

## Decision

[ZA2015-0208]

.ZA ALTERNATE DISPUTE RESOLUTION  
REGULATIONS (GG29405)

### ADJUDICATOR DECISION

CASE NUMBER:	ZA2015-0208
DECISION DATE:	12 October 2015
DOMAIN NAMES:	saairlines.co.za; fly-saa.co.za
THE DOMAIN NAME REGISTRANT:	Deon Venter
REGISTRANT'S LEGAL COUNSEL:	Self representative
THE COMPLAINANT:	South African Airways (Pty) Ltd
COMPLAINANT'S LEGAL COUNSEL:	Adams & Adams
2 <sup>nd</sup> LEVEL ADMINISTRATOR:	ZA Central Registry (co.za)

## 1. Procedural history

- 1.1 There are two domains in this complaint: <saairlines.co.za>, which was registered on 25 July 2014, and <fly-saa.co.za>, which was registered on 5 September 2013. The Registrant is Deon Venter, of 3 Tugela Street, Three Rivers, Vereeniging. He has conceded that the domain <fly-saa.co.za> must be transferred, which will be ordered. This domain forms no further part of this adjudication, save as is referred to below.
- 1.2 The Complainant is South African Airways (Pty) Ltd, a company whose principal place of business is at OR Tambo International Airport, Gauteng. It is hereinafter referred to as “the Complainant”.
- 1.3 This dispute was filed with the South African Institute of Intellectual Property Law (“SAIPL”), on **22 July 2015**. On **28 July 2015** SAIPL emailed a request to ZA Central Registry for the registry to suspend the domain name, and on the same day it confirmed the suspension.
- 1.4 In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the Dispute on **29 July 2015**. The due date for the Registrant’s Response was **27 August 2015**. The Registrant submitted its Response on **26 August 2015**, and the SAIPL verified that the Response satisfied the formal requirements of the Regulations and the SAIPL’s Supplementary Procedure. The SAIPL forwarded a copy of the Response to the Complainant who submitted a Reply on **3 September 2015**.
- 1.5 The SAIPL appointed **Adv Owen Salmon SC** as the Adjudicator in this matter on **10 September 2015**. 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. An extension was agreed to for the delivery of this adjudication finding.

## 2 The Facts

- 2.1 The Complainant was founded in 1934 and is the national flag carrier and largest airline in South Africa. It has been trading under the name “South African Airways” for many decades. As is well-known, it has also made use of its abbreviated name “SAA” in the course of conducting its business.
- 2.2 The Complainant is the proprietor of registrations, in South Africa, for the trade marks SOUTH AFRICAN AIRWAYS and SAA. These date from 2002, and are in Class 39 in respect of, *inter alia*, transportation and travel agency services.
- 2.3 The Complainant also has a website, at [www.flysaa.com](http://www.flysaa.com), where it is possible to book flights and manage a travel schedule. On average, the website receives 40 000 visitors every week day and over 1 million visitors monthly. The trade marks SOUTH AFRICAN AIRWAYS, SAA and FLYSAA are used on the website.
- 2.4 The Complainant contends that it has acquired a significant goodwill, reputation and common law rights in these trade marks in relation to its services; that SOUTH AFRICAN AIRWAYS and SAA have become well-known trade marks in South Africa within the meaning of Section 34(1)(c) of the Trade Marks Act 94/1993, and that the SOUTH AFRICAN AIRWAYS, SAA and FLYSAA trade marks are exclusively associated with the Complainant.
- 2.5 Internet searches for the disputed domain name reveal that it resolves to a pay-per-click website. This contains several sponsored

links, or advertisements, relating to the purchase or booking of flights. The words “Buy Domain” also appear on the website.

