

Decision

ZA2012-0111

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2012-0111
DECISION DATE:	29 June 2012
DOMAIN NAME	Chore-time.co.za
THE DOMAIN NAME REGISTRANT:	Mr Hendrik Smit
THE COMPLAINANT:	CTB Inc and Chore-Time Brock International
COMPLAINANT'S LEGAL COUNSEL:	Adams & Adams
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 "SAIPL") on **2 May 2012**. On **9 May 2012** the SAIPL transmitted by email to UniForum SA a request for the registry to suspend the domain name(s) at issue, and on **09 May 2012** 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 **10 May 2012**. In accordance with the Regulations the due date for the Registrant's Response was **7 June 2012**. The Registrant did not submit any Response, and accordingly, the SAIPL notified the Registrant of its default on **8 June 2012**. The Registrant thereafter failed to submit its Response, and the SAIPL informed him that the dispute would be submitted for adjudication, without its Response.
- c) The Complainants accordingly did not submit a Reply.
- d) The SAIPL appointed **Mr Andre van Der Merwe** as the Adjudicator in this matter on **14 June 2012**. 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.
- e) Firstly, the Complainants had submitted a (combined) Complaint in respect of two disputed domain name registrations viz chore-time.co.za and chore-timebrock.co.za. In their submission they had suggested that the disputed

domain names can be dealt with together as these were registered by or on the instructions of a Mr Paul Cossie. However, this is not altogether clear, and although the overall facts relating to these two matters are the same, or at least similar, the two domain names are somewhat different, leading to the decision by the Adjudicator that the dispute iro the chore-time.co.za domain name registration will be dealt with in this Adjudication; and that the dispute iro the chore-timebrock.co.za domain name registration will be dealt with in a separate Adjudication viz in case ZA2012-0112.

Secondly, in the absence of a Response from the Registrant, this Adjudication will be dealt with on the basis of the Complainants' complaint as the only document filed herein. This is in accordance with accepted court procedure as followed in the case of an unopposed application.

2 Factual Background

- a) CTB Inc, the first Complainant, commenced trading in the United States of America during 1952 as Chore-Time Equipment and was established as a company in 1976. It has since become a leading global designer, manufacturer and supplier of agricultural systems and solutions such as animal feeders, ventilators and other products in this field, more particularly chicken/broiler houses, and associated feeders and ventilation equipment. In 1983 the first Complainant formed Chore-Time Brock International, the second Complainant, for purposes of promoting and selling **CHORE-TIME** and **BROCK** products internationally.
- b) The second Complainant has, since its formation developed and maintained a reputation in the United States of America, and world-wide, including South Africa, for its high quality of goods and services. The second Complainant has a network of local and international/regional based

distributors world-wide and inter alia in 16 African countries viz South Africa, Algeria, Chad, Egypt, Ethiopia, Ghana, Kenya, Libya, Mali, Mauritius, Morocco, Niger, Nigeria, Senegal, Tanzania and Tunisia. Accordingly the Complainants have become known in the relevant industry, and are associated with the trademarks **CHORE-TIME** and **BROCK**.

- c) Since about 1983 the Complainants' products have been sold in South Africa, generally through a local agent, and such sales of **CHORE-TIME** and **BROCK** products have continued on an extensive scale up to the present time.
- d) The first Complainant is the proprietor of various domain name registrations viz chore-time.co, chore-time.com, chore-time.net, chore-time.org, chore-time.biz, chore-time.info, chore-time.us, chorettime.co, chorettime.com, chorettime.net, chorettime.org, chorettime.biz, chorettime.info, chorettime.us, chorettime.poultry.com, chorettimepoultry.co, chorettimehog.com and chorettimeegg.com. These domain names point to the first Complainant's main website under the domain name ctbinc.com.
- e) The first Complainant is the proprietor of registrations for the trademarks **CHORE-TIME** and **BROCK** in many countries world-wide, totalling almost 100 trademark registrations (and applications). In South Africa it has filed application numbers 2011/27583-6 **CHORE-TIME** in classes 6, 7, 9 and 11 and applications number 2011/27582 **BROCK** in class 6, all filed on 31 October 2011.
- f) The Registrant for the disputed domain name chore-time.co.za is indicated on Whois as Hendrik Smit. This domain name was registered on 18 May 2007.
- g) The disputed domain name chore-time.co.za is used for the website

www.chore-time.co.za. However, the website under this domain name is no longer active.

