

Decision

[ZA2011-0093]

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2011-0093
DECISION DATE:	05 January 2012
DOMAIN NAME	bakubunglodge.co.za; kwamaritanelodge.co.za; themichelangelohotel.co.za
THE DOMAIN NAME REGISTRANT:	African Dreams
REGISTRANT'S LEGAL COUNSEL:	N/A
THE COMPLAINANT:	Legacy Hotels and Resorts (Proprietary) Limited
COMPLAINANT'S LEGAL COUNSEL:	Jennifer Pienaar Adams & Adams Attorneys
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 **8 November 2011**. On **8 November 2011** the SAIPL transmitted by email to UniForum SA a request for the registry to suspend the domain names at issue. 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 the Registrant of the commencement of the Dispute on **11 November 2011**. In accordance with the Regulations the due date for the Registrant’s Response was **9 December 2011**. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on **11 December 2011**.
- c) The SAIPL appointed **Charles Webster** as the Adjudicator in this matter on **13 December 2011** and **Herman Blignaut** as Trainee Adjudicator on **14 December 2011**. The Adjudicators have submitted their Statements of Acceptance and Declarations of Impartiality and Independence, as required by the SAIPL to ensure compliance with the Regulations and Supplementary Procedure.

2 Factual Background

- a) Legacy Hotels & Resorts (Proprietary) Ltd (hereinafter referred to as “the Complainant”) is a private company trading in the hospitality industry. They are known for their creation and management of luxury hotels, resorts, lodges, golf and residential estates. The Complainant holds a portfolio of a number of well known four and five star hotels, resorts and bush lodges. They own 14 hotels in countries all over Africa. The Complainant also provides, through its subsidiary companies, hospitality services such as marketing, design, development, management and operations services, and refurbishment of new and existing hotels and management services.

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- b) The Complainant is the proprietor in South Africa of the following trade mark registrations:
- i) 95/01583 **THE MICHELANGELO** in class 42 in respect of *“Hotels, hotel management, tourist hotels, boarding houses and accommodation bureaux and services, tourist and travel agents, all for reserving accommodation at hotels, boarding houses and the like, bars, bottle stores and off-sales, restaurants, snack bars, coffee houses, cafeterias, road-houses, canteens, fast food outlets, catering services and other services including in this class concerned with the provision of food and beverages for human consumption”*;
 - ii) 2005/08355 **MICHELANGELO TOWERS** in class 43 in respect of *“Services for providing food and drink, temporary accommodation”*;
 - iii) 2005/08354 **MICHELANGELO TOWERS** in class 36 in respect of *“Insurance, financial affairs, real estate affairs”*;
 - iv) 2008/26975 **KWA MARITANE** in class 43 in respect of *“Services for providing food and drink, temporary accommodation”*; and
 - v) 2008/26251 **BAKUBUNG** in class 43 in respect of *“Services for providing food and drink, temporary accommodation”*.
- c) The Complainant is also the Applicant for the registration of the following trade marks:
- i) 2011/10534 **THE MICHELANGELO** logo in class 43 in respect of *“Services for providing food and drink, temporary accommodation”*;
 - ii) 2011/10535 **KWA MARITANE** logo in class 43 in respect of *“Services for providing food and drink, temporary accommodation”*; and
 - iii) 2011/10536 **BAKUBUNG** logo in class 43 in respect of *“Services for providing food and drink, temporary accommodation”*.

- d) The Complainant owns and uses the domain names **bakubung.co.za**, **kwamaritane.co.za** and **michelangelo.co.za**.
- e) African Dreams has registered the domain names **bakubunglodge.co.za**, **kwamaritanelodge.co.za** and **themichelangelohotel.co.za**. Such registrations were not authorised by the Complainant.

3 Parties' Contentions

3.1 Complainant

- a) The Complainant alleges that the registration of the Registrant's domain names <bakubunglodge.co.za>, <kwamaritanelodge.co.za> and <themichelangelohotel.co.za> (hereinafter also collectively referred to as "the disputed Domain Names") are abusive registrations as defined by Regulation 1 of the .ZA domain name Alternate Dispute Resolution Regulations promulgated in terms of the Electronic Communications and Transactions Act 25 of 2002, under Government Gazette 29405, read together with Regulation 4(1)(b).
- b) The Complainant further alleges that by registering and using the domain names, the Registrant would mislead the public into believing that the Registrant's domain names are operated and authorised by or are associated with the Complainant, which is in conflict with Regulation 4(1)(b).
- c) The Complainant further alleges that the registrant's domain names bakubunglodge.co.za, kwamaritanelodge.co.za and themichelangelohotel.co.za wholly incorporates its trade marks KWA MARITANE, BAKUBUNG and THE MICHELANGELO. This unauthorised use by the Registrant of the Complainant's trade marks in its domain names, takes unfair advantage of the Complainant's rights to its trade mark.

3.2 Registrant

The Respondent did not reply to the Complainant's contentions.

