

Decision

[ZA2019-0376]

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2019-0376
DECISION DATE:	13 September 2019
DOMAIN NAME	fidelityadt.co.za
THE DOMAIN NAME REGISTRANT:	Mr. Raihaan Chothia
REGISTRANT'S LEGAL COUNSEL:	n/a
THE COMPLAINANT:	Fidelity Security Services (Pty) Ltd –First Complainant Fidelity Services Group (Pty) Ltd- Second Complainant Fidelity ADT (Pty) Ltd- Third Complainant
COMPLAINANT'S LEGAL COUNSEL:	Bouwers Inc – Deon Bouwer
2 nd LEVEL ADMINISTRATOR:	ZACR (CO.ZA)

1 Procedural History

- a) The Dispute was filed with the South African Institute of Intellectual Property Law (the “SAIPL”) on **27 June 2019**. The SAIPL then transmitted by email to the ZACR requesting the registry to suspend the domain name 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 **8 July 2019**. In accordance with the Regulations the due date for the Registrant’s Response was **5 August 2019**. The Registrant submitted his response on **4 August 2019**, and the SAIPL notified the Complainants accordingly and confirmed that the due date for their Reply, in accordance with the Regulations, was **13 August 2019**.
- c) As the Complainants’ attorney was out of the country at that time, an extension of the period in which to Reply was granted until **16 August 2019**. The Complainants’ Reply was filed on **14 August 2019**. The matter was then referred to the ZA Domain Name Authority (ZADNA) for Informal Mediation in terms of Regulation 19A, on **15 August 2019**. On **28 August 2019**, the appointed mediator confirmed to the SAIPL that the parties were unable to mediate the dispute successfully.
- d) The SAIPL appointed **Gérard du Plessis** as the Senior Adjudicator and **Nicole Smalberger** as the trainee adjudicator in this matter on **2 September 2019**. The Adjudicators 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

- 2.1 This Complaint is in respect of the domain name ***fidelityadt.co.za***. The domain name was registered on 18 August 2016. The Complainants are described in paragraph 3.1.1 of the Complaint as Fidelity Security Services

(Pty) Ltd, Fidelity Services Group (Pty) Ltd and Fidelity ADT (Pty) Ltd, all being incorporated according to the company laws of the Republic of South Africa and having their principal places of business at Fidelity Corporate Park, 104D Mimosa Road, Roodepoort, Johannesburg and Ulwazi Business Park, 505 15th Road, Randjespark, Midrand. The First and Third Complainants form part of the Fidelity Group of Companies, of which the Second Complainant is the holding company.

- 2.2 The First Complainant is the registered proprietor of various FIDELITY incorporating trade marks in South Africa, the earliest of which dates back to 1985. The Second Complainant acquired a 100% shareholding in the Third Complainant on 16 March 2017. On that date, the Third Complainant acquired the rights, through a licence agreement concluded with Tyco Fire & Security GmbH, the registered proprietor of various ADT trade marks in South Africa, to use and exploit the ADT trade marks in this country, and that included the right to use the ADT trade mark in conjunction with the FIDELITY trade mark. The earliest of the ADT trade mark registrations dates back to 2006. The Second Complainant's intended acquisition of the ADT business in South Africa was already widely reported in the press on 18 August 2016. At that time, it was announced that the Complainants would be conducting business under the name FIDELITY ADT.
- 2.3 The Complainants have over 61 years of experience in the security sector and have used the FIDELITY and ADT marks in combination since 2017. The Complainants claim to have spent many millions of Rands in the promotion of the FIDELITY trade mark, and the association between the FIDELITY and ADT trade marks. They also claim to have used the domain name, *fidelitysecurity.co.za* for many years. The Complainants allege a substantial reputation and goodwill in the FIDELITY mark and claim an entitlement to rely on the rights enjoyed in the mark ADT by Tyco Fire & Security GmbH, in view of the licence agreement concluded with it.
- 2.4 In late April 2019, the Complainants became aware of the disputed domain name. The domain name was not in use and the Complainants instructed their attorneys, Bouwers Inc, to address a letter to the Registrant, informing

