DomainDisputes.co.za
SAIIPL Alternate Dispute Resolution

Decision

[ZA2011-0083]

.ZA ALTERNATE DISPUTE RESOLUTION REGULATIONS (GG29405)

ADJUDICATOR DECISION

CASE NUMBER:	**ZA2011-0083**
DECISION DATE:	**19 September 2011**
DOMAIN NAME	**Sandalsguesthouse.co.za**
THE DOMAIN NAME REGISTRANT:	**Tess Strzelecki of Sandals Guesthouse**
REGISTRANT'S LEGAL COUNSEL:	**GC Webb Hutton & Cook**
THE COMPLAINANT:	**Sandals Resorts International 2000 Limited**
COMPLAINANT'S LEGAL COUNSEL:	**Nathan Smith Dechert LLP / c/o Adams & Adams**
2nd LEVEL ADMINISTRATOR:	**UniForum SA (CO.ZA)**

1 Procedural History

a) The Dispute was filed with the South African Institute of Intellectual Property Law (the "SAIIPL") on **28 June 2011**. On **29 June 2011** the SAIIPL transmitted by email to UniForum SA a request for the registry to suspend the domain name(s) at issue.

b) In accordance with the Regulations, the SAIIPL formally notified the Registrant of the commencement of the Dispute on **30 June 2011**. In accordance with the Regulations the due date for the Registrant's Response was **28 July 2011**. The Registrant submitted its Response on **13 July 2011.** Initially there was some confusion over the designation of the parties with the Registrant being erroneously identified as The Complainant, but the SAIIPL verified that the Response satisfied the formal requirements of the Regulations and the SAIIPL's Supplementary Procedure. The SAIIPL forwarded a copy of the Response to the Complainant on **4 August 2011**.

c) In accordance with the Regulations the due date for the Complainant's Reply was **11 August 2011**. The Complainant submitted its Reply on **11 August 2011**.

d) The SAIIPL appointed **Nola Bond** as the Adjudicator in this matter on **1 September 2011**. The Adjudicator has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the SAIIPL to ensure compliance with the Regulations and Supplementary Procedure. The delay in the appointment of an Adjudicator was due to the four adjudicators initially approached being unavailable.

2Factual Background

a) The dispute concerns the domain name sandalsguesthouse.co.za, registered to Tess Strzelecki. The domain name was registered on 25 May 2002. The domain name is linked to a webpage which advertises the Registrant's establishment and provides information about the area where it is located, namely St. Francis Bay, South Africa. The webpage includes a contact email address.

b) The Complainant is part of a hospitality group which owns the SANDALS trade mark in South Africa and elsewhere, and is the largest chain of all inclusive couples-only holidays in the Caribbean. The Complainant's business has been in operation since the mid 1980's.

c) On 19 of May 2010 the attorneys representing the Complainant sent a letter of demand to the Registrant. The Complainant called on the Registrant to sign certain undisclosed undertakings which it appears not to have done.

d) From the Registrant's Response in this dispute it appears there were communications between the parties up until October 2010, when the Registrant furnished the Complainant with an affidavit from the original Registrant of the domain name, and former owner of the Sandals Guesthouse in St. Francis Bay.

3 **Parties' Contentions**

3.1 **Complainant**

a) The Complainant bases its complaint on the rights in the mark SANDALS, arising out of the following:

i) The Complainant alleges its SANDALS trade mark is well known through-out the world, and it spends millions of Dollars advertising the brand through various forms of media.

ii) The Complainant also owns two websites www.sandals.com and www.sandals.co.uk from which it trades and claims to have more than 14 000 hits from South African bases users. A number of known bookings have been made by South Africans.

iii) The Complainant has registered its SANDALS (stylised) trade mark in South Africa under trade mark no. 94/09023 in class 42, and holds registrations worldwide for the trade mark.

b) The Complainant alleges that the Registrant's domain name is identical or confusingly similar to the Complainant's trade mark and that the suffix "guesthouse" is descriptive and non-distinctive.

c) The Complainant further contends that the Registrant's domain name sandalsguesthouse.co.za constitutes an abusive registration in terms of Regulation 4(1)(a) for the following reasons:

i) The Complainant's group has been trading under the SANDALS trade Mark since the 1980's.

ii) The SANDALS trade Mark is well-known, internationally famous mark, and

iii) Has been a registered mark in South Africa since 1994.

d) The Complainant further contends that the Registrant must have been aware of the SANDALS trade mark, when it registered the disputed domain name.

e) The Complainant further contends that the Registrant's use of the trade mark in its domain name is intended to lead consumers to believe they have reached the Complainant's website, or a website endorsed by the Complainant and thereby diverting internet traffic which interferes with the Complainant's business. Accordingly, the Complainant alleges the Registrant registered the domain name in bad faith.

f) In support of its contentious the Complainant relies on numerous WIPO decisions which contain useful discussions on what constitutes similarity, legitimate interest and bad faith. For the purposes of this Adjudication, a review of the case law tendered appears unnecessary.

