

Decision

[ZA2015-0223]

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2015-0223
DECISION DATE:	29 JANUARY 2016
DOMAIN NAME	TUMBLR.CO.ZA
THE DOMAIN NAME REGISTRANT:	ZHU XUMEI
REGISTRANT'S LEGAL COUNSEL:	NONE
THE COMPLAINANT:	TUMBLR, INC
COMPLAINANT'S LEGAL COUNSEL:	SPOOR & FISHER
2 nd 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 “SAIPL”) on **24 November 2015**. On **25 November 2015** the SAIPL transmitted by email to ZA Central Registry (ZACR) a request for the registry to suspend the domain name at issue, and on **25 November 2015** ZACR confirmed that the domain name had indeed been suspended.
- b) In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the Dispute on **26 November 2015**. In accordance with the Regulations the due date for the Registrant’ s Response was **28 December 2015**. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on **5 January 2016**.
- c) The Complainant did not submit any formal Reply as none was necessary.
- d) The SAIPL appointed **NOLA BOND** as the Adjudicator in this matter on **14 January 2016**. The Adjudicator has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the SAIPL to ensure compliance with the Regulations and Supplementary Procedure.

2 Factual Background

- 2.1 The Complainant is TUMBLR, INC. The Complainant’ s website TUMBLR.COM was created on 8 June 2008 and according to the Complainant’ s uncontested facts the website is in the top 50 websites in the world and 42nd in South Africa in 2011.
- 2.2 The Complainant is the proprietor of the following South African trade mark

registrations:

- Trade mark registration no. 2013/25782-87 TUMBLR in classes 09, 35, 38, 41, 42 and 45;
- Trade mark registration no. 2013/34512-17 **tumblr.** in classes 09, 35, 38, 41, 42 and 45.

2.3 The Complainant is the proprietor of the following domain name:

- www.tumblr.com

From the respective domain name and hosted website the Complainant provides a creative platform for Internet users and currently has 275.9 million blogs with 128.2 billion posts.

2.4 It is submitted by the Complainant that as a result of their extensive advertising and use of the mark TUMBLR in South Africa and internationally, the trade mark, TUMBLR, is classified as a well-known mark within the meaning as provided for by the Paris Convention.

The Complainant referred to the following international cases involving the Complainant wherein it was found that the Complainant's trade mark TUMBLR was well-known.

- *Tumblr, Inc. v Thomas Kimber (D2012-0609- WIPO 9 May 2012)*
- *Tumblr, Inc. v Kenny Kim (D2013-0440- WIPO 28 April 2013)*
- *Tumblr, Inc. v Jingsheng Feng (D2013-0454- WIPO 10 May 2013)*

The Complainant also claims common law rights in the mark, TUMBLR, in South Africa as a result of its extensive use of the mark in South Africa.

2.5 On 29 April 2014, the Registrant contacted the Complainant with the view to sell the domain name, TUMBLR.CO.ZA, to the Complainant for the amount of US\$4000.00

The attorneys for the Complainant, Kilpatrick Townsend & Stockton LLP, contacted the Registrant on or about 4th September 2015 and offered to reimburse the Registrant for US\$15.00 to cover the Registrant's out of pocket expenses in registering the domain name.

On 10th September 2015, the Complainant's attorneys again contacted the Registrant in an attempt to arrange the transfer out of the domain name in exchange for the offered reimbursement amount.

On 11th September 2015, the Complainant's attorneys received a further response from the Registrant advising that he would not transfer the domain name for US\$15.00 and made a counter offer of US\$1500.00.

The Complainant did not contact the Registrant further and moved forward with the current domain name dispute.

3 Parties' Contentions

3.1 Complainant

- a) The Complainant contends that the Registrant's domain name TUMBLR.CO.ZA is identical to the Complainant's registered trade mark, TUMBLR, as the domain name wholly incorporates the Complainant's trade mark, TUMBLR.

The Complainant also contends that the domain name is identical to marks in which it has common law rights. Such rights fall within the Regulation 3(1)(a) as held in ZA2007-0001.

