

Decision

ZA2013-0132

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2013-0132
DECISION DATE:	31 May 2013
DOMAIN NAME	multi-fix.co.za
THE DOMAIN NAME REGISTRANT:	Leelan Sarugaser
REGISTRANT' S LEGAL COUNSEL:	N/A
THE COMPLAINANT:	Multifix (Pty) Ltd
COMPLAINANT' S LEGAL COUNSEL:	Adams & 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 **13 March 2013**. The dispute was amended and such amendment filed the SAIPL on **25 March 2013**. On **26 March 2013** the SAIPL transmitted by email to UniForum SA a request for the registry to suspend the domain names at issue, and on **26 March 2013** UniForum SA 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 the Registrant of the commencement of the Dispute on **28 March 2013**. In accordance with the Regulations the due date for the Registrant’ s Response was **30 April 2013**. The Registrant did not submit any Response, and accordingly, the SAIPL notified the Registrant of its default on **2 May 2013**.
- d) The SAIPL appointed **Mrs. Nola Bond** as the Adjudicator assisted by Trainee Adjudicator **Mr. Andrew Papadopoulos** in this matter on **16 May 2013**. The Adjudicators have submitted the 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

- 2.1 The Complainant is Multifix (Proprietary) Limited, a company incorporated under the Laws of South Africa under registration number 1984/007784/07

and with an address at 6 Marinus Street, Marconi Beam, Milnerton, Cape Town, Republic of South African. The Complainant has its origin in a sole proprietorship, established in 1978, under the trading name M.B. Distributors. In 1984, the Complainant became incorporated as Multifix (Proprietary) Limited.

2.2 The Complainant has three outlets in Goodwood and Marconi Beam in the Western Cape, as well as in Randburg, Gauteng.

2.3 The Complainant is the proprietor of the MULTIFIX trade mark registrations and applications, as set out in Annexure "C" of the Complaint. These registrations include South African trade mark registration and application -

- no. 1982/06931 **MULTIFIX** in class 6, for which the complainant admits that the registration will not debar third parties from the *bona fide* descriptive use, in the ordinary course of trade, of the word "FIX" , and having a registration date of 6 September 1982;
- no. 2010/06273 **MULTIFIX** in class 20, and having a registration date of 25 March 2010;
- nos. 2008/28565 - 69 **MULTIFIX** in classes 1, 19, 35, 37 and 42, and having an application date of 4 December 2008.

The first two trade mark numbers mentioned above are registered and are presently valid and in force, and hence the Complainant claims statutory rights in respect of this name and trade mark in South Africa. The subsequent 5 mentioned trade mark numbers have been advertised and, the Complainant alleges, are due to be registered within the first half of 2013.

2.4 The Complainant' s aforementioned trade mark registrations cover goods used in, *inter alia*, the building hardware, construction and handyman industries. The Complainant' s aforementioned trade mark applications further expand on the goods included in its registrations to a more

comprehensive list of goods used in the same industries, as well as seeks a monopoly over the MULTIFIX trade mark for services in respect of, *inter alia*, the sale of goods in the retail and wholesale-trade, building construction, repair and installation.

2.5 The Complainant also relies on having made extensive and continuous use of the name and trade mark MULTIFIX since 1978 in respect of producing, importing and distributing industrial fixings and fasteners. Hence it claims to have strong common law rights in this trade mark in South Africa.

2.6 The disputed domain name multi-fix.co.za was registered on 11 July 2011 in the name Leelan Sarugaser.

2.7 It is notable that the Complainant's trade mark registrations and applications for MULTIFIX all pre-date the registration of the disputed domain name.

3 Parties' Contentions

3.1 Complainant

a) The Complainant contends that it has prior common law rights in South Africa in and to the trade mark MULTIFIX based on extensive and continuous use dating from 1978.

b) The Complainant further contends that it has prior statutory viz registered trade mark rights in South Africa in respect of the MULTIFIX mark dating from 1982. These rights relate to goods used in, *inter alia*, the building hardware, construction and handyman industries.

- c) The Complainant further contends that the disputed domain name is identical or confusingly similar to its MULTIFIX trade mark and hence is likely to create confusion or deception in the market.
- d) Hence the Complainant contends that, for various reasons, the disputed domain name is an abusive domain name in the hands of the Registrant, and that the disputed domain name should be transferred to the Complainant.

3.2 Registrant

- a) The Registrant did not respond to the Complainant's contentions.
- b) The Complainant alleges that the Registrant did verbally undertake to cease all use of the MULTI-FIX on 22 August 2012 and would furnish this undertaking in writing. No confirmation of this is provided by the Complainant and consequently the allegation is to be disregarded as hearsay.

