

Decision

[ZA2019-0357]

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2019-0357
DECISION DATE:	25 June 2019
DOMAIN NAME:	gameready.co.za
THE DOMAIN NAME REGISTRANT:	Game Ready South Africa
REGISTRANT'S LEGAL COUNSEL:	None
THE COMPLAINANT:	Coolsytems, Inc
COMPLAINANT'S LEGAL COUNSEL:	Bates & Bates LLC – Kurt Schuettinger
2 nd LEVEL ADMINISTRATOR:	ZACR

1 Procedural History

- a) The Dispute was filed with the South African Institute of Intellectual Property Law (“the SAIPL”) on **10 January 2019**. On **21 January 2019** the SAIPL transmitted by email to ZACR a request for the registry to suspend the domain name at issue, and on **21 January 2019** 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”) and the SAIPL’s Supplementary Procedure.
- b) In accordance with the Regulations, the SAIPL formally notified Game Ready South Africa CC (“Registrant”) of the commencement of the Dispute on **31 January 2019**. In accordance with the Regulations the due date for the Registrant’s Response was **28 February 2019**. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on **1 March 2019**.
- c) The SAIPL appointed **Mr Deon Bouwer** as the Adjudicator in this matter on **07 March 2019**. The Adjudicator submitted a Statement of Acceptance and Declaration of Impartiality and Independence, as required by the SAIPL, to ensure compliance with the Regulations and Supplementary Procedure.
- d) The Registrant, belatedly, applied for an extension of the period within which to respond and, subsequent to having heard both parties, the Adjudicator granted the Registrant an extension of the period within which to file its Response. The Registrant filed its Response on **3 May 2019** and CoolSystems, Inc. (“Complainant”) filed its Reply on **14 May 2019**.

2 Factual Background

- 2.1 The Complainant is a company registered under the laws of California, United States of America.

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- 2.2 The Complainant first began to use the GAME READY trade mark in February 2002. It registered the GAME READY trade mark in the United States on 19 August 2003 in International Class 10 for “medical equipment, namely, thermal therapy devices for controlling body temperature, hyperthermia and hypothermia care, and localized hot/cold therapy” under trade mark registration number 2753866. The Complainant also registered the GAME READY trade mark in various other countries, throughout the world such as in the European Union, Argentina, Australia, Brazil, Canada, Chile, China, Hong Kong, India, Israel, Mexico, New Zealand, Norway, Panama, the Philippines, Japan, Russia, Saudi Arabia, Singapore, South Korea, Switzerland, Turkey, United Arab Emirates as well as in South Africa where the GAME READY trade mark is registered in class 10 for “medical equipment, namely, thermal therapy devices for controlling body tissue temperature, localized hot/cold therapy, and therapeutic hypothermia and temperature management, and parts and accessories therefore, namely, medical therapeutic wraps permitting simultaneous compression and fluid circulation, alternating heating and cooling, and medical therapeutic compression wrap sleeves, connector hoses for thermal therapy devices” under trade mark registration number 2016/11753.
- 2.3 The Complainant submits that the Respondent is a former distributor of its GAME READY products in South Africa and that the Complainant had terminated the agreement with the Registrant due to *“a lack of market growth, lack of proper communication, and the parties' inability to finalize a distribution agreement”*. The Complainant further submits that although the Registrant no longer distributes products in South Africa, it still holds itself out to the public as a distributor of authentic GAME READY products.
- 2.4 The gameready.co.za domain name (“Disputed Domain Name”) was registered on **20 February 2009**.
- 2.5 The Disputed Domain Name is registered in the name of “Game Ready South Africa”. However, it is common cause that “Game Ready South Africa” is and refers to the Registrant, a close corporation incorporated under the laws of South Africa.

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- 2.6 The Registrant submits that its current member, Gavin Dick (“Mr Dick”), who appears to be the Registrant’s predecessor in title, first used the GAME READY trade mark in South Africa early in 2007 to provide *“services and sourcing training aid and recovery products for professional sports teams and professional and semi-professional athletes around South Africa”* and, also, that the adoption of the GAME READY trade mark took place without Mr Dick having had any knowledge of the Complainant.
- 2.7 In 2008, “as a natural consequence of the growth of the trend and as part of our growing business development”, Mr Dick came across and approached the Complainant with a view to “purchasing the product marketed by them to be added to the range of products already successfully being marketed by Game Ready South Africa and for supply to our existing and growing customer base in South Africa”.
- 2.8 The Registrant further submits that in the period 2008 to 2016, first Mr. Dick, and thereafter the Registrant once it was incorporated on 17 December 2009, continued to place numerous orders and traded with the Complainant. The relation between the Registrant and the Complainant, however, became contentious.
- 2.9 The Registrant also submits that GAME READY products had purchased from the Complainant “was only part of the Product line and the multitude of services that we independently offered to the South African sports market
- 2.10 Finally, the Registrant submitted that it had registered the Disputed Domain Name to “formalise (its business) and become more professional”, the Complainant had, for many years, been aware of its use of the Disputed Domain Name and never raised an objection, and also, that it had through use of the GAME READY trade mark over many years in South Africa, established a reputation independent from the Complainant, which reputation had existed on the date on which the Complainant applied to registered the GAME READY trade mark in South Africa on 29 April 2016.

