

Decision

[ZA2017-0263]

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2017-00263
DECISION DATE:	23 June 2017
DOMAIN NAME	BOSUNHOLDINGS.CO.ZA
THE DOMAIN NAME REGISTRANT:	JAMES RICHARD METCALF
REGISTRANT'S LEGAL COUNSEL:	NONE
THE COMPLAINANT:	SMARTSTONE HOLDINGS (PTY) LTD
COMPLAINANT'S LEGAL COUNSEL:	JANI CRONJÉ, ADAMS & ADAMS
2 nd LEVEL ADMINISTRATOR:	ZA CENTRAL REGISTRY

1 Procedural History

- a) The Dispute was filed with the South African Institute of Intellectual Property Law (the “SAIPL”) on **28 April 2017**. On **28 April 2017** the SAIPL transmitted by email to ZA Central Registry a request for the registry to suspend the domain name at issue, and on **28 April 2017** ZA Central Registry 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 **2 May 2017**. In accordance with the Regulations the due date for the Registrant’s Response was **30 May 2017**. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on **1 June 2017**.
- c) The SAIPL appointed **Jeremy Speres** as the Adjudicator in this matter on **5 June 2017**. The Adjudicator has submitted a 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 The Complainant is Smartstone Holdings (Pty) Ltd, South African private company.
- 2.2 The Complainant is the proprietor of two trade mark registrations in South Africa filed in 2007 for marks consisting of or incorporating BOSUN BRICK in class 19 covering, amongst others, building materials including paving materials. These registrations appear to remain registered.
- 2.3 In addition to its registered trade marks, the Complainant contends that it has acquired common law rights in the BOSUN trade mark through extensive use in relation to paving and concrete products, as well as in the name BOSUN HOLDINGS, which the Complainant contends has been used extensively by its affiliated company Bosun Holdings (Pty) Ltd. The Complainant has, under oath, adduced evidence of use in support of its claim to common law rights for its

BOSUN mark, some of which is undated, some of which postdates and some of which predates the registration of the contested domain, including printouts from the Complainant's website, online media articles, online advertising, Facebook pages and online product listings. All of this evidence is uncontested by the Registrant. The Complainant has not, however, adduced any evidence of use relating to the BOSUN HOLDINGS mark, despite its claim to have made "extensive and widespread use" of same through its affiliated company and despite its claim to common law rights in that mark.

- 2.4 The contested domain name was registered on **8 August 2016**. The contested domain name does not appear to resolve to any active website.
- 2.5 Based on the WHOIS page for the contested domain, the Registrant is James Richard Metcalf of Johannesburg.

3 Parties' Contentions

3.1 Complainant

- a) The Complainant relies on the following points in support of its contention that the domain name is an abusive registration:
 - The contested domain name is registered in the name of "James Richard Metcalf". Mr Metcalf is a director of the Complainant however he did not register the contested domain and the Registrant has fraudulently appropriated Mr Metcalf's identity. A confirmatory affidavit in the name of Mr Metcalf confirming this is included in the Complainant's papers;
 - The Complainant's BOSUN and BOSUN HOLDINGS trade marks enjoy substantial reputations and the BOSUN mark is unique and extremely distinctive and is associated in the minds of the public with the Complainant;
 - The Registrant is using the contested domain name to send emails to third parties posing as the Complainant or its affiliated company. The Complainant has included a printout of an email ostensibly sent from the address "thomas@bosunholdings.co.za" to a third party supplier for purposes of opening a credit facility using the

Complainant's details;

- The Registrant has deliberately provided incorrect contact details on the WHOIS page for the contested domain for the purpose of perpetrating the foregoing fraud; and
- The contested domain name accordingly is used in a manner that deliberately misleads, that takes unfair advantage of the Complainant's reputation and which disrupts the business of the Complainant.

3.2 Registrant

- a) The Registrant did not reply to the Complainant's contentions.

