



[ZA2007-0007]

.ZA ALTERNATE DISPUTE RESOLUTION REGULATIONS $(\mathsf{GG29405})$

ADJUDICATOR DECISION

CASE NUMBER:	ZA2007-0007
DECISION DATE:	14 November 2007
DOMAIN NAME	fifa.co.za
THE DOMAIN NAME REGISTRANT:	X Yin
REGISTRANT'S LEGAL COUNSEL:	Not applicable
THE COMPLAINANT:	Fédération Internationale de Football Association (FIFA)
COMPLAINANT'S LEGAL COUNSEL:	Megan Reimers Spoor & Fisher
THE 2 nd LEVEL DOMAIN NAME ADMINISTRATOR:	UniForum SA (CO.ZA Administrators)



1. Procedural History

- 1.1. The dispute was filed with South African Institute of Intellectual Property Law ("SAIIPL") on 25 September 2007. The SAIIPL transmitted by email to UniForum SA a request for the registry to suspend the domain name at issue, and on 25 September 2007 UniForum SA confirmed that the domain name had been suspended. This dispute satisfies the formal requirements of the .ZA Alternate Dispute Resolution Regulations (the "Regulations"), and the SAIIPL's Supplementary Procedure.
- **1.2.** In accordance with the Regulations, SAIIPL also formally notified the Registrant of the commencement of the dispute on 25 September 2007. It was not possible to transfer the physical file (incorporating the complaint) as improper contact details were provided on the co.za Whois. The due date for the Registrant's response was 22 October 2007.
- **1.3.** The Registrant did not submit any response. Accordingly, the Registrant is in default, and therefore an adjudicator was forthwith appointed.
- **1.4.** The Adjudicator is Advocate Owen Salmon. He has duly and properly submitted the Statement of Acceptance and Declaration of Impartiality and Independence.

2. Factual Background

- **2.1** The domain name was registered on 29 November 2005.
- 2.2 The factual background appears from the Complaint lodged by Fédération Internationale de Football Association, hereinafter "FIFA". As no response to the complaint was filed, there is no dispute on factual issues, and the adjudicator may accept, for present purposes, the allegations of fact by FIFA as generally correct.



- **2.3** FIFA is a body corporate organised as an association under the laws of Switzerland, of FIFA-Strasse 20, 8044 Zurich, Switzerland.
- **2.4** According to the Whois facility, the Registrant in these proceedings is the listed .co.za registrant of the domain name in dispute, X Yin. The only information known about the Registrant, as available from the Whois facility, is as follows:

Physical: unknown

Postal: P.O. Box 32119, Summerstrand, 6019

Telephone: 072 107 0920 Fax: 086 673 8685

E-mail: domain@doeva.com

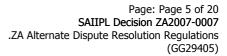
- 2.5. FIFA needs little introduction. It is the worldwide governing body of football, or soccer. It was founded in 1904 and its membership is made up of the national football associations of 208 countries around the world. FIFA is the organiser and manager of the world famous international soccer tournament, officially called "FIFA World Cup", which is staged every four years and is alleged to be probably the best known and supported sports tournament in the world.
- 2.6. The television coverage of the final competition of each FIFA World Cup reaches the entire world. For the 1998 FIFA World Cup, the coverage reached 196 countries with a cumulative television audience of 33 billion viewers worldwide. For the 2002 FIFA World Cup, the coverage reached 213 countries with a cumulative audience of 28.8 billion. FIFA World Cup 2006 saw coverage of 214 countries with a cumulative audience of 26.3 million.¹ In South Africa alone, the cumulative audience for the 2006 FIFA World Cup was 104 873 000 viewers, with 988 programs and a cumulative duration of 1 810 hours 34 minutes of broadcast time.

I assume that this is a typographical error in the Complaint; presumably the figure is in billions.