him of their rights and requesting that the contested domain name be deleted or transferred to them. On 30 April 2019 a certain Mr. Yusuf Chothia responded on behalf of the Registrant and requested confirmation that the Complainants were the registered proprietors of the trade mark FIDELITYADT. On 30 April 2019, the Complainants' attorneys responded, firstly questioning Mr. Chothia's qualification to respond on behalf of the Registrant, and secondly confirming that the Complainants had not alleged that they owned a registered trade mark for FIDELITYADT. The Complainants' attorneys explained the bases on which the Complainants alleged rights in the marks FIDELITY and ADT, which entitle them to object to the unauthorised use of those marks, as in the contested domain name. Mr Chothia responded, on 10 May 2019, that the Registrant denied any unlawful conduct and wished to engage with the Complainants to resolve the matter. In response, on 10 May 2019, the Complainants' attorneys made an offer to the Registrant in the amount of R3,500 to take transfer of the contested domain name. The Registrant responded, on 10 June 2019, that he did not wish to assign his rights in the domain to the Complainants but had envisaged an agreement in terms of which his "branding and corporate messaging" would be differentiated from that of the Complainants.

- 2.5 The matter was thus not capable of resolution and the Complainants accordingly filed the present complaint.

3 Parties' Contentions

3.1 Complainant

The contentions set out in the founding evidence of the Complainants can be summarised as follows:

- 3.1.1 The Complainants have made use of the FIDELITY trade mark in relation to services in the security sector for many years. The Complainants' acquisition of the rights in the ADT mark, in terms of a licence agreement which was concluded on 16 March 2017, was highly publicised and received much coverage in the press on 18

August 2016, being the very day that the contested domain was registered by the Registrant.

3.1.2 The Complainants, as a result of their use of the marks FIDELITY and ADT, and the widely reported acquisition by the Second Complainant of the ADT business in South Africa in 2016, claim substantial and prior rights in the mark FIDELITY in this country. The mark of Tyco Fire & Security GmbH, ADT, has also been used for many years and is well-known and the Complainants enjoy an exclusive licence to use the ADT mark in this country. The Complainants also claim to use the name and mark FIDELITY ADT, although that mark is not registered as a trade mark.

3.1.3 The Complainants contend that the contested domain name incorporates the FIDELITY and ADT trade marks, of the First Complainant and Tyco Fire & Security GmbH, that the Registrant could not have been unaware of the FIDELITY and ADT name and marks at the time of registering the contested domain name, and that the contested domain name has been registered in bad faith and with the intention of unduly benefitting from the registration of this domain name. In particular, the fact that the contested domain name was registered on the same day that the news of the Second Complainant's intended acquisition of the ADT business in this country was widely reported in the media is, according to the Complainants, suggestive of the Registrant's lack of *bona fides*.

3.1.4 Regulation 4 sets out a (non-exhaustive) list of circumstances which may indicate that a domain name is abusive. The Complainants have relied upon Regulation 4 in making the contention that the Registrant has registered the contested domain name primarily to:

- block intentionally the registration of a name or mark, in this case, the domain name ***fidelityadt.co.za***, in which the Complainants contend they have rights;
- disrupt unfairly the business of the Complainants;
- prevent the Complainants from exercising rights in and to the

domain name ***fidelityadt.co.za***;

- lead people or business to believe that the contested domain name is registered to, operated or authorised by, or otherwise connected to the Complainants;
- attract internet users to the contested domain name for financial gain; and
- be used in a manner which takes unfair advantage of, or is unfairly detrimental to, the rights of the Complainants.

3.1.5 The contentions of the Complainants are therefore, with reliance on Regulation 3(1)(a), that the contested domain name ***fidelityadt.co.za*** is identical or similar to a name or mark in which they have rights and that the domain name ***fidelityadt.co.za*** is an abusive registration in the hands of the Registrant. These contentions are discussed more fully below.