2.6 The Registrant, Mr Venter, first came to the attention of the Complainant in October 2014, when it was discovered that he had (in May 2013) registered the domain name <saa.co.za>. The domain name was identical to the Complainant’s SAA trade mark, and resolved to an active website offering flights from the Complainant and its competitors. A letter was sent by Adams & Adams to the Registrant, requesting the transfer of the domain name, and in February 2015 the matter was resolved when he did so.

2.7 The disputed domain name first came to the Complainant’s attention, together with domain name <neverflysaa.co.za> (also registered in the Registrant’s name) at the beginning of June 2015. A letter was sent by Adams & Adams to the Registrant, requesting its transfer (together with the domain names <neverflysaa.co.za> and <fly-saa.co.za>) to the Complainant.

2.8 The response subsequently received stated the following:-

“Before I deal with the three domains in question, just the following: We have built a robot that registers “deleted” or available domains in the COZA space. Domains in a database of almost 400 000 are automatically registered should they become available for registration and they are parked automatically until we get around to developing them.

The reason we did this is, in the past the Americans controlled this process and ended up with all the premium co.za domains. Inevitably it happens that we do pick up trademark domains and that they are automatically parked (we own 5000+ domains so it’s difficult to know what’s in the portfolio). Having said this, we pride ourselves as domain investors and not

domain squatters, which is why we never argue the transfer of trademark domains to their rightful owners.

Now to the domains in question:

1. neverflysaa.co.za – Although your client has had mud in its face on this one before, we have no use for it and will let it go.
2. fly-saa.co.za – clear trade mark and we will let it go.
3. saairlines.oc.za - this one is problematic. Your client's trade mark is for "Airways" and not "airlines". Saairlines.co.za clearly refers to South African Airlines, referring to all the airlines in South Africa, including BA, Kulula, etc. It is a nice site to build a multi-airline booking portal on. In our view it is a generic domain and has potential revenue value. With this in mind we are willing to sell it to your client for R10 000. Alternatively, this one will have to go through the ADR process."

2.9 The Complainant rejected the offer to purchase, and despite the undertaking to transfer the domain names <fly-saa.co.za> and <neverflysaa.co.za> to the Complainant, the transfer never materialised. The latter domain was allowed to expire by Mr Venter; in respect of the former, this dispute was lodged (and he has conceded its validity).

2.10 According to the Registrant, he procures domains for two reasons:-

- To develop them into online businesses;
- As investment vehicle - the domain aftermarket is a billion dollar industry.

2.11 He procures the domains in different ways:-

2.11.1 Firstly, Mr Venter buys them. He alleges that he has bought numerous top generic domains for substantial amounts; for example <finance.co.za> (for R871 000), <vehiclefinance.co.za> (for R150 000), <carfinance.co.za> (for R80 000), and <freestate.co.za> (for R65 000).

2.11.2 He also registers domains that 'become available' for registration. Sometimes, he says, domains are deleted (due to whatever reason) and they become available for registration - these are then available on a first come, first serve basis. The intention here is to register generic domains only, but sometimes (on very rare occasions) he will register a domain that could be a trade mark. Here, Mr Venter asserts, it is not to hold it, not to sit on it, not to hold the mark-holder to ransom, but to beat the American domain hunters to it. Then, he says, Mr Venter always transfers these to the mark holders at no cost. These domains constitute less than 0,02 % of the Respondent's portfolio of about 5000 domains.

### 3 The Complainant's contentions

- 3.1 In what is to follow the contentions of the Complainant are recorded. No findings are made unless it is specifically stated.
- 3.2 The domain name wholly incorporates the Complainant's SAA trade mark and is therefore similar to this trade mark.
- 3.3 The domain name <saairlines.co.za> is visually and phonetically almost identical to the Complainant's SOUTH AFRICAN AIRWAYS trade mark. The inclusion of the word "airlines" refers to the exact services provided by the Complainant. Consequently, the word "airlines" is identical to the word "airways" within the Complainant's

SOUTH AFRICAN AIRWAYS name and trade mark. Its inclusion in the domain name accordingly heightens the similarity between the domain name and the Complainant's SOUTH AFRICAN AIRWAYS and SAA trade marks and, therefore, there is a high likelihood of confusion arising between the domain name <saairlines.co.za> and the Complainant's trade mark.

