

ADJUDICATOR DECISION

CASE NUMBER: **ZA2010-0051**

DECISION DATE: **27 October 2010**

DOMAIN NAME **Mompreneur.co.za**
Mompreneurs.co.za

DOMAIN NAME REGISTRANT: **Ms Cara Mullin**

REGISTRANT'S LEGAL COUNSEL: **N/A**

THE COMPLAINANT: **The Standard Bank of South Africa
Ltd**

COMPLAINANT'S LEGAL COUNSEL: **Bowman Gilfillan Inc.**

THE 2nd LEVEL DOMAIN NAME ADMINISTRATOR: **UniForum SA (CO.ZA Administrators)**

1 Procedural History

- 1.1 The Dispute was filed with the South African Institute of Intellectual Property Law (the "SAIPL") on 11 August 2010. On 11 August 2010 the SAIPL transmitted by email to UniForum SA a request for the registry to suspend the domain names at issue, and on [date] UniForum SA confirmed that the domain names had indeed been suspended. The SAIPL verified that the Dispute satisfied the formal requirements of the .ZA Alternate Dispute Resolution Regulations (the "Regulations"), and the SAIPL's Supplementary Procedure.
- 1.2 In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the Dispute on 11 August 2010. In accordance with the Regulations the due date for the Registrant's Response was 9 September 2010. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on 13 September 2010. The Registrant submitted its Response on 14 September 2010, namely after the due date, and the SAIPL notified each party of such late filing, and forwarded a copy of the Response to the Complainant on 14 September 2010.
- 1.3 In accordance with the Regulations the due date for the Complainant's Reply was 16 September 2010. However, the SAIPL had refused to accept the Registrant's Response formally because of its late filing, and referred this procedural problem to the Adjudicator for his ruling. After the Adjudicator's ruling in this regard, the Complainant submitted its Reply on 18 October 2010.
- 1.4 The SAIPL appointed Mr A K van der Merwe as the Adjudicator in this matter on 28 September 2010. 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.

1.5 At the outset, the Adjudicator was called upon to consider the Registrant's default in the late filing of its response and whether such delay could be condoned. The period from 9 to 14 September included an intervening weekend (11 and 12 September), and hence the delay amounted to 3 working days. Regulation 24 (entitled "General Powers of Adjudicator") requires that an Adjudicator must ensure that the parties are treated with equality and that each party is given a fair opportunity to present its case (on the principle of *audi alteram partem*). However, an Adjudicator must ensure that the dispute is handled as expeditiously as possible. The Institute's Supplementary Procedures (11 - entitled "Extensions") provide that an Adjudicator may, in his discretion, allow limited extensions of time periods on good cause shown. This is balanced by requiring the Adjudicator to act strictly in granting extensions, bearing in mind that the Regulations are intended to provide an efficient and expeditious means to resolving domain name disputes. Taking the aforementioned requirements into account, bearing in mind that the delay was a mere 3 days, and bearing in mind that the Registrant was distracted by a serious family illness, the Adjudicator decided to allow or condone this limited extension of time. The Complainant was duly informed and invited to submit its formal Reply within the normal period of 5 days, and invited to include a submission on the admissibility of the Registrant's late Response. The Complainant thereafter duly submitted its Reply without commenting on the above ruling by the Adjudicator in allowing or condoning the Registrant's late filing of its Response.

