

Decision

[ZA2023-0469]

.ZA ALTERNATE DISPUTE RESOLUTION REGULATIONS
 (GG29405)

ADJUDICATOR DECISION

CASE NUMBER:	ZA2023-0469
DECISION DATE:	06 March 2023
DOMAIN NAME	webbuyrifles.co.za
THE DOMAIN NAME REGISTRANT:	Gerrie Du Plessis
REGISTRANT'S LEGAL COUNSEL:	Bester Attorneys Inc
THE COMPLAINANT:	Wildman Holdings (Pty) Ltd
COMPLAINANT'S LEGAL COUNSEL:	Hahn & Hahn
2nd LEVEL ADMINISTRATOR:	ZARC

TABLE OF CONTEXT

1 . Procedural History 2

2. Factual Background 3

3. Parties' Contentions 3

 3.1 Complainant 3

 3.2 Registrant 4

4. Discussion and Findings..... 4

 4.1 Complainant's Rights 4

 4.2 Abusive Registration..... 4

5. Decision 13

1 . Procedural History

- a) The Dispute was filed with the South African Institute of Intellectual Property Law (the “SAIIPL”) on **5 January 2023**. On **09 January 2023** the SAIIPL transmitted by email to ZA Registry Consortium (ZARC) a request for the registry to suspend the disputed domain name <webuyrifles.co.za> (the “Domain Name”), and on that date ZARC confirmed that the Domain Name had indeed been suspended. The SAIIPL verified that the Dispute satisfied the formal requirements of the .ZA Alternate Dispute Resolution Regulations (the “Regulations”), and the SAIIPL’s Supplementary Procedure.
- b) In accordance with the Regulations, the SAIIPL formally notified the Registrant of the commencement of the Dispute on **10 January 2023**. In accordance with the Regulations the due date for the Registrant’s Response was **7 February 2023**. The Registrant submitted its Response on **6 February 2023**, and 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 the same day.
- c) The Complainant submitted its Reply timeously on **13 February 2023**.
- d) The SAIIPL referred the case to ZADNA for informal mediation on **14 February 2023**. On **15 February 2023** ZADNA confirmed that neither party wanted to engage in mediation.
- e) The SAIIPL appointed **Jeremy Speres** as the Adjudicator and **Zama Buthelezi** as Trainee Adjudicator in this matter on **16 February 2023**. The Adjudicator and Trainees Adjudicator have submitted Statements of Acceptance and Declaration of Impartiality and Independence, as required by the SAIIPL to ensure compliance with the Regulations and Supplementary Procedure.
- f) On **20 February 2023** the Adjudicator issued Procedural Order No. 1, querying certain evidence included in the Reply. The Complainant responded to the procedural order on **22 February 2023** with an affidavit, answering the Adjudicator’s queries. The Registrant filed an affidavit responding to the Complainant’s affidavit on **27 February 2023**.

2. Factual Background

2.1 The Complainant, Wildman Holdings (Pty) Ltd, is based in Ermelo. The Complainant owns South African trade mark registration no. 2020/27153 WE BUY GUNS (device) in class 35, covering “Advertising; business management; business administration; office functions; retail and wholesale, all in respect of guns and accessories for guns.” The application date was 8 October 2020. The device mark is depicted below:



2.2 A director of the Complainant, Frederick Wilhelm Du Plooy, is the sole director of J en J Wapens en Geweersmede CC. The latter owns <webuygunssa.co.za> but it has not been used.

2.3 No further information concerning the Complainant, its business nor any use of its trade mark is provided in the Complaint, apart from that discussed below.

2.4 The Registrant, Gerrie Du Plessis, is an individual residing in Meadowdale. The Registrant is the sole director of We Buy Rifles (Pty) Ltd, a company registered in 2018 that underwent a name change in December 2022, discussed below. No further information concerning the Registrant or his business is provided in the Complaint apart from that discussed below.

