

Decision

[ZA2013-0149]

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2013-0149
DECISION DATE:	1 November 2013
DOMAIN NAME	autotraderauction.co.za
THE DOMAIN NAME REGISTRANT:	Pacific Beach Trading
REGISTRANT'S LEGAL COUNSEL:	N/a
THE COMPLAINANT:	Trader Publishing Limited and The Car Trader (Pty) Ltd
COMPLAINANT'S LEGAL COUNSEL:	Bouwers Inc. (Deon Bower)
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 **27 August 2013**. On **28 August 2013** the SAIPL transmitted by email to UniForum SA a request for the Registry to suspend the domain name at issue, and on the same date UniForum SA confirmed that the domain name had indeed been suspended. The SAIPL verified that the Complaint 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 September 2013**. In accordance with the Regulations, the due date for the Registrant’ s Response was **1 October 2013**. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on **7 October 2013**.
- c) The SAIPL appointed **Charne Le Roux** as the Adjudicator in this matter on **15 October 2013**. 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 the SAIPL’ s Supplementary Procedure.

2 Factual Background

- 2.1 a) The First Complainant is Trader Publishing Limited, a company situated in Berkshire, United Kingdom and the Second Complainant is The Car Trader (Pty) Ltd, a South African private company situated in Johannesburg, Gauteng.

- b) The First Complainant forms part of the larger Trader Media Group and is a subsidiary of Trader Media Limited. It is the owner of trade mark registrations in South Africa for the trade marks AUTO TRADER, THE AUTO TRADER, AUTO TRADER device and AUTO TRADER.CO.ZA device, covering goods and services in classes 9, 16 and 35.
 - c) The Second Complainant is licensed by the First Complainant to use its trade marks in South Africa, Namibia and Botswana.
 - d) The Complainants have used the trade marks referred to above extensively in South Africa, which has not been disputed by the Registrant and which the adjudicator accepts as fact.
- 2.2 The Disputed Domain Name was registered on **19 August 2011** in the name of the Registrant.

3 Parties' Contentions

3.1 Complainant

- a) The Complainants contend in connection with their rights that:
 - i) The First Complainant is the proprietor of South African trade mark registrations for the various AUTO TRADER trade marks, referenced above, in classes 9, 16 and 35.
 - ii) The First Complainant is the proprietor of the domain names <autotrader.co.za>;<autofreeway.co.za>; <topmarques.co.za>; <trucktrader.co.za>;<commercialtrader.co.za> and <cartrader.co.za>, registered respectively in the years 1995, 2000, 2001, 2002 and 2003.

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- iii) The First Complainant owns common law rights in the AUTO TRADER trade marks referenced above as a consequence of the substantial use that they (the Second Complainant under license of the First Complainant) have made of them. The Complainants' evidence of support of this use consisted of the affidavit executed by their representative Mr George Mienie. Reference was made in the affidavit to the AUTO TRADER magazine, launched in April 1992 and the AUTO TRADER website, launched in October 1998. The Complainants submit that readership of their AUTO TRADE magazine consists of over 500 000 vehicle buyers per week in print. The Complainants explain that they have invested substantial time, money and effort in advertising and promoting the AUTO TRADER business throughout South Africa, Namibia and Botswana and that there has consequently been substantial growth in respect of the AUTO TRADER magazine, which, from its launch in 1992, expanded from 24 pages to 500 pages in February 2002 when its 500th issue was published. Since 2003 to date, the Complainant averaged 860 pages per week, advertising over 30 000 vehicles over 5 magazine titles.
- b) The Complainants claim that the Disputed Domain Name wholly incorporates their AUTO TRADER trade mark and that it is thus virtually identical, alternatively, confusingly similar to the First Complainant's registered AUTO TRADER trade mark.
- c) The Complainants submit that the Disputed Domain Name is used by the Registrant to compete with the Complainants for the Registrant's own commercial gain and as such will unfairly disrupt the business of the Complainants, particularly by passing off to members of public

that the Disputed Domain Name is registered or unauthorised by the Second Complainant. The Complainants support this statement by referring to the letter of demand which had been sent to the Registrant's representative, Mr ME Odabachian, wherein he was called upon to cease use of the AUTO TRADER trade mark and cancel, alternatively transfer, the Disputed Domain Name to the Complainants. The Complainants state that while there was no response to the letter of demand, the Registrant did make some changes to the website associated with the Disputed Domain Name, in removing the trading style AUTO TRADER AUCTION and replacing it with CARS FOR AUCTION. However, the Registrant retained reference to the AUTO TRADER AUCTION trade mark elsewhere on this website. In further support for its aforesaid contention, the Complainants also point out that the Registrant and the Complainants are competitors, that the Registrant would undeniably have been aware of the Complainants and their use of the AUTO TRADER trade mark and that the business of the First Complainant can, as a consequence of the conduct of the Registrant, not properly grow.

