of which would, by reason of its being likely to deceive or cause confusion or otherwise, be disentitled to protection in a court of justice, or would be contrary to law or morality, or any scandalous design.”

10 The established test is again that set down in Smith Hayden & Co Ltd’s application but as adapted by Lord Upjohn in the BALI trade mark case 1969 RPC 496. Adapted to the matter in hand the test may be expressed as:-

15 Having regard to the user of the opponents’ mark STATE EXPRESS 555 (see also Annex A), is the tribunal satisfied that the mark applied for, STATE LINE, if used in a normal and fair manner in connection with any goods covered by the registrations proposed will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

20 I have for convenience expressed the test in the above terms but it should also be read in the context of my comments below. The formulation of the test is not, an entirely straightforward matter because, as Mr Anderson acknowledges in his first declaration, the mark has been used in a number of forms over the years. I am not persuaded on the basis of the evidence filed that the words STATE EXPRESS have been used on their own (or at least without some form of added matter) to any appreciable extent. Mr Anderson himself refers in his evidence to his company’s STATE EXPRESS 555 brand. The opponents put a slightly different spin on it by referring to 555 STATE EXPRESS for reasons which I think relate to the usage shown. The exhibits generally show the numerals 555 in varying degrees of prominence over the words STATE EXPRESS or STATE EXPRESS OF LONDON. Indeed the applicants go further than this and say that the main element of the mark has become 555 and that “the opponents’ product is almost always referred to in the trade and by the purchasing public as 555 or Three Fives” (Mr Bulpitt’s declaration). That view is unsubstantiated so far as the public’s view is concerned and rests on Mr Bulpitt’s own view so far as the trade is concerned. I regard it as something of an overstatement of the case but it serves to illustrate the difficulty in accurately formulating and applying the test. For ease of reference I attach at Annex A a couple of examples drawn from the exhibits which I take to be not untypical of actual usage (drawn from Exhibit MGCA4 which is said to be the current packaging design originally launched in 1978). In addition to the elements already discussed it shows the element 555 set in what I think must be the “sunburst graphic” referred to in Exhibit MGCA3. When used this device further serves to highlight and draw the eye towards the numerals 555.

40 It is of course no criticism of any party that their mark has evolved over a period of time. It is in fact no more than a reflection of common commercial practice. In the circumstances of the case before me I am left with the clear view that the mark now used is a composite one and that the element 555 has increasingly come to be the key and dominant feature of the mark certainly from the visual standpoint.

In terms of the extent and geographical scope of the opponents' use it is, I think, clear from the evidence that their use predates that of the applicants and that it is on a significant scale. It would seem from the evidence that over the years the mark has become rather more important in export markets than in the United Kingdom though sales still take place in this

5 country. In any case I have no difficulty in accepting Mr Burkill's point made by reference to MACY'S Trade Mark 1989 RPC 546 that the effect of Section 31 is that the marking of goods for export is qualifying use for Section 11 (headnote (2)). In summary I accept that the opponents have long and extensive user albeit that the content and presentation of the mark itself has evolved over time.

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The applicants first adopted their mark in 1992, round about the time they applied for registration. They too claim an extensive worldwide trade reflecting, I think, the international nature of the tobacco industry. In support of their position they make the point that, despite this parallel trading, no actual instances of confusion have come to their attention. This is not

15 of course to say that confusion has not occurred nor is it necessarily a reliable indicator as to what might happen in the future. There may be other factors at work in individual markets including the actual form and presentation of the marks which reduce the likelihood of confusion. Reference was also made in Mr Bulpitt's evidence to the colours of the applicants' label and the "American connection" suggested by the overall get-up. The

20 example of their packaging supplied at Exhibit NPB4 illustrates the point (the opponents take a slightly different view by reference to Exhibit MGCA1 to Mr Anderson's second declaration). But this goes beyond what I consider to be the parameters of the test which requires me to consider what the applicants could do if their mark is registered rather than what they might actually be doing at present (bearing in mind that what has been applied for

25 is a word only mark).

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In summary, whilst I would not go as far as the applicants in asserting that the opponents' mark is referred to as '555' or 'Three Fives' there is, as indicated above, persuasive evidence that this element has become a key and visually dominant feature in the branding of the

35 goods. Ideally it would have been useful to have first hand evidence from customers as to how the opponents' mark is now known and referred to. It can of course be said that 555 is historically derived from the triple number carried by the Empire State Express train and thus is simply a continuation of the railway transportation theme. But I have no evidence that consumers recognise this fact and, unlike the word EXPRESS, I can see no obvious reason