2.5 The Domain Name was registered by the Registrant on 4 August 2022 and has been used for an e-commerce platform for the sale of previously owned rifles.

3. Parties' Contentions

3.1 Complainant

- a) The Complainant contends that the Domain Name is virtually identical to the Complainant's WE BUY GUNS trade mark and is being used in respect of virtually

identical services to those covered by the Complainants trade mark registration, which amounts to trade mark infringement.

- b) The Complainant contends that rifles and guns are commonly interpreted as having the same meaning or relating to the same genus. Unsuspecting potential customers may access the services offered at the Domain Name when wishing to use the services of the Complainant. This would unfairly disrupt the business of the Complainant.
- c) The Complainant contends that the website at the Domain Name seems incomplete and contains wording not in an official language of South Africa. This incomplete advertising may be associated with the Complainant and reflect poorly upon it. The Complainant has no control over what appears at the site linked to the Domain Name, and this could harm its reputation.

3.2 Registrant

- a) The Registrant contends that the distinction between a gun and rifle is clear and precise and that the general public does not confuse the function, purpose and use of a rifle and a gun. Thus there is no trade mark infringement.
- b) The Registrant contends that when the domain was acquired the Registrant was not aware of the Complainant's trade mark as same was only a registered trade mark without a website, business or any public knowledge of same. The Domain Name thus did not and will not take an unfair advantage or was, nor could be, unfairly detrimental to the Complainant.

4. Discussion and Findings

4.1 Complainant's Rights

- 4.1.1 The Complainant undoubtedly has registered rights in a mark that is similar to the Domain Name. Guns and rifles may or may not be identical, but they are clearly of the same genus, namely firearms.

4.2 Abusive Registration

- 4.2.1 There is no evidence in the record indicating that the Complainant has used its registered trade mark, or any relevant trade mark for that matter, nor does the Complainant claim to have used any such mark. The Complainant certainly doesn't have a reputation in any relevant mark, nor does it claim to have one. The Registrant has denied any knowledge of the Complainant's trade mark and the Complainant has not claimed that the Registrant was so aware. Thus, the Complainant's case is one of innocent trade mark infringement; innocent in the sense that the Registrant has registered and used a Domain Name that may or may not be confusingly similar to a registered trade mark, without any knowledge of the Complainant's mark let alone any intention to target it, and without the Complainant's mark having been used at all let alone having any reputation which could impute knowledge to the Registrant. The Complainant would appear to rely, although not expressly, on the provisions of Regulation 4(1)(b) in this respect.
- 4.2.2 The Complainant is required to establish abusiveness in the sense that the Domain Name was registered or has been used in a manner which takes unfair advantage of or was unfairly detrimental to the Complainant's rights. The test is not one of statutory trade mark infringement but one of abusiveness. Of course there is much overlap – trade mark infringing conduct can also amount to abusiveness in the right circumstances, but the two are not synonymous.
- 4.2.3 In "Cyberbusters versus Cybersquatters: Round II in the ZADNA Ring" 2009 SA Merc LJ 661, Prof. Tana Pistorius writes as follows:
- "The South African ADR Regulations, like the Australian Dispute Resolution Policy, require either bad-faith registration or subsequent bad-faith use of the domain name...Trade-mark infringement and abusive registrations within the meaning of the ADR regulations are not synonymous. The fact that the use of a disputed domain name in a particular set of facts may constitute trade-mark infringement has, of itself, no bearing on the question whether it is an abusive registration."*
- 4.2.4 Section 69(2) of the Electronic Communications and Transactions Act, 25 of 2002 ("ECT Act"), is the enabling provision for the Regulations. It states that the Regulations must be made with due regard to existing international precedent. Regulation 13(2) states that an adjudicator must be guided by national, foreign and international law. It is thus appropriate for the Adjudicator to consider

international and foreign jurisprudence.

