

## **Decision**

[ZA2014-0167]

.ZA ALTERNATE DISPUTE RESOLUTION REGULATIONS (GG29405)

### **ADJUDICATOR DECISION**

CASE NUMBER:	ZA2014-0167
DECISION DATE:	19 February 2016
DOMAIN NAME	superbets.co.za
THE DOMAIN NAME REGISTRANT:	Lisa Haines
REGISTRANT'S LEGAL COUNSEL:	Spoor & Fisher
THE COMPLAINANT:	Portapa (Pty) Ltd t/a Supabets
COMPLAINANT'S LEGAL COUNSEL:	Rademeyer Attorneys
2 <sup>nd</sup> LEVEL ADMINISTRATOR:	ZA Central Registry (CO.ZA)



#### 1 Procedural History

- a) The Dispute was filed with the South African Institute of Intellectual Property Law (the "SAIIPL") on 10 March 2014. On 11 March 2014 the SAIIPL transmitted by email to UniForum SA a request for the registry to suspend the domain name at issue (the Disputed Domain Name), and on 12 March 2014 UniForum SA confirmed that the Disputed Domain Name had indeed been suspended. In response to a notification by the SAIIPL that the Dispute was administratively deficient, the Complainant filed an amendment to the dispute on 14 May 2014. The SAIIPL verified that the Dispute together with the amendment to 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 13 March 2014. In accordance with the Regulations the due date for the Registrant's Response was 11 April 2014. The Registrant submitted its Response on 10 April 2014, 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 11 April 2014.
- c) In accordance with the Regulations the due date for the Complainant's Reply was 22 April 2014. The Complainant did not submit any Reply.
- d) The SAIIPL appointed three adjudicators in this matter on 29 April 2014 and a decision was handed down on 20 June 2014, which decision became the subject of an application for review. The review application was brought before the High Court of South Africa (Gauteng Division, Pretoria)



under case number 80647/2014 and judgment was handed down on **7 December 2015**. The appointment of one of the adjudicators as well as the decision delivered by the previous panel on **19 June 2014** were set aside. The SAIIPL was directed to appoint a new panel of adjudicators, and to remit the Dispute to the new panel for review and consideration of the record of the proceedings in order to issue a decision.

e) The SAIIPL gave effect to the court order and appointed three Adjudicators on 20 January 2016, as well as a trainee adjudicator on 29 January 2016. The Adjudicators submitted their statement of acceptance and declaration of impartiality and independence, as required by the SAIIPL to ensure compliance with the Regulations and Supplementary Procedure.

#### 2 Factual Background

- 2.1 This Dispute concerns the registration of the Domain Name <a href="superbets.co.za">superbets.co.za</a> which was originally registered on 18 November 2006 and transferred to the Registrant in March 2013. The website associated with the Disputed Domain Name redirects to the website at <a href="www.sportsbet.co.za">www.sportsbet.co.za</a>, which hosts an online sports betting portal through which customers can place bets.
- 2.2 The Complainant is Portapa (Pty) Ltd, a company registered in South Africa under registration number 2008/019297/07. It operates a business in the field of betting and gaming services.
- 2.3 The Complainant is the proprietor of the following trade mark applications and registration:
  - 2.3.1 registration no. 2008/29067 SUPABETS in Class 28. The following disclaimer and endorsement have been entered against this registration:



"Registration of this mark shall give no right to the exclusive use of the word "BETS" individual and separately and apart from the mark. Applicant admits that registration of this trade mark shall not debar others from the bona fide descriptive use in the ordinary course of trade of the word "SUPA"";

- 2.3.2 application no. 2013/35711 SUPERBETS in Class 41. Only a filing receipt was provided in respect of this application;
- 2.3.3 application no. 2013/35706 SUPABETS in Class 35. Only a filing receipt was provided in respect of this application;
- 2.3.4 application no. 2010/11914 SUPERBETS in Class 28. This application has been accepted with conditions; and
- 2.3.5 application no. 2012/14730 SUPABETS in Class 41. This application has been accepted.
- 2.4 The Complainant is the registrant of the domain name <u>supabets.co.za</u> which was registered on 25 February 2009. It is also the proprietor of a South African company incorporated under the name SUPABETS (Pty) Ltd under registration no. 2012/085204/07.
- 2.5 The Complainant has made use of the trade mark SUPABETS in relation to "betting and gaming services".
- 2.6 The Registrant is Lisa Haines, a member of the close corporation Atlantic Sportsbet CC ("Sportsbet"), which was incorporated in 1989. Sportsbet is the beneficial owner of the Disputed Domain Name which it maintains and controls. Lisa Haines' listing as Registrant resulted from a clerical error by Sportsbet's domain administrator. Sportsbet offers a variety of bookmaking



services which are centred on its online sports betting platform operated from the website at www.sportsbet.co.za.