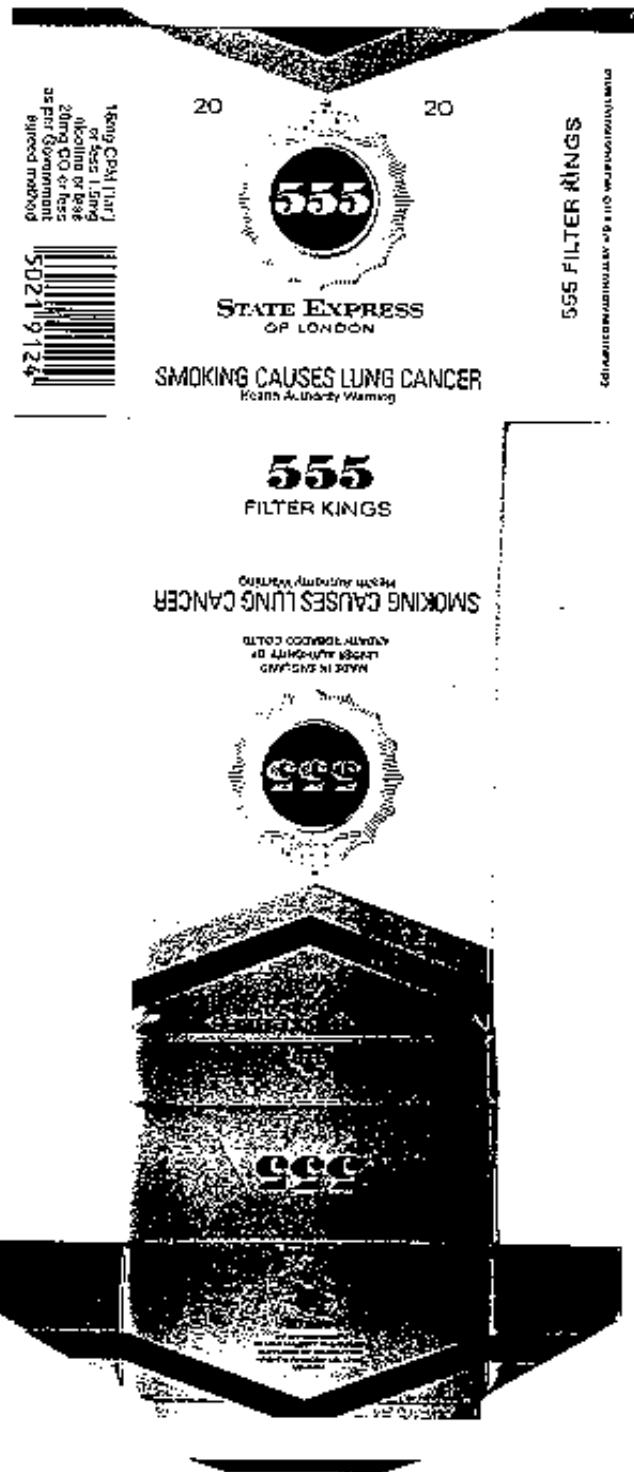
40 for making such an association. At the hearing there was also reference to the effect of the opponents' usage being to create a sub-brand. I do not need to decide the matter in quite those terms. I have, however, come to the view that the position is less favourable to the opponents under Section 11. The additional elements that are present in actual use seem to me to create clear water between the marks and I do not, therefore, consider there will be a risk of confusion within the terms of the test outlined above. I, therefore, find that the opposition based on Section 11 fails.

There remains the matter of the Registrar's discretion. However as the consequence of my finding under Section 12 is mandatory no exercise of discretion is necessary or possible.

The opposition having succeeded I order the applicants to pay the opponents the sum of **£635** as a contribution towards their costs.

5 Dated this 16th day of September 1998

10 M REYNOLDS
For the Registrar
the Comptroller-General



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FILTER KINGS

200/20

FILTER KINGS

SMOKING CAUSES LUNG CANCER
and many other diseases.

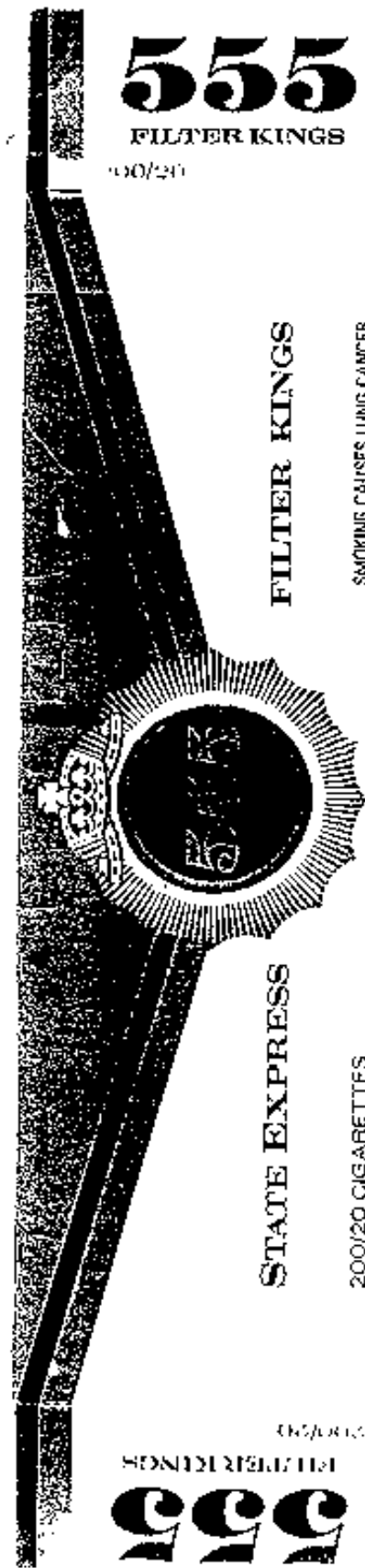
STATE EXPRESS

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FILTER KINGS

STATE EXPRESS

200/20 CIGARETTES



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