- 3.4 Given the substantial reputation acquired by the Complainant in its SOUTH AFRICAN AIRWAYS, SAA and FLYSAA trade marks in South Africa, it is unlikely that the Registrant was unaware of the Complainant's rights in these trade marks, upon registering the disputed domain name in 2014. It is, further, unlikely that the Registrant was unaware of the Complainant's trade mark rights, considering his previous conduct in registering a domain name which incorporated the Complainant's SAA trade mark and his further conduct in using that domain name in relation to the Complainant's exact services of interest.
- 3.5 Mr Venter has made no attempt to develop the disputed domain names since their registration. The subscription by the Registrant to an advertising revenue service or sponsored links does not amount to a good faith offering of goods or services and the Registrant therefore has no legitimate interest in the disputed domain names. The "automatic" registration of the domain names is also telling of the fact that the Registrant has no legitimate interest in the disputed domain names.
- 3.6 The advertising revenue service in respect of which the disputed domain names are being used has often been held by Uniform Domain Name Dispute Resolution Policy (UDRP) panels to constitute an intentional attempt to attract internet users to the website by

creating a likelihood of confusion with the Complainant's mark. This, it is contended, was confirmed by the adjudicators in John L Scott Inc. vs Burak Ergin (D2012-0059) and was accepted in Mixit Lifestyle (Pty) Ltd vs Andre Steyn (ZA2008-0020).

- 3.7 In the circumstances, the only inference to be drawn is that Mr Venter registered the disputed domain names primarily to divert internet users seeking the services of the Complainant to the websites at [www.saairlines.co.za](http://www.saairlines.co.za) and [www.fly-saa.co.za](http://www.fly-saa.co.za) and, in doing so, derive an unfair benefit from the reputation of the Complainant's trade marks. The Registrant's conduct will lead to a dilution of the Complainant's rights in its trade marks, and it unfairly disrupts the business of the Complainant.
- 3.8 The Registrant's further admission that domain names (such as the disputed domain names) which are registered by him are "parked" until they can be developed, supports the contention that the Registrant is simply holding onto domain names and deriving a commercial benefit from the sponsored links on the pay-per-click websites to which these domain names resolve. It has been accepted in previous cases that passively holding a domain name is indicative of an abusive registration. In this regard, reference is made by the Complainant to The Council for Scientific and Industrial Research (CSIR) vs AZISA (ZA2011-0086).
- 3.9 It is further contended that, because the title bar of the website at [www.saairlines.co.za](http://www.saairlines.co.za) states that the disputed domain name is available for sale, there is a reasonable apprehension that it may have been registered solely for the purpose of being sold or transferred to another, even if registered automatically.

- 3.10 The Registrant did offer to sell the domain name <saairlines.co.za> to the Complainant for R10,000.00. This is an exorbitant amount, far in excess of the Registrant's out of pocket expenses in having registered the domain name almost one year ago. The Complainant refers to Luxottica US Holding Corp vs Preshal Iyar (ZA2008-0015) where, it alleges, the Adjudicator held that bad faith could be imputed to the Registrant where it offered the domain name to the Complainant for sale. In the circumstances, the domain name <saairlines.co.za> was registered in bad faith.
- 3.11 The Registrant's offer to sell the <saairlines.co.za> domain name to the Complainant also contradicts his argument that the domain name is generic or descriptive. The Registrant maintains that the domain name has revenue value, and this suggests that he believes the domain name to be capable of being used specifically in relation to the Complainant's services – and, therefore, distinguishing the Complainant's services from the services of other airline companies.
- 3.12 A further factor indicating that the disputed domain name is an abusive registration is the incomplete Whois record. An incomplete Whois record is indicative of an abusive registration, as confirmed in several cases, including VKN Financial Services (Pty) Limited vs K Reena (ZA2010-0041)
- 3.13 Next, the Registrant's conduct suggest that he is engaged in a pattern of registering domain names that are abusive registrations.
- 3.14 In relation to the Google search information provided by the Registrant (to show public search patterns and tendencies; this is referred to below, s.v. "The Registrant's Contentions") it does not disprove a likelihood of confusion, but rather suggests that, as a result of the similarity between the marks SAAIRLINES and SOUTH

