

**ADJUDICATOR DECISION**

CASE NUMBER:	<b>ZA2009-0037</b>
DECISION DATE:	<b>15 December 2009</b>
DOMAIN NAME	<b>ketelone.co.za</b>
THE DOMAIN NAME REGISTRANT:	<b>Digital Orange/Joris Kroner</b>
REGISTRANT'S LEGAL COUNSEL:	<b>N/A</b>
THE COMPLAINANT:	<b>Double Eagle Brands N.V.</b>
COMPLAINANT'S LEGAL COUNSEL:	<b>Adams &amp; Adams</b>
THE 2 <sup>nd</sup> LEVEL DOMAIN NAME ADMINISTRATOR:	<b>UniForum SA (CO.ZA Administrators)</b>

## 1. **Procedural History**

- 1.1. The Dispute was filed with the South African Institute of Intellectual Property Law (the “SAIIPL”) on 14 October 2009. On 14 October 2009 the SAIPL transmitted to UniForum SA, by email, a request for the registry to suspend the domain name at issue. On 28 October 2009 UniForum SA confirmed that the domain name had 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.
- 1.2. In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the Dispute on 28 October 2009. The due date for the Registrant’s Response was 25 November 2009. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on 1 December 2009.
- 1.3. The SAIPL appointed Adv Owen Salmon as the Adjudicator in this matter on 1 December 2009. The Adjudicator has 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. The domain was registered on 17<sup>th</sup> November 2008. It was registered in the name of Digital Orange, and Joris Kroner is the

administrative contact. It appears that Digital Orange is the alter ego of Mr Kroner<sup>1</sup>.

- 2.2. The following facts are undisputed and, their not being palpably implausible, the Adjudicator accepts them for the purposes of this adjudication.
- 2.3. The Complainant is Double Eagle Brands N.V. a limited liability company incorporated under the laws of Netherlands Antilles, having its principal place of business in Curaçao, Netherlands Antilles.
- 2.4. The Complainant is the registered proprietor of the trade mark KETEL ONE for, *inter alia*, alcoholic beverages. Evidence is given of registrations in the United States of America,<sup>2</sup> in the European Union,<sup>3</sup> and in South Africa.<sup>4</sup>
- 2.5. The KETEL ONE trade marks have been intensively used in commerce worldwide in the past decades (since 1983) and continue to be used. The KETEL ONE trade mark is also used on the Complainant's website [www.ketelone.com](http://www.ketelone.com) which is accessible worldwide. The term "ketelone" has no descriptive

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<sup>1</sup> See ZA2009-0034 <[absapremiership.co.za](http://absapremiership.co.za)>, paragraph 2.1.

<sup>2</sup> Registration No. 73465621, dated 27<sup>th</sup> August 1985, and 76020695, dated 12<sup>th</sup> February 2002, both registered with the United States Patent and Trade Marks Office.

<sup>3</sup> Registration No. 511626 registered on 16<sup>th</sup> April 1999 with the Office for Harmonisation of the Internal Market (OHIM).

<sup>4</sup> Registration No. 97/06519 dated 2<sup>nd</sup> May 1997 registered with the Companies and Intellectual Property Registration Office (CIPRO).

meaning in the English language and was developed by the Complainant for use in connection with its products.

- 2.6. The Complaint has expended considerable time, effort and money in advertising, promoting and selling alcoholic beverages, and premium vodka in specific, in connection with the KETEL ONE trade marks. For example, in 2005, approximately US\$17,9 million was spent on advertising for the KETEL ONE brand in the United States of America alone. As a result, KETEL ONE has become a global brand of considerable strength.
- 2.7. In conclusion, the KETEL ONE brand is famous throughout the world and embodies substantial good will.
- 2.8. The domain name <ketelone.co.za> wholly incorporates the Complainant's KETEL ONE trade mark, and is identical or at least confusingly similar to the Complainant's KETEL ONE trade marks.
- 2.9. The domain name points to a single static web page which states that *"This will soon be the new home of the domain: www.ketelone.co.za"*.<sup>5</sup> (This shows, the Complainant contends, that the domain name is only held passively.)
- 2.10. This last contention is borne out by a statement made in correspondence between the parties in the pre-dispute stage. In an email dated 22<sup>nd</sup> February 2009, addressed to the

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<sup>5</sup> This was the case also in <absapremiership.co.za>, a domain also registered by Mr Kroner – see ZA2009-0034, supra, at paragraph 2.13.

Netherlands legal representative of the Complainant, Mr Kroner stated:-

“Registering domain names is done on a first come first served basis. Only recently I have registered the domain and at present I am not trading under the name. Nor do I intend to trade in the beverage industry. If Ketelone have been trading for a substantial amount of time they would have had ample time to register this domain. However, they have obviously chosen not to do so.

I see no reason to delete the name. However, I would consider selling the domain to your client.”