2 Factual Background

- 2.1 In respect of statutory rights, the Complainant is the proprietor of (South African) trade mark registration number 2006/03652 MOMPREENEUR in class 35 in respect of certain specified business services. This registration dates from 22 February 2006 and is presently in full force and effect. The Complainant is also the applicant of various more recent (South African) applications for registration for the trademark MOMPREENEUR viz number 2009/06138 in class 41; and MAPREENEUR viz number 2009/06136 in class 35 and number 2009/0613700 in class 41. These applications date from 1 April 2009 and have not yet been granted or registered. [Summarize the non-contested facts, e.g., date of trademark registration, if any.]
- 2.2 The Complainant commenced using the name and trade mark MOMPREENEUR during June 2006 for a competition for mothers who have started, and run, their own businesses. This competition was conducted through the Living and Loving magazine, and has been run on what appears to be an annual basis since then. The competition was also promoted and advertised in other popular magazines such as Rooi Rose and Your Family. In addition to this, the Complainant has conducted an annual MOMPREENEUR half-day workshop from 2006 to date in the major centres of Johannesburg, Cape Town and Durban (and more recently in Bloemfontein). This workshop (which is not limited to mothers running their own businesses) has been promoted and advertised in various publications.
- 2.3 The Registrant registered the disputed domain names MOMPREENEUR.CO.ZA and MOMPREENEURS.CO.ZA on 11 November 2006.
- 2.4 The above-mentioned registered trademark MOMPREENEUR is identical to the disputed domain names MOMPREENEUR.CO.ZA and (also substantially identical to) MOMPREENEURS.CO.ZA.
- 2.5 The Registrant and two friends had during 2006 planned to set up a MOMPREENEURS network in Hillcrest. It appears that they had, by searching the Internet, found networks and support groups for working mothers throughout the world, and that this had inspired their own plans in this regard. Although they had taken some tentative steps towards starting this initiative, such as registering the disputed domain names, they had never followed through and had never actually started the initiative [and hence had never started using or used the name/trade mark MOMPREENEUR(S)].

3 Parties' Contentions

3.1 Complainant

- 3.1.1 The Complainant claims that it has statutory rights in and to the name/trade mark MOMPREENEUR in respect of the relevant services by virtue of its above-mentioned trade mark registration number 2006/03652 MOMPREENEUR in class 35. It contends that these rights cover the names/trademarks MOMPREENEUR(S) and their use by the Registrant amounting to infringement of such rights by the Registrant.
- 3.1.2 The Complainant, in addition, claims that it enjoys common law rights in and to the name/trade mark MOMPREENEUR through its use and promotion of the trade mark MOMPREENEUR during the intervening years.
- 3.1.3 Based on the aforementioned rights, and on the identity of the respective names/trade marks, the Complainant contends that there is a likelihood that Internet users and consumers will be confused into believing that there is some connection or association between the two parties viz that its rights are being infringed.
- 3.1.4 For the above and various other reasons advanced by the Complainant, such as likely and actual consumer confusion and/or deception, it therefore contends that the disputed domain name registrations are abusive registrations.

3.2 Registrant

- 3.2.1 The Registrant contends that the word MOMPREENEUR was generally known and used by others world-wide before the Complainant had adopted the term.
- 3.2.2 In addition the Registrant contends that the word MOMPREENEUR is merely descriptive of mothers who run their own businesses.
- 3.2.3 The Registrant also questions how the Complainant can protect/register the word MOMPREENEUR as a trade mark as it is a word in general use in the English language.
- 3.2.4 The Registrant further contends that the disputed domain name registrations lead to websites that in no way indicate that she is related to, or associated with, the Complainant.

3.2.5 The Registrant contends still further that her plans (with two friends) during 2006 to use the word MOMPREENEUR(S) for their network or club, should allow or secure her rights to use and register the disputed domain names, and to continue to use these.