- 4.2.5 The Regulations were based on the UK's Dispute Resolution Service (DRS) and the wording of the Regulations is virtually identical in all relevant respects. In the Forward to Version 3 of the Nominet DRS Experts' Overview the following is stated:

"Disputes are decided by reference to the terms of the Policy, not the law, so the fact that a domain name registration and/or the registrant's use of it may constitute trade mark infringement, for example, will not necessarily lead to a finding of Abusive Registration under the DRS Policy."

- 4.2.6 In UK DRS appeal decision no. DRS 04962 the Panel stated as follows:

"The Complainant asserts that the Respondent is infringing the Complainant's trade mark rights and that, because the Policy is intended to represent a quick and economic alternative to litigation, the Panel should follow the courts and direct transfer of the Domain Name. While it is true that the Policy is intended to represent a quick and economic alternative to litigation, not all acts of infringement constitute an Abusive Registration under the Policy and not all Abusive Registrations within the terms of the Policy constitute trade mark infringement or passing off. Moreover, the members of this Panel are by no means certain how a court would react to a case of this kind. Most of the domain name authorities to date have involved domain names which were registered to take advantage of the claimant's rights. If infringement were found, the court might content itself with suitably worded injunction rather than transfer of the Domain Name."

- 4.2.7 It is well-known that at the time the Regulations were enacted, the UDRP was the foremost international domain name dispute resolution policy, and it would certainly have informed the drafting of the Regulations. This is borne out by the fact that UDRP decisions are regularly cited by Adjudicators under the Regulations. There are many examples from UDRP jurisprudence where similar findings have been made in respect of the relationship between the test under the UDRP versus trade mark infringement. In *Delta Air Transport NV (trading as SN Brussels Airlines) v. Theodule De Souza*, WIPO Case No. D2003-0372, the three-member Panel agreed that:

"trade mark infringement and abusive registration within the meaning of para 4(a)(iii) of the Policy are two different things....the fact that a particular set of facts may constitute trade mark infringement has of itself no bearing on whether it is an abusive registration."

- 4.2.8 In *Clinic Care Pty Limited v. Emma Redgate Payne (also known as Emma Johnson)*,

WIPO Case No. DAU2011-0027, the Panel held that it was "*not the appropriate forum for determining issues of trade mark infringement...*"

- 4.2.9 In *LINBIT Information Technologies GmbH v. Technical Support*, WIPO Case No. D2014-1528, the Panel stated:

"The Panel should make clear that its findings as set out above are confined to its consideration of this case under the terms of the Policy, which was designed primarily to combat the behaviour known as "cybersquatting". The Policy is not apt to determine cases of alleged trademark infringement per se..."

- 4.2.10 In *HT S.R.L. (formerly Hacking Team S.r.l.) v. Domains By Proxy, LLC / Mordechai Weissbrot*, WIPO Case No. D2018-0710, the Panel stated:

"The Policy is not concerned with trademark infringement per se or with conflict between trademarks, matters of which belong in another forum, but is concerned with conflict between a domain name and a trademark where there is abusive registration and use of the domain name."

- 4.2.11 In *Omnia Italian Design, Inc. v. Andrew Greatrex*, WIPO Case No. D2013-0392, the Panel stated:

"As to Respondent's ongoing use of the Domain Name, Complainant may well have reason to explore a trademark infringement action of some sort – in a court of law. Such a consideration is, however, beyond the scope of this Panel. The Policy does not apply to trademark infringement per se; it applies to the bad faith registration and use of a domain name which is confusingly similar to a party's trademark and in which the domain name registrant has no rights or legitimate interests. The fact that Respondent here may currently be infringing on Complainant's trademark does not by itself bring this dispute within the proper scope of the Policy."

- 4.2.12 Turning to the Regulations themselves, the definition of abusive registration differs from the language used for primary trade mark infringement in statute. Yes, the language is similar to that used for secondary trade mark infringement in the form of dilution, but is not the same, and the fact that the language of primary trade mark infringement was not used is instructive.