4 Discussion and Findings

4.1 Complainant's Rights

- 4.1.1 Whilst the Complainant undoubtedly has registered rights in its BOSUN BRICK marks predating registration of the contested domain, my view is that the evidence of use adduced by the Complainant in support of its claims that the BOSUN and BOSUN HOLDINGS marks enjoy reputations and concomitant common-law rights is deficient. The evidence exclusively consists of a handful of printouts from the internet showing use of the BOSUN mark but crucially not the extent of same and none of the evidence of use relates to the BOSUN HOLDINGS mark that the Complainant claims enjoys a reputation through use. Ordinarily such evidence would take the form of sales figures, marketing spend, market surveys and the like – in other words, evidence that speaks directly to the extent of use made of the relevant marks and the recognition of those marks by the public. The WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, states as follows: *“To establish unregistered or common law trademark rights for purposes of the UDRP, the complainant must show that its mark has become a distinctive identifier which consumers associate with the complainant's goods and/or services. Relevant evidence demonstrating such acquired distinctiveness (also referred to as secondary meaning) includes a range of factors such as (i) the duration and nature of use of the*

*mark, (ii) the amount of sales under the mark, (iii) the nature and extent of advertising using the mark, (iv) the degree of actual public (e.g., consumer, industry, media) recognition, and (v) consumer surveys.” I am in respectful agreement with that approach and the decisions cited in support of it. I also repeat the axiom gleaned from South African case law: “Use does not equal distinctiveness”. See *Beecham Group plc & another v Triomed (Pty) Ltd* [2002] ZASCA 109 at para 15.*

- 4.1.2 I am therefore not prepared to accept the Complainant’s contention that it has, on the evidence tendered in its papers, established a reputation and concomitant common law rights in the BOSUN or BOSUN HOLDINGS marks.
- 4.1.3 That being said, the definition of “rights” in the Regulations is a broad one and includes “*intellectual property rights, commercial, cultural, linguistic, religious and personal rights protected under South African law, but is not limited thereto*”. I am in respectful agreement with learned authors such as Prof. Eddie Hurter, Prof. Wim Alberts and Prof. Tana Pistorius who all convincingly argue that company name registrations should qualify as “rights” in terms of this broad definition. See Hurter, (2015) SA Merc LJ 418 at 438; Alberts, (2008) 15 JBL 66 at 69; Pistorius, (2009) 21 SA Merc LJ 661 at 671. In addition, clause 5.1.3 of the ZA Central Registry’s mandatory terms for registrant agreements, to which the Registrant would have agreed by way of incorporation by reference in its agreement with its registrar, requires a registrant to warrant that its registration of the domain name in question will not infringe any legal right of a third party, including a “company name”.
- 4.1.4 The Complainant makes reference to its “affiliated company” Bosun Holdings (Pty) Ltd. The Complainant makes no attempt at explaining the relationship between the two entities. Despite attaching a printout from the companies register to its papers for the Complainant’s entity, the Complainant did not attach any corresponding printout evidencing registration of this affiliated company, thus it is not apparent from the Complainant’s papers alone that it can rely on a company name registration in support of its claim to have rights in the BOSUN HOLDINGS mark.

Nevertheless, Adjudicators are permitted to undertake limited factual research into matters of public record, especially if this is in the interests of justice (see the decision in ZA2015-0193 at para 4.2.9). I have independently established, using the publically accessible official companies database of the Companies and Intellectual Property Commission (CIPC), that Bosun Holdings (Pty) Ltd is indeed registered and that Mr Metcalf is indeed recorded as a director of that entity, along with another director also shared with the Complainant.

4.1.5 The affiliated company is not however a named party to these proceedings and is a separate entity to the Complainant and the question then becomes whether the Complainant can rely on the affiliated company's company name registration in order to establish rights in the name BOSUN HOLDINGS in the absence of any express evidence that the affiliated company has ceded any right it may have to lodge a complaint against the Registrant to the Complainant. The Complainant does however state under oath that the affiliated company is "authorised" to use the BOSUN trade mark (implying a licensing relationship) and the Complainant and the affiliated company share two directors, all of which remains uncontested by the Registrant. I am therefore prepared to accept that, on balance of probabilities, the affiliated company has ceded its right to complain against the Registrant to the Complainant in terms of its licensing arrangement with the Complainant, or that it is implicitly a joint complainant along with the Complainant or that the Complainant acts as its agent in these proceedings. The Complainant has therefore established rights in BOSUN HOLDINGS by virtue of the company name registration for Bosun Holdings (Pty) Ltd.