Page: Page 4 of 20 SAIIPL Decision ZA2007-0007 .ZA Alternate Dispute Resolution Regulations (GG29405)



- 2.7. Since 1999, FIFA World Cup soccer has been particularly topical in South Africa because, from that date onwards, South Africa actively sought to be appointed as the host of a World Cup tournament. A bid was put forward by South Africa to stage the 2006 tournament, and this effort achieved widespread publicity in South Africa. The bid by South Africa was unsuccessful in somewhat controversial circumstances and this caused great disappointment and much public debate and comment. South Africa made a fresh bid to stage the 2010 tournament. The bid was successful and the hosting of the tournament was awarded to South Africa.
- **2.8.** Since 2004 preparations have commenced in South Africa to stage the tournament in 2010. South Africa's success in achieving the status of host country, for the FIFA tournament, has been one of the most publicised events in South Africa for at least the past decade. The staging of the tournament is seen to be of great economic significance to South Africa and the FIFA tournament has become the focal point of infrastructural and social planning for the foreseeable future.
- **2.9.** FIFA is the proprietor of numerous registered trade marks consisting of or incorporating the word FIFA, both in South Africa and internationally. These rights extend into various classes, and pre-date 29 November 2005.
- **2.10.** The licensed use of the FIFA brand by other parties also contributes significantly to the recognition and awareness of the FIFA trade mark. In particular, an entity called Electronic Arts has, for several years, been licensed to use the FIFA name in connection with computer games, which include FIFA 98, World Cup 98, FIFA series, 1993, 2006 FIFA World Cup etc. The sales of these games in South Africa are impressive; in the past ten years, some 304,099 have been sold.
- **2.11.** FIFA's website can be found at www.fifa.com. Between 17 December 2004 and 12 July 2007, the number of daily visitors to the website was more than 91





million. The number of daily unique visitors from South Africa in particular was 383 158. Amongst other matters of interest, it has a number of articles posted on it which illustrate the focus and interest which has been generated as a result of South Africa's selection as the next FIFA World Cup host for 2010.

- **2.12.** As a result, it is alleged that the Complainant has established considerable goodwill in the FIFA mark. The adjudicator accepts this as a fact.
- 2.13. The Registrant's domain name fifa.co.za was previously linked to a commercial website which bore many of the Complainant's trade marks, including FIFA, 2010 FIFA WORLD CUP SOUTH AFRICA and 2010 WORLD CUP SOUTH AFRICA. Annexed to the Complaint is a downloaded printout from the website. It publishes discussion about FIFA and the 2010 World Cup in South Africa, lending an air to the site of (also) a general information source. However, several (apparent) hyper links on the site show its underlying commercial nature. There are a number of references to computer games of a "WORLD CUP nature", including at least one produced by Electronic Arts. This is a FIFA licensee as referred to above.
- **2.14.** A legend on the site, neither prominent nor inconspicuous, claimed:-

"This site is a private, non-affiliated website. We hold no affiliations to FIFA, SAFA or the 2010 LOC, or to any other related body, company or organisation."

2.15. FIFA addressed a letter to the Registrant on 27 March 2007 requesting the Registrant to refrain from using any of its trade marks. The Registrant replied, stating that it would remove the FIFA trade marks. Because the Registrant made no mention of the domain name, the Complainant requested it to delete the domain name. The Registrant refused to do so, stating:-



"I will not delete my domain because it's my property and I paid for it. I will make another site later. Don't worry, there are lots of staff abbreviate as fifa in the world."

2.16. FIFA'S attorneys, Spoor & Fisher, thereafter sent a demand to the Registrant. The Registrant e-mailed a reply, stating:

"I talk to Anna Wohlleber long time ago by email and I will not use this domain any more as his request. I do not understand why you give me email again. But any any way, I cost too much on this domain, I will never never transfer to them."

2.17. The domain name is now linked to a Freeplus website, which appears to be a website builder.

3. The Complainant's Contentions

- **3.1.** The Complaint constitutes a detailed exposition of the factual bases and contentions underlying the objection. What follows is a summary.
- **3.2.** The Complainant submits that the Registrant has registered the domain name fifa.co.za in a manner which, at the time when it was registered, took unfair advantage of and was unfairly detrimental to the Complainant's rights and that the Registrant has been using (and continues to use) the domain name in a manner which takes unfair advantage of and is unfairly detrimental to the Complainant's rights. This forms the basis of objection that the domain is an abusive registration.

