DomainDisputes.co.za
SAIIPL Alternate Dispute Resolution

Decision

[ZA2011-0080]

.ZA ALTERNATE DISPUTE RESOLUTION REGULATIONS (GG29405)

ADJUDICATOR DECISION

CASE NUMBER:	**ZA2011-0080**
DECISION DATE:	**17 August 2011**
DOMAIN NAME	**postofficeweb.co.za** **postofficemail.co.za** **postofficeonline.co.za**
THE DOMAIN NAME REGISTRANT:	**Branded Internet cc**
REGISTRANT'S LEGAL COUNSEL:	**None**
THE COMPLAINANT:	**South African Postoffice Limited**
COMPLAINANT'S LEGAL COUNSEL:	**Hahn & Hahn Inc.**
2nd LEVEL ADMINISTRATOR:	**UniForum SA (CO.ZA)**

1 Procedural History

a) There are three domains in issue, all in the name of Branded Internet CC. They are <postofficeweb.co.za>, <postofficemail.co.za> and <postofficeonline.co.za>.

b) This dispute was raised by South African Post Office Ltd, being filed with the South African Institute of Intellectual Property Law ("SAIIPL") on **8 June 2011**. On **8 June 2011** the SAIIPL transmitted by email to UniForum SA a request for the registry to suspend the domain names, and on **10 June 2011** UniForum SA confirmed that the names had indeed been suspended.

c) In accordance with the Regulations, the SAIIPL formally notified the Registrant of the commencement of the Dispute on **10 June 2011**. In accordance with the Regulations the due date for the Registrant's Response was **12 July 2011**.

d) The Registrant did not submit a response by the due date and the SAIIPL appointed **Adv Owen Salmon** as the Adjudicator in this matter on **31 July 2011**. The Adjudicator submitted the Statement of Acceptance and Declaration of Impartiality and Independence on **3 August 2011**, as required by the SAIIPL to ensure compliance with the Regulations and Supplementary Procedure.

2 Factual Background

a) The Complainant is South African Post Office Limited, a public company with limited liability incorporated in terms of the provisions of Section 3(1) of the Post Office Act 44 of 1958 ("the Post Office Act"). The Complainant is the "postal company" referred to in Section 3(1) of the Act.

b) The Registrant is Branded Internet CC, a close corporation with registration number being 2002/075826/23.

c) The domains were registered in 2004.

d) Section 99(1)(a) of the Post Office Act states the following:-

> "Any person who without the authority of the postal company …
> Places or maintains or suffers to be placed or maintained or to remain in, on, or near any house, premises, wall, door, window, box, post, pillar or other place belonging to him or under his control the words 'Post Office' or any other word or mark which may imply or may give reasonable cause for believing that house, premises, wall, door, window, box, post, pillar or other place to be a post office;
> Shall be guilty of an offence …"

3 Parties' Contentions

3.1 Complainant

a) The domain names <postofficemail.co.za>, <postofficeweb.co.za> and <postofficeonline.co.za> wholly incorporate the name POST OFFICE, a name protected by the Post Office Act, the Trade Marks Act and the common law.

b) The Complainant is an enormous organisation and pervades every sector of South African society. Its 2010 annual report indicates that the Complainant had, for that year, served just under 74 million customers and paid out more than half a million grants. For the financial year 2009/2010 it had a net profit of almost R300 million. The Complainant currently has total assets in the region of R9.4 billion and a net asset value of approximately R2,26 billion. Its turnover for the year 2009/2010 was in excess of R5.5 billion. It has 2 400 outlets and approximately 5 500 service points and delivers to an area of more than 1.2 million square kilometres. The name POST OFFICE is used at every one of its outlets and service points. It is, in fact, the largest business undertaking in South Africa.

c) The Registrant's registration of the domain names prevents the

Complainant from registering them. It appears likely, in light of the multiple registrations that incorporate the mark POST OFFICE, none of which is linked to a website, that the Registrant intended using the domain names unfairly to elicit payment from the Complainant for return of the domain names.

d) The Complainant (and its predecessors) has been responsible for conducting the postal services in South Africa for decades. It has, for historical reasons, been the only entity that has been entitled to do so. Apart from the statutory reservation for the Complainant of the mark “post office”, the Complainant enjoys enormous common law rights in the word “post office” or “South African Post Office” (and naturally its abbreviation “SA Post Office”) which it has used extensively in the past.

e) It is a requirement for .co.za domain registrations that the domain names be used for a legal purpose; and it is submitted that there is no manner in which the domain names postofficemail.co.za, postofficeweb.co.za or postofficeonline.co.za can be used without infringing the Post Office Act.

f) The Complainant contends, accordingly, that the conduct of the Registrant in registering the domain names postofficemail.co.za, postofficeweb.co.za or postofficeonline.co.za is abusive in that it is contrary to the provisions of Section 99(1)(a) of the Post Office Act, legislation that was specifically enacted for the protection and benefit of the Complainant.

g) In addition, the Complainant contends that the domain names owned by the Respondent constitute a misrepresentation at common law in that it is misrepresenting its business as being that of the Complainant and/or as being associated with that of the Complainant, where no such association exists. The conduct of the Registrant has not been authorised by the Complainant, amounts to a passing-off at

common law, and is therefore contrary to law and an abuse.

h) In addition to the above, registration of the domain names also blocks the Complainant from using these domain names in relation to its well–known and widely used business services.

