

Decision

[ZA2010-0058]

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2010-0058
DECISION DATE:	2 February 2011
DOMAIN NAME	metallock.co.za
THE DOMAIN NAME REGISTRANT:	Margaret Mackintosh
REGISTRANT'S LEGAL COUNSEL:	N/A
THE COMPLAINANT:	Metallock Industrial Services Africa (Pty) Ltd
COMPLAINANT'S LEGAL COUNSEL:	DM Kisch Inc
2 nd LEVEL ADMINISTRATOR:	UniForum SA (CO.ZA)

1 Procedural History

- a) The Registrant, Margaret Mackintosh, registered the domain name metalock.co.za on 12 May 2008. It appears that she did so on behalf of the companies FD Clark & Co. (Pty) Ltd and/or Metalstitch SA (Pty) Ltd.
- b) On 14 April 2010, the Complainant contacted Mr Ian Mackintosh,¹ to request that the domain be deregistered or transferred to the Complainant. The Registrant refused to comply.
- c) On 09 July 2010, a letter of demand was sent to the above companies by DM Kisch Inc., the Complainant's Attorneys.
- d) The Dispute was filed with the South African Institute of Intellectual Property Law (the "SAIPL") on 18 November 2010. On 19 November 2010 the SAIPL transmitted by email to UniForum SA a request for the registry to suspend the domain name at issue, and on 24 November 2010 UniForum SA confirmed that the domain name had indeed been suspended.
- e) In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the Dispute on 7 December 2010. In accordance with the Regulations the due date for the Registrant's Response was 12 January 2011. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on 17 January 2011.
- f) The SAIPL appointed Adv Owen Salmon as the Adjudicator in this matter on 25 January 2011. The Adjudicator has 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.

1.

See below for the relevance of this.

2 Factual Background

- 2.1 The following facts are not disputed, and their not being palpably implausible, the Adjudicator accepts them for the purposes of the adjudication.
- 2.2 The Registrant is employed by Metalstitch SA (Pty) Ltd and is married to Ian MacKintosh, who, according to the website <http://www.clarkmetalstitch.co.za/> is part of the management team of both Metalstitch SA (Pty) Ltd and FD Clark & Co (Pty) Ltd. (The rest of the management team are reported as Robert and Fergus Clark, during the 1950's employees of the Complainant.) These two companies are direct competitors of the Complainant.
- 2.3 The complainant, Metalock Industrial Services Africa (Pty) Ltd, is an engineering company specialising in the repair and maintenance of marine engines and land based power engines in South Africa. It is a founder member of the Metalock International Association, a franchise network of some 100 specialist engineering companies in 70 countries. They serve the marine industrial sectors, using a unique casting repair process under the name Metalock. The Metalock systems, and business methods, are franchised around the world. The Complainant is the exclusive franchisee and representative of the Association in South Africa, and has 60 years of experience in maintenance, repair, machining and mechanical installations.
- 2.4 The Complainant has used and promoted its METALOCK name and trade mark extensively in Africa (and South Africa) in relation to its particular goods and services. This use has been illustrated in various mediums of advertising and promotional material, brochures, signage, stationary and website usage. One example is the website www.midroc.se which states that:-
"Metalock Engineering Group carries an extremely well reputed brand name in the field of mechanical specialist services and repair work. The business operations are set to offer reduced fixed costs for maintenance and investment projects for heavy industries worldwide. The group operates through Metalock-companies in Sweden, Germany, France, South Africa and the UK. Between them, the businesses include mechanical services such as

repair, on-site machining, maintenance and 'metallocking' - the unique and proven cast iron repair method. All Metallock units have a common international mobility enabling them to successfully undertake projects all over the world at short notice".

2.5 Neither the Registrant nor the said companies is a member of Metallock International Association Limited. It is not authorised to use the "Metallock" name or any of its systems and processes.

2.6 The Complainant registered as a company on 16 February 1996, under registration no. 1996/001756/07, and is the registered proprietor of the following trade marks, which are in full force and effect:-

- METALOCK & Device, registration no. 73/0461 in class 37; and
- METALOCK & Device, registration no. 61/0084 in class 06.

3 The Complainant's Contentions

3.1 The Complainant has registered and common-law rights in the METALOCK trade mark, and has rights deriving from its registered company name.