4.1.6 Accordingly, I accept that the Complainant has established rights in the marks BOSUN BRICK and BOSUN HOLDINGS which are similar (sharing the dominant and distinctive element BOSUN) and identical respectively to the contested domain name.

4.2 Abusive Registration

4.2.1 Although not argued in the Complainant's papers, it is to be noted that the reverse onus set out in Regulation 5(c) applies in this case. The

Complainant has established rights in a mark (BOSUN HOLDINGS) that is identical to the contested domain name and the onus therefore shifts to the Registrant to show that the contested domain name is not an abusive registration. As the Registrant has not replied to the complaint, the Registrant has not met this onus and the matter therefore falls to be decided against the Registrant on this basis alone.

4.2.2 Nevertheless, in case I am incorrect, and appreciating entirely that past adjudicators have not accepted that company names afford “rights” in terms of the Regulations (See the decision in ZA2007–0001 at p11 for instance), I will proceed to consider the merits of the matter.

4.2.3 As mentioned, the Complainant has included a printout of a fraudulent email ostensibly sent from an address using the contested domain name. On the strength of this, the Complainant argues that the Registrant is responsible for sending the associated fraudulent email and that the Registrant is therefore using the contested domain name in a way that leads people to believe that the domain name is registered to, operated or authorised by, or otherwise connected with the Complainant. See Regulation 4(1)(b).

4.2.4 This conclusion does not necessarily follow from the printout of the fraudulent email. Yes, the email was, on the face of the printout, sent by a sender using the contested domain name, but that does not mean that the email was in fact sent using the contested domain name. The core protocols underlying the email system do not have any mechanism for authenticating that an email is in fact sent from the sending address specified in the email’s header. It is possible that a third party, not connected to the Registrant and without actually using the contested domain name, sent the fraudulent email adduced by the Complainant, using a technique such as email spoofing. See https://en.wikipedia.org/wiki/Email_spoofing. The Complainant has not adduced any conclusive evidence connecting the Registrant or the contested domain name directly to the fraudulent email. This could have been achieved by, for instance, examining the header of the email and establishing whether the server used by the Registrant for the email address specified in the WHOIS for the contested domain is the same as that used

for the fraudulent email.

4.2.5 Nevertheless, the totality of the circumstances in this matter seems to indicate that the Registrant has acted with nefarious intent. This is evident from the fact that the Registrant used the name of one of the Complainant's directors as the registrant's name in the WHOIS page for the contested domain, in circumstances where the domain name consists of a mark that is identical to one in which the Complainant owns relevant rights and which incorporates the dominant and most unique part of the Complainant's registered mark, being BOSUN. It is quite unlikely that a *bona fide* registrant unconnected to the Complainant would have exactly the same name as one of the Complainant's directors, including his second name, whilst simultaneously having a legitimate, independent interest in a unique name such as BOSUN. The Registrant's details in the WHOIS record are therefore in all likelihood false and are in the very least incomplete, a factor which is relevant in assessing whether a domain name registration is abusive. See Regulation 4(1)(d). Given that the Registrant appears to have acted with nefarious intent in this respect, it is quite likely that the Registrant is also behind the fraudulent email adduced by the Complainant, bringing the Registrant's registration of the contested domain squarely within the factor listed in Regulation 4(1)(b).

4.2.6 I am therefore satisfied that the contested domain name is an abusive registration within the meaning of the Regulations.

5. Decision

5.1 For all the foregoing reasons, in accordance with Regulation 9, I order that the disputed domain name, BOSUNHOLDINGS.CO.ZA, be transferred to the Complainant.

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[JEREMY SPERES]

SAIIPL ADJUDICATOR

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