4 Discussion and Findings

4.1 Complainant's Rights

- a) The Complainant in the present case relies on its registered trade mark rights in respect of KWA MARITANE, BAKUBUNG and THE MICHELANGELO and also its common law rights therein, which signifies its goodwill and reputation in the businesses it conducts at the Kwa Maritane, Bakubung and The Michelangelo establishments.
- b) Regulation 3(2) requires that a Complainant prove, on a balance of probabilities, that:
 - i) The Complainant has rights in respect of a name or mark;
 - ii) The name or mark is identical or similar to the Domain Name; and
 - iii) The Domain Name, in the hands of the Registrant, is an abusive registration.
- c) The Complainant has provided extensive (and undisputed) evidence proving rights in and to the names KWA MARITANE, BAKUBUNG and THE MICHELANGELO with which to found its complaint.
- d) The Domain Names at issue, namely bakubunglodge.co.za, kwamaritanelodge.co.za and themichelangelohotel.co.za incorporate as the dominant elements thereof the Complainant's referenced trade marks. The only reason why the domain names cannot be said to be identical to the Complainant's trade marks is due to the presence in the domain names of the words "lodge" and "hotel". These words are wholly descriptive and designate the activities of interest to the

Complainant under its KWA MARITANE, BAKUBUNG and THE MICHELANGELO trade marks. In this regard, there can, with the necessary approval, be referred to the Adjudicator's Decision in Case Number ZA2008-0023 in the dispute pertaining to the Domain Name <suncityvacation.co.za> dated 11 November 2008:

With regards to the inclusion of the word "vacation" in the disputed Domain Name, it is a settled principle in Domain Name dispute resolution that the inclusion of a generic word or a word generic to the industry in question, is not a distinguishing feature (see WIPO decisions [wwwzonediet.com \[D2007-0286\]](#); [fryelectronic.com \[D2006-1435\]](#) and Nominet decisions [allianceandleicesterbankplc.co.uk \[DRS 2006-3280\]](#) and [mira-uk.co.uk \[DRS 2006-3727\]](#)). In the context of this established principle, the Adjudicator finds that the word "vacation" is generic to the Complainant's and Respondent's industry. Accordingly, the inclusion of the word "vacation" is not sufficient to distinguish the disputed Domain Name from the Complainant's SUN CITY trade mark.

- e) Similarly here, the words "lodge" and "hotel" do not distinguish the disputed Domain Names from the Complainant's marks. Therefore, the disputed Domain Names have the requisite identity or similarity to found the complaint.

4.2 Abusive Registration

- a) The Regulations define "Abusive Registration" as:
"a Domain Name which either:
- i) 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

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- ii) Has been used in a manner that takes unfair advantage of, or is unfairly detrimental to the Complainant's rights."
- b) Regulation 4 lists a non-exhaustive list of factors, which may be evidence that the Domain Name is an Abusive Registration. The Complainant has indicated that it believes that in particular it has made out a claim under regulation 4(1)(b), which provides that factors which may indicate that the Domain Name is an abusive registration include "circumstances indicating that the Registrant is using, or has registered, the Domain Name 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."
- c) The complaint appears to relate to both the registration and use of the domain names <bakubunglodge.co.za>, <kwamaritanelodge.co.za> and <themichelangelohotel.co.za>. In the judgment of the Adjudicator, the registration and use of the disputed Domain Names in the face of the well-known and registered trade marks of the Complainant will inevitably lead the public to believe that the Registrant is associated with the Complainant. It will also take advantage of the Complainant's rights and such advantage will be unfair. It is unfair to take advantage of the reputation of another, built up over a long period as the result of considerable effort and expense, without contributing in any significant way to that reputation. It is reaping where another has sown. The Adjudicator is fortified in his conclusion by the fact that the use of the Domain Names has been in conjunction with a website that seeks to take advantage of the business and reputation of the Complainant's establishments.
- d) further unfair advantage which the Registrant is benefiting from is that the public is using its online booking facility to make reservations at the Complainant's lodges and hotel, instead of approaching the Complainant direct for those bookings. Such financial advantage can be ascribed to the unfair use of the disputed Domain Names. As such,

the Complainant pays a commission to the Registrant that it would not otherwise pay. Whilst it is clear that the Registrant is unfairly benefiting from the use of the disputed Domain Names, it appears equally clear that such use is to the direct detriment and prejudice of the Complainant as it is out of pocket as a result of the commissions paid.

- e) Consequently, the Adjudicator finds that the disputed Domain Names in the hands of the Registrant are abusive registrations as they have been registered (and subsequently used) in such a way that leads people or businesses to believe that the disputed Domain Names are registered to, operated or authorised by, or otherwise connected with the Complainant.

5. Decision

- a) For all the foregoing reasons, in accordance with Regulation 9, the Adjudicator orders that the domain names BAKUBUNGLODGE.CO.ZA, KWAMARITANELODGE.CO.ZA and THEMICHELANGELOHOTEL.CO.ZA be transferred to the Complainant.

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