

Decision

[ZA2017-0259]

**.ZA ALTERNATE DISPUTE RESOLUTION
REGULATIONS (GG29405)**

ADJUDICATOR DECISION

CASE NUMBER:	ZA2017-0259
DECISION DATE:	07 April 2017
DOMAIN NAME	winblock.co.za
THE DOMAIN NAME REGISTRANT:	Wynand van Loggerenberg
REGISTRANT'S LEGAL COUNSEL:	None
THE COMPLAINANT:	Wintec Innovation (Pty) Ltd
COMPLAINANT'S LEGAL COUNSEL:	None
2 nd LEVEL ADMINISTRATOR:	ZA Central Registry (CO.ZA)

1 Procedural History

- a) The Dispute was filed with the South African Institute of Intellectual Property Law (the “SAIPL”) on **09 February 2017**. In response to a notification by the SAIPL that the Dispute was administratively deficient, the Complainant filed an amendment to the dispute on **13 February 2017**. On the same day the SAIPL transmitted by email to the ZA Central Registry (ZACR) a request for the registry to suspend the Domain Name at issue, and on **13 February 2017** the ZACR confirmed that the Domain Name had indeed been suspended. The SAIPL verified that the Dispute satisfied the formal requirements of the .ZA Alternate Dispute Resolution Regulations (the “Regulations”).
- b) In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the Dispute on **15 February 2017**. In accordance with the Regulations the due date for the Registrant’s Response was **15 March 2017**. The Registrant did not submit any Response, and accordingly, the SAIPL notified the Registrant of its default on **16 March 2017**. On **17 March 2017** the Registrant submitted the following email in response to the SAIPL’s Default Notification, which did not satisfy the formal requirements of the Regulations:
- “Morning*
My website www.inblock stay my site even if I am not using it.”
- c) As no proper and compliant Response was submitted by the Registrant, the SAIPL regarded the Registrant in Default and proceeded with the appointment of an Adjudicator.
- d) The SAIPL appointed **Mr. Andrew Papadopoulos** as the Senior Adjudicator, assisted by Trainee Adjudicator **Mrs. Tammi Lea Pretorius** in this matter on **24 March 2017**. Both the senior Adjudicator and Trainee Adjudicator have submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the SAIPL to ensure compliance with the Regulations and Supplementary Procedure.

- e) The Adjudicator has considered whether the Registrant's Deficient Response should be admitted at all. The Deficient Response is in the form of an email, sent 2 days after the Response deadline (and in response to the SAIPL's Default Notification wherein the Registrant was advised that an Adjudicator would be appointed) and does not contain all of the information stipulated in Regulation 18, nor has it been certified as contemplated in Regulation 18. It appears that no effort was made by the Registrant to comply with the provisions of Regulation 18.
- f) In <embassytravel.co.za>¹, the Adjudicator held that less than perfect compliance does not result in a nullity. Nevertheless, the Adjudicator agrees with the view held in <suncityshuttle.co.za>² that there is a difference between less than perfect compliance and no compliance at all, and that the adjudication in <embassytravel.co.za> should not be read as requiring a "response" to be admitted in a situation where there is no attempt at compliance with Regulation 18.
- g) It is the Adjudicator's view in this matter, as was the view of the Adjudicator in <suncityshuttle.co.za>³, that the Registrant was afforded a proper opportunity to file a proper Response and he must bear the consequences of failing to deliver such a Response in terms of Regulation 18. In any event, the Deficient Response carries no weight in advancing the Registrant's case having regard to the scantiness of information contained therein.
- h) The Adjudicator gave consideration as to whether a further statement from the Registrant should be requested in terms of Regulation 26 to supplement the Deficient Response but considered this would not be appropriate in the present circumstances.

2 Factual Background

2.1 The following facts alleged by the Complainant in the Complaint were not

¹ ZA2008-0024 at paragraph 20.

² ZA2008-0025 at paragraph e.

³ *Supra* at paragraph g.

disputed by the Registrant:

- 2.1.1 The Complainant is Wintec Innovation (Pty) Ltd, a private company incorporated under the laws of South Africa under registration no. 1996/003407/07.
- 2.1.2 The Complainant claims that it is “*the authorised user*” of the South African “WINBLOK” trade mark under registration number 1982/05392 in relation to class 19 goods. No copies of the registration certificate and/or register sheet setting out details of the trade mark registration were attached to the Complaint. The Adjudicator has reviewed the official trade mark records of the CIPC to verify the details of the aforementioned trade mark registration. The CIPC records indicate that the trade mark is registered in relation to “*Building materials, natural and artificial (sic) stones, cement, lime, mortar, plaster and gravel, windows, frames for windows or parts thereof*” and the registered proprietor of this trade mark is The Al Stratford Family Trust.
- 2.1.3 The “WINBLOK” trade mark was initially lodged in the name of Winvent (Pty) Ltd and was subsequently assigned from Winvent (Pty) Ltd to the Al Stratford Family Trust, the current proprietor, in 2007.
- 2.1.4 The Complainant alleges that its “WINBLOK” product is used in relation to architectural and/or window systems and accessories related thereto.
- 2.1.5 The Complainant further alleges to be the owner of the Domain Name “winblok.co.za” incorporating the “WINBLOK” mark. This Domain Name points to the Complainant’s website “www.wintecinnovation.co.za”.
- 2.1.6 The “WINBLOK” trade mark has been in the market since the 1980’s and the Complainant contends that it is well-known in the Republic of

South Africa. Evidence of product catalogues bearing the “WINBLOK” trade mark from 1986, 1988, 1991 and 2010 and evidence of sales in South Africa of the Complainant’s goods bearing the “WINBLOK” trade mark, in the form of a single sales invoice from January 2017, was attached to the Complaint.

2.1.7 The Complainant further claims that it has a franchisee who operates out of Gauteng, with the sole rights to manufacture and sell the “WINBLOK” system and purchase components from the Complainant. No further details in this regard were provided.

2.1.8 The Registrant is Wynand van Loggerenberg, according to a Whois search conducted on 22 August 2016.

2.1.9 On or about April 2014, the Complainant became aware of the Registrant’s domain name, WINBLOCK.CO.ZA, which was registered on 8 September 2009. The Disputed Domain Name incorporates a name similar (virtually identical) to the “WINBLOK” trade mark and, according to the Complainant, the Registrant operates in direct opposition to the Complainant, manufacturing and distributing the exact prototype of the item(s) manufactured by the Complainant under its “WINBLOK” trade mark.

2.1.10 On 10 April 2014, the Complainant’s attorneys addressed a letter of demand to the Registrant in terms of which the Complainant advised the Registrant that the use of the “WINBLOCK” name by the Registrant in relation to the Disputed Domain Name constituted passing off, unfair business practice and trade mark infringement. The Complainant demanded, *inter alia*, that the Registrant relinquish the Disputed Domain Name to the Complainant.

2.1.11 In August 2016, a further letter was sent to the Registrant and the Registrant’s response was that, *inter alia*, he had been dealing the Complainant’s “WINBLOK” products for the past 6 years, without any complaints, and all products sold under the WINBLOK mark by the

Registrant are genuine products sourced from the Complainant's authorised dealers.

The Complainant's further attempts to procure the transfer of the Disputed Domain Name from the Registrant were unsuccessful.

3 Parties' Contentions

3.1 Complainant

- a) **The domain name in the hands of the Registrant is an abusive registration. [Regulation 3(1) (a)]**

The Complainant avers that the Disputed Domain Name is an abusive registration because it was established in a planned manner to feed off of and divert from the Complainant's existing trade mark and business under that trade mark.

The Complainant further alleges that the Registrant's entire business model is a copy of that of the Complainant's (including a copy of the Complainant's documentation and coding system in graphic and written representations of the Complainant's "WINBLOK" system on the Disputed Domain Name's website).

The Complainant's alleged registration of the Domain Name "winblok.co.za" predates the Disputed Domain Name and it is alleged that the Disputed Domain Name was registered in order to take advantage of the Complainant's goods and business model, in an unfair and detrimental manner and further that it leads people or businesses to believe that the domain name is registered to, operated or authorised by, or otherwise connected with the Complainant.

The Complainant argues that the Registrant's use of the "WINBLOCK" name constitutes passing off and is likely to create deception and confusion in the marketplace. In addition, the Complainant argues that the Registrant's actions constitute unfair business practice in that the use of the trade mark (design and

business model) has the effect of spring boarding the Registrant's business upon the Complainant's name, reputation and goodwill. The Complainant further argues that the "WINBLOK" trade mark is a well-known mark in the Republic of South Africa and that the Registrant's actions constitute an infringement in terms of sections 34 of the South African Trade Marks Act (No. 194 of 1993).

In the circumstances, the Complainant has submitted that the Registrant's intentions are to:

- *block intentionally the registration of a name or mark in which the Complainant has rights* [Regulation 4(1)(a)(ii)];
- *disrupt unfairly the business of the Complainant* [Regulation 4(1)(a)(iii)]; or
- *prevent the Complainant from exercising his, her or its rights* [Regulation 4(1)(a)(iv)].

3.2 Registrant

- a) The Registrant did not reply to the Complainant's contentions in terms of Regulation 18.