- b) The Complainant contends that as a result of its extensive use, reputation and registered common law rights in the mark, TUMBLR, the registration of the domain name by the Registrant constitutes an

abusive registration in terms of Regulation 3(1)(a) in that the Registrant has registered the domain name primarily to:

- 1) 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 [Regulation 4(1)(a)(i)];
 - 2) Block intentionally the registration of a name or mark in which the Complainant has rights [Regulation 4(1)(a)(ii)];
 - 3) Disrupt unfairly the business of the complainant [Regulation 4(1)(a)(iii)] by preventing the Complainant or its authorised users from operating a website from the domain.
- c) The Complainant, furthermore, submits that the Registrant has engaged in a pattern of making abusive registrations [Regulation 4(1)(c)].
- d) In relation to Regulation 4(1)(c), the Complainant drew the Adjudicator's attention to the fact that the Registrant was involved in case ZA2013-0151 (Burberry, Ltd. v Zhu Xumei). The case involved the abusive registration of the domain name, BURBERRY.CO.ZA. The Adjudicator in the case found that the registration was in fact abusive and ordered the transfer of the domain name.

The Complainant referred the Adjudicator to another eight UDRP proceedings wherein it was found that the Registrant, Zhu Xumei, had engaged in abusive domain name registrations. The following UDRP cases were brought to the attention of the Adjudicator:

- *Andersen Corporation v Zhu Xumei (FA1502001605830- Nat. Arb. Forum. Mar 24 2015)*
- *Solvay SA v Zhu Xumei (DCO2014-0022- WIPO Oct. 13 2014)*
- *BHP Billiton Innovation Pty Ltd v Zhu Xumei (DCO2014-0014- WIPO Aug. 26, 2014)*
- *Alfa Laval Corporate AB v Zhu Xumei (DMX 2014-0010- WIPO Jul 21, 2014);*
- *Schneider Electric S.A. v Zhu Xumei (DMX2014-0013- WIPO Jul 20, 2014)*
- *Avid Dating Life, Inc. v Zhu Xumei (DCO2014-0006- WIPO Jun. 17, 2014)*
- *Morgan Stanley v Zhu Xumei (FA1404001554302- Nat. Arb. Forum. May 23, 2014)*
- *QVC, Inc. v Zhu Xumei (DMX2013-0014- WIPO Jul. 17,2013).*

3.2 Registrant

- a) The Registrant failed to submit any response to the Complainant's contentions.

4 Discussion and Findings

4.1 Complainant's Rights

- 4.1.1 The Complainant is the proprietor of the registered trade mark, TUMBLR, in South Africa. The Complainant's statutory rights in the mark, TUMBLR, in South Africa date back to 16 September 2013. As such, the Complainant's registered rights in the mark, TUMBLR, post date the registration of the domain name, TUMBLR.CO.ZA, on 06 November 2012. The Adjudicator however notes that as of the

date of this dispute the Complainant's trade mark applications have proceeded to grant.

However, according to the Complainant's uncontested evidence the Complainant obtained common law rights in respect of the trade mark TUMBLR from at least 24 September 2011. In this regard, the Complainant's evidence refers to the Alexa statistics of 24 September 2011 wherein the domain name TUMBLR.COM, was ranked as the 42th top website in South Africa.

The fact that the website was accessed and utilised so prolifically from internet users in South Africa is in the Adjudicator's view sufficient to establish a reputation and goodwill in South Africa in relation to the mark, TUMBLR. As such the Adjudicator finds on a balance of probabilities that the Complainant's common law rights in the mark, TUMBLR, predate those of the registration of the domain name TUMBLR.CO.ZA on 06 November 2012 by the Registrant.

The domain name, TUMBLR.CO.ZA, is identical to the Complainant's trade mark registrations for the trade mark, TUMBLR and identical to the mark, TUMBLR, in which the Complainant has obtained both a reputation and goodwill in South Africa. The domain name contains no further elements, with the addition of the ccTLD.CO.ZA being inconsequential.