3.2 Registrant

- a) The Registrant, in response to the allegations of the Complainants, claims to be an IT developer working on a concept called “Fidelity Advanced Data Technologies”. This, the Registrant contends, is the reason for the adoption of the contested domain name, ***fidelityadt.co.za***.
- b) The Registrant denies that the contested domain name infringes the rights of the Complainants. He states that the Complainants have not registered the trade mark FIDELITYADT in South Africa and, therefore, the contested domain is not identical or similar to a name or mark in which the Complainants have rights.
- c) The Registrant denies that the contested domain name constitutes an abusive registration. The Registrant relies on the following arguments in this regard:
 - the Registrant is in the process of developing a business model for advanced data solutions and the envisaged “Fidelity Advanced Data Solutions” will operate in the

telecommunications sector, and not in the security services industry;

- the Registrant has spent time and resources in maintaining the contested domain;
- the Registrant has not attempted to sell or transfer the domain name to the Complainants for financial gain, and has proposed an amicable settlement to differentiate his branding from that of the Complainants;
- the contested domain name does not disrupt the business of the Complainants as it shall be used predominantly in the telecommunications space and not in the provision of security services;
- the Registrant has not been previously implicated in any abusive domain name registrations.

3.3 Complainants' Reply

- a) The Complainants, in reply to the contentions of the Registrant, state that no evidence has been put up by the Registrant in support of the allegation that he is developing a concept under the name "Fidelity Advanced Business Solutions", which name the Registrant has not commenced using. There is no proof of an established right in the trade mark FIDELITYADT.
- b) Assuming the mark ADT has been adopted as an acronym for "Advanced Business Solutions", no explanation has been given for the adoption of the mark FIDELITY.
- c) The First Complainant is the registered proprietor of trade mark registration no. 1998/00395 FIDELITY in class 9 and the applicant for registration of trade mark application no. 2018/26312 FIDELITY in class 9. The commercial use of the name or mark FIDELITY ADVANCED DATA SOLUTIONS for the indicated business interests of the Registrant would, the Complainants allege, infringe this trade mark registration (and application, once it proceeds to registration).

- d) The Complainants allege that the Registrant's apparent stance that, absent registered rights in the mark FIDELITYADT, they cannot rely on their rights to the FIDELITY and ADT trade marks to object to the contested domain, is incorrect.

4 Discussion and Findings

- a) In order to succeed under Regulation 3(1)(a), the Complainants are required to prove, on a balance of probabilities, that:
- they have rights in respect of a name or mark;
 - the name or mark is identical or similar to the contested domain name; and
 - the domain name in the hands of the Registrant is an abusive registration.

For the reasons set out below, it is the view of the Adjudicators that the contested domain name is contrary to the proven rights of the Complainants and amounts to an abusive registration in the hands of the Registrant, and the Adjudicators' reasoning is discussed below.

4.1 Complainant's Rights

4.1.1 The term "rights" is broadly defined in Regulation 1. "Rights" and "registered rights" are stated to include, *inter alia*, intellectual property rights and commercial rights.

4.1.2 The First Complainant is the proprietor of various FIDELITY incorporating trade mark registrations and Tyco Fire & Security GmbH is the proprietor of various ADT trade mark registrations. The Complainants rely upon extracts from the Register of Trade Marks as evidence of these registrations, which the Adjudicators accept as *prima facie* evidence of the alleged registered trade mark rights. While the Complainants have not provided a copy of the licence agreement entered into with Tyco Fire & Security GmbH, on the basis of confidentiality, the Registrant has not disputed that such a licence

is in place and the Complainants have placed before the Adjudicators various media articles referring to the acquisition of rights in the ADT mark by the Complainants in South Africa. The Adjudicators are prepared to accept this evidence. The Complainants also claim rights in the domain name, **fidelitysecurity.co.za**, which can be relied upon in terms of the Regulations to object to the contested domain name, although full details of the Complainants rights in this domain name have not been provided.