- d) The Complainants contend that by using the Disputed Domain Name to attract customers and promote its business, the Registrant is preventing the Complainants from registering the Disputed Domain Name in their own name and thus from exercising their rights in their trade marks.
- e) The Complainants also indicate that by using the Disputed Domain Name the Registrant intentionally attempts to attract, for commercial gain, internet users to its website by creating a likelihood of confusion with the Complainants, particularly since the Registrant, through its

use not only of the Disputed Domain Name, but also of a trading style and other trade descriptions including the AUTO TRADER trade mark, advertises the sale of various vehicles in competition with the Complainants.

- f) The Registrant's lack of any effort to distinguish the website attached to the Disputed Domain Name from the Complainants is indicated as a further aspect of the Registrant's abusive conduct.
- g) The Complainants request that the Disputed Domain Name be transferred to the First Complainant.

3.2 Registrant

- a) The Registrant did not formally respond to the Complainants' contentions.

4 Discussion and Findings

- a) Regulation 3(1)(a) requires that the Complainants prove each of the following elements in order for the Disputed Domain Name to be transferred:
 - i) That the Complainants have established rights in respect of names or marks which are identical or similar to the Disputed Domain Name; and
 - ii) That in the hands of the Registrant, the Disputed Domain Name is an abusive registration.
- b) The adjudicator will draw such inferences from the Registrant's default as she considers appropriate. This will include the acceptance of plausible evidence of the Complainants, which has not been disputed.

4.1 Complainants' Rights

- a) Regulation 1 defines rights to include intellectual property rights, commercial, cultural, religious and personal rights protected under South African law, but are not limited thereto. The definition is broad and rights are not restricted to rights founded on the principles of trade mark law, but recognises rights going beyond those in terms of the Trade Marks Act No. 194 of 1993 or the requirements at common law for passing off. Such rights must, however, find recognition in law. See [ZA2007-0008](#) ([privatesale.co.za](#)).
- b) The adjudicator finds that the First Complainant acquired rights in respect of the trade mark AUTO TRADER, arising from its registration of the mark as well as variations of it.
- c) The adjudicator also finds that the Complainants have made sufficient use of the various AUTO TRADER trade marks to give rise to common law rights in these trade marks. These common law rights would vest with the First Complainant as licensor of the marks to the Second Complainant. The question is whether the Second Complainant also owns any rights for purposes of the dispute? The strength of the rights required to be shown by a complainant to have *locus standi* is fairly low and the adjudicator finds that the Second Complainant has *ex facie* its licence with the First Complainant established sufficient rights to meet this test. See [ZA2009-0030](#) ([seido.co.za](#)) and the cases referred to therein and also [ZA2008-0016](#) ([mares.co.za](#) and [dacor.co.za](#)) where the adjudicator accepted that the Complainant could claim commercial rights arising from a distribution agreement, albeit that such rights are narrow in scope.

- d) The adjudicator consequently has no difficulty in finding that both the Complainants have discharged the onus in showing that they have established rights in respect of particularly the AUTO TRADER trade mark.
- e) The adjudicator also finds that the Disputed Domain Name is similar to the Complainants' AUTO TRADER trade mark, as required in terms of Regulation 3(a). The only difference between the Complainants' AUTO TRADER trade mark and the Disputed Domain Name is the addition of the word AUCTION at the end of the Disputed Domain Name. This word is purely descriptive and does not fulfil a distinguishing function, but, in fact, only enhances the conceptual similarity with the Complainants' trade marks.

4.2 Abusive Registration

- a) Regulation 4(1) provides for a number of grounds (non-exhaustive) on which the Complainants can rely in showing that the Disputed Domain Name is an abusive registration. For purposes of this dispute, the Complainants rely on Regulations 4(1)(a)(ii), 4(1)(a)(iii), 4(1)(a)(iv) and 4(1)(b) namely that the Registrant:
- i) blocks intentionally the registration of a name or mark in which the Complainants have rights;
 - ii) disrupts unfairly the business of the Complainants;
 - iii) prevent the Complainants from exercising their rights; and
 - iv) is using or has registered the Disputed Domain Name in a way that leads people or business to believe that the Disputed Domain Name is registered to, operated, authorised by or otherwise connected with the Complainants.

- b) The Panel finds that the Registrant has registered the Disputed Domain Name primarily with an intention to capitalise on the reputation attached to the Complainants' AUTO TRADER trade marks and to divert internet users to the Registrant's website in order to obtain financial reward. The Registrant had opportunities both when the Complainants' representative sent a letter of demand to it and in this administrative proceeding, to demonstrate that its registration of the Disputed Domain Name was not abusive, or to challenge the Complainants' contentions, but it elected not to take up these opportunities. Taking into account all the circumstances set out above, including the Complainants' long standing statutory and common law rights in its trade marks and the Registrant's clear intention of exploiting the goodwill associated with these marks, the Panel finds that the Disputed Domain Name was abusive within the meaning of paragraphs 4.2 (a) (i), (ii), (iii) and (iv) as set out above.

5. Decision

- 5.1 For all the foregoing reasons, in accordance with Regulation 9, the adjudicator orders that the Disputed Domain Name autotraderauction.co.za be transferred to the First Complainant.

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CHARNE LE ROUX
SAIIPL SENIOR ADJUDICATOR
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