AFIRCAN AIRWAYS, in particular, members of the public searching for the Complainant and its services online may be confused into believing that the disputed domain name is operated or authorised by, or otherwise connected to the Complainant. The number of times that persons have searched for SA AIRLINES is not as relevant, as the fact that people who have used it (to conduct a search on Google) may have been searching for the Complainant; and, instead, have come across and accessed the disputed domain name, believing it to be the Complainant. This evidence therefore supports the contention that a likelihood of confusion exists.

3.15 Whereas the Complainant does not dispute that the word “airline”, in isolation, is generic for organisations offering commercial aviation services, it disputes that the domain name <saairlines.co.za> (and, specifically, the mark SAAIRLINES) as a whole is generic. SAA, which occurs wholly within the mark SAAIRLINES, is also an acronym for the Complainant’s name. The generic quality of the word “airlines” is negated when considering the mark SAAIRLINES, as a whole, against the reputation and goodwill enjoyed by the SAA trade mark in South Africa.

3.16 For the above reasons, the domain name was, accordingly, registered and is being used in a manner which takes unfair advantage of, or is unfairly detrimental to, the Complainant’s rights. It is, therefore, an abusive registration in accordance with the Regulations.

3.17 In the discussion which is to follow below, not necessarily all of the above contentions will be dealt with.

#### 4 The Registrant's contentions

- 4.1 In what is to follow the contentions of the Registrant are recorded. No findings are made unless it is specifically stated.
- 4.2 The disputed domain name is not identical to the Complainant's rights, and it has failed to prove the "confusing similarity" it alleges. Complainant has not provided any evidence to that effect.
- 4.3 As an individual who sees great opportunity to develop online businesses, Mr Venter has already developed fully operational online business such as: carfinance.co.za; scooters.co.za, blacklistedcarfinance.co.za, financecalculator.co.za, 0800Insurance.co.za and Instant-loans.co.za. He is, moreover, currently developing the following:- wifi.co.za, finance.co.za, gifts.co.za, solarfin.co.za, consolidationloans.co.za, and, pertinently, saairlines.co.za. This latter domain will house a travelstart booking engine, offering consumers a choice of flights from all airlines in the country.
- 4.4 The Complainant's statement is rife with half-truths and attacks on his character in person, attempting to create the impression that he is a domain squatter. Mr Venter "*never argues the transfer of a domain with even the slightest trade mark issue*", but the present domain is generic.
- 4.5 Mr Venter does not dispute the trade marks relied on (SOUTH AFRICAN AIRWAYS, SAA and FLYSAA) but points out that the Complainant has not registered marks for SA Airlines or even SA Airways. There are several other domains which the Complainant does not own – such as <southafricanairways.co.za>, <saa.com>,

<southafricanairways.com>, and <saairlines.com>, but has never lodged a dispute in their regards.

- 4.6 To think that the domain <saairlines.co.za> incorporates the SAA trade mark is “preposterous”. This would mean that any word that contains “saa” would fall in the same category – SA Airconditioners, SA Air Freight Services, SAAB, etc. As to whether <saairlines.co.za> is visually and phonetically similar to the South African Airways trade mark, the visual test should be simple:

South African Airways

SAA

FLYSAA

Saairlines.co.za

This shows that there is no visual similarity anywhere.