- h) The Registrant and Mr Paul Cossie are apparently associated with a South African company having company registration number 1996/005072/07 (dating from 1996) viz ChoreTime Brock International (Pty) Limited having its physical address in Bloemfontein, Free State Province. According to the Complainants, there is no connection or relationship between this company and the second Complainant.

3 Parties' Contentions

3.1 Complainants

- a) The Complainants contend that the first Complainant has acquired a reputation and goodwill that is associated with it and the business that is conducted by it and the second Complainant under its name and trademarks viz **CHORE-TIME** and **BROCK**.
- b) The Complainants also contend that the disputed domain name chore-time.co.za incorporates its well-known name and trademarks **CHORE-TIME** (and **BROCK** as registered and used in the name of the South African company referred to elsewhere herein. The combination of these words is not common in the trade).
- c) The Complainants further contend that the Registrant is not the *bona fide* proprietor of the trademarks **CHORE-TIME** or **CHORE-TIME BROCK** and that his registration of the disputed domain name is in conflict with the first Complainant's rights in the name and trademark **CHORE-TIME**; and that registration of the disputed domain name is unauthorized and intended to confuse, mislead and deceive

members of the public locally and internationally into believing that ChoreTime Brock International (Pty) Limited (the South African company) is the second Complainant, or is associated with the Complainants, or is a South African branch of the Complainants' business. According to the Complainants, neither the Registrant nor ChoreTime Brock International (Pty) Limited is a licensee of the Complainants and hence registration of the disputed domain name has not been authorized or approved by the Complainants.

- d) Use and registration by the Registrant and/or ChoreTime Brock International (Pty) Limited of the disputed domain name are likely to cause confusion and deception as to the source or sponsorship of the relevant goods or services and will lead prospective investors into believing that the goods or services originate from or are sponsored or approved by the Complainants – and hence are *mala fide*. In these circumstances, the registration and business activities of a South African company bearing the same name as the second Complainant exacerbates the likelihood of confusion and deception; and any adverse publicity attracted by the Registrant and/or this local company would tarnish the Complainants' good name and reputation locally and internationally.
- e) The Complainants contend that the disputed domain name, in the hands of the Registrant, is an abusive registration inter alia because it is almost identical or confusingly similar to the first Complainant's well-known trademarks **CHORE-TIME** and **BROCK** and to its various registered domain names listed above.
- f) The Complainants enjoy prior use and rights internationally and locally, and the Registrant has registered the disputed domain name

in a way that leads people or businesses to believe that the domain name is registered, operated or authorized by, or otherwise connected with, the Complainants.

- g) The Registrant has registered the disputed domain name and is using same to ride unlawfully on the goodwill, good name and reputation of the Complainants to attract trade and custom for himself and/or the aforementioned South African company, thereby taking unfair advantage of the Complainants and their rights.
- h) Registration of the disputed domain name blocks, intentionally, the registration of a name or mark in which the first Complainant has rights; and this prevents the first Complainant from exercising its rights.

3.2 Registrant

- a) The Registrant did not reply to the Complainants' contentions. Accordingly, the Adjudicator is obliged to consider this Adjudication on the basis of the facts and contentions made by the Complainants, in the same manner as a court would normally consider an unopposed application brought before it by an applicant.

4 Discussion and Findings

- a) At the outset, the Adjudicator points out that the Alternative Dispute Resolution Rules provide in Regulation 3(1) that the Registrant must submit to the proceedings under the rules provided by the Regulations if the Complainants assert, in accordance with the procedure, that:
 - i) The Complainants have rights in a name or mark;

- ii) The name or mark is identical or similar to the (disputed) domain name; and
- iii) In the hands of the Registrant, the domain name is an abusive registration.

In Regulation 1, “abusive registration” is defined to mean a domain name which either –

- i) 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 Complainants’ rights; or
 - ii) Has been used in a manner that takes unfair advantage of, or is unfairly detrimental to, the Complainants’ rights.
- b) In terms of Regulation 3(2), the Complainant is required to prove on a balance of probabilities to the Adjudicator that the required elements in sub-Regulation 3(1) as set out above are present.

With reference to the Complainants’ contentions set out above, the Complainants have contended that they have a reputation and goodwill, both internationally and in South Africa. They have shown an extended period of doing business, not only in the United States of America but also in many other countries including South Africa, and extensive business activities including use of the names and trademarks **CHORE-TIME** and **BROCK** in respect of their goods and services. The acquisition of reputation is essential, as a right, to provide a basis in order to prove passing off under the common law.

