





**FACTUAL BACKGROUND**



- Mares S.p.A. is the registered proprietor of MARES in class 28 and DACOR in class 9.
- Between 1986 and September 2006 Divetek (Pty) Limited (“the Registrant”) was the official distributor of MARES and DACOR diving equipment in South Africa.



- It had “built these brands” in South Africa.

### FACTUAL BACKGROUND (cont.)

- The Registrant registered the domain name <mares.co.za> on 12 January 2001.
- The domain name <dacor.co.za> was registered on 15 December 2005.
- It was not disputed that the registration was at the instance of the Registrant and with the full knowledge and permission of Mares S.p.A.



### FACTUAL BACKGROUND (cont.)

- No restrictions or conditions on the registration of the domain name were imposed.
- Entry of the domain names <mares.co.za> or <dacor.co.za> redirected the inquirer to the Registrant's website [www.divetek.co.za](http://www.divetek.co.za). This website promoted scuba diving equipment including MARES and DACOR branded equipment as well as other brands of such equipment.



**FACTUAL BACKGROUND (cont.)**

- Clause 12 – the Complainant had “the right and obligation” to use Mares S.p.A brand name and trade marks



- Clause 12 – the Complainant did not have any “power or right to register trade marks or similar rights”.

**FACTUAL BACKGROUND (cont.)**

- In September 2006, Aqua Divers International (Pty) Ltd (“the Complainant”) was appointed as the distributor in South Africa for MARES and DACOR scuba diving equipment. The appointment of the Registrant was terminated.



- The Distribution Agreement appointed the Complainant as the exclusive distributor of MARES and DACOR branded goods.

### FACTUAL BACKGROUND (cont.)

- In terms of a letter dated 23 January 2007, Mares S.p.A. gave its authority to the Complainant to “use our website extensions for South Africa for the time being”.
- The Registrant has retained the domain names <dacor.co.za> and <mares.co.za> and continues to sell DACOR and MARES scuba diving equipment via its website. It was not disputed that it had stocks of MARES and DACOR products on hand which it wished to sell.

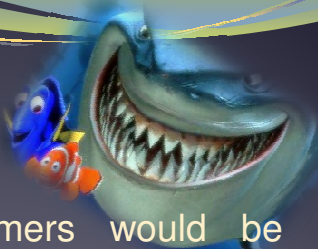
### THE COMPLAINT

- The Complainant contended that Mares S.p.A is the proprietor of the trade marks and the proprietor of the common law rights.
- The Complainant alleged that the use by the Registrant of <dacor.co.za> and <mares.co.za> took unfair advantage of and was unfairly detrimental to its rights as distributor.



**THE COMPLAINT (cont.)**

- Registrant's website –  
“please note that the range in South Africa is limited to the products shown in this website...”  
“Website under construction”  
“Go to the MARES main site”.
- Website underwent a change, products and prices are not stated.



**THE COMPLAINT (cont.)**

- Complaint is that customers would be diverted to the Registrant's website when typing in domain names <mares.co.za> or <dacor.co.za> and this would cause confusion.
- Not contended that in searching under the trade marks MARES or DACOR the searcher would be directed to the Registrant's website.

### REGISTRANT'S DEFENCE

- The domain names were legitimately registered and the registration was not conditional or limited.
- The Registrant has “every right to use the MARES and DACOR names in marketing these products”. It legitimately purchased original MARES and DACOR products for resale and is still in possession of authorised MARES and DACOR products for the purposes of trade.
- It uses the domain names in the legitimate good faith offering of genuine products that it purchased for re-sale.

### COMPLAINANT'S RIGHTS

- Regulation 3(1) & 3(2). Onus rested upon the Complainant to establish the nature and scope of the rights it relied upon

*(Mr Plastic (Case ZA2007-001) at par [4].*

### COMPLAINANT'S RIGHTS (cont.)

- Registrant does not have to prove that it has proprietary rights in a name or mark.

Regulation 1 provides:

*“Rights” and “registered rights” include intellectual property rights, commercial, cultural, linguistic, religious and personal rights protected under South African Law, but is not limited thereto.”*


See also <private-sale.co.za> decision ZA2007-008 at par 4.1.12

### COMPLAINANT'S RIGHTS (cont.)

- Complainant's rights as a distributor were commercial rights in respect of the marks MARES and DACOR, pursuant to the distribution agreement.
- The Complainant's rights cannot be equated to the rights of the trade mark owner.

See Nominet UK Seiko UK Limited v Designer Time/Wanderweb.

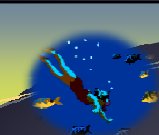
- Ordinarily a distributor enjoys no claim of proprietorship in respect of a proprietor's mark.



### COMPLAINANT'S RIGHTS (cont.)

- An exclusive distributor does not have *locus standi* to enforce the registered rights of a trade mark proprietor, nor does it have the *locus* to enforce the proprietor's common law rights. It may, protect its own goodwill against unlawful competition.
- The commercial rights of an exclusive distributor are limited in their scope.

Taylor & Horne (Pty) Ltd v Dentall (Pty) Ltd  
1991 (1) SA 412 (AD) 422 H-423 D



### COMPLAINANT'S RIGHTS (cont.)

- An exclusive distributor does not have the right to prevent a competitor from selling the same branded goods provided that the competitor does not mislead the public and overstep the bounds of fairness and honesty in competition vis-à-vis the exclusive distributor.



### ABUSIVE REGISTRATION



- In the present context Abusive Registration means the use of a domain name that takes unfair advantage of or is unfairly detrimental to the Complainant's rights.

FIFA decision ZA 2007-0007 at paras [4.17] – [4.23]

- Taking advantage of the MARES and DACOR marks by promoting the sale of genuine MARES and DACOR equipment is not unfair or detrimental to the Complainant's rights in terms of its distribution agreement within the meaning of the definition of abusive registration.

### ABUSIVE REGISTRATION (cont.)

- Regulation 4(1) circumstance.
- Regulation 5 circumstances.
- Allegation that the domain names were being used in ways that led people or businesses to believe that the domain names were registered to, operated or authorised by, or otherwise connected with the Complainant.



### ABUSIVE REGISTRATION (cont.)

- Complaint that the Registrant's right to the use of the domain names ceased when its rights of distribution ceased.
- Statement "please note that the range in South Africa is limited to the products shown in this website..."
- Was there a "cross-over" of products?

*Nomine UK case DRS00285, Sparco s.r.l. v Steven Bennett.*



### CONCLUSION

- Dispute refused.