4 Discussion and Findings

- a) The Adjudicator finds, on a balance of probabilities, that the disputed domain name is identical to the Complainant's MULTIFIX trade mark. The Adjudicator accepts the application of the decision in the Nutri-Ag case ZA2011-0102 to this matter, in which it was held that -

“In the determination of the Adjudicator, the insertion of a hyphen between “Nutri” and “Ag” does not alter the substantial identity of the registered trade marks and the domain name complained of.”

Consideration of the mark does bear a highly suggestive element, as the word “FIX” does describe the services rendered by plumbers, electricians and handymen, and the word “MULTI” could suggest the various “fixing

services” offered by such businesses. However, for the purposes of this enquiry, distinctiveness on the part of the trade mark (in particular, the Complainant’s class 37 application) is assumed, for distinctiveness must be taken to have been established as required by section 9 of the Trade Marks Act, 194 of 1993 at the time of acceptance.

4.1 Complainant’s Rights

4.1.1 As discussed above, and if considered on the merits, the Adjudicator finds, on a balance of probabilities, that the Complainant has established rights in and to the MULTIFIX trade mark. Comments regarding such rights are included in paragraphs 4.1.2 to 4.1.4 below.

4.1.2 Having regard to the Complainant’s statutory rights, the Complainant is the proprietor of two registrations for the MULTIFIX trade mark in respect of goods, which the Adjudicator finds to be related to the services offered by the Registrant in the website to which the disputed domain name points. It appears from the Registrant’s website (annexure I to the Complaint) that the Registrant offers plumbing and electrical services under the MULTIFIX name. The goods listed in the Complainant’s registrations, in the Adjudicator’s view, are provided in such broad terms to include goods used by a plumber or electrician.

That said, the Courts have taken a narrow view on what constitutes related goods and services and in this regard the following cases have relevance: *Mettenheimer v Zonquasdrif Vineyards CC and Another* (18998/2010) [2012] ZAWCHC; *Foschini Retail Group (Pty) Ltd v Coetzee* (Due South case) (A1/11) [2013] ZANGHC, *Waterford Wedgwood PLC v Assembled Investments (Pty) Limited* ECJ C-398/07 P.

The enquiry is thus whether the Registrant's mark is being used without authorisation, in the course of trade, in relation to services which are so similar to the Complainant's goods in respect of which its mark is registered that in such use there exists the likelihood of deception or confusion. Use by the Registrant of the MULTI-FIX mark is clearly without the Complainant's authority and is in the course of trade.

In paragraph 12 of annexure K (the Complainant's formal cease and desist letter), the Complainant's attorneys allege that there is actual confusion arising in the market and it is unfortunate that evidence of this was not furnished as this would place the Complainant's argument that the parties' respective services and goods are related, beyond reproach.

However, having regard to the Complainant's trade mark applications and, in particular, no. 2008/28568 MULTIFIX in class 37 (which shall be dealt with in paragraph 4.1.3 below), such enquiry becomes academic as the Complainant is obtaining registered rights in the MULTIFIX mark in respect of the identical services to those offered by the Registrant under its MULTI-FIX mark.

4.1.3 Turning now to the Complainant's trade mark nos. 2008/28565 - 69 MULTIFIX in classes 1, 19, 35, 37 and 42, and as the registration certificates are expected in the first half of 2013, it would appear that the applications are not under opposition. Consideration of the official extracts from the Trade Marks Register (annexure C), a third party did obtain an extension of the opposition term until 29 March 2011 and no further extensions are recorded on the Register. In the premise, at the time of lodging this dispute, registration of the

Complainant' s applications appears to be a mere formality.

The Complainant' s trade mark nos. 2008/28565 - 69 were filed on 4 December 2008 and on registration, such rights arising from the registrations shall apply retrospectively to such date. This date pre-dates the registration of the disputed domain name of some two and a half years and there is no evidence before the Adjudicator indicating that the Registrant used the MULTI-FIX mark prior to registration of the disputed domain name.

The trade mark application of most relevance is no. 2008/28568 MULTIFIX in class 37 for services in respect of “*building construction; repair; installation services*” . These services are identical to those offered by the Registrant under its MULTI-FIX mark, as provided on the website to which the disputed domain name points.

4.1.4 In substantiation of the Complainant' s contention that it has acquired a reputation in the MULTIFIX trade mark in relation to goods used in, *inter alia*, the building hardware, construction and handyman industries, and the services in respect of producing, importing and distributing industrial fixings and fasteners, the Complainant -

- contends that it has used the mark since 1978;
- contends that it has used the MULTIFIX mark in respect of goods which one would expect to be used by plumbers and electricians;
- provided turnover figures for the past 25 years relating to specifically the sale of MULTIFIX goods (and such turnover reached nearly R36 million last year);
- contends that it renders such services and offers for sale such goods under the MULTIFIX name in three branches around South African (two being in the Western Cape and one in Gauteng);

- contends that its MULTIFIX goods are sold through agents in Fish Hoek, Durban, East London, Bloemfontein, and Windhoek; and
- advertising spend and examples of advertising of the MULTIFIX trade mark.