2.11 Shortly after the Complainant had applied to register the Game Ready trade mark in South Africa, the Complainant abruptly stopped supplying the Registrant, resulting in the Registrant not being able to fulfil existing orders and suffering a financial loss.

3 Parties' contention

3.1 Complainant

The Complainant contends that it owns the exclusive rights to the name and trademark GAME READY in South Africa and that the Disputed Domain Name is "*almost identical*" to its trade mark, takes unfair advantage of and is unfairly detrimental to its rights in the GAME READY trade mark.

The Complainant contends further that the Registrant uses the GAME READY trade mark without authorisation from the Complainant on its (the Registrant's) website and, also, that such use is likely to lead to confusion amongst members of the public.

The Complainant also contends that although its relationship with the Registrant has been terminated, the Registrant continues to hold itself out as a distributor of the Complainant. The manner in which the Registrant has merely duplicated and copied the Complainant's www.gameready.com website on its own website serves to confirm the position.

The Complainant, accordingly, submits that the Registrant has registered a confusingly similar domain name and is attempting to disrupt the Complainant's business and preventing the Complainant from exercising its rights in the Game Ready trade mark. Overall the Complainant contends that the disputed domain name, in the hands of the Registrant, is an abusive registration, and requests that the disputed domain name be transferred to it.

4. Discussion and Findings

- a) The Adjudicator has perused the record of this Dispute and all the documents lodged in this Dispute by the parties and has carefully noted the facts and contentions set out therein

- b) In order to make a finding that the Disputed Domain Name is an abusive registration, the Adjudicator is required to find that the Complainant has proved, on a balance of probabilities, in terms of Regulation 3(2), that the required elements of Regulation 3(1)(a) are present, namely that:
 - i) the Complainant has rights in respect of a name or mark,

 - ii) the name or mark in which the Complainant has rights is identical or similar to the disputed domain name; and

 - iii) in the hands of the Registrant, the disputed domain name is an abusive registration.

- c) An abusive registration is defined in the definition section in Regulation 1, to mean a domain name which either:–
 - a) was registered or otherwise acquired in a manner which, at the time when the registration or acquisition took place, took unfair advantage of, or was unfairly detrimental to, the Complainant's rights; or

 - b) has been used in a manner that takes unfair advantage of, or is unfairly detrimental to, the Complainant's rights.

4.1 Complainant's rights

- a) Regulation 1 defines “rights” to include intellectual property rights, commercial, cultural, religious and personal rights protected under South African law, but are not limited thereto.

The above definition is broad and “rights” is not restricted to rights founded on the principles of trade mark law, but recognises rights going beyond those in terms of the Trade Marks Act No. 194 of 1993 (“the Trade Marks Act”) or the requirements at common law for passing off. Such rights must, however, find recognition in law. See ZA2007-0008 (privatesale.co.za).

The Complainant is the proprietor of a trade mark registration for the Game Ready trade mark. It is further common cause between the parties that the Complainant’s products have been available and sold for many years in South Africa under the GAME READY trade mark and that the Complainant has established rights under the common law to the GAME READY trade mark (in South Africa).

The Adjudicator, accordingly, finds that the Complainant has established rights in the GAME READY trade mark and, also, that the Disputed Domain Name is similar to the Complainant’s GAME READY trade mark as is required in terms of Regulation 3(a).

Whilst the Complainant has established rights in the GAME READY trade mark it is not the end of the enquiry. The Registrant submits that it has established its own independent rights in the GAME READY trade mark, by virtue of its historic use of the GAME READY trade mark not only in relation to the Complainant’s products but also other products and services, which rights entitle the Registrant to continue using the GAME READY trade mark in relation to products and services other than those of the Complainant. Unfortunately, the Registrant elected not to submit any evidence that is submitted in support of this allegation.

The Adjudicator is, however, entitled, in the process of considering the matter, to conduct, limited, independent research to confirm facts relied upon by a party, such as, presently, the Registrant's submission that it had used the GAME READY trade mark, independent from the Complainant and its products.