- 4.7 With regard to phonetics, the International Phonetic Alphabet transcribes the Complainant’s trade marks and the disputed domain, in such a way that there is **absolutely** no phonetical similarity. Accordingly, there is no likelihood of confusion between the disputed domain name and the Complainant’s trade marks.
- 4.8 Google’s keyword search facility provides accurate search statistics for specific keywords. If consumers were confused, a significant number of consumers would be searching for the term “sa airlines” instead of one of Complainant’s trade marks. However, whilst the data shows that the Complainant’s trade marks are searched 557 000 times per month (SAA – 246 000; FLYSAA – 110 000; SOUTH AFRICAN AIRWAYS – 201 000), “Sa airlines” is only searched 2 400 times. That is 0,4% of the trade mark searches. Therefore there is no

confusion: if there was any confusion amongst consumers, this number would be higher.

- 4.9 Narrowed down to local searches, “sa airlines” only gets 1300 searches per month. This is very similar to the 1600 searches that the keyword “sa flights” attracts, indicating that people who search “sa airlines” are searching for airlines other than that of the Complainant. This view is further supported by the fact that there is an existing website on the domain <sa-airlines.co.za>. This website clearly states that it facilitates bookings for all South African Airlines, including Kulula, British Airways, etc. It ranks No.2 and No.3 on Google for the search term “sa airlines”, and the headline on the Google search page reads: SA Airlines: Cheap SAA, Kulula & Mango Flights Bookings.
- 4.10 If other commercial carriers felt the same way Complainant feels, they would also have, or be in the process of, instituting action against relevant domain owners. British Airways, for example, do not own <britishairlines.co.uk> or <britishairlines.com>. These are owned by third parties, and they are all parked. Mr Venter has done “the same exercise” with many other carriers, and none of them own the ‘airline’ version domains.
- 4.11 Lastly, the best evidence of the fact that the word “airline” is a generic term is Complainant’s own affidavit: it boasts of winning the “Best Airline in Africa” award. The only inference to be drawn from this statement is that Complainant acknowledges that it is one of several airlines in Africa. Naturally, it then acknowledges that other airlines also resort under the term “airline”. If Complainant agrees that the word “airline” is a generic term, Mr Venter postulates, how can it

possibly claim rights in <saairlines.co.za>? “SA” is as generic as “soccer”, “rugby” or “boerewors”.

4.12 It is clear that the Complainant has not proven, on a balance of probabilities that:-

4.12.1 It has rights in respect of a name or mark which is identical or similar to the domain name; and

4.12.2 The domain 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;

4.12.3 The domain name has been used in a manner that takes unfair advantage of, or is unfairly detrimental to the Complainant’s rights;

4.13 Mr Venter maintains that Regulation 4.3 does not apply as this is the first dispute against one of his domains.

4.14 As is the case with Complainant’s contentions, I will not necessarily address each and every contention raised by Mr Venter in the discussion which follows.

## 5 Discussion and Findings

5.1 Regulation 3(1)(a) is, perhaps, poorly drafted. It provides only, that a registrant must submit to proceedings such as the present if the complainant asserts that it has rights in respect of a name or mark which is identical or similar to the domain name... and the complainant must prove that on a balance of probabilities. So the registrant must submit to the procedure if the rights are alleged and

proved. It is the definition, read with Regulation 4 which addresses the question of abusiveness, including – for example – by its leading people to assume a connection with the complainant.

5.2 So, to this extent, Mr Venter’s contention that the Complainant “*has failed to prove the confusing similarity*” it alleges is misplaced. The Registrant has submitted to the procedure, the point of which is to establish abusiveness – or not.