The First Ground



- **3.3.** FIFA contends that it is generally known that South Africa has been appointed as the host country for the 2010 FIFA World Cup; that this event is likely to be one of the most renowned and highly publicised events ever to take place in South Africa; that the tournament will take place under the auspices and on behalf of the Complainant who is the overall organiser of the event, and that, as a result, the trade mark FIFA has acquired a particular commercial significance in the South African context.
- **3.4.** Further, as the FIFA World Cup is a sponsored event in relation to which various sponsors and licensees will be granted licences to utilise the tournament as a vehicle for the promotion of their capital goods and/or services, anyone capitalising on the fame of the tournament will be assumed to have some trade connection with the Complainant and/or the tournament.
- 3.5. Accordingly, it is contended, the Registrant has deliberately registered the domain name fifa.co.za to leverage off the current significance of the FIFA trade mark in South Africa. This is because, as the domain fifa.co.za was previously linked to a commercial website which bears FIFA trade marks, the unmistakable message conveyed by the website is that it proposed rendering its services in connection with the FIFA World Cup soccer tournament. Thus, the contention proceeds, the Registrant's use of the domain fifa.co.za, taken together with its use of the aforementioned FIFA trade marks on its website, creates a strong impression of affiliation to the Complainant. The only possible conclusion is that it was intended by the Registrant that its website should convey this message. As the domain name is still owned by the Registrant, there is nothing preventing the Registrant from once again linking the domain name to its old website at some stage in the future.

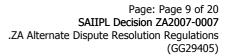
The Second Ground



- **3.6.** The Complainant also contends that the registration and use of the fifa.co.za domain name amounts to a criminal offence in terms of the Merchandise Marks Act of 1941. This is because the Minister² has designated the FIFA World Cup soccer tournament as a protected event, with effect from 25 May 2006.³ The FIFA tournament will enjoy the protection so conferred upon it until approximately the end of 2010.
- **3.7.** In terms of Section 15A(4) of the Merchandise Marks Act, any person who contravenes Section 15A(2) shall be guilty of an offence. The latter subsection provides that, for the period during which an event is protected, no person may use a trade mark in relation to that event in a manner which is calculated to achieve publicity for that trade mark and thereby to derive special promotional benefit for it from the event, without obtaining prior authority of the organiser of the event. In terms of Section 15A(3), for the purposes of Sub Section (2), the use of a trade mark includes using any visual representation, or any audible reproduction, of the trade mark in relation to goods or in relation to the rendering of services, or using that mark in promotional activities, in all cases in any way which, directly and indirectly, is intended to be brought into association with or allude to an event.
- **3.8.** Thus, the contention is that the Registrant's use of the fifa.co.za domain name is calculated to derive special promotional benefit for its services from the FIFA tournament. The Complainant has not authorised this manner of use of the FIFA trade mark.
- **3.9.** The purport of the prohibition is to prevent traders from unauthorizedly capitalizing on the existence of an event to derive benefit for their products; in other words, to benefit their business in a product with brand "A", by using that

The Minister of Trade and Industry, in terms of Section 15(a) of the Merchandise Marks Act.

General Notice No. 683 of 2006 published in Government Gazette No. 28877 dated 25 May 2006.





brand in a manner that associates it with event "B". Whether that is the position in the present circumstances is open to doubt, but in any event does not require decision in view of the adjudicator's decision on the other grounds.