#### 3 Parties' Contentions

#### 3.1 Complainant

- 3.1.1 The Complainant contends that it has rights in respect of a name or mark which is identical or similar to the Disputed Domain Name and that the Disputed Domain Name is, in the hands of the Registrant, an abusive registration in terms of Regulation 3(1)(a).
- 3.1.2 The Complainant relies on its rights in two names or marks, being SUPERBETS and SUPABETS.
- 3.1.3 In particular, the Complainant submits that the Disputed Domain Name offends the following regulations:
  - 3.1.3.1 Regulation 3(1)(a) because the Disputed Domain Name is being used in a manner that takes unfair advantage of, or is detrimental to, the Complainant's rights in its marks SUPERBETS and SUPABETS;
  - 3.1.3.2 Regulation 4(1)(a)(i) because the Registrant has registered or otherwise acquired the Disputed Domain Name primarily to rent or otherwise transfer it to a competitor of the Complainant, for valuable consideration in excess of the Registrant's reasonable out-of-pocket expenses directly associated with acquiring or using the Disputed Domain Name. The Complainant refers to the fact that the Disputed Domain Name directs to the website of one of its



competitors at www.sportsbet.co.za;

- 3.1.3.3 Regulation 4(1)(a)(iv) because the use of the Disputed Domain Name by the Registrant prevents the Complainant from exercising its rights in its applications and registration for the trade marks SUPERBETS and SUPABETS;
- 3.1.3.4 Regulation 4(1)(b) because the Registrant is using, or has registered, the Disputed Domain Name in a way that leads people or businesses to believe that the Disputed Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant. This contention is based on the allegation that the Disputed Domain Name is similar to the domain name which has been registered and used by the Complainant, being supabets.co.za.

#### 3.2 Registrant

- 3.2.1 The Registrant does not deny that the Disputed Domain Name is similar to the Complainant's SUPABETS trade mark.
- 3.2.2 The Registrant contends in connection with the Complainant's rights that:
  - 3.2.2.1 they do not extend to prevent the Registrant (or its licensee) from using the words "SUPER BETS" descriptively as is the case in the instant matter;
  - 3.2.2.2 despite the fanciful representation of the words "SUPER BETS" as SUPABETS, the latter trade mark essentially remains a laudatory epithet and the Complainant should not be entitled to obtain a monopoly in the use of the word



"SUPA". The Registrant argues that the Complainant has used only the mark SUPABETS and that its rights can thus only extend to this particular fanciful representation and not the descriptive and commonplace phrase "SUPER BETS". It submits that the extension of monopoly rights to this descriptive term would prevent its reasonable use in the trade by third parties;

- 3.2.2.3 no goodwill and reputational rights have been established in the fanciful representation SUPABETS;
- 3.2.2.4 the term "SUPER BETS" (or "SUPER BET") is commonly used in the industry to describe services of persons such as bookmakers or to describe specific bets which are perceived to be exceptional, extra good, large or of a higher kind. The following examples of how the terms "SUPER BET" or "SUPER BETS" are used descriptively were provided:
  - (a) on the website www.top-online-casinos.co.za, where it is stated that "... you do no need to place a super bet to play the game. To place the super bet the chip(s) in the small circle between the normal bet areas. Super bet wins if your 4 initial cards contain 2 or more cards in the same kind..." (emphasis added);
  - (b) on the website www.thepundits.co.za, where it is stated that "...I've suffered heartache of a last minute try to ruin an (sic) 6-fold (6 individual bets combined into one super bet)..." (emphasis added); and
  - (c) on the website http://slotzar.co.za, where it is stated



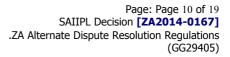
that "[w]hen you activate your <u>super bet</u> to level 2, fox pups an appear on all five reels" (emphasis added).