- c) Accordingly, the Adjudicator accepts, on a balance of probabilities, that the Complainants, and especially the first Complainant, has succeeded in

proving that, through their business, in the USA and abroad, it has established an international reputation and goodwill that extends to South Africa, in respect of these two names and trademarks. This provides a recognized right at common law in the hands of the first Complainant.

- d) The Complainants have also contended that the disputed domain name chore-time.co.za incorporates its well-known name and trademark **CHORE-TIME**; that the Registrant is not the bona fide owner of the Complainants' names and trademarks **CHORE-TIME** and **BROCK**, or a combination of these; that his registration of the disputed domain name is in conflict with their rights; and that such registration and use is unauthorized and intended to confuse, mislead and deceive members of the public, and that this would result in damage to the good name and reputation of the Complainants' business locally and internationally. Registration of the relevant South African company will increase this likelihood.

- e) This is an allegation to the effect that the Registrant's activities amount to passing off under the common law. The Adjudicator, on the basis of the decided High Court cases cited herein, and on what has been set out above, is inclined to agree that these allegations have merit as well as the inescapable conclusion of passing off flowing therefrom.

In support hereof, reference is made to the many South African decided High Court (formerly Supreme Court) cases dealing with passing off – in particular Caterham Car Sales & Coachworks Ltd v Birkin Cars (Pty) Ltd [1998] 3 All SA 175 (A); 1998 3 SA 938 (SCA); and the *locus classicus* of passing off viz Capital Estate & General Agencies (Pty) Ltd v Holiday Inns Inc, 1977 2 SA 916 (A).

- f) In addition to the aforementioned reputation and goodwill, the Complainants have shown that in good faith they own various domain name registrations

that include the names and trademarks **CHORE-TIME** and **BROCK**; as well as a large number of trademark registrations in many countries, indicating that they have a *bona fide* claim to ownership of these names and trademarks – and also that they enjoy trademark rights in those countries. These rights, however, do not extend to South Africa; and the above-mentioned South African trademark applications do not provide justiciable rights until these proceed to registration. At best these applications can presently provide only so-called contingent rights.

See also the textbook Webster and Page: South African Law of Trade Marks, Fourth Edition, paragraph 15.5 et seq and the decided cases cited therein.

4.1 Complainant's Rights

- a) Reverting to section 4 above and the reference to the Regulation required to be proven viz Regulation 3(1), the Adjudicator finds, on balance of probabilities, that it is clear from what has been set out in that paragraph that Complainants have, and especially the first Complainant has, rights in respect of the name or mark **CHORE-TIME**. Such rights are common law rights that can be enforced before the High Court for example in a passing off matter. This therefore satisfies the first requirement or element as set out in the above-mentioned paragraph.

Regarding the second requirement or element, the Complainants have contended that the disputed domain name chore-time.co.za incorporates their well-known name and trademark **CHORE-TIME** and is “almost identical and confusingly similar” to their aforementioned name and trademark. In fact, the disputed domain name also includes the hyphen between the words “chore” and “time”,

which is the manner in which the first Complainant has claimed prior use and rights in its name and trademark **CHORE-TIME**.

Curiously, the relevant South African company afore-mentioned bears a name which combines the above name and mark with the Complainants' other name and mark **BROCK** viz in the form ChoreTime Brock International (Pty) Ltd.

Accordingly, the Adjudicator is compelled to find that on a balance of probabilities the name and trademark **CHORE-TIME** of the first Complainant is, for all intents and purposes, identical to the disputed domain name chore-time.co.za (excluding, as understood, the suffix co.za).

This therefore satisfies the second requirement or element of the above Regulation.

- b) In support of the above finding, the Adjudicator refers to various foreign and South African domain name decisions that have made findings in cases where, put differently, the disputed domain name is identical to the name or trademark of the complainant. These cases include, for example, WIPO/D2000-0441 Reuters Limited v Global Net Inc in which it was found that the practical effect of preceding a trademark with the letters www in a domain name is so-called "typo-piracy"; similarly in WIPO/D2000-0680 let'sbuyit.com; DRS 00658 chivasbrothers.co.uk; and more recently DRS 00010860 popuppowersupplies.co.uk; D00010987 urbanoutfitters.co.uk; and D00011016 sat-elite.co.uk; various NAF decided cases; and for example ZA2007-0007 fifa.co.za; ZA2008-0014 citroen.co.za; ZA2011-0066 digicert.co.za; and ZA2011-0078 foodnetwork.co.za.

