

Decision

[ZA2013-0140]

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2013-0140
DECISION DATE:	28 June 2013
DOMAIN NAME:	enterprize.co.za
THE DOMAIN NAME REGISTRANT:	Chen Boxin
REGISTRANT'S LEGAL COUNSEL:	N/A
THE COMPLAINANT:	Enterprise Holdings Inc.
COMPLAINANT'S LEGAL COUNSEL:	Spoor & Fisher
2 nd LEVEL ADMINISTRATOR:	UniForum SA

1. Procedural history

- 1.1 The domain in issue is <enterprize.co.za>, which was registered on 13 December 2012.
- 1.2 The Complainant is Enterprise Holdings Inc. of St Louis, Missouri, USA. The Registrant is Chen Boxin of Anhui, China.
- 1.3 This dispute was filed with the South African Institute of Intellectual Property Law (“SAIPL”), on **16 April 2013**. On **17 April 2013** the SAIPL transmitted by email to UniForum SA a request for the registry to suspend the domain name, and on the same day UniForum SA confirmed the suspension.
- 1.4 In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the dispute on **24 April 2013** and a response was due from the Registrant by **23 May 2013**. The Registrant has not filed a response to the dispute.
- 1.5 The SAIPL appointed **Adv Owen Salmon** as the Adjudicator in this matter on **10 June 2013**. On **10 June 2012** the Adjudicator 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 Enterprise Holdings Inc. (“Complainant”) is the owner of the ENTERPRISE mark for vehicle services including rental car services, which it licenses to the Enterprise Rent-A-Car operating companies. Started in 1974, ENTERPRISE is an internationally recognised brand serving the daily rental needs of customers throughout the United States, Canada, Ireland, Germany and the United Kingdom.

Enterprise is also the largest car rental provider to international travellers visiting North America.

2.2 In the most recent fiscal year, the Complainant's annual revenues were \$15.4 billion – together with its operating companies it employs more than 74,000 people, and owns and operates almost 1.3 million cars and trucks. As a result, the Complainant is the largest car rental service provider in the world measured by revenue, employees and fleet.

2.3 Enterprise's operating company operates on-line rental car sites at www.enterprise.co.uk, www.enterprise.de, www.enterprise.ca, www.enterprise.com. Anyone with internet access in South Africa can access the Enterprise on-line car rental sites to make arrangements to rent a vehicle from Enterprise in Canada, China, France, Germany, Ireland, Spain, the United Kingdom and the United States.

2.4 The Complainant has registered its ENTERPRISE mark in South Africa under Registration No. 2009/17262 for "Transport; packaging and storage of goods; travel arrangements, including vehicle rental and leasing services, and reservation services for the rental and leasing of vehicles in International Class 39".

3 The Complainant's Contentions

3.1 The <enterprize.co.za> domain name in the hands of the Registrant is an abusive registration in that it was registered so as to take unfair advantage of and to be unfairly detrimental to the Complainant's rights in the ENTERPRISE mark, and is being used in a manner which takes unfair advantage or is unfairly detrimental to Complainant's rights.

3.2 This assertion is based upon the following-

3.2.1 Through listings in web search engines, some members of the public trying to reach the Enterprise web site (at <enterprise.com>) will click on a link to the <enterprize.co.za> website, while others may guess at the Enterprise (Rent-A-Car) domain address and type “enterprize.co.za”. Once at the <enterprize.co.za> site, some people will click on the links set-up by Respondent, thereby providing Respondent with so-called “click-through fees”.

3.2.2 The Complainant has no association with the Registrant and Complainant has never authorised or licensed the Registrant to use its mark.

3.2.3 There is nothing to indicate that Respondent is named “Enterprize” or commonly known as “Enterprize”.

3.3 The domain name at issue is (disregarding the co.za suffix) highly similar to the ENTERPRISE mark registered in Class 39 in South Africa in that “enterprize” is an alternative spelling for “enterprise”. As such, it is phonetically and conceptually similar to the ENTERPRISE mark. In light of the manner in which the <enterprise.co.za> domain name is being used, it is beyond question that the reason Registrant registered the domain is the existence of the ENTERPRISE mark.

3.4 As of 4 April 2013, the web page at <enterprize.co.za> resolves to a “home page” with the title “enterprize.co.za”. As a result, when an Internet user reaches the home page for <enterprize.co.za> they view a web page with the title “enterprize.co.za”. That web page at enterprize.co.za has “Sponsored Links” on the left side and “Related Searches” on the right side.

