

TRADE MARKS ACT 1994

**IN THE MATTER OF APPLICATION No 2024229
BY HYPERTHERM, INCORPORATED TO REGISTER
THE MARK HT IN CLASSES 7 AND 9**

AND

**IN THE MATTER OF OPPOSITION THERETO UNDER
No 45626 BY AAF-McQUAY INC**

TRADE MARKS ACT 1994

5 **IN THE MATTER OF Application No 2024229**
by Hypertherm, Incorporated to register the
mark HT in Classes 7 and 9

and

10 **IN THE MATTER OF Opposition thereto under**
No 45626 by AAF-McQuay Inc

15 **DECISION**

On 16 June 1995 Hypertherm, Incorporated applied under the Trade Marks Act 1994 to register the mark HT for a specification of goods which reads:

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Class 7:

Cutting machines and tools; electric arc cutting machines, plasma arc cutting machines; electric arc cutting torches; plasma arc cutting torches; parts and fittings for all the aforesaid goods.

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Class 9:

Electric arc cutting apparatus; plasma arc cutting apparatus; electric arc cutting torches; plasma arc cutting torches; remote control consoles, counters and timers; parts and fittings for all the aforesaid goods.

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The application is numbered 2024229.

On 8 October 1996 AAF-McQuay Inc filed notice of opposition to this application. The grounds of opposition are in summary:

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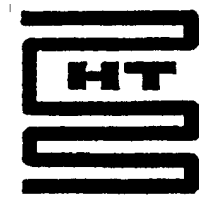
- (i) under Section 3(1)(b)(c) and/or (d) in that the mark applied for is devoid of any distinctive character and/or consists exclusively of signs or indications which may serve in trade to designate a characteristic of the goods
- 40 (ii) under Section 3(3)(b) in that the letters HT are a common abbreviation for 'high tension' and, since the goods include electrical circuitry, use of the mark would deceive the public as to the voltage employed in the goods
- 45 (iii) under Section 5(2) in that the mark applied for is similar to an earlier trade mark in their ownership and is to be registered for similar goods (see below for details of the earlier mark)

(iv) in the alternative under Section 5(3) it is said that the mark applied for would take unfair advantage of, or be detrimental to the distinctive character or repute of the opponents' earlier trade mark

5 (v) under Section 5(4) in that use of the mark applied for is liable to be prevented by virtue of any rule of law and specifically the law of passing off.

Details of the registration referred to above are as follows:-

10	No	Mark	Class	Journal	Specification
	1024292		7	5057/1551	[See below]



The applicants filed a counterstatement denying the above grounds.

25 Both sides ask for an award of costs in their favour. Both sides filed evidence. This case was originally set down for a hearing but the parties subsequently asked for a decision based on the papers filed. Acting on behalf of the Registrar and after a careful study of the papers I give this decision.

30 **Opponents' evidence**

The opponents filed a statutory declaration dated 14 April 1999 by Jonathan Nason, Director and General Manager of J & E Hall Ltd, a subsidiary company of the opponents. He first of all gives details of his own experience. In relation to the issues before me he says:

35 "There is now produced and shown to me marked Exhibit <N 1' a Declaration of Use under the Trade Marks Act 1994 which I am told and believe was submitted by Hypertherm, Inc in support of its application to register "HT" as a trade mark. I have perused this information and I see that it demonstrates use of a variety of trade marks

40 such as "HT40C", "HT400" and "HT4001" in relation to what appears to be essentially electrical equipment. I see no use of the trade mark "HT" *per se*. Refrigeration and Air Conditioning systems use both the sign "LT" and "HT" to indicate low temperature (-40°C --10°C) and high temperature (+5°C - +25°C). The sign "HT" also means to me

45 an abbreviation customary in the current English language and established practice in the fields of physics and electronics for "high tension". There is now produced and shown to me marked Exhibit <N2' which consists of:

- pages 1-2 an extract from <Chambers Dictionary' showing the definition of "HT" meaning "high tension";
- pages 3-4 an extract from <Collins English Dictionary' showing the definition of "HT" meaning "high tension";
- 5 pages 5-11 a copy of our own product literature produced in July 1981 describing the "Veebloc Compressor MKIV V127" range which uses the letters "HT" and "LT" to indicate temperature ranges.