3.2 The relevant domain name appears not to be operational, so that the Registrant registered the domain with no intention to use it. The association of the Registrant with the Complainant's direct competitors, FD Clark & Co (Pty) Ltd and Metalstitch SA (Pty) Ltd (combined with the fact that Robert and Fergus Clark are ex-employees of the Complainant) leads to the conclusion that metalock.co.za was registered to prevent the Complainant from registering the domain name itself.

3.3 Through its registration and continued control over the Domain Name, the Registrant is unfairly disrupting the business of the Complainant. Since neither the Registrant nor the two above-named companies are members of the Metallock International Association, they are not entitled to use any of the business management systems or industrial processes, but more importantly, have no right to associate themselves with the METALOCK brand and name. If the disputed domain name were to become active, the public would inevitably associate the Registrant with either the Association or the

Complainant. In view of the lack of approved systems and processes, the Registrant's services and products would not be uniform with the standards of the Metalock International Association - to the detriment of both the Association at large, and to the Complainant in particular.

3.4 Through its continued control over the Domain Name, the Registrant is preventing the Complainant from registering the name of its business in the form of a (further) line extension of its business activities.

3.5 In terms of clause 5.1 of the Uniform SA Terms and Conditions, that governs the registration of a .co.za domain name, the Registrant warranted that *"it has the right without restriction to use and register the Domain Name" and "the use or registration of the Domain Name by [Registrant] does not or will not interfere with , nor infringe the right of any third party in any jurisdiction with respect to trade mark, service mark, trade name, company name, close corporation name, copyright or any other intellectual property right"*.

3.6 There is no doubt that Registrant knew of the Complainant's rights in the METALOCK trademark when the Domain was first registered.¹ Apart from anything else, the METALOCK name and mark has been in existence for over 50 years and can be regarded as well known in South Africa in the industry.

3.7 It is, accordingly, contended that the Registrant's registration of the Domain prevents the Complainant from exercising its rights, and that it is abusive as contemplated by the Regulations. Extensive authority is cited in support of the Complainant's contentions.

4 Discussion and Findings

4.1 The METALOCK name and trade mark is registered in the name of the Complainant, and is a recognized name and brand in the engineering industry. The Adjudicator finds that the Complainant has established rights as contemplated by Regulation 3(1)(a) read with Regulation 3(2).

2.

Reliance is placed on *Agnona S.p.A v. Antonietta Maria Loprete*, Case No.DRO2003-0005; and *Parfums Christian Dior v. Javier Garcia Quintas and Christiandior.net*, Case No. D2000-0226.

- 4.2 The Adjudicator further finds that the Domain is identical to the Complainant's METALOCK name and trade mark, and is also similar to the registered company and trade name of Metalock Industrial Services Africa (Pty) Limited as contemplated by Regulation 3(1)(a).
- 4.3 The question is whether the registration in the hands of the Registrant is an abusive registration.
- 4.4 An abusive registration means 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.
- 4.5 The Complainant is required to prove on a balance of probabilities that the required elements are present.
- 4.6 In terms of Regulation 4(1)(a), factors which may¹ indicate that the domain name is an abusive registration include circumstances indicating that the registration was primarily to:-
- a) transfer the domain name to a complainant for valuable consideration in excess of the Registrant's reasonable out-of-pocket expenses directly associated with acquiring the domain name;
 - b) block intentionally the registration of a name or mark in which the Complainant has rights;
 - c) disrupt unfairly the business of a Complainant;
 - d) prevent the Complainant from exercising its rights.

3. The definition under (b) is not relevant for present purposes.

4. Regulation 3(2).

5. The factors listed are not exclusive of other considerations.

4.7 The Registrant must have been aware of the Complainant's rights and interests in the name METALOCK. No evidence has been tendered to gainsay the Complainant's allegations in this regard, and anyway the probabilities would weigh heavily against the Registrant. Neither Ms Mackintosh nor the two companies (she 'represents') could do anything by way of legitimate trade under the name METALOCK for to do so would, *prima facie* at least, be deceptive. Coupled with the dormant state of the site, this inference is inescapable that the registration was obtained for motives which, in the Adjudicator's view, fall comfortably within Regulation 4(1)(a).

4.8 Accordingly, the Adjudicator finds that the registration is abusive and upholds the Complainant's Dispute.

5 Decision

5.1 For the foregoing reasons the Adjudicator orders that the domain name be transferred to the Complainant.

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ADV OWEN SALMON
SAIIPL SENIOR ADJUDICATOR
www.DomainDisputes.co.za