The Third Ground

- **3.10.** The Complainant further contends that organising and conducting a FIFA World Cup soccer tournament is an enormously expensive business. For example, the cost of the 2006 FIFA World Cup 2006 tournament held in Germany was approximately R5 000 million. It funds such a tournament by various means, including granting television rights to broadcasters, arranging sponsorships by commercial enterprises and by merchandising goods and services which have a connection in the course of trade with the tournament.
- 3.11. Moreover, FIFA acquires and owns valuable items of intellectual property, including trade marks, which have a bearing on its tournaments and it authorises and licences sponsors and merchandisers to use this intellectual property in return for paying fees to the Complainant. These fees (CHF 714 million in the case of the 2006 FIFA World Cup in Germany) are very substantial contributions to the funding of a FIFA World Cup tournament. Therefore, licence and sponsorship fees for the use of the Complainant's intellectual property and obtaining promotional and advertising opportunities are crucial to the staging of FIFA World Cup soccer tournaments. It is alleged that, without significant income from these sources it would not be feasible for the Complainant to stage a FIFA World Cup soccer tournament.
- **3.12.** Licensees and sponsors pay their respective fees to the Complainant in the expectation that they will obtain valuable commercial benefits and advantages through associating themselves with FIFA World Cup soccer tournaments. These advantages and benefits in turn are dependent upon the licensees and sponsors obtaining a measure of exclusivity in their utilisation of the benefit of association

Page: Page 10 of 20 SAIIPL Decision ZA2007-0007 .ZA Alternate Dispute Resolution Regulations (GG29405)



with the FIFA World Cup. If this exclusivity cannot be provided by the Complainant, the value of sponsorships and licences are greatly diminished.

- **3.13.** Thus, a sponsor or a licensee is unlikely to be willing to pay large sums of money for the benefit of being associated with a FIFA World Cup soccer tournament, if other traders are allowed to obtain the same benefits without having to pay for them. It is thus crucial to the Complainant's role in organising FIFA World Cup soccer tournaments that it must be able to restrain non-licensees and non-sponsors from associating themselves with a FIFA World Cup soccer tournament and thereby deriving commercial benefits which are intended for sponsors and licensees alone, as the case may be. In simple terms, without a strictly enforced licensing and sponsorship program, FIFA World Cup soccer tournaments would not be feasible.
- **3.14.** The Complainant therefore alleges that the Registrant is, through use of the fifa.co.za domain name, obtaining the benefits of FIFA World Cup tournament without paying the appropriate sponsorship fees.

The Fourth Ground

- **3.15.** It is contended that the registration and use of the domain name amounts to infringement of the FIFA trade mark in terms of sections 34(1)(a), (b) and (c) of the Trade Marks Act, and passing off in terms of the common law.
- **3.16.** These contentions are advanced *sotto voce* with no real consideration or reference given to the statutory requirements, or parameters of infringement in terms of these sections of the Trade Marks Act.⁴ Neither have considerations of fact, nor law regarding the delict of passing-off, been pertinently addressed.

cf. Bata Ltd v Face Fashions CC 2001 1 SA 844 SCA at 851 F- G.



3.17. The impartiality of an adjudicator in circumstances such as the present may be compromised by piecing together causes of action in order to assess the merits of a contention advanced on these bases. It is therefore considered inappropriate to do so.

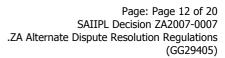
Request

- **3.18.** The Complainant contends that the fact that the Registrant is no longer linking the domain name to its website is a clear acknowledgement that it is not entitled to use of the fifa.co.za domain name.
- **3.19.** It submits that it has shown at least the following factors which indicate that fifa.co.za is an abusive registration as contemplated by Section 4(1) of the Regulations:⁵
 - The Registrant has registered the domain name to block internationally the registration of a name or mark in which the Complainant has rights;
 - The Registrant has registered the domain name to disrupt unfairly the business of the Complainant;
 - The Registrant has registered the domain name to prevent the Complainant from exercising its rights; and/or
 - The Registrant is using, or has registered, the domain name in a way that leads people or business to believe that the domain name is registered to, operated or authorised by, or otherwise connected with the Complainant.
- **3.20.** In accordance with Section 9(a), for the reasons described above, the Complainant requests that the Adjudicator issues a decision for the transfer of the domain name fifa.co.za to the Complainant.

4. Discussion and Findings

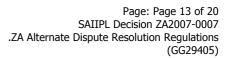
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Reference herein to Sections means to Sections of these Regulations.