3.2 Registrant

a) The Registrant defends the complaint on the following grounds:

b) The Registrant states that the domain name was not registered in a manner which at any time took unfair advantage or was unfairly detrimental to the Complainant's rights.

c) The Registrant asserts that the domain name is not identical or similar

to a name in which the Complainant has rights as the domain name specifically refers to a guesthouse.

d) The Registrant further states that since the Complainant does not offer accommodation in South Africa, it is highly unlikely that any internet user would confuse the Registrant's guesthouse establishment with its couples-only hotel accommodation in the Caribbean.

e) The Registrant claims its usage has been honest and concurrent with the Complainant's usage. The Registrant furnished the Complainant's attorneys with the affidavit from the original owner of the Sandals Guesthouse, one Lionel Donnelly which sets out the background to the adoption of the name Sandals Guesthouse, (which was established in 1996). The explanation given is that guests and staff at the guesthouse always had their sandals on hand to combat the hot tarred road in summer, which provides access to the main swimming beach. The Registrant therefore denies it was *mala fides* in its adoption and registration of the domain name.

4 **Discussion and Findings**

a) The Complainant's case is based on Regulation 3(1)(a), namely that it has rights in respect of a trade mark which is identical or similar to the domain name, and in the hands of the Registrant, the domain name is an abusive registration.

These elements must be proven to exist on a balance of probabilities to the Adjudicator.

b) The Regulations define the term "abusive registration" as being a domain name which either:

i) Was registered or otherwise acquired in a manner which, at the time the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's rights or

ii) Has been used in a manner which takes unfair advantage of, or is

unfairly detrimental to the Complainant's rights.

c) Accordingly, the Complainant must prove the following elements, on a balance of probabilities:

i) It holds rights in the name and trade mark SANDALS;

ii) The SANDALS trade mark is identical or similar to the domain name sandalsguesthouse.co.za and

iii) In the hands of the Registrant, the domain name is an abusive registration.

4.1 **Complainant's Rights**

a) The Complainant has attached a copy of its South African trade mark no. 94/09023 SANDALS (Stylised). As the word "guesthouse" in the Registrant's domain name is a purely descriptive term, the Adjudicator is satisfied that the Complainant's trade mark SANDALS and the disputed domain name SANDALSGUESTHOUSE.CO.ZA have the requisite similarity to found the complaint.

4.2 **Abusive Registration**

b) A domain name is abusive if it was registered primarily to disrupt unfairly the business of the Complainant. (Regulation 4(1)(a)(ii) and ZA 2007-0003 Telkom SA Limited SA vs Cool Ideas 1290 CC)

c) There is no evidence to suggest that the Registrant was aware of the Complainant's trade mark when the disputed domain name was registered, or that it aimed to take unfair advantage or unfairly interfere with the Complainant's rights. Furthermore, the evidence tendered by the Complainant does not prove, on a balance of probabilities, that the Registrant's usage of the domain name has taken unfair advantage of, or is unfairly detrimental to the Complainant's rights.

d) At all times the Registrant's interest in the domain name appears to have been legitimate and there has been no evidence tendered to suggest the contrary.

e) Furthermore, there is no evidence on record that would justify the conclusion that the Registrant's use of the disputed domain name is likely, on a balance of probabilities, to lead internet users to believe that the domain name is registered, operated, authorised or in someway connected with the Complainant.

f) The Complainant also asserts that its trade mark SANDALS is well-known in South Africa and that the Registrant's use of the domain name is likely to dilute its rights. The evidence adduced by the Complainant does not support these contentious, and at best points to a reputation outside of South Africa.

g) The issue of Honest Concurrent Use as raised by the Registrant and replied to by the Complainant is not a factor prescribed in the Regulations, and it is unnecessary to deal with the allegations made by the Registrant.

h) Accordingly the Adjudicator finds a balance of probabilities that the disputed domain is not an abusive registration.

5**Decision**

a) For the aforegoing reasons the Adjudicator concludes that the domain name sandalsguesthouse.co.za should not be transferred to the Complainant.

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NOLA BOND

SAIIPL SENIOR ADJUDICATOR

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