5.3 That said, the approach of ADR panellists has been to investigate the question of rights, as contemplated by Regulation 3(1)(a), as one of *locus standi*, and that this involves an assessment of similarity, so that absent a finding of such similarity the Complainant is to be non-suited and the question of abusiveness need not be investigated. This confuses, however, because some of the indications of abusiveness (in Regulation 4) do not postulate a balancing of trade mark or name similarities at all. Another reason why ‘similarity’ is not to be confused and conflated with abusiveness (without more) is because tribute sites and fair criticism sites can be quite acceptable, and not abusive.<sup>1</sup> So the domain name <whyrollsroyceisthebestcar> might not be ‘similar’ to ROLLS ROYCE, but the owners of the trade mark would surely satisfy the Regulation 3(1)(a) hurdle. The test, after all, has a low threshold.<sup>2</sup>

5.4 In the final analysis, a resolution must await legislative intervention. For purposes of this adjudication, I approach the issue on the same playing-field that the parties have chosen: is <saairlines> of sufficient similarity to any mark or name in which the Complainant has rights?

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<sup>1</sup> Compare, for example, Regulation 5(c).

<sup>2</sup> <seido.co.za> ZA2009-0030 (Appeal), the majority decision at para. 5.7.

<sup>2</sup> <seido.co.za> ZA2009-0030 (Appeal), the majority decision at para. 5.7.

5.5 It is true that <saairlines> does not, to the careful, read as “saa airlines”. But it is also so that it is not read, exclusively, as “sa airlines” – that is why there is a palpable difference in the domain <sa-airlines.co.za> which, according to Mr Venter, facilitates “bookings for all South African airlines, including Kulula, British Airways, etc.”. Were the domain in dispute this clearly distinguished, the issue would not arise. I am prepared to hold that, on the basis of the low threshold, the Complainant passes the hurdle of establishing that it has rights in marks – SAA and SA AIRWAYS – which are ‘similar’ to <saairlines>. As a matter of plain legibility, the domain name does contain the Complainant’s mark “SAA” and is conceptually similar to SA Airlines.

5.6 This does not mean that the disputed name is abusive.

5.7 It is to be remembered that an “abusive registration” is contemplated by the Regulations to be one which either:-

- at the time of registration, took unfair advantage of, or was unfairly detrimental to the Complainant’s rights; or
- has since been used in a manner that takes unfair advantage of or is unfairly detrimental to the Complainant’s rights.

5.8 Mr Venter contends that ‘saairlines’ is generic, meaning “sa airlines”. What I think Mr Venter intends to refer to as being ‘preposterous’ is not the fact that the mark ‘saa’ appears in his domain – because it does – but his comment is directed, rather, to the equities or fairness of a complaint being justified on that basis. Then, as he points out, so

could <saairconditioners> (etc.) be abusive. There is merit in the contention; as Harms JA noted in the Cowbell case:<sup>3</sup>

“That the approach of the Court a *quo* is untenable can be illustrated with reference to the *a fortiori* case referred to by it, namely that because a Jersey may be a cow, Jerseybel and Cowbell have the same semantic content and are therefore confusingly similar. If this were correct, it would mean that the name of any breed of dairy animal in conjunction with ‘-bel’ must run foul of the respondent’s marks, including Ayreshirebel, Holsteinbel and Frieslandbel. There is in any event no such thing as a Jerseybel. As said in Bata at 650 para [10:-

‘Council for the appellant submitted that the common element in both marks, the word “Power”, was likely to lead to confusion despite the fact that it is used in combination with the word “House” on the first respondent’s clothing. If full effect is given to this argument it would result in the appellant having a virtual monopoly to use the word “Power” on clothing. According to the evidence, however, there are numerous trade mark registrations in South Africa in respect of clothing which incorporate or include the word “Power”. It is an ordinary word in everyday use, as distinct from an invented or made-up word, and it cannot follow that confusion would probably arise if it is used in combination with another word.’

In short, the respondent cannot lay claim to the exclusive use of words having a dairy connotation or ending in ‘-belle’ or ‘-bel’ in relation to dairy products where these do not form a dominant part of its marks and have not any particularly distinctive character. This why ‘Coca-Cola’ and “Pepsi-Cola’ have been able to exist side by side, cf *The Coca-Cola Co. of Canada Ld v Pepsi-Cola of Canada Ld* [1942] RPC 127 (PC).”