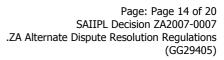


- **4.1.** In terms of Section 1 of the Regulations, an abusive registration means a domain name which either -
 - (a) Was registered or otherwise acquired in a manner which, at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's rights; or
 - (b) Has been used in a manner that takes unfair advantage of, or is unfairly detrimental to the Complainant's rights.
- **4.2.** An indication is given in the Regulations as to what could be considered an abusive registration. In terms of Section 4(1), such factors include:-
 - "(a) Circumstances indicating that the registrant has registered or otherwise acquired the domain name primarily to
 - (i) Sell, rent or otherwise transfer the domain name to a complainant or to a competitor of the complainant, or any third party, for valuable consideration in excess of the registrant's reasonable out-of-pocket expenses directly associated with acquiring or using the domain name;
 - (ii) Block intentionally the registration of a name or mark in which the complainant has rights;
 - (iii) Disrupt unfairly the business of the complainant; or
 - (iv) Prevent the complainant from exercising his, her or its rights;
 - (b) 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 authorized by, or otherwise connected with the complainant;
 - (c) 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 registrations;





- (d) false or incomplete contact details provided by the registrant in the Whois database; or
- (e) the circumstances that the domain name was registered as a result of a relationship between the complainant and the registrant, and the complainant has
 - (i) been using the domain name registration exclusively; and
 - (ii) paid for the registration or renewal of the domain name registration."
- **4.3.** An indication is also given as to what would <u>not</u> be an abusive registration. In terms of Section 5, factors which may indicate this include:-
 - "(a) before being aware of the complainant's cause for complaint, the registrant has
 - (i) used or made demonstrable preparations to use the domain name in connection with a good faith offering of goods or services;
 - (ii) been commonly known by the name or legitimately connected with a mark which is identical or similar to the domain name; or
 - (iii) made legitimate non-commercial or fair use of the domain name;
 - (b) the domain name is used generically or in a descriptive manner and the registrant is making fair use of it;
 - (c) that the registrant has demonstrated fair use, which use may include websites operated solely in tribute to or fair criticism of a person or business: Provided that the burden of proof shifts to the registrant to show that the domain name is not an abusive registration if the domain name (not including the first and second level suffixes) is identical to the mark in which the complainant asserts rights, without any addition"





- **4.4.** In terms of Section 9, one of two outcomes is possible in the case of a complaint that the domain is an abusive registration: refusal of the dispute, or transfer of the disputed name.
- **4.5.** To succeed in this complaint the Complainant has to prove, on a balance of probabilities, the following:
 - (a) It has rights in respect of a name or mark which is identical or similar to the domain name;⁶ and
 - (b) The domain name, in the hands of the Respondent, is an abusive registration as defined.
- **4.6.** As indicated, the proviso to Section 5 provides that:

"The burden of proof shifts to the Registrant to show that the domain name is not an abusive registration if the domain name (not including the first and second level suffixes) is identical to the mark in which the Complainant asserts its rights, without any addition."

(This proviso does not seem to have an apposite placing in this sub-section, given that its apparent meaning is to operate as a shifting of the overall burden.)

4.7. The name forming the subject of the domain name in question is the mark FIFA. This is identical to the mark in which the Complainant has alleged registered and common-law rights, and which the adjudicator finds established for the purposes of this complaint. This shifting of the burden of proof disposes of the matter, in that the Registrant has not responded to the complaint. Nevertheless, the

Section 3(1)(a) of the Regulations; cf. Nominet DRS 02464 <u>Aldershot Car Spares v Gordon</u>.

The section is clear in its reference to the "burden of proof", i.e. the onus. Whether a shifting of the onus, as opposed to the evidentiary burden, is intended is open to question. cf. DRS 02201 Viking Office Products Inc. v Wenda Sparey para. 7.5, 7.6: Whereas the fact that the Complainant has rights in the trade mark that is identical to the domain name does not of itself give rise to an assumption of an abusive registration, "the registration of an identical domain name, particularly if unadorned, may raise a presumption that the registration is abusive, because it is impossible to infer that it was chosen for any reason other than to impersonate the complainant." See also British Telecommunications Plc & Others v The One In A Million Limited & Others [1998] FSR 265.



adjudicator proceeds to consider the matter on the merits, and notwithstanding this incidence of the onus.