The above is confirmed by WIPO in a document titled "*WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition ("WIPO Overview 2.0")*", which WIPO produced to assist awareness of its views on certain questions that commonly arise on key procedural and substantial issues in proceedings under the UDRP, especially. In clause 4.5 of this document, under the heading "*May a panel perform independent research when reaching a decision?*", WIPO remarks as follows:

"Consensus view: A panel may undertake limited factual research into matters of public record if it deems this necessary to reach the right decision. This may include visiting the website linked to the disputed domain name in order to obtain more information about the respondent and the use of the domain name, consulting a repository such as the Internet Archive (at www.archive.org) in order to obtain an indication of how a domain name may have been used in the relevant past, reviewing dictionaries or encyclopedias to determine any common meaning, or discretionary referencing of trademark online databases". (emphasis added)

The principle that an adjudicator may conduct its own search, such as of an online trade mark register, *in casu* the United Kingdom trade marks register, was also confirmed in WIPO D2002/1038 (hescobastion.com).

The Adjudicator conducted an online search of the Registrant's website at www.gameready.co.za, which site is freely accessible to members of the public, with a view to confirming the manner in which

the Registrant uses the GAME READY trade mark to render services and supply products.

There is no reference on the website to any product or service other than the Complainant's GAME READY products and contrary to the submissions of the Registrant, the website promotes, exclusively the Complainant, its business and products rendered under the GAME READY trade mark.

In the absence of any evidence to support the Registrant's allegation that it has established its own independent reputation in the GAME READY trade mark, the Adjudicator finds that the Registrant has not established any such rights, especially, in view of the well-recognised principle that, as a general rule, the goodwill that arises from the use of a trade mark by a distributor accrues to the benefit of the trade mark proprietor and not the distributor.

4.2 NAME OR MARK IDENTICAL OR SIMILAR TO THE DISPUTED DOMAIN NAME?

- a) The second element that the Adjudicator needs to establish is whether, on a balance of probabilities, the Complainant has proved that the GAME READY trade mark is identical or similar to the Disputed Domain Name

The Disputed Domain Name incorporates the Complainant's trade mark GAME READY in its entirety and is identical to the GAME READY trade mark.

4.3 IS THE DISPUTED DOMAIN NAME AN ABUSIVE REGISTRATION?

- a) The third element that the Adjudicator needs to establish is whether, on a balance of probabilities, the Disputed Domain Name, in the hands of the Registrant, is an abusive registration. The Complainant

asserts that the disputed domain name is an abusive registration, while the Registrant denies this.

The Complainant contends that, in terms of Regulation 4, the Registrant:

- Has registered the Disputed Domain Name primarily to intentionally block the registration of a name in which the Complainant has rights;
- Has registered the Disputed Domain Name primarily to unfairly disrupt the business of the Complainant;
- Has registered the Disputed Domain Name primarily to prevent the Complainant from exercising its rights in and to the GAME READY trade mark; and
- Is using the Disputed Domain Name in manner that will lead consumers to believe that the Registrant's business is registered to, operated by or authorised by or otherwise connected with the Complainant.

According to the definition, and to various Nominet decisions, there are two potential abuses, namely the registration of a domain name with an abusive intent or where the disputed domain name is used in an abusive manner.

It is apparent that at the time the Disputed Domain Name was registered, the Complainant and the predecessors in title of the Registrant were in some or other arrangement, in terms of which the Complainant's GAME READY products were distributed in South Africa. This arrangement continued between the Complainant and Registrant subsequent to the incorporation of the Registrant in 2009. There is no compelling evidence that the Disputed Domain Name was registered by the Registrant or its predecessor in title, primarily to, intentionally block the registration of a name in which the Complainant has rights, unfairly disrupt the business of the Complainant or prevent the Complainant from exercising its rights in and to the GAME READY trade mark.

However, the manner in which the Registrant is using and continues to use the Disputed Domain Name, which includes the fact that the Registrant has merely copied portions of the Complainant's website, the fact that the Registrant is using the Complainant's GAME READY trade marks on its website without the Complainant's permission and, also, the absence of any products and or services rendered by the Registrant under the GAME READY trade mark distinct from the Complainant's products, is likely to lead consumers to believe that the Registrant's business is registered to, operated by or authorised by or otherwise connected with the Complainant. The Adjudicator therefore finds, on a balance of probabilities, that the Disputed Domain Name is, in the hands of the Registrant, an abusive registration in terms of Regulation 4(1)(b)

5. Decision

- 5.1 For all the foregoing reasons, in accordance with Regulation 9, the Adjudicator orders that the domain name, gameready.co.za be transferred to the Complainant.

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DEON BOUWER
SAIIPL SENIOR ADJUDICATOR
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