10 My Company has been using its "HT" device trade mark as registered under number B102429¹ since January 1974. Since my Company's acquisition by the Opponent on December 4 1995 the benefit of such use accrues to the Opponent as proprietor of the trade mark. My Company's business is with a wide range of refrigerating and ventilating equipment and parts and components. Such equipment includes many parts which are cut from sheet metal. The range of goods sold by my Company with the consent of the Opponent under its "HT" trade mark also includes remote control consoles which are within the specification of the Applicant's mark. Remote control consoles designed and installed by my Company are used for plant management and operation. The software is designed by my Company with sub contract manufacture and installation carried out by my Company's engineers at Dartford. To date my

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20 Company has not experienced any confusion with products produced by Hypertherm. I believe that this is because they do not use the "HT" trade mark as such and their products would be identified by the full trade marks disclosed in the Exhibit <JN 1'."

25 I will consider the contents of JN 1 (referred to above), so far as relevant, in reaching my decision on the matter.

30 Finally Mr Nason indicates that there is no wish to interfere with the continued use of number/letter combinations on the specific products on which use has been established but he considers that, to permit the use of HT in relation to any electrically or temperature related equipment, would inhibit the legitimate use of the letters within the trade.

Applicants' evidence

35 The applicant filed a statutory declaration dated 15 October 1997 by Nicholas Andrew Kirkham of Graham Watt & Co, the applicants' trade mark agent.

He exhibits:

- 40 NAK1 - a list of the goods sold in the UK by the applicants. He notes that this list comprises a table where the reference number is displayed alongside a brief description of the goods and that in a large number of instances the description of the goods identifies the particular article as being an HT system with the model number following to identify the particular model

¹ presumably this is intended to be 1024292

NAK2 - spare parts from the applicants' plasma arc cutting apparatus showing the trade mark HT engraved on them.

5 That completes my review of the evidence.

Section 3(1)(b)(c) and (d) read as follows:

- 10 "3.- (1) The following shall not be registered -
- (a)
 - (b) trade marks which are devoid of any distinctive character,
 - 15 (c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services,
 - 20 (d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade:

25 Provided that, a trade mark shall not be refused registration by virtue of paragraph (b), (c) or (d) above if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it."

30 So far as paragraphs (c) and (d) are concerned Mr Nason refers to the fact that refrigeration and air conditioning systems use the signs LT and HT to indicate low temperature and high temperature. He exhibits a copy of his company's product literature which he says shows use of HT and LT in relation to compressors. As a separate objection it is said that HT is an abbreviation for high tension used in the fields of physics and electronics.

35 On the basis of the limited information available to me I have to say that I do not find either of these grounds to be made out. Whilst high temperature (HT) and low temperature (LT) may for obvious reasons be meaningful in relation to refrigeration and air conditioning systems it is less clear that use of HT is either customary in the applicants' area of trade (see the specification set out at the start of this decision) or that it may serve in that trade to indicate a characteristic of the goods. The opponents have not pointed to anything in the applicants'

40 own product literature which supports an objection of this kind. Nor is there any explanation as to how the abbreviation HT meaning high tension is meaningful in the context of the goods at issue. The opposition therefore fails in relation to paragraphs (c) and (d) of Section 3(1).

45 I next turn to the objection under paragraph (b) that the mark is devoid of distinctive character.

The opponents do not elaborate significantly on their claim that the mark is devoid of any distinctive character beyond Mr Nason's comments referred to above and the doubt he expresses about what is established by the applicants' claimed use. For this purpose he has filed a copy of the evidence submitted by the applicants at the examination stage. In the light of my above findings in relation to paragraphs (c) and (d) of Section 3(1) the only remaining potential objection that I can see is what is apparent from the mark itself namely that it is simply a two letter mark. The Registry has a published practice in relation to such marks (see Work Manual Chapter 6 at 3.11.2).