- 4.1.3 On their evidence, the Complainants have made extensive use of the FIDELITY trade marks in South Africa from a date prior to the registration of the contested domain, and have extensively used the FIDELITY and ADT marks in conjunction, albeit from a date after the registration of the contested domain.
- 4.1.4 The Complainants have put forward evidence in support of the abovementioned rights, which evidence has not been disputed by the Registrant. The Adjudicators are satisfied that this evidence shows, *prima facie*, that the Complainants own and enjoy both registered and common law rights in the FIDELITY name and marks and have acquired the right, through an exclusive licence, to use the ADT name and marks in South Africa. They therefore have the necessary *locus standi* to bring this complaint.
- 4.1.5 The contested domain name wholly incorporates the registered trade mark of the First Complainant, FIDELITY, and registered trade mark of Tyco Fire & Security GmbH, ADT, which the Complainants use under an exclusive licence. These marks are registered in class 9 in relation to goods which are presumably identical or similar to the goods and services for which the Registrant allegedly intends to use the name or mark FIDELITY ADVANCED DATA TECHNOLOGIES in the telecommunications space. The mark FIDELITYADT is confusingly similar to both the FIDELITY and ADT trade marks, as well as the name and mark FIDELITY ADT, which is used by the Complainants and, at the time of registering the contested domain,

due to the media coverage on the acquisition of ADT by the Second Complainant on that day, was likely already known to be associated with the Complainants. There are many WIPO UDRP decisions confirming that where a domain name wholly incorporates a Complainant's registered trade mark, that is sufficient to establish confusing similarity, despite the addition of other matter to the trade mark (see WIPO Case No. D2000-0096, for example). In this case, the contested domain wholly incorporates the FIDELITY trade mark and the "other matter" is, in fact, the registered ADT trade mark, which the Complainants have used under an exclusive licence. The confusing similarity is thus clear. The Adjudicators are, in the circumstances, satisfied that the contested domain name is identical and/or similar to marks and names in which the Complainants enjoy rights.

4.2 Abusive Registration

4.2.1 An abusive registration means a domain name which either:

- was registered or otherwise acquired in a manner which, at the time when the registration took place, took unfair advantage or, or was unfairly detrimental to, the Complainant's rights; or
- has been used in a manner which takes unfair advantage of, or is unfairly detrimental to, the Complainant's rights.

4.2.2 Regulation 5(c) states:

"The burden of proof shifts to the Registrant to show that the domain name is not an abusive registration if the domain name (not including first and second level suffixes) is identical to the mark in which the Complainant asserts rights, without any addition."

Although the above provision is stated within the context of Regulation 5(c), it was accepted in South African domain name matter no. **ZA2007-0007**, which dealt with the domain name *fifa.co.za*, that the apparent meaning is to operate as shifting the overall burden of proof to the Registrant in instances where the

contested domain name is identical to the Complainant's mark.

The name forming the contested domain name is the mark FIDELITYADT which is identical to the First Complainant's FIDELITY trade mark, the ADT trade mark, in respect of which the Complainants enjoy an exclusive licence in this country, and the Third Complainant's name, Fidelity ADT. The Adjudicators have accepted that, when the Registrant registered the contested domain name in 2016, the Complainants had already registered and used the identical trade mark FIDELITY for many years. The Registrant has not addressed the reason for registering the contested name on the very day that the news broke of the acquisition of ADT in South Africa by the Second Complainant.

- 4.2.3 There are various decisions which make it clear that a "positive intention" to abuse the rights of the Complainants is not necessarily required. Rather, the abuse can be an effect or consequence of the registration of the contested domain name. South African domain name matter no. **ZA2007-0007** is again referred to in this regard.