- 3.2.2.5 the following examples of how the terms "SUPER BETS" or "SUPER BET" are commonly used in the industry and, in particular, have been incorporated in domain names were provided:
  - (a) supabet.com, which is linked to the website
     www.superbet.com;
  - (b) <u>superbets.com</u>, which is linked to the website www.bestsportsbetting.com;
  - (c) <u>superbets.net</u>, which is linked to the website www.superbets.net;
  - (d) superbets.org, which is not linked to any website;
  - (e) superbet.co.za, which is not linked to any website; and
  - (f) <u>superbetting.co.za</u>, which is linked to the website www.planetsport.com.
- 3.2.2.6 the Complainant's registered trade mark rights in respect of the trade mark SUPABETS do not extend to the services offered by the Registrant or its licensee.
- 3.2.3 The Registrant further contends that the Disputed Domain Name is not an abusive registration for the following reasons:
  - 3.2.3.1 it was registered at a time when it did not take unfair advantage of, and was not unfairly detrimental to, the Complainant's rights which, on its own version, dates back



to 2008, whereas the Disputed Domain Name had been registered since 2006;

- 3.2.3.2 the Disputed Domain Name is used generically or in a descriptive manner and the Registrant is making fair use of it as provided for in Regulation 5(b). In this regard, the Registrant submits that it had registered and/or purchased numerous domain names which contain keywords which are descriptive of the services offered by the Registrant and/or services in respect of which it has a bona fide intention to offer in future. Each of these domain names is linked to the website at www.sportsbet.co.za and the intention was that, if a potential customer enters one of the keywords into an internet search engine, it is possible that the Registrant's website will be displayed amongst the search results. Examples of the domain names which have been acquired by the Registrant for this reason include the following:
  - (a) goodbet.co.za
  - (b) instantbet.co.za
  - (c) niceodds.co.za
  - (d) perfectbet.co.za
  - (e) perfectodds.co.za
  - (f) simplebet.co.za
  - (g) learntobet.co.za
- 3.2.3.3 that the Registrant had used or made demonstrable preparations to use the Disputed Domain Name in connection with a good faith offering of goods or services





before being aware of the Complainant's cause for complaint, as provided for in Regulation 5(a)(i). The Registrant had been using the Disputed Domain Name for approximately one year prior to becoming aware of the Complainant's cause of complaint. During this period neither Sportsbet nor the Registrant had used the Disputed Domain Name as a badge of origin or in an attempt to pass-off Sportsbets' services as those of the Complainant;

3.2.3.4 the term "SUPER BETS" is used by a number of other traders either in domain names or to describe services and neither the Registrant nor Sportsbet should be prevented from making similar descriptive use of these words.

#### 4 Discussion and Findings

In order to succeed with its case based on Regulation 3(1)(a), the Complainant has to prove, on a balance of probabilities (see Regulation 3(2)), the following three elements, viz that:

- (a) it has rights in respect of a name or mark;
- (b) which is identical or similar to the Disputed Domain Name; and
- (c) in the hands of the Registrant, the Disputed Domain Name is an abusive registration.

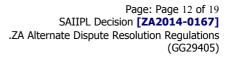
This enquiry of necessity entails three steps. The first is to determine whether the Complainant has established rights in respect of a name or a mark. The second is whether the name or mark in which the Complainant has established rights, is identical or similar to the Disputed Domain Name. Lastly, consideration should be given to the factors as listed in Regulations 4



and 5 which may or may not indicate an abusive registration. Each of these enquiries are considered below.

#### 4.1 Complainant's Rights

- Regulation 3(1)(a) only provides for the Complainant to show rights in a name or mark. Regulation 1 contains a non-exhaustive and broad definition of "rights". It is trite that such rights go beyond rights founded in the well-established principles of trade mark law and all that is required is a right which finds recognition in law. threshold requirement is low and the strength of a mark is not relevant to this enquiry (D2008-0230 drugstore.com). See also ZA2007-0008 (privatesale.co.za), ZA2008-0020 (mixit.co.za), D2006-0669 (clickbusinesscards.com) DRS05466 and (lockformer.co.uk).
- 4.1.2 It is important to note that the Complainant has asserted rights in two trade marks, being SUPERBETS and SUPABETS.
- 4.1.3 Its alleged rights in the trade mark SUPABETS stem from a trade mark registration in class 28, two applications in classes 35 and 41, a company name, a domain name and the use the Complainant has made of this mark.
- 4.1.4 The Complainant's registered SUPABETS trade mark is *prima facie* valid and enforceable and clearly provides the Complainant with rights in this mark. Whilst the Registrant has called into question the distinctiveness of the Complainant's trade mark, these submissions do not affect the validity of the existing registration which the Panel is in no position to examine. The Registrant has also, correctly, not challenged the validity of the registration in this forum. See <u>ZA2007-</u>





<u>0005</u> (phonebook.co.za and whitepages.co.za) and <u>DRS05466</u> (lockformer.co.uk).