10 In summary whether a random combination of two letters has any distinctive character as a trade mark will depend on various considerations including:-

(a) whether the letters are likely to be taken as a short, pronounceable invented word; and

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(b) whether the letters are commonly used in the relevant trade(s) as catalogue or model references

The Work Manual recognises that these general principles must be applied with care taking account of the circumstances of the particular case. Thus two letter marks may have a distinctive character for goods such as foodstuffs and beverages which are not indexed by reference to model or catalogue numbers. I have not been given a great deal of assistance by either side as to the practice generally in the applicants' area of trade (cutting apparatus). However I note that in relation to the listing at Exhibit NAK1, Mr Kirkhams's declaration expressly points to the fact "the description of the goods identifies the particular article as being an HT system with the model number following to identify the particular model". Attached at Annex A is a copy of the first page of the listing where references to, inter alia, HT400 and HT40 can be seen at the foot of the page. If I understand Mr Kirkham correctly he appears to be saying that HT will be seen as the identifying trade mark and the designations 400, 40 etc (and the other matter present) will be seen as supplementary information indicating model codes. I have great difficulty in accepting such a proposition. Nothing in the listing stands out to me as being obviously trade mark matter, let alone distinctive. I might just add that the Exhibit consists of 136 such pages that, without exception, contain a number in the left hand column and product/model identifiers in the right hand column. No doubt the listing is intended to provide a convenient mechanism for both supplier and customer to identify and order equipment or parts. It seems to me that this is precisely the sort of usage that has led to the approach adopted by the Registry. In the circumstances of the case before me I therefore regard the prima facie objection to the letters HT on the ground that they are devoid of any distinctive character as being well founded.

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Under the proviso to Section 3 a trade mark is not to be refused registration by virtue of an adverse finding under paragraph (b) if it has in fact acquired a distinctive character. I assume that the applicants accepted that their mark was open to objection on a prima facie basis as they filed evidence of use in support of their position. It is this evidence (a declaration from Robert G Murphy) that the opponents have now filed as Exhibit JN 1 to Mr Nason's

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declaration. A copy of the declaration itself is attached at Annex B for ease of reference. The declaration gives information on the nature of the goods, the customers for these goods, turnover and promotional expenditure etc. In response to this material the opponents say that the actual examples of use shown in the leaflets attached to Mr Murphy's declaration suggest
5 that a variety of marks are used but not the letters/mark HT solus. That seems to me to be a reasonable view of the matter. The four leaflets showing the range of goods are for the HT40C, HT2000, HT4001 and HT4100 cutting systems. There is no indication that HT is used as a mark in its own right other than a claim in the small print at the end of the leaflets. Although what I take to be the house mark HYPERTHERM also appears on the leaflets I
10 would accept that the manner of use and presentation of the above letter/number combinations frees them from the criticism that they are purely catalogue or model numbers. The evidence does not, however, establish that the letters HT on their own have become distinctive of the applicants. Moreover there is simply insufficient information available for me to be able to come to the view that through their use of a "family" of HT marks (with various number or
15 number and letter combinations) the letters HT have achieved the necessary distinctive character. I do not say that the applicants could not make such a case simply that the evidence does not establish their position. I note too that to the extent that any date can be attributed to the leaflets two carry the text 'Copyright 9/95 Hypertherm Inc' which suggests that they post date the material date of 16 June 1995. Furthermore there is no breakdown of the turnover
20 figures to indicate the extent and duration of use of individual HT marks.

The applicants have, of course, had an opportunity to answer these points or to file evidence from customers or the trade generally to establish their claim. In practice the only additional material filed, apart from the listing, is Exhibit NAK 2 consisting of spare parts with HT
25 engraved on them. There are in fact three quite small parts which are said to be for plasma arc cutting apparatus. I would venture to say that the average person encountering the parts would fail to discern any markings whatsoever other than on very close inspection. Even though I was making a conscious effort to find the engraved letters I did not find it easy. This evidence seems to be almost wholly without value in supporting the applicants' claim. In short
30 I have come to the view that the objection to the mark applied for under Section 3(1)(b) has not been overcome on the basis of the evidence before me. The opposition, therefore, succeeds.

In the circumstances I propose to give brief consideration only to the remaining grounds of
35 objection. Under Section 3(3)(b) a mark is not to be registered if it is "of such a nature as to deceive the public (for instance as to the nature, quality, or geographical origin of the goods or service)". The opponents link this to their claim that HT is an abbreviation for high tension and thus that the mark would deceive the public as to the voltage of the goods. I find no basis for coming to this view. The opposition fails on this ground.
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Apart from a bare outline of the opponents' own business activities in Mr Nason's declaration the opponents have filed no evidence to underpin a claim to reputation or goodwill for the purposes of Section 5(3) and 5(4). I, therefore, dismiss these grounds.

There remains the objection based on Section 5(2). So far as is relevant this reads:

5.- (2) A trade mark shall not be registered if because -

5 (a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected, or

10 (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark.