Nevertheless, the Complainants allege that there has indeed been a positive intention on the part of the Registrant to abuse their rights in registering the contested domain name, given its registration on 18 August 2016, which, as mentioned, the Registrant has failed to clarify or address.

- 4.2.4 The Complainants have alleged that, since 2016, the Registrant has made no *bona fide* use of the contested domain name. The Registrant, on the other hand, alleges that he has been in the process of developing a concept under the name "Fidelity Advanced Data Solutions", hence the domain name *fideliyadt.co.za*. While the Adjudicators would have taken into account any evidence of *bona fide*, actual use of the contested domain, the Registrant has not placed any such evidence before the Adjudicators to support his allegation regarding the alleged concept he has been developing.

The Adjudicators have conducted independent internet searches to see whether the Registrant has, perhaps, made any mention of the concept he is developing on any websites, forums or social media pages, but have not come across any references to “Fidelity Advanced Data Technologies” by the Registrant.

Furthermore, no explanation is given for the registration of the domain name in 2016, and on the very day that the intended business connection between FIDELITY and ADT was widely reported, nor any evidence to the effect that the Registrant had already conceptualised the contested domain name before that date. The Registrant also omits to explain why the development of the alleged concept has taken over 3 years. The Adjudicators are, therefore, not in a position to consider the Registrant’s allegation of *bona fide* intended use of the domain name.

While it is also accepted that the Registrant did not wish to sell the contested domain name, and he proposed that the parties agree to delineate their respective trading styles, again, the Registrant has not placed any evidence before the Adjudicators to prove his alleged intentions with the contested domain. The Adjudicators accept that such a delineation would not have been acceptable to the Complainants in view of the fact that the FIDELITY and ADT trade marks are wholly incorporated within the contested domain, and without any further distinguishing matter.

The Adjudicators accept that the Registrant has not shown a pattern of abusive registrations in the past, yet that fact alone is insufficient to support the conclusion that the present contested domain name is not an abusive registration in his hands.

Even if the Adjudicators are prepared to accept that the Registrant did not have a positive intention to abuse the rights of the Complainants, again with reference to South African domain name matter no. **ZA2007-0007**, the Adjudicators’ view is that such abuse is the likely to result from the registration of the contested domain.

4.2.5 It is not a far-fetched notion that an internet user, seeking to view the website of the Complainants, who have shown that they trade under the name FIDELITY ADT, may assume that the website at www.fidelityadt.co.za is that of the Complainants.

The circumstances suggest that the Registrant may very well have had a positive intention to use the contested domain name abusively in order, at the very least, to attract internet traffic to his website, and thereby draw business to himself. Although the Registrant claims that he had no such intention, as already indicated, there is no evidence before the Adjudicators to support the alleged intentions of the Registrant. Irrespective of the Registrant's intention, it is likely that he will benefit unduly from the registration of the contested domain as a result of internet users visiting his website only because they assumed the domain name *fidelityadt.co.za* would direct to the website of the Complainants.

It also goes without saying that the Complainants cannot, as they have contended, register or exercise any rights in the domain name *fidelityadt.co.za* while it is registered in the name of the Registrant. This indeed limits the Complainants' use of the registered FIDELITY and ADT trade marks and the name, Fidelity ADT. The detriment to the Complainants' rights is clear and renders the contested domain abusive.

The Adjudicators are, in light of the above, satisfied that the contested domain name, in the hands of the Registrant, amounts to an abusive registration.

4.3 **Offensive Registration**

4.3.1 Not applicable.

5. **Decision**

5.1 The Adjudicators find that the Complainants have shown, on a balance of probabilities, that they have rights in trade marks and names identical or

similar to the contested domain name, and that the contested domain name is an abusive registration in the hands of the Registrant. For all the foregoing reasons, in accordance with Regulation 9, the Adjudicators order that the domain name, ***fidelityadt.co.za*** be transferred to the First Complainant.

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GÉRARD DU PLESSIS

SAIIPL SENIOR ADJUDICATOR

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Nicole Smalberger

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