4 Discussion and Findings

- 4.1 Dealing firstly with the Registrant's contentions concerning the general and descriptive nature of the word MOMPREENEUR, it appears that this word is an "invented" word that apparently means a mother who is engaged in her own business. More particularly, the word appears to be a combination of the prefix MOM- (-the colloquially used abbreviation for MOTHER) and, as the suffix, a contraction (-PRENEUR) derived from the word ENTREPRENEUR. However, the word MOMPREENEUR does not appear to be in common or everyday usage for example in South Africa. This is confirmed by it not appearing in the Concise Oxford English Dictionary (2006 Edition). However, for purposes of this matter, and based on the references provided by the Registrant, the Adjudicator accepts that MOM PRERNEUR has become somewhat widely used across the world to mean a mother who runs her own business.
- 4.2 The Registrant argues that common English words viz in general use cannot be registered (or monopolized) as trade marks. However, the Adjudicator points out that many commonly used words such as APPLE, BEETLE, GOLD, OK, LEGEND, SCORPION, PREMIER, *et al* are used, and registered, as trade marks - and some of these have become well-known trade marks in South Africa or world-wide.
- 4.3 What is clear is that a distinction has to be drawn between the ordinary meaning of MOMPREENEUR viz a type of businessperson, on the one hand, and the services in respect of which the Complainant has registered the trade mark MOMPREENEUR in its trade mark registration number 2006/03652 in class 35, on the other hand. These services, referred to above, relate specifically to "Business consulting services; business development services, arranging and conducting of business competitions; providing recognition, incentives and awards for business achievements; association services promoting the interests of business people". MOMPREENEUR is therefore descriptive of a type of businessperson but is clearly not descriptive of these services.

- 4.4 In this respect the Registrant appears, with respect, to misunderstand the Complainant's usage of MOMPREENEUR in the trade mark sense. Furthermore, the Complainant's applications in class 41 (although not yet granting them enforceable rights) also relate to various services viz "Education; providing of training; entertainment; sporting and cultural activities; organization of competitions, incentive awards, conferences, workshops and exhibitions". Similarly, MOMPREENEUR is clearly not descriptive of these services.
- 4.5 Turning now to the Complainant's above-mentioned trade mark registration number 2006/03652, this was granted by the Registrar of Trade Marks after a full and rigorous examination procedure and is, in terms of the Trade Marks Act, accepted to be *prima facie* validly granted and hence registered (unless and until an interested person can show on the merits that it is wrongly registered and that it should be removed from the official Register of Trade Marks). Accordingly, the function of an Adjudicator in these matters is to accept the validity of such a trade mark registration, and the enforceable rights it grants to the Complainant. In addition, this trade mark registration and its rights predate the date of registration of the disputed domain name registrations (by about 9 months). Consequently the Adjudicator accepts that the Complainant has such prior (statutory) rights in and to the name/trade mark MOMPREENEUR.
- 4.6 Dealing next with the Complainant's contention that it had used the trade mark MOMPREENEUR in respect of various activities and services, and thereby developed common law rights, this requires some comment. It appears to the Adjudicator that such rights eg a reputation and goodwill were clearly developed only after some extended period viz after some years of commercial activity and use (and not at the time or date of registration of the disputed domain name registrations in 2006). However, the Adjudicator accepts that the Complainant had enjoyed earlier rights of use of MOMPREENEUR (dating from June 2006) relative to the date of registration viz 11 November 2006 of the disputed domain name registrations. The common law maxim that applies to this situation is : "Qui prior in tempore, fortior in iure est" viz whoever is earlier in time/use, has a stronger position in law.
- 4.7 In summary the Complainant can therefore validly claim prior statutory rights and prior common law rights of use in and to the name/trade mark MOMPREENEUR dating back to 2006.

