

Decision

[ZA2013-0155]

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2013-0155
DECISION DATE:	21 January 2014
DOMAIN NAME	molicare.co.za; moliform.co.za; molimed.co.za
THE DOMAIN NAME REGISTRANT:	Yvonne Rudman
REGISTRANT'S LEGAL COUNSEL:	N/A
THE COMPLAINANT:	Paul Hartmann AG
COMPLAINANT'S LEGAL COUNSEL:	Rademeyer Attorneys Kim Rademeyer / Kirsty West
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 “SAIIPL”) on **7 November 2013**. On **13 November 2013** the SAIPL transmitted by email to UniForum SA a request for the registry to suspend the domain name(s) at issue, and on **14 November 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 **26 November 2013**. In accordance with the Regulations the due date for the Registrant’s Response was **27 December 2013**. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on **2 January 2014**.
- c) The SAIPL appointed **Mike du Toit** as the Adjudicator in this matter on **15 January 2014**. 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 Complainant is part of the Hartman Group of companies which has international operations in the field of medical and healthcare products.
- 2.2 The key segments of the Hartman Group portfolio are wound management, incontinence management and infection management. The incontinence management products are offered under the MOLICARE, MOLIFORM and MOLIMED trademarks. These products have been sold in South Africa since 1991 through a former distributor Hartman-Vitamed

Ltd. In 1997, the turnover achieved with the MOLICARE trademark was approximately DM 500 000(R3.5 million as at 19 August 2013). At that stage the products were distributed by Hartman – Vitamed (Pty) Ltd, a company in which the Complainant owned 70 % of its shares since 2001. The products are distributed in terms of a Trademark and Name License Agreement dating back to 2001.

2.3 On 12 January 2001 the Complainant filed trademark applications in South Africa with the following details:

- 2001/00629 MOLICARE in cl 5;
- 2001/00630 MOLIFORM in class 5;
- 2001/00631 MOLIMED in cl 5.

All the trademarks covered the following goods:

“ Napkins, diapers, briefs, pads and pants including those which are absorbent or sanitary; inserts including those which are absorbent or sanitary for the aforementioned; products primary of paper, cellulose and other fibrous materials in this class”

These trademark were granted on 16 March 2006 and are valid and subsisting.

2.4 The Complainant tried to register domain names for the trademarks but found that the Registrant had registered the disputed domain names in her name. The domain names re-directed traffic to the Registrant's website which advertised the Complainant's goods as well as those of their competitors. The website operated under DIGNITY which is also a trademark of the Complainant. When confronted by the Complainant, the Registrant argued that the domain names were purchased legally but that she was willing to transfer the domain names to the Complainant subject to the Complainant passing certain work to her in the future. Rademeyer Attorneys then confronted the Registrant who ultimately agreed to transfer the domain names subject to the Complainant agreeing to move her account to the next discount level.

2.5 This was rejected by the Complainant and the Registrant ultimately agreed on 27 June

2013 to transfer the domains. However, the Registrant only allowed the Complainant to be recorded as technical support which allowed them to re-direct www.moliform.co.za and www.molimed.co.za to their own website. The Complainant is still not recorded as registrant of any of the disputed domains, in fact, the Registrant is still using www.molimed.co.za to advertise and sell the Complainant's goods and those of their competitors.

3 Parties' Contentions

3.1 Complainant

- a) The Complainant has been marketing and selling goods offered under the aforementioned trademarks since 1991 and have established a goodwill and reputation in the trademarks. The MOLICARE, MOLIFORM and MOLIMED trademarks are registered and are valid and subsisting.
- b) The Registrant registered the disputed domain names to capitalize on the recognition of the trademarks by those seeking products and services relating the Complainant and diverting custom to it, thus making the registration of the domain names in bad faith.
- c) The use of a domain name to re-direct traffic to an unrelated website than that of the Complainant has been found to be *prima facie* evidence of bad faith by WIPO panellists in the matter of America Online Inc v John Zuccarini (WIPO D 2000-1495). This is tantamount to the Registrant using the domain names in a manner that takes unfair advantage of or is unfairly detrimental to the Complainant's rights.
- d) The Registrant is capitalizing on the domain names by registering domain names that include the Complainant's trademarks and then profiting from the resultant confusion.

- e) The Registrant is preventing the Complainant from exercising its rights and the continued use of the domain names to re-direct internet users unfairly disrupts the business of the Complainant. On the balance of probabilities, the domain names of the Registrant amount to abusive registrations.

3.2 Registrant

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

4 Discussion and Findings

- a) In terms of Sec 1 of the Regulations, an abusive registration was registered in a manner which, at the time of registration, took unfair advantage of or was unfairly detrimental to the Complainant's rights, or has been used in a manner that takes unfair advantage of or is unfairly detrimental to the rights of the Complainant.
- b) The conduct of the Registrant falls within the ambit of sec 4(1) in that the Registrant, once confronted, intentionally blocked the registration of the Complainant's marks, in which they have clear rights. The Complainant clearly illustrated that the Registrant unfairly disrupts the business of the Complainant and prevents the Complainant from exercising its rights. On the face of it appears that the Registrant registered the domain names with the single intention of taking advantage of the rights of the Complainant. In the absence of an explanation, the only logical conclusion is that the registrations were abusive at the time of registration.
- c) The conduct of the Registrant leads people to believe that the domain name is registered to or operated or authorised by the Complainant while it clearly is not the case. [State the Adjudicator's findings under each heading with reference to the parties' contentions, the Regulations, Supplementary Procedure and applicable substantive law, including local and foreign domain name decisions.

4.1 Complainant's Rights

4.1.1 In terms of the Regulations, the Complainant's has to prove on a balance of probabilities that it has rights in respect of a name or mark which is identical or similar to the domain name in dispute and that the domain name in the hands of the Registrant is an abusive registration.

4.1.2 The Complainant has proven that it has registered rights in the trademarks incorporated in the disputed domain names. These rights are valid and predate the registration of the disputed domain names. In addition, the Complainant has presented undisputed facts relating to its common law rights. These rights are unchallenged and are accepted on a balance of probabilities.

4.1.3 The rights of the Complainant have been proven on a balance of probabilities.

4.1.4 In the absence of a response from the Registrant, the allegations of abusive registrations remains and it is found that the circumstances as illustrated by the evidence of the Complainant supports the allegation of abusive registrations. The fact that the Registrant made it very difficult for the Complainant to obtain control over the disputed domain names, even after the Registrant undertook to transfer them, supports the Complainant's contentions. The fact that the Registrant persisted in re-directing traffic to her website, up to the point when this complaint was lodged, confirms the abusive nature of the registrations. In this regard the reference by the Complainant to the WIPO decision America Online Inc v John Zuccarini (WIPO D 2000-1495) applies.

See also the leading UK High Court case of British Telecommunications PLC v One in a Million(1999) FSR 1 CA in so far as trademark infringement and passing off goes. See also the decision of CTB inc and Chore Time Brock International (ZA 2012-0111) where a number of local and foreign decisions is quoted which applies equally.

4.3 Offensive Registration

4.3.1 Not applicable

5. Decision

5.1 For all the foregoing reasons, in accordance with Regulation 9, the Adjudicator orders that the domain names molicare.co.za, moliform.co.za and molimed.co.za, be transferred to the Complainant.

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[Mike Du Toit]

SAIPL SENIOR ADJUDICATOR

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