

Decision

ZA2010-0061

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2010-0061
DECISION DATE:	11 March 2011
DOMAIN NAME	kwikhotsolar.co.za
THE DOMAIN NAME REGISTRANT:	Home Technologies cc, Dominic Symes
REGISTRANT'S LEGAL COUNSEL:	C&A Friedlander
THE COMPLAINANT:	Kwikot (pty) Limited
COMPLAINANT'S LEGAL COUNSEL:	Adams and Adams
2 nd LEVEL ADMINISTRATOR:	UniForum SA (CO.ZA)

1 Procedural History

- a) The Dispute was filed with the South African Institute of Intellectual Property Law (the “SAIPL”) on 24 November 2010. On 30 November 2010, the SAIPL transmitted by email to UniForum SA a request for the registry to suspend the domain name(s) at issue, and on 1 December 2010, UniForum SA confirmed that the domain name had indeed been suspended.
- b) In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the Dispute on 9 December 2010. In accordance with the Regulations the due date for the Registrants’ Response was 14 January 2011. On 10 January 2011 the Registrant filed a document and the Case Administrator informed the Registrant that the document filed was not a Response. On that same day the Registrant requested an extension of time for the submission of their Response. The Case Administrator agreed to extend the deadline for the Response until 21 January 2011. On 21 January 2011 the Registrant filed yet another document. The Case Administrator informed the Registrant the document filed did not constitute a Response and agreed to extend the deadline for the Response one last time until 25 January 2011. The Registrant remained in default and failed to submit a Response. The effect of this default will be discussed infra .
- c) The SAIPL appointed Tana Pistorius as the Adjudicator in this matter on 14 February 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.

2 Factual Background

- a) The Complainant is Kwikot (Pty) Limited, a South African company. Complainant has an extensive trade-mark portfolio consisting of the word mark KWIKOT and several device marks that incorporate the work “kwikot”.

It registered its first trade mark in South Africa in 1946. The KWIKOT trade-marks are registered in classes 11 and 20.

- b) The Complainant registered the domain name kwikot.co.za on 4 July 2000. The domain names resolves to the web site of the Complainant at www.kwikot.com.
- c) On 4 February 2010 the domain name kwikhotsolar.co.za was registered by Home Technologies CC and Mr. Dominic Symes. The Complainant became aware of this domain name registration in April 2010. On 29 April 2010 the Complainant's legal representative sent a written demand for the cancellation of the domain name registration to Home Technologies CC and Mr. Dominic Symes.
- d) In April 2010 the domain name resolved to an active web site of Kwikhot Solar CC at www.kwikhotsolar.co.za. On 29 April 2010 the Complainant's legal representative sent a written demand to Kwikhot Solar CC demanding a change of the close corporation's name and that it must cease to use the domain name kwikhotsolar.co.za.
- e) In a letter addressed to the Complainant, dated 30 June 2010, Kwikhot Solar CC's legal representative noted that the Registrant was neither prepared to transfer the domain name to the Complainant nor to cancel the disputed domain name registration for no consideration. The legal representative also referred to its undertaking of 2 June 2010 to change Kwikhot Solar CC's name; to take down the web site and to cease to use the name "kwikot".
- f) The Complainant did not produce any evidence of correspondence from the legal representative of Home Technologies CC and/or Mr. Dominic Symes.
- g) Kwikhot Solar CC later changed its name to Hi Temp Solar Heating CC and the disputed domain name now resolves to an active web site at www.hi-temp.co.za.