4.2 Abusive Registration

a) Referring now to the third requirement or element in Regulation 3(1), the Complainants have contended, but need to prove on a balance of probabilities, that the disputed domain name is an abusive registration viz that it 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 has been used in a manner that takes unfair advantage of, or is unfairly detrimental to, the Complainants' rights.

b) Regulation 4(1) provides various factors that may indicate or provide evidence of an abusive registration. The factors raised by the Complainants are discussed hereunder.

The first factor raised by the Complainants is that the Registrant has registered the disputed domain name primarily to block intentionally the registration of a name or mark in which the Complainants have rights. In the opinion of the Adjudicator, it appears from the discussion above that registration by the Registrant of the disputed domain name chore-time.co.za will clearly act to block registration of its name and trademark **CHORE-TIME** as a domain name by the Complainants, or more particularly by the first Complainant. Registration of the relevant South African company name as indicated above confirms that this appears to be the intention of the Registrant.

See in this regard the leading UK High Court case: British Telecommunications Plc v One in a Million Ltd [1999] FSR 1 CA, in which the Court ordered One in a Million Ltd, on the basis of a finding of trademark infringement and passing off, to transfer the domain name registrations to the relevant companies that in reality traded under those names/trademarks. See also WIPO/D2000-0545 and the

above-cited South African domain name decisions.

The second factor raised by the Complainants is that the Registrant has registered the disputed domain name primarily to prevent the Complainants from exercising their rights. Because the disputed domain name will act to block registration of the name and trademark **CHORE-TIME** by the Complainants, or more particularly by the first Complainant, this will serve to disrupt the business of the Complainants in South Africa. This disruption is unfair because the Complainants are entitled to protect their name and trademark in South Africa because of the prior common law rights that they enjoy in South Africa. This follows from what has been set out above.

See in this regard, paragraph 5.1 of the terms and conditions of Uniform SA – ie the warranty that the Registrant had signed when he registered the disputed domain name, viz that:

- I. “It has the right without restriction to use and register the Domain Name.”
- II. The use and registration of the Domain Name by the Registrant does not or will not interfere with, nor infringe the right of any third party in any jurisdiction with respect to trademark, service mark, trade name, company name, close corporation name, copyright, or any other intellectual property right.”

Clearly, the Registrant has acted contrary to his warranty as set out above – and this raises the question of bad faith on his part; and hence the disputed domain name will primarily act to prevent the Complainants from exercising their rights.

The third factor raised by the Complainants is that there are circumstances indicating that the Registrant has registered the

disputed domain name in a way that leads people or businesses to believe that the disputed domain name is registered, operated or authorized by, or otherwise connected with the Complainants. Because the disputed domain name is identical to the name or trademark **CHORE-TIME**, and because of the likelihood of confusion or deception among members of the public or the relevant business sector, as discussed above, this appears to be a clear case of passing off wherein an association is assumed between the Registrant and his business and that of the Complainants. This association will be heightened because of the existence of the relevant South African company referred to above.

- c) In support of the afore-mentioned, see for example the foreign Domain name decisions WIPO/D2000-0545; NAF/FA95319; NAF/FA95464; and NAF/FA95498; and foreign decisions cited above; and various South African domain decisions including those cited above.
- d) In conclusion, the Adjudicator wishes to quote from the above-cited chivasbrothers.co.uk decision, in which the Expert found that:
- “Where a Respondent registered a domain name
- 1) which is identical to a name in respect of that which the Complainant has rights;
 - 2) where that name is exclusively referable to the Complainant;
 - 3) where there is no obvious justification for the Respondent having adopted that name for the domain name;
 - 4) where the Respondent has come forward with no

explanation for having selected the domain name (- in the present case no response at all was submitted by the Respondent nor any shifting of onus by him),

It will ordinarily be reasonable for an expert to infer first that the Respondent registered the domain name for a purpose and secondly that that purpose was abusive.”

As stated in the above-cited fifa.co.za decision viz ZA2007-0007- “There is parallel for this reasoning in the South African law of trademarks – to be found for example in the High Court case Blue Lion Manufacturing (Pty) Ltd v National Brands Ltd 2001 (3) SA 884 SCA.”

Accordingly, on a balance of probabilities, the Adjudicator finds that the disputed domain name chore-time.co.za is an abusive registration.

5. Decision

- a) For all the foregoing reasons, in accordance with Regulation 9, the Adjudicator orders that the disputed domain name, chore-time.co.za, be transferred to the first Complainant.

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ANDRE VAN DER MERWE
SAIIPL SENIOR ADJUDICATOR
www.DomainDisputes.co.za