4.8. The question to be decided is whether the domain name:-

- (a) was registered or otherwise acquired in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's rights; or
- (b) has been used in a manner that takes unfair advantage of, or is unfairly detrimental to the Complainant's rights.

4.9. According to Nominet decisions ⁸ there are two potential abuses:

- (a) registration with abusive intent; and
- (b) abusive use.

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.

4.10. In chivasbrothers.co.uk⁹ the expert there 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,

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."

See, for example, <u>Aldershot Car Spares</u>, supra, para. 6 p. 5.

DRS 00658 Chivas Brothers Ltd v David William Plenderleith.



- **4.11.** There is parallel for this reasoning in the South African law of trade marks. ¹⁰
- **4.12.** The circumstances of the Registrant's initial use of the domain (made prior to the objection by the Complainant and whereupon the use ceased) and the correspondence do not, in the adjudicator's view, evince an intention to primarily act as contemplated by Section 4(1)(a). There is no talk of selling the name, and an inference of an intention primarily to block FIFA, or to disrupt its business, or to prevent FIFA from exercising its rights in the adjudicator's view cannot be made from the facts. (*Non constat* that the Registrant did not have an intention to trade or rely on the reputation of the FIFA mark, but that is a different consideration.)
- **4.13.** There is no evidence, furthermore, indicating that the Registrant has been engaged in the pattern of making abusive registrations as contemplated by Section 4(1)(c). Although incomplete contact details were provided in the Whois data base, these do not, in the adjudicator's view, indicate abusiveness as contemplated by Section 4(1)(d). Moreover, there is no relationship between the Complainant and the Registrant as contemplated by Section 4(1)(e).
- **4.14.** Are there circumstances which indicate that the Registrant has used¹² 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 as contemplated by Section 4(1)(b)?

See, for example, <u>Blue Lion Manufacturing (Pty) Ltd v National Brands Ltd</u> 2001 (3) SA 884 SCA at para. [13].

As distinct with the decision arrived at, and on the basis therefore, by the Adjudicator in ZA007-0003 telkommedia.co.za, p. 18 para. v.

The Adjudicator does not consider that the present tense of the regulation "the Registrant is using" excludes the circumstances of use in the past. Otherwise, effective implementation of the factor could be avoided and rendered nugatory.



- **4.15.** Unfortunately this provision is not a paragon of drafting clarity. The domain name is registered; how it can be registered "in a way" that leads to the stated effect (outside of the domain name) is difficult to conceive. The adjudicator nevertheless assumes that the intention of the regulation is to incorporate within the ambit of the circumstances there postulated the import of the name *per se.* ¹³ In the adjudicator's view, the quasi "official" nature of the site (prior to its change) could well indicate the association contemplated by the section.
- **4.16.** In the adjudicator's view, the registration is likely to take advantage of, or be detrimental to the Complainant's rights, particularly given the basis, as averred in the Complaint, of FIFA'S funding of WORLD CUP tournaments. The issue in this regard is not the extent to which the registration will prejudice such licensing and franchising efforts, but the potential for it to do so.
- **4.17.** However, does the registration have the requisite quality of "unfairness"?¹⁴ In the <u>Laugh It Off</u> decisions, ¹⁵ the Courts had to address a similar question in the context of Section 34(1)(c) of the Trade Marks Act. ¹⁶ In the Supreme Court of Appeal decision, Harms JA stated the following:-¹⁷

"Integer (f) contains an important limitation namely that a defendant may not take 'unfair advantage' of the distinctive character or repute of the trademark – according to Mostert something akin to misappropriation or

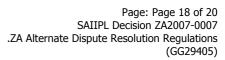
¹³ Cf the Nominet decisions referred to above.

This is a criterion postulated by the definition, although none of the South African decisions dealing with abusive registrations appear to address this aspect.

Laugh It Off Promotions CC v SAB International (Finance) BV 2005 (2) SA 46 SCA; Laugh It Off Promotions CC v SAB International (Finance) BV & Another 2006 (1) SA 144 CC.

In point, whether use of an allegedly infringing trade mark "would be likely to take unfair advantage of or be detrimental to ... "the registered trade mark.