- 4.1.5 The Panel is satisfied that the Complainant has established the required rights in the trade mark SUPABETS for purposes of Regulation 3(1)(a).
- 4.1.6 The SUPERBETS trade mark consists of the descriptive words "SUPER" and "BETS". There is nothing unusual or inventive about this combination which can hardly distinguish the Complainant's business from those of others. It is trite trade mark law that words which are purely descriptive or generic cannot be registered or give rise to a protectable right unless they have been used to such an extent that, as a matter of fact, the words have acquired a secondary meaning, that is, have become capable of distinguishing the goods or services of the proprietor. See <a href="ZA2007-0001">ZA2007-0005</a> (whitepages.co.za) and <a href="ZA2007-0008">ZA2007-0008</a> (privatesale.co.za).
- 4.1.7 Whilst the Complainant owns applications for the trade mark SUPERBETS in classes 28 and 41, those applications have not yet proceeded to registration and afford it no rights. The Complainant has alleged use of the SUPERBETS trade mark, but has failed to adduce any evidence in this regard.
- 4.1.8 The Complainant has also not based its complaint on, or even alleged, the existence of any other rights in this trade mark. Given its descriptive nature, the Panel is hard-pressed to find any such rights in the absence of any allegations or supporting evidence.
- 4.1.9 In the circumstances, the Panel finds that the Complainant has not



established any rights in the name or mark SUPERBETS for purposes of the Regulations.

4.1.10 The Panel shall proceed with the remaining two enquiries on the basis of the rights that the Complainant established in the SUPABETS trade mark.

4.2 The Disputed Domain Name is identical or similar to the name or mark in which the Complainant has rights

This has not been disputed by the Registrant and the Panel also finds sufficient similarity between the trade mark SUPABETS and the Disputed Domain Name to satisfy this leg of the enquiry

#### 4.3 Abusive Registration

- 4.3.1 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 which takes unfair advantage of, or is unfairly detrimental to the Complainant's rights. See Regulation 1.
- 4.3.2 It is clear that, at the time of registration, the Disputed Domain Name could not have taken unfair advantage of, or have been unfairly detrimental to, the Complainant's rights since the Disputed Domain Name was registered some two years before the Complainant commenced using the SUPABETS trade mark.



- 4.3.3 The Complainant has alleged that the Disputed Domain Name is being used in a manner which takes unfair advantage of, or is unfairly detrimental to, its rights in its SUPABETS trade mark. It is at this point that regard must be had to the extent or strength of the Complainant's rights in its SUPABETS trade mark:
  - 4.3.3.1 the Complainant's trade mark SUPABETS is a fanciful combination of the common words "SUPER" and "BETS" and in the Panel's view is of a low level of distinctiveness. This is borne out by the fact that a disclaimer has been entered in respect of the word "BETS" and an admission in respect of the word "SUPER". In accordance with Section 15 of the Trade Marks Act No. 194 of 1993, a disclaimer is called for where a trade mark contains matter which is not capable of distinguishing. The Registrar of Trade Marks found the word "BETS" to be incapable of distinguishing and so, too, the Panel finds it to be descriptive. The Panel recognises and accepts, as alleged by the Registrant and not refuted by the Complainant, the common practice of the Registrar of Trade Marks to require an admission by an applicant for registration in the case of a misspelling of an ordinary descriptive word so as not to debar others from making bona fide descriptive use of the word with its correct spelling. Having regard to the definition of the word "SUPER" as an adjective in the Oxford English Dictionary, and the evidence led by the Registrant, the Panel finds this word to be of a laudatory nature which is in common and universal use and does not find it strange that the Registrar called for such an admission in respect of the word "SUPER" in the Complainant's SUPABETS registration.



The fact that the Complainant at the time agreed that others may make *bona fide* descriptive use in the ordinary course of trade of the word "SUPER", is telling.