5.9 But that is not the end of the enquiry. Whereas Mr Venter took some detail to explain his domain-entrepreneurship, with a ‘robot’ at his disposal to register ‘available domains’, there is something lacking in

<sup>3</sup> Cowbell AG v ICS Holdings Ltd 201 (3) SA 941 (SCA) at [15].

the explanation. First, the fact that he set out *“to beat the American domain hunters to it”* does not, of itself, convert contravening conduct into compliant conduct. A closer look at what Mr Venter was hoping to beat the Americans at is, perhaps, revealing: it is that they *“controlled this process and ended up with all the premium domains”*.

5.10 So the assumption that arises is that ‘saairlines’ is a ‘premium domain’ – as Mr Venter maintains, it is a *“nice site to build on multi-airline booking portal on ... and has potential revenue value”*. Arising alongside that assumption, however, is the question: why is it a premium domain? And the other question: why did the robot select this domain? And another: why did the robot select for Mr Venter, also, <saa.co.za>, <neverflysaa.co.za>, and <fly-saa.co.za>, as well as <saairlines.co.za>? It is not difficult to conclude that there must have been some intelligence in the selection process, some parameter which included in the robotic trawl all these <saa-> names.

5.11 This, in turn, indicates that Mr Venter perceived some advantage in this process. Whether this is simply because he is a tech-savvy businessman who is familiar with Google-based statistics, and is aware that *“Complainant’s trade marks are searched a whopping 557 000 times per month...”*<sup>4</sup> cannot be concluded on the adjudication documentation, but the temptation exists. After all, as Schutz JA stated in the Tea Lovers case:-<sup>5</sup>

“The facts that a participant in a market chooses to imitate his competitor’s get-up and then seeks to maintain his imitation, suggests that he believes and has had confirmation of his belief that imitation confers on him some advantage that an original get-up would not.”

<sup>4</sup> The Registrant’s response, paragraph 8.1.1(a).

<sup>5</sup> Blue Lion Manufacturing (Pty) Ltd v National Brands Ltd 2001 (3) SA 884 (SCA) at [14].

5.12 There are other considerations in the adjudicative mix, however. The reference above to tribute sites, and fair criticism sites, is appropriate because these relay a perspective onto the concept referred to earlier in this discussion, namely that the advantage or detriment implicated in the registration, or use, of the domain must be “unfair”. Absent this quality, the detriment or advantage does not matter; the domain cannot be abusive.

5.13 It is also here that the dividing line is drawn in the present dispute. Fairness postulates a balancing of interests:-

“What is fair will have to be assessed case by case with due regard to the factual matrix and other context of the case. A Court will have to weigh carefully the competing interests of the owner of the mark against the claim of free expression of a user without permission.”<sup>6</sup>

5.14 Well, what are the contextual and other circumstances of this case?

5.15 The circumstances sketched above, concerning the selection of the <saa-> domain names, indicate a *possible* targeting by the Registrant of the Complainant’s marks. But does fortune necessarily mean unfairness, when one such domain is read by the human eye as if it were ‘SA Airlines’ as opposed to ‘SAA Airlines’? I think not. On the contrary, it is more likely to be read as the former than the latter; particularly, because this is not a case of the busy housewife rushing a trolley through shopping aisles and in which circumstances impulse purchasing can increase the likelihood of confusion.

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<sup>6</sup> Laugh It Off Promotions CC v SAB International (Finance) BV 2006 (1) SA 144 (CC) at [49] per Moseneke J. That the constitutional right to freedom of speech was in issue does not detract from the point. There, the determination involved ‘unfair advantage’ or ‘unfair detriment’ within the meaning of Section 34(1)(c) of the Trade Marks Act 194/1993, and the focus was on the issue of a balance.