Laugh It Off [SCA] at para. 22.





unjust enrichment. This allows for a proper balancing of freedoms, rights and interests.

The word 'detrimental' is not qualified in express terms. However, it is inconceivable that any detriment could suffice and it is implicit that detriment, in order to be actionable, has to be unfair in the sense that the relief sought may not unfairly or unduly encroach on the rights of others – including the freedom of expression. There is another qualification: the law, as a general proposition, concerns itself with matters of substance only and, accordingly, insubstantial prejudice in the trade mark owner is not enough."

Later, 18 the learned Judge stated that:-

"In order to determine whether 'use' constitutes fair use all relevant factors have to be taken into account ... One such factor is the purpose and character of the use."

4.18. The Court went on to hold that the Appellant's use was infringing because it:-

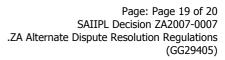
"... is using the reputation of Sabmark's well-known trade mark, which has been established at considerable expense over a lengthy period of time, in the course of trade in relation to goods to the detriment of the repute of the mark without any justification. Such use and detriment is unfair and constitutes an infringement of the said provisions."

4.19. Although the appeal did not concern the element of unfair advantage, ²⁰ these *dicta* give pertinent guidance in considering the present circumstances.

Laugh It Off [SCA] at para. 36.

Laught It Off [SCA] at para. 41.

But the (other, disjunctive, criterion of a) likelihood of detriment to the repute of the registered trade mark.





4.20. In the Constitutional Court decision, Moseneke J gave further indication of the interpretation required of this section. Referring to Pfizer,²¹ which held that:-

"The concept of 'unfair advantage' requires an enquiry into the benefit to be gained by the defendant from the use of the mark complained of ... The advantage... must be of a sufficiently significant degree to warrant restraining what is, ex hypothesis, a non-confusing use."

the learned Judge (later) stated²²

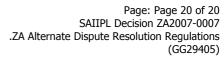
"The section does not limit use that takes fair advantage of the mark or that does not threaten substantial harm to the repute of the mark, or indeed that may lead to harm but in a fair manner. What is fair will have to be assessed case by case with due regard to the factual matrix and other context of the case."

- **4.21.** Indicating²³ that "marginal detriment or harm unrelated to the commercial value that vests in the mark itself" would be insufficient, the Constitutional Court held that there must be established "a likelihood of substantial economic detriment" to the claimant's mark.
- **4.22.** In the context of existing, ascertainable, brand use the concept of unfairness addressed in the <u>Laugh It Off</u> decisions can be more readily applied and tested. With a domain name, however, the same considerations would not necessarily apply. The Adjudicator considers that, given the infinite proportions of access to such a site, and the possibilities of its use (and abuse), demonstrating a likelihood of substantial economic detriment cannot be the sole standard for assessing unfairness in the context of domain names.

Pfizer Ltd & Pfizer Inc. v Eurofood Link (United Kingdom) Ltd [2002] ET MR 896; see Laugh It Off, supra, at para. 39.

²² At para. 49.

²³ At para. 56.





4.23. In this regard, the Adjudicator is not unmindful of the challenge by the Registrant, one otherwise unexplained by reference to a name other than the Complainant's trade mark:-

"I will make another site later. Don't worry, there are lots of staff abbreviate as FIFA in the world.' (sic)

This indicates, in the Adjudicator's view, an intention on the part of the Registrant to continue to avail him (her) self of the benefit and advantage to be accrued by use of the mark FIFA in a domain name, and this is unfair.

4.24. In the adjudicator's view, moreover, it cannot be said that a website www.fifa.co.za would have but only insubstantial consequences for FIFA. Certainly (and notwithstanding the issue of the onus) nothing is volunteered by the Registrant to gainsay this concern.

5. Decision

For all the foregoing reasons, the Adjudicator's conclusion is that the domain name is abusive. In accordance with Regulation 9, the Adjudicator orders that the domain name "fifa.co.za" be transferred to the Complainant.

[ADVOCATE OWEN SALMON]

SAIIPL SENIOR ADJUDICATOR www.DomainDisputes.co.za

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