- 4.2.13 All of the factors listed in Regulation 4(1), except for 4(1)(c), clearly indicate that the registrant should have acted intentionally, or at least with knowledge of the Complainant's rights. The express language of Regulation 4(1)(a), for example, makes this clear, including the use of the word "primarily". See the decision in ZA2007-0007, where the Adjudicator stated (emphasis added):

"The circumstances of the Registrant's initial use of the domain...do not, in the adjudicator's view, evince an intention to primarily act as

contemplated by Section 4(1)(a)."

- 4.2.14 The remaining provisions of Regulation 4(1), apart from 4(1)(c), all either expressly or by implication require the same.
- 4.2.15 The language of Regulation 4(1)(c) also strongly suggests that the drafters had an intention to target the complainant, or at least knowledge of the complainant's rights, in mind. The phrase "*in a way that leads people or businesses to believe*" connotes the registrant having an intention, or at least knowledge of the complainant's rights, in registering the domain name, akin to "*intentionally attempt to attract*" per the equivalent provision in the UDRP - paragraph 4(b)(iv).
- 4.2.16 The plain meanings of the words "abusive" and "unfair" imply some conduct that is morally problematic.
- 4.2.17 The Merriam-Webster dictionary defines "abuse" to include: "*a corrupt practice or custom*", "*improper or excessive use or treatment : misuse*", "*language that condemns or vilifies usually unjustly, intemperately, and angrily*" and "*physical maltreatment*". It is clear that there is something morally reprehensible about abuse, and that innocent, unknowing and unintentional conduct would not meet the definition. Abusiveness clearly requires something more than innocent, or per se, trade mark infringement. It should also be borne in mind that the domain name system is by its nature a first-come, first served system, and it would be entirely consistent with this principle that only morally problematic conduct, like cybersquatting, could trump it.
- 4.2.18 The point can be illustrated in reverse. Would a High Court judge presiding over a case involving innocent trade mark infringement, where the defendant had no knowledge of the plaintiff or its mark in circumstances where the plaintiff had not even used the mark, go so far as to state that the defendant's conduct was abusive? That is quite unlikely.
- 4.2.19 There are also practical reasons why this is not the appropriate forum for innocent or per se trade mark infringement. Unlike court proceedings, litigants in this forum only have a very short word limit. There is no possibility of oral evidence or the resolution of factual disputes through witness testimony. There is no possibility of market research surveys being conducted, given the tight

timelines and word limits, in circumstances where surveys are frequently used in trade mark proceedings. The defence of expungement is not available to the defendant. There is no discovery or cross-examination that is often employed in trade mark proceedings.

4.2.20 So, what is the “something more” that renders otherwise innocent conduct abusive under the Regulations? Under the UK DRS, it has long been the consensus view that knowledge, whether actual or imputed (due to, for instance, the complainant’s mark being well-known), of the complainant’s mark is generally a pre-requisite for a finding of abusiveness. The consensus view on knowledge and intent was originally set out by the Appeal Panel in DRS case no. DRS 04331 at paragraphs 8.13 – 8.14 and bears repeating in full here:

4.2.21 *“8.13. In this Panel’s view the following should be the approach to the issues of knowledge and intent in relation to the factors listed under paragraph 3 of the Policy:*

(1) First, some knowledge of the Complainant and/or its brand/rights is a pre-requisite for a successful complaint under all heads of the DRS Policy other than paragraph 3(a)(iv) (giving false contact details). The DNS is a first-come-first-served system. The Panel cannot at present conceive of any circumstances under which a domain name registrant, wholly unaware of the Complainant and its Rights, can be said to be taking unfair advantage of or causing unfair detriment to the Complainant’s Rights.

(2) Secondly, ‘knowledge’ and ‘intention’ are pre-requisites for a successful complaint under all heads of paragraph 3(a)(i) of the Policy. The wording of that paragraph expressly calls for the relevant intent, which cannot exist without the relevant knowledge.