### 3. Complainant’s Contentions

- 3.1. The Registrant has no rights or legitimate interest whatsoever in respect of the domain name <ketelone.co.za> in view of the Complainant’s KETEL ONE trade marks. There is no evidence that the Registrant is using or planning to use the domain name in connection with the *bona fide* offering of goods or services. Furthermore, the Registrant is not commonly known by a name similar to the domain name and the Registrant is not making a legitimate non-commercial or fair use of the domain name.
- 3.2. The Registrant initially causes initial confusion of interest by using the domain name which is highly similar to the famous trade mark KETEL ONE and is causing confusion as to the source, sponsorship, affiliation, or endorsement of the website.
- 3.3. At the time the disputed domain name was registered, the KETEL ONE trade mark was already well known throughout the world. As the Complainant (or its affiliates) had already registered

<ketelone.com>, <ketelone.net>, <ketelone.org>, and <ketelone.info>, the Registrant should have known of the existence of the KETEL ONE trade marks prior to registering the disputed domain name.<sup>6</sup>

3.4. Because of the registration of <ketelone.co.za> by the Registrant, it is no longer possible for the Complainant to register this domain name itself. This means that the registration prevents the Complainant from exercising its rights, since it blocks the possibility for Complainant to register a domain name in which it does have rights (i.e. KETEL ONE) as well as the chance to operate a website for its South African target group. The Registrant exploits the reputation and goodwill of the Complainant's trade marks and takes unfair advantage of their reputation.

3.5. In the circumstances, the domain name in the hands of the Registrant is an abusive registration.

#### 4. Discussion and findings

4.1. The Adjudicator finds that the Complaint has rights in respect of the mark KETEL ONE as contemplated by Regulation 3(1)(a). The question is whether the registration in the hands of the Registrant is an abusive registration.

4.2. An abusive registration means a domain name which either:-

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<sup>6</sup> As mentioned, there has been no response from the Registrant. In the light of the absence of facts gain saying this allegation, the inference to be drawn – of its correctness – is compelling.

- a) 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
- b) has been used in a manner that takes unfair advantage of, or is unfairly detrimental to the Complainant's rights.<sup>7</sup>
- 4.3. The Complainant is required to prove on a balance of probabilities that the required elements are present.<sup>8</sup>
- 4.4. Mr Kroner's statement quoted in paragraph 2.11 above indicates a clear awareness as to the Complaint's rights and interests in the marks.
- 4.5. The statement that "*domain names are allocated on a first come, first served*" basis is not an accurate reflection of the law. Without deciding that it is, this may be the position when the subject matter of the domain is thitherto unclaimed or – in, trade mark parlance, adopted. *Non constat* that this is the position with marks in which there are existing rights.
- 4.6. In terms of Regulation 4(1)(a), factors which may indicate that the domain name is an abusive registration include circumstances indicating that the registration was primarily to:-

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<sup>7</sup> The definition under (b) is not relevant for present purposes.

<sup>8</sup> Regulation 3(2).

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- 4.6.1. transfer the domain name to a complainant for valuable consideration in excess of the Registrant's reasonable out-of-pocket expenses directly associated with acquiring the domain name;
  - 4.6.2. block intentionally the registration of a name or mark in which the Complainant has rights;
  - 4.6.3. disrupt unfairly the business of a Complainant;
  - 4.6.4. prevent the Complainant from exercising its rights.
- 4.7. Moreover, in terms of Regulation 4(1)(c), a further factor may be evidence that the registrant is engaged in a pattern of making abusive registrations. In this regard, the findings in <hackett.co.za> [ZA2009-0033] and <absapremiership.co.za> (supra) are that the domain registrations by Digital Orange (i.e. the same registrant) were, each, abusive. No allegation is made in the current objection that Digital Orange (and/or Joris Kroner) is engaged in a pattern of making abusive registrations, but in any event it is not necessary for the Adjudicator to make a conclusive finding as to whether this is the case.<sup>9</sup> The "three strikes" rule contemplated by Regulation 4(3)<sup>10</sup> may – or may not – operate in future in respect of Mr Kroner/Digital Orange but not at present.

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<sup>9</sup> Compare the discussion in DRS5521 <theconranshop.co.uk> at pages 11 - 15.

<sup>10</sup> There shall be a rebuttable presumption of abusive registration if the complainant proves that the registrant has been found to have made an abusive registration in three or more disputes in the 12 months before the dispute was filed.



4.8. Nevertheless, the Adjudicator finds that the registration was abusive. On balance, the Registrant was fully aware of the Complainant's rights and interests in the name. Mr Kroner could not do anything by way of legitimate trade under the name KETEL ONE for to do so would, *prima facie* at least, be deceptive. Coupled with the dormant state of the site, the inference is inescapable that the registration was obtained for motives which, in the Adjudicator's view, fall comfortably within Regulation 4(1)(a).

4.9. Accordingly, the Adjudicator upholds the Complainant's Dispute.

## 5. Decision

5.1. For the foregoing reasons the Adjudicator orders that the domain name be transferred to the Complainant.,

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**ADV OWEN SALMON**  
SAIPL SENIOR ADJUDICATOR  
[www.DomainDisputes.co.za](http://www.DomainDisputes.co.za)