4 Discussion and Findings

a) There is something to be said for the contention that the mark "POST OFFICE" is statutorily protected for exclusive use by the Complainant. Of course, the section relied upon by the Complainant (Section 99(1)(a) of the Post Office Act) addresses signage at a building. However, the present may be a situation where the following dictum of Harms JA, in Nintendo1, has application; indeed a domain name, in the cyber-world of ecommerce, is no less a sign of where business can be done:-

"As with many definitions in the Act and its antecedents, very wide terms have been employed. The only reason for this can be an intention to cover future technical innovations by using general words. Legislative inertia ought not to impede human ingenuity and the reasonable protection thereof. Typical is the case of computer programs. The wide wording of the Act made it possible to grant them protection as literary works. (Northern Office Micro Computers (Pty) Ltd and Others v Rosenstein 1981 (4) SA 123 (C); Payen Components SA Ltd v Bovic CC and Others 1995 (4) SA 441 (A). It was only in the amending Act that the Legislature dealt with the subject. This general scheme of the Act suggests to me that the definitions in the Act should be interpreted 'flexibly, so that it would cover new technologies as they appeared, rather than to interpret those provisions narrowly and so force (the Legislature) periodically to update the Act' (WGN Continental Broadcasting Co et al v United Video Inc. 693 F 2d 622 at 627.)"

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1 Golden China TV Game Centre and Others v Nintendo Co. Ltd 1997 (1) SA 405 (A) at 412 D.

b) Moreover, in any event, the mark is de facto distinctive of the Complainant. The Adjudicator therefore finds that the Complainant has established rights as contemplated by Regulation 3(1)(a) read with Regulation 3(2).

c) The Adjudicator further finds that the domain names <postofficeweb.co.za>, <postofficemail.co.za> and <postofficeonline.co.za> are similar to the Complainant's mark as contemplated by Regulation 3(1)(a). The question is whether the names, in the hands of Branded Internet CC, are abusive vis a vis the Complainant.

d) An abusive registration means 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 Complainant's rights; or

ii) has been used in a manner that takes unfair advantage of, or is unfairly detrimental to the Complainant's rights.

e) The Registrant is required to prove on a balance of probabilities that the domain name is not an abusive registration.

f) In terms of Regulation 4, factors which may indicate that the domain name is an abusive registration include circumstances indicating that the registration was primarily to:-

i) 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;

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2 Regulation 5(c).

ii) block intentionally the registration of a name or mark in which the Complainant has rights;

iii) disrupt unfairly the business of a Complainant;

iv) prevent the Complainant from exercising its rights.

g) An abusive registration may also be indicated by:-

i) Circumstances indicating that the Registrant is using, or has registered, the domain name in a way that leads people or businesses to believe that the domain name is registered to, operated or authorised by, or otherwise connected with the Complainant.

ii) Evidence, in combination with other circumstances indicating that the domain name in dispute is an abusive registration, that the Registrant is engaged in a pattern of making abusive registration.

h) The Registrant has not filed a response to the Complainant. It is, accordingly, left to the Adjudicator to assess the veracity and aptness of the Complainant's contentions on the basis that, unless they are so far-fetched that without more they can be rejected, they are to be accepted.

i) In the Adjudicator's view, rather, the Complainant's contentions have merit. Three domain registrations, all incorporating the mark POST OFFICE, have been registered. In seven years, not one has been used – with a "post office" such an everyday phenomenon, this does seem strange. Furthermore, whilst not too much store can be placed on the Registrant's name, does "branded internet", perhaps, give some indication of intentions that may at one stage have been harboured for its planned business? It is tempting to deduce so.

j) The fact that the Registrant has no business conducted at the domains leads to the inference – and there is nothing to gainsay it – that the registrations were borne of cyber-squatting. This, coupled with the fact that, anyway, the

domains could not be used without, even if only prima facie, offending the statutory provisions referred to above, and infringing the Complainant's common law rights, leads to the conclusion that the registrations are abusive within the meaning of the Regulations. The Adjudicator so finds.

5. **Decision**

a) For the aforegoing reasons the Adjudicator orders that the domain names <postofficeweb.co.za>, <postofficemail.co.za> and <postofficeonline.co.za> be transferred to the Complainant.

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ADV OWEN SALMON

SAIIPL SENIOR ADJUDICATOR

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