(3) Thirdly, ‘intention’ is not a necessary ingredient for a complaint under paragraph 3(a)(ii) of the DRS Policy. The test is more objective than that. However, some knowledge of the Complainant or its name/brand is a pre-requisite.

(4) Fourthly, while some knowledge of the Complainant or its name/brand is a pre-requisite for a successful complaint under the DRS Policy (save for a complaint under paragraph 3(a)(iv)), knowledge is not of itself conclusive in favour of the Complainant. The Expert/Appeal Panel will still need to be satisfied that the registration/use takes unfair advantage of or is causing unfair detriment to the Complainant’s Rights.

(5) Fifthly, when a Respondent denies all knowledge of the Complainant and/or its Rights at the relevant time, that denial is not necessarily the end of the matter. The credibility of that denial will be scrutinised carefully in order to discern whether, on the balance of probabilities, the relevant degree of knowledge or awareness was present.

8.14. Accordingly, in the view of this Panel, for this complaint to succeed, the Complainant must satisfy the Panel, as an opener, that the Respondent was aware of the existence of the Complainant or its brand at the date of registration of the Domain Name or at commencement of an objectionable use of the Domain Name.”

- 4.2.22 The references to Paragraph 3 of the DRS Policy are to an older version of that Policy (available at https://nominet.uk/wp-content/uploads/2018/09/13132527/DRS_Policy.pdf), however, the relevant provisions are identical in the new DRS Policy and virtually identical to the corresponding provisions in Regulation 4(1) of the ADR Regulations.
- 4.2.23 The abovementioned position has been consistently affirmed by DRS Appeal Panels and full decision Experts and continues to be so. See the decisions of the Appeal Panels in DRS case no.s D00023374 (2021); D00022793 (2021); D00022003 (2020); and DRS 07066 (2009), and the decisions of the Experts in D00019313 (2017) and DRS 4769 (2007). There are many others.
- 4.2.24 This consensus view is echoed in Version 3 of the Nominet DRS Experts’ Overview at paragraph 2.4, however, it is acknowledged that that position (requiring that the registrant had knowledge of the complainant’s rights) may not be applicable to new domainer practices (e.g. automated bulk transfers of domain names).
- 4.2.25 The Adjudicator in this case is in respectful agreement with the DRS decisions cited above: generally, some level of knowledge of a complainant’s rights at the time of registration or offending use of a domain name is required for a finding of abusiveness. This does not require proof of actual knowledge; imputed knowledge due to, for instance, the complainant’s mark being well-known, may be sufficient in the right circumstances. This is also not an absolute rule and there will be exceptions. The Adjudicator agrees, for example, that it may be fair and appropriate in certain cases, particularly where a complainant’s mark is well-known or highly specific or where the registrant is a professional domainer, to

apply the concepts of “should have known” and “wilful blindness” already well established in UDRP jurisprudence (see WIPO Overview 3.0 at paragraph 3.2.2 and 3.2.3).

- 4.2.26 The words of the Expert in DRS case no. D00019313 are particularly fitting to the facts of this case:

“At the heart of the Policy, is the requirement to prove unfairness and thus for a registration to be considered ‘abusive’ there should be something unfair in the object or effect of the respondent’s behaviour. It is perfectly possible for a respondent to make fair use of a domain name that incorporates a Complainant’s trade mark and which also, for that matter, causes confusion. Knowledge of a Complainant and/or its rights is a crucial element in most cases, but particularly so where, as in this case, the domain name constitutes an expression or combination of words in fairly wide use, as the Google search described earlier shows.”

- 4.2.27 Insofar as the Complainant in this case relies on Regulation 4(1)(b), the following was stated by the Appeal Panel in DRS 03733 in relation to the corresponding and virtually identical provision in the DRS Policy

“Interestingly, paragraph 3a.ii of the Policy, which deals with this basis for complaint (confusing use of a domain name), does not expressly call for abusive intent on the part of the Respondent, but plainly, such knowledge/intent has to be present. For a domain name to qualify as an Abusive Registration, there has to be an element of abusive behaviour on the part of the Respondent.”