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The opponents' mark is shown at the start of this decision. They say that the registration covers the following:

Class 6

20 Chimneys for use with installations and apparatus for heating, drying, refrigerating, ventilating and air-conditioning; pipes and tubing; storage vessels and tanks; all made wholly or predominantly of metal and included in Class 6.

Class 7

25 Compressors (machines), heat exchangers (parts of machines) and separators (machines); condensers, pumps, valves and filters, all included in Class 7; and parts and fittings in Class 7 for all the aforesaid goods.

Class 11

30 Installations and apparatus included in Class 11, all for heating and drying; installations and apparatus, all for refrigerating and air-conditioning; and parts and fittings included in Class 11 for all the aforesaid goods.

I note that in what I take to be written submissions the applicants' agents refer to the partial
35 revocation of the above specification. They do not mention what the remaining specification covers or the date from which revocation took effect. I propose, therefore, to consider the matter on the basis that the above specification was still in force at the material date in these proceedings. I also take the view for Section 5(2) purposes that the marks are similar given that HT is a significant (or the only) feature of both. The applicants' goods are primarily
40 various types of cutting apparatus. In broad terms I see no real conflict with the opponents' goods. However the opponents make two points. Firstly that their equipment includes many parts which are cut from sheet metal. That would also be true of a very wide range of other goods. It is in my view no basis for a finding that goods are similar. Of rather greater potential significance is their claim that the applicants' specification covers remote control
45 apparatus and that such goods are designed and installed by the opponents. I note that remote control apparatus is only specifically mentioned in the applicants' Class 9 specification. The opponents do not have a Class 9 registration but control apparatus may also be found in

Class 7. It is just conceivable therefore that the parts and fittings in the opponents' Class 7 registration could cover some form of non-electrical control mechanism though even then such devices would be restricted to being "for the aforesaid goods". I, therefore, find it highly improbable that similar goods are involved. In the event that this was considered to be too

5 restricted a view of the matter it seems to me that the applicants could overcome any remote possibility of confusion by the simple expedient of filing a Form TM21 to qualify their "remote control consoles, counters and timers" to being all for use with the goods covered by the preceding part of their Class 9 specification.

10 As the opponents have succeeded under Section 3(1)(b) they are entitled to a contribution towards their costs. I order the applicants to pay the opponents £635.

Dated this 26 day of April 1999

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M REYNOLDS

20 For the Registrar
the Comptroller General

PRCLIST

001027	COV:THC CONT MDL
001032	COV:THC-1 REAR ACS
001033	BASE:THC-2
001034	PNL:THC-2 FR
001037	COV:THC-2 REAR ACS
001045	MTG PAD:THC-1 TOP/FR
001046	MTG PAD:THC-1 BOT/FR
001047	MTG PAD:THC-1 BOT/REAR
001048	SPCR:THC-1 FRONT
001049	SPCR:THC-1 FR
001050	GDE:THC-1
001051	BRKT:THC-1 CD SKT MTG
001052	SPCR:THC-1 CD SKT
001056	BASE:THC-1
001059	MTG PAD:THC-2 TOP/FR
001060	MTG PAD:THC-2 BOT/FR
001061	MTG PAD:THC-2 BOT/REAR
001062	SPCR:THC-2
001063	GDE:THC-2
001064	BRKT:THC-2 CD SKT MTG
001067	BOX:GRA PLSTC
001068	ENCL:DCC/PCC/MAX200 RCC RCVR
001069	ENCL:RVC RCVR(RAISE-LWR SW)
001074	CS:THC-1 PCB ASSY
001075	COV:THC V-DIV
001076	ENCL:10 X 8 X 4 BLANK
001078	CS:THC V-DIV
001084	ENCL:16 X 14 X 6 BLANK
001086	ENCL:PAC500 STD CSL
001087	ENCL:OPR PNL 1T
001092	ENCL:OPR PNL 2T
001093	ENCL:OPR PNL 3T
001094	PNL:DCC RCVR(POT) FR
001095	ENCL:RVC RCVR(POT)
001096	PNL:RVC RCVR(POT) FR
001097	PNL:RVC RCVR(POT) REAR
001098	ENCL:PAC500L CSL
001099	ENCL:OPR PNL 4T
001105	ENCL:10 X 8 X 6 BLANK
001121	PNL:HT400 PWR SPLY LS/RS
001126	FANSHRD:HT400 WLD ASSY
001127	COV:HT400 PWR SPLY
001128	FR:HT400 THC/CONT MDL SIDE
001129	FLG:HT400 THC/CONT MDL FR
001131	FLG:HT400 DR/PR V/C MDL FR
001133	PL:HT400 DR V/C MDL FR
001134	ENCL:HT400 HF CSL
001137	FR:HT400 DR/PR/ST V/C MDL LS
001138	FR:HT400 DR/PR/ST V/C MDL RS
001139	PL:HT400 PR V/C MDL FR
001140	PL:HT400 SR V/C MDL FR
001141	FLG:HT400 SR V/C MDL FR
001147	OBS ENCL:HT40 PWR SPLY