5.16 The Complainant's case is premised, largely, on the proposition that SAA appears in the domain name – *ergo*, it asserts, confusion is likely, particularly because the scope of the enquiry revolves around airlines and bookings therefor. But this postulates too much, in my view. First, that the internet browser who must type, character-for-character, into the address bar, or the Google search window, does not read that well. Yet he<sup>7</sup> is likely to be sufficiently educated so as to be looking to make online bookings for travel by airplane. And, in all likelihood, he will have credit card facilities at his disposal – or, will be making enquiries for someone who has. The scope for confusion is remote, in my view.<sup>8</sup>

5.17 At the same time, it is somewhat demanding to accept the Complainant's contention of dilution, detriment and prejudice when there are – as Mr Venter points out – several domains in existence which far-more decidedly replicate the Complainant's trade marks (see paragraph 4.5 above), yet nothing has been done about them.

5.18 Herein lies part of the balancing act. When such domains remain uncontested, on what basis can it be said that Mr Venter's registration of <saairlines.co.za> unfairly takes advantage of, or is unfairly detrimental to, the Complainant's rights? Particularly when it is touch-and-go that SAA will be read into the name by the average internet user, in preference to and intelligently excluding the generic 'SA Airlines'? It is in this regard – call it a question of onus - that the Complainant fails.

5.19 I have not forgotten that the complaint is based on other grounds – that the Whois details are incomplete, for example. It is not stated in

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<sup>7</sup> The use of the male person is non-gender specific.

<sup>8</sup> cf. Online Lottery Services (Pty) Ltd v National Lotteries Board and Another 2010 (5) SA 349 (SCA) at [47], [54].

what way, though. In my view, the fact that a street address is not specifically recorded – assuming that this is the point (for there is no address recorded where one is required, in Item 2.c of the Whois register) – is much ado about nothing when a street address is given as a postal address in Item 2.b. The reliance by the Complainant on ZA 2010-0041 <vknfs.co.za> is not of much assistance because, there, the only address given was a cellphone number. Even then, this defect was considered by the Adjudicator, Gavin Morley SC, to be but one of many grounds for his finding of abusiveness, and his mention of it was almost *en passant*.

5.20 The Complainant also makes something of the fact that the Registrant offered the domain for sale, in the sum of R10,000, being somewhat far more than Mr Venter paid for it. It is true that this profiteering is a factor to be taken into account, but sight must not be lost of the context in which Regulation 4(1)(a)(i) raises this as a factor which may indicate abusiveness. It is that there are circumstances which indicate that the Registrant has registered the domain *primarily* to sell (etc.) for valuable consideration in excess of the out-of-pocket expenses. The Complainant alleges this, inferentially, but the evidence does not create the required circumstantial matrix. The Complainant's contention is also met by Mr Venter's firm assertion that his business model is to register domains and develop them, and in the meantime park and monetize them. If a purchaser has a good-enough price, a sale might be in the offing. I do not think that this should be confused with outright cyber-squatting, particularly when the Complainant's objection is to a name which only by generous and benevolent interpretation could be said to relate to it, and not for a generic site.

5.21 The last contention that requires my attention is that the Registrant is engaged in a pattern of making abusive registrations. There may be some merit in this statement, *per se*, but *non-constat* that the domain presently in issue is abusive. Indeed, Regulation 4(1)c merely makes the question of the pattern one of the circumstances; there must still be an indication that the domain in issue is abusive.

## 6 Decision

6.1 In the circumstances, I am not persuaded that the Complainant has discharged the onus of showing that <saairlines.co.za> is an abusive domain name. It follows that the objection in its regard is unsuccessful.

6.2 In relation to <fly-saa.co.za>, I order that the domain be transferred to the Complainant. I record that, had it been necessary to adjudicate on this domain, I would have found it to be abusive.

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**ADV OWEN SALMON SC**  
SAIPL SENIOR ADJUDICATOR  
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