3 Parties' Contentions

3.1 Complainant

- a) The Complainant has rights in respect of the trade mark KWIKOT. The Complainant has registered and common law rights in respect of the well known KWIKOT trade mark in connection with the goods and services falling within classes 11 and 20. Copies of official certificates of registration were attached.
- b) Its trade mark KWIKOT is identical to the domain name in Dispute, i.e. kwikhotsolar.co.za. In the hands of the Registrant, the domain name is an abusive registration.
- c) That the use of the domain name by Home Technologies CC amounts to trade mark infringement in terms of section 34 (1)(b) and(c).
- d) That the use of the disputed domain name is likely to take unfair advantage of or be detrimental to the distinctive character or repute of the Complainant's well-known registered trade marks.
- e) That the Registrant facilitate or aid and abet the unauthorised use of the domain name by Hi-Temp Solar heating CC for the purpose of trade mark infringement.
- f) That the disputed domain name is an abusive registration because it was registered in a manner that took unfair advantage of and was unfairly detrimental to the Complainant's rights.
- g) That the Registrant have registered or otherwise acquired the domain name primarily to disrupt unfairly the business of the Complainant.
- h) That the domain name was registered in a way that leads people or businesses to believe that the domain name is registered to, operated or authorised by, or otherwise connected with the Complainant. Consumers will believe that the disputed domain name is authorised or controlled by the Complainant.

- i) The Complainant requests that the Adjudicator issue a decision for the cancellation of the domain name.

3.2 Registrant

- a) Regulation 18(1)(a) provides that a Registrant must respond to the statements and allegations contained in the Dispute in the form of a Response. In such a Response, the Registrant must detail any grounds to prove the domain name is not an abusive registration.
- b) The Supplementary Procedure of the SAIPL provides in clause 11 for limited extensions upon good cause being shown. Clause 11 also provides that the Case Administrator shall act strictly in granting any extensions, mindful that the Regulations are intended to provide an efficient and expeditious means to resolve domain name Disputes. The Case Administrator allowed two extensions.
- c) The Adjudicator finds that there are no exceptional circumstances for the Registrants' failure to submit a Response.
- d) Regulation 28(2) provides that, in the absence of exceptional circumstances, an Adjudicator shall draw such inferences, as it considers appropriate, from the failure of a party to comply with a provision or requirement of the Regulations.
- e) The Adjudicator draws the following two inferences: (a) the Registrant do not deny the facts that the Complainant asserts, and (b) the Registrant do not deny the conclusions that the Complainant draws from these facts.
- f) Notwithstanding these inferences, the Adjudicator has analyzed Complainant's version in order to satisfy herself that the allegations contained in the Complaint are acceptable and probably true (see ZA2007-0010 (Multichoice Subscriber Management v JP Botha)).

4 Discussion and Findings

4.1 Complainant's Rights

- a) The Complainant has registered rights in respect of the trade mark KWIKOT that date back to 1947. Prima facie, the Complainant is the proprietor of validly registered trade marks that comprise of, or incorporate, the trade mark KWIKOT.
- b) The Registrant did not dispute the evidence submitted by the Complainant and the Adjudicator finds on such evidence that KWIKOT is indeed a well-known trade mark within the meaning of Section 34(1)(c) of the Trade Marks Act.
- c) The domain name at issue is <kwikhotsolar.co.za>. The Adjudicator finds that the word "solar" and the suffix .co.za does not influence on the consideration of similarity (see D2002-0810 Benetton Group SpA v Azra Khan).
- d) The Adjudicator finds that the domain name kwikhotsolar.co.za is similar to the Complainant's trademark.
- e) The Complainant has thus established that it has rights in respect of the trade mark KWIKOT, which is similar to the disputed domain name.

4.2 Abusive Registration

- a) The Complainant asserted that the disputed domain was registered primarily to disrupt unfairly its business. In ZA2007-0003 (Telkom SA Limited v Cool Ideas 1290 CC) it was confirmed that the disruption of the business of a Complainant may be inferred if the Registrant has registered a variation of the Complainant's mark by merely adding a generic word.
- b) The disputed domain name kwikhotsolar.co.za is obviously connected with the Complainant and its solar and electric heater

products. The trade mark of the Complainant has been incorporated into a domain name and this unfairly disrupts the Complainant's business.