Although the substantiation does not make it clear whether this reputation extends to the registrant's area of business (ie. no information on how long the Complainant's Randburg branch has been in operation, how much of the turnover relates to sales in Gauteng, and the areas to which the MULTIFIX trade mark was advertised and promoted), these contentions are not challenged.

Furthermore, the Complainant's website would, in theory, extend across the entire South African region.

When considering a dispute of passing off, one considers the parties' respective marks as used in the market. It is notable that the Registrant's MULTI-FIX mark uses the same, or at least very similar embellishments (to depict a drill bit) around the letter "I" (albeit the second "I" in the name) to that used by the Complainant in its MULTIFIX mark. Moreover, the Registrant has selected the same or at least a similar shade of blue in its corporate colour scheme, in circumstances where the Complainant also uses a shade of blue as its corporate identity.

On consideration of the evidence before the Adjudicator, the Adjudicator accepts that the Complainants have acquired a protectable reputation in and into the business bearing the MULTIFIX trade mark.

- 4.1.5 Finally, the Registrant has failed to put forward a valid defence to the above position, notwithstanding the Registrant been given ample opportunity to respond to the Complainant's contentions (at least on

5 separate occasions).

4.2 Abusive Registration

4.2.1 An abusive registration means 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 Complainants' rights; or
- (ii) Has been used in a manner that takes unfair advantage of, or is unfairly detrimental to the Complainants' rights.

The Complainants are required to prove, on a balance of probabilities, that the required elements are present.

4.2.2 In terms of Regulation 4(1), factors which may indicate that the Domains are abusive registrations include circumstances indicating that the registrations were primarily to:-

(a)

- (i) Block intentionally the registration of a name or mark in which the Complainant has rights;
- (ii) Disrupt unfairly the business of a Complainant;
- (iii) Prevent a Complainant from exercising its rights.

(b) 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.

Although there is no evidence that such blocking has been intended primarily, certainly this is the effect that the disputed domain name has on the business of the Complainant. This factor is undeniably

present, and hence the disputed domain name appears to be an abusive registration. In support thereof earlier domain name decisions indicate that such “barring” or “blocking” are indicative of an abusive registration. See for example, the decisions in DRS00583 and DRS01378.

More particularly, the Complainant has also argued that the disputed domain name unfairly disrupts its business because the disputed domain name is likely to cause confusion in that MULTI-FIX is somehow connected to or involved with MULTIFIX.

Regulation 4(1)(a)(iii) includes, as a third factor, that may indicate that the domain name is an abusive registration, the circumstance that the Registrant has registered or otherwise acquired the domain name primarily to disrupt unfairly the business of the complainant.

As discussed above, and if considered on the merits, the Adjudicator finds, on a balance of probabilities, that use of the disputed domain name will likely lead to confusion or deception arising in the market. Given the likelihood of this occurring, and although there is no evidence of an intention primarily to do so, the disputed domain name has such an effect, and hence the disputed domain name appears to be an abusive registration. In addition, various foreign decisions have found that confusion may be inferred where the Registrant registered a domain name containing the Complainant’s name plus a generic element (in this instance, being the hyphen). See for example the foreign decisions in WIPO/D2000-0777, WIPO/2000-878, NAF/FA95033 and NAF/FA95402.

4.2.3 Regulation 4(1)(a)(iv) includes as a fourth factor, that may indicate that a domain name is an abusive registration, the circumstance that the Registrant has registered or otherwise acquired the domain name

primarily to prevent the complainant from exercising its rights.

This factor is present and relates to, and reinforces the factor discussed under sub-section (ii) above. Although there is no evidence of an intention to do so primarily, the effect is present, and hence the disputed domain name appears to be an abusive registration. See the domain name decisions cited above in support of this factor.

4.2.4 Overall therefore it is clear that the Registrant has no rights in or to the MULTI-FIX name (or any similar trade mark); and that it has gained an unfair advantage through the disputed domain name, the use of which will undeniably lead to the unlawful dilution of the distinctive character and repute of the Complainant's trade mark MULTIFIX.

4.3 Abusive Registration

4.3.1 In the above circumstances, and on a default basis, the Adjudicator finds, on a balance of probabilities, that the disputed domain name is an abusive registration.

5. Decision

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

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NOLA BOND

SAIIPL SENIOR ADJUDICATOR

www.DomainDisputes.co.za

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ANDREW PAPADOPOULOS

TRAINEE ADJUDICATOR

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