3.5 The “Sponsored Links” includes seven links to other web sites that offer car rental services with advertising such as the following:-

- National@CarRental
#25 off weekly car rentals! Choose your own car. Go Like A Pro.
www.NationalCar.com
- Airport Car Rentals
The All New Priceline Now Lets You Shop and Compare Before You Buy!
www.priceline.com
- Enterprise Rent-A-Car ®
Weekend specials from \$9.99/day. Quick and easy online reservations.
www.Enterprise.com
- Cars From Only \$7 A Day
Find Car Rental Deals for \$7 A Day Compare Deals from Top Companies!
www.LowFares.com/Rental-Cars
- New Zealand Rental Cars
Rental Cars from just \$21 per day. Book now limited availability.
www.rentalcarnz.com
- Rent From Local Owners
Join Relay Rides – The Largest Car Sharing Marketplace in The Country.
Relayrides.com/weekend-rentals

- Rent 5 Days & Get 1 Free
Rent A Car For Cheap Pay Cash or Credit. Call Us Today!
plus.google.com/VanRentalAgency

3.6 The “Related Searches” are as follows:-

- Car Rental Discounts
- Car Rental One Way
- Budget Car Rental Coupons
- Dollar Rent a Car
- Cheapest Car Rental in Orlando
- SNA Rental Car Deals
- Luxury Car Rental Las Vegas
- Car Rental Companies UK
- Car Rental in the USA
- Car Rental in Lax Airport

3.7 Each of these “Related Searches” is a link to a website with further “Sponsored Links” to websites operated by a rental car company (Hertz, National) or a website that offers car rental services. Almost without exception, none of the links shown on the home page at <enterprize.co.za> relate in any way to South Africa.

3.8 The web page at <enterprize.co.za> is a generic “click-through” site. It is difficult to imagine any reason for Respondent’s registration and use of the <enterprize.co.za> domain name other than to take unfair advantage of, and/or to use the <enterprize.co.za> domain name to the detriment of the Complainant’s rights. Thus, the contention proceeds, the Registrant is using the similarity of the <enterprize.co.za> domain name to drive traffic to Registrant’s web

page and then collect click-through fees when users click on one of the rental car links. Not only does the Registrant obtain click-through fees, Enterprise Rent-A-Car itself is paying click-through fees for Internet traffic to its Enterprise Rent-A-Car website.

3.9 Finally, it is contended, at the time he registered the domain name, the Registrant knew that (through search engine listings, guessing or otherwise) some people would be directed to his website at <enterprize.co.za> when seeking one of Complainant's websites. As a result, he could use the domain name in a way which confused - or is likely to confuse - people or businesses into believing that the domain is registered to, operated or authorised by Enterprise Rent-A-Car. In addition, it is contended, the Registrant is using the <enterprize.co.za> to associate himself with Enterprise Rent-A-Car when no such association exists.

4 The Registrant's Contentions

There is no response from the Registrant.

5 Discussion and Findings

5.1 In terms of Section 1 of the Regulations, an abusive registration means a domain name which either –

5.1.1 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

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

5.2 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.”

5.3 An indication is also given as to what would not 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”.

5.4 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.

5.5 To succeed in this complaint the Complainant has to prove,¹ on a balance of probabilities, the following:-

- It has rights in respect of a name or mark which is identical or similar to the domain name; and
- The domain name, in the hands of the Respondent, is an abusive registration as defined.

5.6 The domain name “enterprize” is not identical to the name or mark in which the Complainant asserts it has rights, namely “enterprise”. However, it is clearly similar within the meaning of the Regulations.

5.7 Moreover, the Adjudicator finds that the Complainant has ‘rights’ in the mark “enterprise” – whether by virtue of the trade mark registration referred to above, or its domains.

5.8 The question therefore to be decided is whether the domain name in question:-

¹ Section 3(1)(a) of the Regulations.

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

5.9 There are two potential abuses:-

- registration with abusive intent; and
- abusive use,

and 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.

5.10 There exists an element of difficulty, in the absence of contentions from the Registrant, in concluding that the complaint is without substance. Given the Complainant's allegations, the absence of a response leads (*prima facie*, at least) to the inference that they are not without foundation. This, in turn, should mean that the domain falls to be found abusive within the meaning of the Regulations.

5.11 It may be appropriate to record a qualification here. The mere fact that a domain is used for the purposes of generating click-through revenue does not – as the Complainant's contentions seem possibly to suggest is the case - necessarily render it objectionable. The Registrant's web-based enterprise (no pun intended) appears to be no more than the generation of such revenue – indeed as the number of competitor-sponsored links appear on the site shows – but any domain name, fanciful or descriptive, would have performed the same function for the Registrant's purposes.

5.12 Accordingly, the Registrant must have perceived some benefit in naming his site in a manner almost identical to that in which the Complainant has not insignificant rights. This is tantamount to taking unfair advantage. Unfair, at least, because the Complainant's competitors advertise on the same site; and, then accrue a possible benefit at the expense of the Complainant whereas (it is reasonable to postulate that) the notional browser quite conceivably has sought the domain of the Complainant; or, at least, was attracted to the domain thinking it was that of the Complainant.

5.13 It follows that (this means that) a use of the domain <enterprize.co.za> unrelated to car rental services would not necessarily be abusive. It is the extant circumstances which demonstrate, to the Adjudicator, abuse as contemplated by the Regulations.

6 Decision

For 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 be transferred to the Complainant.

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ADV OWEN SALMON
SAIIPL SENIOR ADJUDICATOR
www.DomainDisputes.co.za