- 4.8 Dealing next with the Registrant's contention or claim that she (and her two friends) had adopted the term MOMPREENEUR(S) - and hence had acquired some rights in this name/mark - by virtue of their planning to start a network of sorts, such plans and discussions had come to naught. From a trade mark point of view, no use was ever made of the term MOMPREENEUR(S) by this group of persons or by the Registrant. Accordingly, no rights of use or trade marks rights can arise from, or attach to, such a situation of non-use (although it may be an indication of good faith on the part of the Registrant). Therefore such a contention or claim must be dismissed by the Adjudicator.
- 4.9 The Registrant had further raised a defence viz that the disputed domain names lead to websites that in no way indicated that she was related to, or associated with, the Complainant. While this may indicate good faith on the part of the Registrant, the likelihood of confusion or deception (or association) on the part of Internet users and/or consumers is the major consideration in trade mark infringement or passing off cases. See section 34(1)(a) and 34(1)(b) of the Trade Marks Act, No 194 of 1993; and also the relevant sections on infringement and passing off, respectively, in the textbook by Webster and Page: South African Law of Trade Marks - Fourth Edition.
- 4.10 Furthermore, *in casu* the Complainant has provided evidence of actual confusion where persons have been unable to find information about the Complainant's MOMPREENEUR competition on-line and instead have been led to the websites associated with the disputed domain name registrations of the Registrant. Hence this defence by the Registrant must be dismissed by the Adjudicator as being non-persuasive.
- 4.11 See for infringement the Appellate Division (now SCA) judgement in Plascon-Evans Paints Ltd v Van Riebeeck Paints (Pty) Ltd 1984 3 SA 623 (A); and Bata Ltd v Face Fashions CC 2001 1 SA 844 SCA in which the Appeal Court first applied the principles of the Plascon-Evans case and then referred with approval to the concept of "global appreciation" from the judgement of the European Court of Justice in Sabel BV v Puma AG, Rudolf Dassler Sport [1998] RPC 199. See also the leading case on passing off viz Capital Estate & General Agencies (Pty) Ltd v Hoilday Inns Inc, 1977 2 SA 916 (A); and subsequent passing off cases referred to in Webster & Page.

5 Complainant's Rights

- 5.1 In order to succeed in a complaint of this nature, Regulation 3 requires the Complainant to prove, on a balance of probabilities, three elements viz **a) that it has rights in respect of a name or mark ie trade mark; b) that such name or trade mark is identical or similar to the disputed domain name; and c) that, in the hands of the Registrant, the domain name is an abusive registration.**
- 5.2 Dealing with the 3 elements required to be proved by the Complainant, it has clearly demonstrated in respect of element a) above that it has statutory ie granted trade mark rights in and to MOMPREENEUR that can be enforced by infringement of its relevant trade mark registration iro both the disputed domain names. This is quite clear and is accepted by the Adjudicator. In addition, and on a balance of probabilities, the Complainant has also shown that it has common law rights based on its prior use of this name/trade mark. This is also accepted by the Adjudicator.
- 5.3 In respect of element b) above, the Complainant has alleged, and the Adjudicator has accepted, as a matter of fact, that the Complainant's registered trade mark MOMPREENEUR is identical to the disputed domain name MOMPREENEUR.CO.ZA; and that it is substantially identical, or certainly highly similar, to the disputed domain name MOMPREENEURS.CO.ZA. See the South African domain name decisions in ZA2007-0007 (FIFA.CO.ZA); ZA2007-0009 (OXYCELL.CO.ZA); and ZA2008-0015 (SUNGLASSHUT.CO.ZA) which found that these domain names were identical to registered trade marks and trade mark applications. See also the leading so-called "One in a Million" (United Kingdom) High Court appeal case that is cited below, and that dealt with various domain name registrations that were identical to (corresponding) registered trade marks.
- 5.4 In respect of element c) above, the Complainant has to prove, on a balance of probabilities, that the domain name in the hands of the Registrant is an abusive registration. An abusive registration is defined in Regulation 1 as 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.

- 5.5 Reverting to the definition of an abusive registration set out above, the Registrant had registered the disputed domain names at a time (ie 11 November 2006) when the Complainant had already filed its trade mark application for MOMPREENEUR on 22 February 2006 – about 9 months previously. Although it did not yet have any statutory rights as at 11 November 2006 – its relevant trade mark application was granted only on 16 March 2009 – the Complainant’s registration has legal effect from its application date viz 22 February 2006. In addition, the Registrant had registered its disputed domain names when the Complainant had already commenced use of MOMPREENEUR (during June 2006) viz about 5 months after such use, and hence after the Complainant’s claim to its common law usage of MOMPREENEUR.
- 5.6 From a factual approach, at the time that the Registrant registered the disputed domain names viz on 11 November 2006, the Complainant had already established at least the basis for its rights (or at least the basis for its rights) – both statutory and under the common law, as explained above. Whether the Registrant at that time was aware of the Complainant’s activities in respect of the name/trade mark MOMPREENEUR, is uncertain. No clear proof of this has been presented in the documents filed herein. However, such awareness is not necessarily a factor or element that must be proved in these disputes. The enquiry is simply whether the registration of the disputed domain names took place at a time when the Complainant had rights and whether such registration would take unfair advantage of, or would be unfairly detrimental, to the Complainant’s rights. A further enquiry is needed to determine whether such disputed domain names have been used in a manner that takes unfair advantage of, or is unfairly detrimental to, the Complainant’s rights.
- 5.7 Regulation 4 provides a non-exhaustive list of factors that may indicate that the disputed domain names are abusive registrations. These include circumstances such as the 3 discussed below, indicating that the Registrant has registered the domain names:

- 5.7.1 **primarily to block intentionally the registration of a name or mark (as a domain name) in which the Complainant has rights:** It has been pointed out above that the Complainant has clear rights in and to the name/mark MOMPREENEUR. See the leading UK High Court authority dealing with domain names and their “blocking effect” viz *British Telecommunications plc v One in a Million Ltd* [1999] FSR 1 (AC). In this case the Appeal Court held that the disputed domain name registrations were unlawful on the grounds of both passing off and infringement, and interdicted both the respondent company and the individuals from such conduct and ordered the transfer of the domain name registrations to the companies that in reality traded in these names/trade marks. See also various other foreign domain name decisions in this regard such as WIPO/D2000-0766; and WIPO/D2000-0545; and various South African domain name decisions such as ZA2007-0003 and ZA2007-0004. On a balance of probabilities, the Adjudicator finds that the disputed domain names serve to block the Complainant from registering MOMPREENEUR as its own domain name, and hence that these disputed domain names may be abusive domain names.
- 5.7.2 **primarily to disrupt unfairly the business of the Complainant:** The Registrant has not endorsed its websites to indicate that the sites are not approved, not endorsed, or otherwise not connected to the Complainant. In addition, the Registrant is using its websites (and the link farm) associated with the disputed domain names to promote the goods and services of companies competing with the Complainant. Furthermore, the disputed domain name registrations have created a likelihood of confusion between the Registrant’s websites and the Complainant’s registered trade mark MOMPREENEUR – and in fact it appears, as explained above, that actual confusion of Internet users and consumers has taken place; and of course the Complainant cannot register MOMPREENEUR as its own domain name - coupled to the fact that consumers are being drawn away from the Complainant’s business. See various foreign domain name decisions such as WIPO/D2000-0777; NAF/FA94942; NAF/F94963 and NAF/F95402; See also WIPO/D2000-1598 and the “related” decision DRS04601; and DRS01493. Lastly see various South African decisions such as ZA2007-0003 and the “related” case ZA2007-0004. On a balance of probabilities, the Adjudicator finds that the disputed domain names will serve to disrupt unfairly the business of the Complainant, and hence this indicates that the disputed domain names are abusive domain names.

- 5.7.3 **primarily to prevent the Complainant from exercising its rights:** The disputed domain names have prevented the Complainant from promoting and further expanding its MOMPREENEUR trade mark and competition to a wider audience as a nation-wide competition by means of the Internet. See in this regard the above foreign and South African domain name decisions.
- 5.8 The above factors, taken together with the above domain name decisions, show not only that the first part viz a) of the definition of an abusive registration has been satisfied but also that there are factors present that show that the second part viz b) of the definition has been satisfied viz that the disputed domain names have been used in a manner that takes unfair advantage of, or is unfairly detrimental to, the Complainant's rights.
- 5.9 Accordingly the Adjudicator finds, on a balance of probabilities, that the disputed domain names are abusive registrations in the hands of the Registrant.

6 Decision

- 6.1 For all the foregoing reasons, and in accordance with Regulation 9, the Adjudicator orders that the disputed domain names, MOMPREENEUR.CO.ZA and MOMPREENEURS.CO.ZA are abusive registrations and should be transferred to the Complainant.

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SAIIPL SENIOR ADJUDICATOR
www.DomainDisputes.co.za