It has been found in a number of cases that the reputation and goodwill attained in a particular mark can form the basis for a valid claim against a Registrant who has registered a domain name incorporating an identical trade mark. See for instance ZA2008-0021 (*Sun International (IP) Ltd v Will Green*), wherein the Adjudicator stated:

“The Complainant also claims rights in and to the name and mark BLACK PEARL under the common law based on its use and promotion of its annual roulette tournament since 2006 under the name BLACK PEARL. On a balance of probabilities the Adjudicator finds that the Complainant can validly claim such common law rights based on its reputation (in the gambling industry and amongst persons who gamble) and hence its goodwill in and to the mark BLACK PEARL.”

4.2 Abusive Registration

4.2.1 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 Complainants’ rights; or.
- (ii) Has been used in a manner that takes unfair advantage of, or is unfairly detrimental to the Complainants’ rights.

The Complainant is required to prove, on a balance of probabilities, that the required elements are present and that the registration of the domain name is abusive.

4.2.2 However, in terms of Regulation 5(c) *“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;”*

4.2.3 Regulation 5(c) therefore creates a rebuttable presumption that a

domain name registration is abusive if it is identical, without any additions, to mark in which the Complainant claims rights. As there are no additions to the domain name TUMBLR.CO.ZA, the Registrant is required to showd that the domain name is not abusive. Regulation 5, as referred to by the Appeal Adjudicators in Case No. ZA2011-0078, provides a non-exhaustive list of factors which the Registrant may raise to indicate that the disputed domain name is not an abusive registration.

The Registrant has failed to enter any evidence to rebut the presumption that the registration of the domain name, TUMBLR.CO.ZA, is abusive. As such, the Adjudicator holds that the domain name registration is presumed to be abusive by virtue of the fact that it is identical to the Complainant's registered trade marks and the mark, TUMBLR, in which the Complainant has obtained both a reputation and goodwill in South Africa.

4.3 The Complainant's Contentions

4.3.1 It is not necessary to deal in detail with the Complainant's averments regarding the abusive nature of the registration of the domain name, TUMBLR.CO.ZA, as the Registrant has failed to discharge the onus placed upon him by Regulation 5(c) and therefore the domain name registration is presumed to be abusive by virtue of the fact that it wholly incorporates a mark, without any further addition, in which the Complainant has valid rights.

It is, however, important to note that from the evidence before the Adjudicator, it is evident that the Registrant's primary intention in registering the domain name, TUMBLR.CO.ZA, was to sell the domain name back to the Complainant for an exorbitant amount far in

excess of the Registrant's reasonable out-of-pocket expenses directly associated with acquiring or using the domain name. The Registrant was evidently aware of the Complainant's rights and by attempting to sell the domain name to the Complainant for an excessive amount (being US\$4000.00 initially) clearly acted in bad faith.

Furthermore, the Complainant's contention that the Registrant is engaged in a pattern of registering domain names in which he has no legitimate rights is noted. In WIPO case D2008-1560, the Panel took into account the conduct of the Respondent and the fact that he was or had been involved in a number of domain name disputes. In holding that the Respondent had registered and was using the domain name in bad faith, the Panel stated that the Respondent *"has engaged in a pattern of conduct involving the disregard of the trademark rights of others."* In Nominet case DRS 002806, the Expert found that the Registrant's conduct in registering multiple domain names which contained a registered trade mark constituted a pattern of conduct.

The fact that the Registrant was involved in case ZA2013-0151 (Burberry, Ltd. v Zhu Xumei) and therein registered a domain name wholly incorporating a registered and well-known trade mark and subsequently registered a further domain name incorporating a well known trade mark, on a balance of probabilities shows that the Registrant is engaged in a pattern of abusive conduct in registering domain names incorporating well-known trade marks.

Such conduct is abusive and the Adjudicator therefore finds that the registration of the domain name, TUMBLR.CO.ZA is abusive taking into account the provisions of Regulation 4(1)(c).

5. Decision

- 5.1 For all the foregoing reasons, and in accordance with Regulation 9, the Adjudicator orders that the domain name, TUMBLR.CO.ZA be transferred to the Complainant.

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NOLA BOND

SAIIPL SENIOR ADJUDICATOR

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