- 4.2.28 Although not relied upon by either party in this case, the Adjudicator is aware of the dictum of the Adjudicator in SAIPL case no. ZA2007-0007 at paragraph 4.9 as follows:

“In the adjudicator’s view, the nature of “abusiveness” as contemplated by the Regulations does not require a positive intention to abuse the Complainant’s rights, but that abuse was the effect of the use or registration.”

- 4.2.29 That dictum has been applied in subsequent cases under the ADR Regulations. However, that dictum is not at odds with the position under the DRS set out above and adopted by the Adjudicator here. Firstly, “intention” (as per the dictum in ZA2007-0007) is different to “knowledge” (as required in terms of the DRS position) – the former requires the latter but does not necessarily follow from the latter; it is possible for a registrant to be aware of a complainant’s mark but have no intention to abuse it. Accordingly, the Adjudicator’s reference to “positive intention” in ZA2007-0007 does not rule out knowledge as a pre-

requisite.

- 4.2.30 Secondly, in substantiating the dictum, the Adjudicator in ZA2007-0007 immediately went on, at paragraph 4.10, to quote from the decision in DRS 00658 in support. The quotation from DRS 00658 that the Adjudicator relies upon sets up a factual scenario in which the domain name *“is exclusively referable to the complainant”* because the complainant’s mark is well-known, and where there is no obvious justification for the registrant registering the domain name, amongst other cumulative conditions. The quotation goes on to state that in those circumstances, *“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.”* That case was thus not one of innocent trade mark infringement.
- 4.2.31 As far as the Adjudicator can tell, all subsequent reliance upon the dictum in cases under the ADR Regulations has been in cases where the complainant’s mark was either well-known prior to registration or use of the domain name, or there were other facts indicating that the registrant was aware of the complainant’s mark at the relevant time.
- 4.2.32 Thus it is clear that the Adjudicator in ZA2007-0007 did not mean that it was sufficient for a finding of abusiveness for the registrant to be merely engaged in innocent or per se trade mark infringement in circumstances where it had no knowledge of the complainant’s mark and where the complainant’s mark has not been used let alone enjoys any reputation.
- 4.2.33 The Adjudicator notes that the facts of this case are similar to those at issue in ZA2021-00419 in the sense that innocent or per se trade mark infringement was also at issue. The Adjudicator took the same position in that case as expressed above, and much of the language of this decision is repeated from the Adjudicator’s decision in that earlier case, given the possibility of appeal and the importance of the issues at stake to the ADR system in place under the Regulations generally. It is to be noted that the Adjudicator’s decision in that earlier case was upheld on appeal.
- 4.2.34 In the circumstances, the Complainant’s case is one of innocent or per se trade

mark infringement and it cannot be said that the Domain Name is abusive.

4.2.35 In light of the findings above, there is no need for the Adjudicator to express a view on whether the Domain Name or its use does infringe the Complainant’s trade mark, and this decision should not be read as expressing any such view.

4.2.36 There remains one final point to consider for the sake of completeness. The Registrant asserts that he is associated with a registered company bearing a 2018 registration date, registered under a name matching the Domain Name, which predates the Complainant’s trade mark. Ordinarily this would be evidence that the Domain Name is not abusive in terms of Regulation 5(a). However, the Adjudicator’s search of the companies register reveals that the company in question only changed its name to We Buy Rifles (Pty) Ltd on 13 December 2022, after registration of the Complainant’s trade mark, thus the company registration is not as helpful to the Registrant as it may at first appear. Nevertheless, for the reasons advanced above, nothing turns on this.

5. Decision

5.1 For all the foregoing reasons, the Dispute is refused.

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