- c) Accordingly, the Adjudicator finds, on a balance of probabilities, that the Registrant registered the disputed domain name primarily to disrupt unfairly the business of the Complainant.
- d) The Complainant asserted that the disputed domain name was registered to create an impression of association between the Registrant, the Complainant and its trade mark KWIKOT (see D2002-0810 Benetton Group SpA v Azra Khan). As the domain name kwikhotsolar.co.za is similar to the trade mark KWIKOT, and the word "solar" refers to identical and similar goods the Complainant trades in it leads people or businesses to believe that the domain name is registered to the Complainant. This may be characterised as opportunistic bad faith (see Case No. D2003-0985 Société des Bains de Mer et du Cercle des Etrangers à Monaco v Internet Billions Domains Inc).
- e) Accordingly, the Adjudicator finds, on a balance of probabilities that the Registrant have registered the disputed domain name in a way that leads, or will lead, people and businesses to believe that the domain name is registered to, operated or authorised by, or otherwise connected with the Complainant

4.3 Abusive use

- a) The disputed domain name kwikhotsolar.co.za resolves to the web site of Hi-Temp Solar Heating CC at www.hi-temp.co.za. The Registrant Home Technologies CC is also the Registrant of the domain name hi-temp.co.za. The Complainant alleges that the use of the domain name by the Registrant and/or Home Technologies CC amounts to trade mark infringement in terms of section 34 (1)(b) and (c) of the Trade Marks Act of 1994; and that to the extent that the

Registrants are not using the disputed domain name they are facilitating or aiding and abetting the unauthorised use of the domain name by Hi-Temp Solar Heating CC for the purpose of trade mark infringement. The infringement of trade mark rights in terms of trade-mark legislation falls outside the ambit of these regulations and the Complainant's averments in this regard should be addressed to the correct forum.

- b) The Complainant also alleged that the disputed domain name is an abusive registration as it is being used in a manner that takes unfair advantage of, or is unfairly detrimental to the Complainant's rights and that the disputed domain name is being used in a manner that would lead businesses to believe that the domain name is operated or authorised by the Complainant.
- c) Home Technologies CC is also the Registrant of the domain name hi-temp.co.za and this domain name and the disputed domain name resolve to the web site of Hi-Temp Solar Heating CC at www.hi-temp.co.za. To indicate the involvement of the other Registrant, Mr. Symes to the use of the disputed domain name, the Complainant pointed out that Mr. Symes appears to be a relative of the members of Home Technologies CC as the members' surnames on the Certificate of incorporation is identical to that of Mr. Symes. It would have been helpful if the Complainant had submitted the Certificate of incorporation of Hi-Temp Solar Heating CC to illustrate the Registrants' connection with that close corporation. However, the fact that Mr. Symes is featured prominent in the "About us" link on www.hi-temp.co.za is adequate to point to his connection with this close corporation.
- d) This adequately demonstrates that both Registrants are making use of the disputed domain name in a manner that takes unfair advantage of, or is unfairly detrimental to the Complainant's rights and that the disputed domain name is being used in a manner that would lead

businesses to believe that the domain name is operated or authorised by the Complainant.

4.4 Factors indicating the domain name is not an abusive registration

- a) Regulation 5 sets out various non-exhaustive factors that may indicate that the disputed domain name is not an abusive registration.
- b) By not submitting a Response, the Registrant have failed to rely on any of these factors to demonstrate that they did not register and use the domain name in bad faith (see D2002-0810 Benetton Group SpA v Azra Khan).
- c) There is no evidence that the Registrants are or have been commonly known by the domain name.
- d) The Adjudicator finds that none of the non-exhaustive factors set out in Regulation 5 may be invoked to indicate that the disputed domain name is not an abusive registration.
- e) By way of summary, the Adjudicator finds that the above factors indicate, on a balance of probabilities, that the disputed domain name is an abusive registration.
- f) Based on the reasons and findings set out above, the Adjudicator makes the overall finding that, in the hands of the Registrant, the domain name kwikhotsolar.co.za is an abusive registration. It was registered in a manner, which, at the time when the registration took place, took unfair advantage of the Complainant's rights, and it was unfairly detrimental to the Complainant's rights. The disputed domain name has also been used by the Registrant in a manner that takes unfair advantage of the Complainant's rights, and such use is unfairly detrimental to the Complainant's rights.

5. Decision

For all the foregoing reasons, in accordance with Regulation 9, the Adjudicator orders that the domain name “kwikhotsolar.co.za” be cancelled.

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TANA PISTORIUS
SAIPL SENIOR ADJUDICATOR
www.DomainDisputes.co.za