IN THE MATTER OF Registered
Trade Mark Application No.
2,024,229 for the Trade Mark
HT in Classes 7 and 9

DECLARATION OF USE UNDER TRADE MARKS ACT 1994

I, Robert G. Murphy, Jr. of *Etna Road, Hanover, NH*
United States of America do solemnly and sincerely declare as
follows:

1. I am the Company Treasurer of Hypertherm, Inc. a corporation organised and existing under the laws of the state of New Hampshire in the United States of America. This declaration is made from my personal knowledge and information taken from the records of Hypertherm, Inc. (hereinafter "the Applicant") to which I have free access. I am authorised by the Applicant to make this declaration.
2. The mark HT was first used in the U.K. in August 1985 when four HT 400 systems were shipped to Messer Griesham Ltd. The mark 'HT' has been in use continuously since this time.
3. The mark HT has continued to be used on the following goods:

Electrically powered cutting machines and apparatus; plasma arc cutting machines and apparatus; cutting torches; plasma arc cutting torches; remote control consoles and counters/timers; parts and fittings for all the aforesaid goods.

Exhibit RGM01 includes four leaflets showing the range of goods on which the mark HT is used and a sample of a label bearing the mark HT. I note that the leaflets show that the mark HT is used in conjunction with a model number which denotes the size of the system.
4. The mark is used throughout the United Kingdom. Presently, the Applicant only supplies major original equipment manufacturers. Our current customer list is attached as Exhibit RGM02. One of these customers, Hypertherm U.K. Limited acts as the distributor of the goods within the U.K. Hypertherm U.K. Limited is a wholly owned subsidiary of Hypertherm, Inc. Hypertherm U.K. Limited sells to 25 independent distributors.

5. The annual turnover in the goods identified by the mark HT is:

<u>YEAR</u>	<u>AMOUNT (US \$)</u>		<u>AMOUNT (approximate £)</u>
1985	\$ 1,000.00	=	£ 625.00
1986	\$ 1,000.00	=	£ 625.00
1987	\$ 137,000.00	=	£ 85,625.00
1988	\$ 305,000.00	=	£ 190,625.00
1989	\$ 868,000.00	=	£ 542,500.00
1990	\$ 1,001,000.00	=	£ 625,625.00
1991	\$ 942,000.00	=	£ 588,750.00
1992	\$ 1,103,000.00	=	£ 689,375.00
1993	\$ 2,037,000.00	=	£ 1,273,125.00
1994	\$ 1,705,000.00	=	£ 1,065,625.00
part 1995	\$ 4,214,000.00	=	£ 2,633,750.00

The total use of the mark amounts to \$12,310,000.00, which is about £7,700,00.00. Complete systems accounted for \$6,213,000.00 (£3,883,000.00) of the use, and parts and fittings accounted for \$6,097.000 (£3,810,625.00) of the use.

6. Hypertherm U.K. Limited advertise the goods as do the other OEM customers in trade publications such as Welding and Metal Fabrication, etc. The budget for advertising by Hypertherm U.K. Limited is less then \$10,000.00 annually.
7. Hypertherm, Inc. plasma arc equipment is the market leader in the U.K. in both the machine and hand-held markets.

and I make this declaration conscientiously believing the same to be true.

Robert G. Murphy, Jr.

ROBERT G. MURPHY, JR.,

Declared at *Hanover, NH, USA*

On the *8 April 1996*

Before me,

Kathleen M. Moglia

(Notary Public)

KATHLEEN M. MOGLIA, Notary Public
My Commission Expires July 13, 1999