4 Discussion and Findings

- a) The Complainant must prove on a balance of probabilities that it has rights in respect of a name or mark which is identical or similar to a Domain Name and, in the hands of the Registrant, the Domain Name is an abusive registration [Regulation 3]. "Rights" and "registered rights" are defined in Regulation 1 and include, without limitation, intellectual property rights and commercial rights.

4.1 Complainant's Rights

- 4.1.1 The Complainant asserts rights to the mark "WINBLOK" by virtue of the trade mark registration for which it alleges it is the authorised

user.

- 4.1.2 The Complainant is not the registered proprietor of the “WINBLOK” trade mark, nor is it the registered user [this information was verified by the Adjudicator through its perusal of the official records of the CIPC relating to trade mark registration no. 1982/05392 upon which the Complainant relies].

At the most, it can be deduced from the evidence tendered that the Complainant was the predecessor in title to registration no. 1982/05392 and it appears (although this is not confirmed by the registrant of the registration no. 1982/05392) that the Complainant is merely a permitted user of the “WINBLOK” name and trade mark.

Moreover, the Complainant is not the registered proprietor of the Domain Name “winblok.co.za” [this information was verified by the Adjudicator through its perusal of the WHOIS database which reflects the owner as “Studio Murray” of “7 Monterey, Murray Avenue, East London 5247”].

- 4.1.3 Even if the Complainant were to provide that it is a permitted user of the registration no. 1982/05392, it is trite that a licence itself confers no proprietary rights to the property licensed⁴.
- 4.1.4 Furthermore, in terms of the Trade Marks Act, and, particularly, Section 38(1) thereof, where a registered trade mark is used by a person other than the proprietor thereof, with the license of the proprietor, such use shall be deemed to be permitted use. Sub-section (2) of the same section, provides that permitted use shall be deemed to be used by the proprietor and shall not be deemed to be used by a person other than the proprietor.
- 4.1.5 Accordingly, as the Complainant does not hold registered rights in the “WINBLOK” trade mark and since any use that it may have made of

⁴ See *Video Parktown North (Pty) Ltd v Paramount Shelburn & Century* 1986 2 SA 623 (T) 632 D and *Allen & Hanburys Ltd v Generics (UK) Ltd* [1986] RPC 203 206

the trade mark accrues to the proprietor thereof (assuming the registered proprietor of the registration no. 1982/05392 does authorise such use), the Adjudicator cannot be satisfied that the Complainant has established, on a balance of probabilities, that it has rights in the name and trade mark “WINBLOK”. The same conclusion was reached by the Adjudicator in < **thelittleblackbook.co.za** >⁵.

4.1.6 The Complainant has failed to adduce evidence to explain why it alone has *locus standi* to file this Dispute and/or why the trade mark proprietor was not cited as a co-Complainant in this matter (as was contemplated in the letter of demand attached to the Complaint). Although previous ADR Decisions, such as <**seido.co.za (ZA2009-0030)**> and <**xnets.co.za (ZA2011-0077)**>, point out that the notion of “rights” for the purposes of Regulation 3(1)(a) is not trammelled by trade mark jurisprudence, it is beyond the Adjudicator’s ability to extrapolate the existence of rights where insufficient evidence is provided and such evidence is decisive on whether the Dispute stands to succeed or be dismissed.

4.2 Abusive Registration

4.2.1 In light of the above finding, it is not necessary for the Adjudicator to deal with the merits of the matter.

4.2.2 It is unfortunate in the circumstances, particularly in light of the fact that it is envisaged that the implementation of this Dispute Resolution Process should not be as stringent and Adjudicators in such Disputes do attempt to go out of their way to assist laymen (as the Adjudicator did in this particular Dispute, by taking it upon himself to peruse public records, including those of the Trade Marks Register and WHOIS database in an attempt to verify the evidence relied upon by the Complainant).

⁵ ZA2011-0103 at paragraph 4.1.3.

As was the view of the Adjudicator in <mwebsearch.co.za>⁶, an Adjudicator is not obliged to simply accept the veracity of a Complainant's version in the absence of a Response from the Registrant concerned, and will generally analyse a Complainant's version in order to satisfy herself or himself that the allegations contained in a complaint are acceptable and probably true. However, it is beyond the ability of the Adjudicator to surmise certain allegations or contentions where the Complaint lacks the requisite supporting evidence and/or explanations and should the Complainant (and/or the proprietor of the "WINBLOK" trade mark) intend to re-submit this Domain Name Dispute, the Adjudicator encourages the party(ies) to seek legal advice to ascertain the evidentiary standards/burden it is required to meet.

5. Decision

5.1 For all the foregoing reasons, the Dispute is refused.

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ANDREW PAPADOPOULOS
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TAMMI PRETORIUS
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⁶ ZA2007-0010 at paragraph 2.