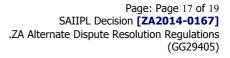
- 4.3.3.2 not only does the Panel find that the words "SUPER" and "BETS" are reasonably required for use in trade and should not be capable of being monopolised, the Registrant has provided evidence of the fact that they are, indeed, commonly used in the betting industry in a descriptive manner;
- 4.3.3.3 in the circumstances, any allegation of an unfair advantage being taken of or the existence of an unfair detriment to the Complainant's rights in its SUPABETS trade mark must be approached with the necessary caution.
- 4.3.4 The Registrant has admitted to registering or purchasing numerous domain names which contain descriptive keywords relating to its services in general and it cannot, *per se*, be faulted for doing so.
- 4.3.5 In the absence of compelling evidence to the contrary, the Panel finds that the use of a combination of terms which are descriptive of the Registrant's service offering in a domain name which points to a website where the very same services are offered, cannot be said to take unfair advantage of, or be unfairly detrimental to, the Complainant's rights in its SUPABETS trade mark.
- 4.3.6 The Complainant relies on the fact that the Registrant has acquired the Disputed Domain Name primarily to rent or otherwise transfer it to a competitor of the Complainant, for valuable consideration in excess of the Registrant's reasonable out of-pocket-expenses directly





associated with acquiring or using the Disputed Domain name, simply because it points to the Sportsbet website. There is, however, nothing to show that the Registrant acquired the Disputed Domain Name in 2013 primarily to sell, rent or otherwise transfer it to a competitor of the Complainant, much less any evidence or even an allegation of an attempt to sell the Disputed Domain Name.

4.3.7 Insofar as the Complainant's reliance on Regulation 4(1)(a)(iv) is concerned the SUPABETS trade mark has been registered in class 28 in respect of "games and playthings, gymnastic and sporting articles not included in other classes, decorations for Christmas There is nothing before the Panel, other than the trees". Complainant's say so which supports a finding that the Registrant acquired the Disputed Domain Name primarily to prevent the Complainant from exercising any rights it may have in the latter registration. The Complainant has alleged use of the SUPABETS trade mark since 2008 but adduced poor evidence in support of that allegation. It included as part of its evidence only three undated photographs of shopfronts, without any associated addresses, and one printout from its website at www.supabets.co.za. The Panel's view is that the Complainant has not adduced sufficient evidence to establish any rights at common law in the SUPABETS trade mark but, even if the Panel accepts that the Complainant may have acquired such rights, the acquisition of a domain name which consists of a combination of terms entirely descriptive of the Registrant's services cannot be said to have been done with a primary object of preventing the Complainant from exercising such See Online Lottery Services (Pty) Limited and others vs National Lotteries Board and others 2010 (5) SA 349 (SCA).

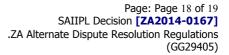




In relying on Regulation 4(1)(b), the Complainant alleges that the Registrant has used the Disputed Domain Name in a way that leads people or businesses to believe that it is registered to, operated or authorised by, or otherwise connected with the Complainant, based on the fact that the Disputed Domain Name is similar to the Complainant's SUPABETS trade mark and that members of the public may be confused thereby. Confusion may indeed arise from the fact that the parties are conducting the same trade and using similar descriptive words. However, where a trader adopts a descriptive designation as a name or mark, he must reconcile himself with the fact that other traders may use the same descriptive name and that a measure of confusion may ensue. This point is demonstrated by the existence in this case of a significant number of third party traders who have used the term "SUPERBETS, and registered domain names including the term "SUPERBETS". The warning about the dangers of adopting descriptive words for trade names or trade marks have been sounded often in our case law to traders. See ZA2007-0008 (privatesale.co.za), ZA2007-0001 (mrplastic.co.za), ZA2011-0070 (outsource.co.za) and Cleaning Services vs Westminster & General Cleaners Limited (1946) 63 RPC 39. The Panel consequently finds that there are no circumstances indicating that the Registrant is using the Disputed Domain Name in a way that is attempted to create the type of confusion described in Regulation 4(1)(b).

# 4.4 Factors Indicating that the Disputed Domain Name is not an Abusive Domain Name

4.4.1 The Registrant claims that the Disputed Domain Name is not an abusive registration because it is used generically or in a descriptive





manner and the Registrant is making fair use of it (Regulation 5(b)). Having considered the evidence of the Registrant, the Panel finds this to be the case.

#### 5. Decision

5.1 For all the foregoing reasons, in accordance with Regulation 9, the Panel finds that the Disputed Domain Name does not constitute an abusive registration and the relief sought by the Complainant is refused.

CHARNE LE ROUX
SAIIPL PRESIDING ADJUDICATOR

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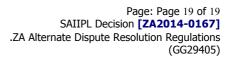
**MIKE DU TOIT** 

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#### **WERINA GRIFFITHS**

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