

Decision

[ZA2016-0242]

.ZA ALTERNATE DISPUTE RESOLUTION
REGULATIONS (GG29405)

APPEAL DECISION

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| CASE NUMBER: | ZA2016-0242 |
| APPEAL DECISION DATE: | 7 December 2016 |
| DOMAIN NAMES: | nedbankgreenback.co.za nedbankloan.co.za nedbankloans.co.za nedbankhomeloan.co.za nedbankpersonalloans.co.za nedbankcareer.co.za nedbankcreditcard.co.za nedbankvacancies.co.za |
| THE DOMAIN NAME REGISTRANT: | James Sai |
| REGISTRANT'S LEGAL COUNSEL: | None |
| THE COMPLAINANT: | Nedbank Limited |
| COMPLAINANT'S LEGAL COUNSEL: | Adams & Adams |
| 2 nd LEVEL ADMINISTRATOR: | ZA Central Registry (co.za) |

1. PROCEDURAL HISTORY

- 1.1 The Dispute was filed with the South African Institute of Intellectual Property Law (the “SAIPL”) on **19 July 2016**. On **20 July 2016** the SAIPL transmitted by email to ZA Central Registry (ZACR) a request to the registry to suspend the domain names in issue, and on **21 July 2016** ZACR confirmed that the domain names had indeed been suspended. The SAIPL 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 SAIPL’s Supplementary Procedure.
- 1.2 In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the Dispute on **21 July 2016**. In accordance with the Regulations the due date for the Registrant’s Response was **19 August 2016**. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on **22 August 2016**.
- 1.3 The SAIPL appointed **Tana Pistorius** (the Initial Adjudicator) as the Adjudicator on **29 August 2016**. She rendered her decision on **26 September 2016**.
- 1.4 The Complainant lodged its Appeal Notice on **20 October 2016**.
- 1.5 SAIPL appointed **Mr D Bouwer, Mr J Luterek and Mr O Salmon SC** on **11 November 2016** as the panel to preside over this appeal. The presiding Adjudicator is **Mr D Bouwer**.

2 FACTUAL BACKGROUND

- 2.1 The Appellant is the Complainant in the proceedings, Nedbank Limited. This is a South African bank, having its principal place of business at 135 Rivonia Road, Sandown, Gauteng. As recorded in the initial adjudication¹ the Complainant provides a broad range of wholesale and retail banking services, as well as having insurance, asset management and wealth management offerings. Nedbank Limited is well known on the South African landscape, and it would be in order to say that the mark NEDBANK is a household word in the Republic.
- 2.2 The Registrant is James Sai. His postal address, according to the co.za whois, is in Kuala Lumpur, Malaysia. The Appeal Panel assumes (as did the Initial Adjudicator²) that Mr Sai is a resident of Malaysia. Save that he has featured in other domain dispute adjudications,³ nothing further is known about Mr Sai.

3 DECISION UNDER APPEAL

- 3.1 The Initial Adjudicator refused the dispute. The basis of her doing so is that:-

“The Complainant has failed to discharge its onus of showing, on a balance of probabilities, that it has rights in respect of the names or trade marks NEDBANK and GREENBACKS that are enforceable

¹ Nedbank Ltd vs James Sai [ZA2016-0242](#), para. 2.3.

² *Op cit*, para. 2.2.

³ Standard Bank of South Africa Limited v James Sai [ZA2014-00187](#); Sasol Limited v James Sai [ZA2013-0189](#); Times Media (Pty) Ltd v James Sai [ZA2015-00197](#); Autopax Passenger Services (SOC) Ltd v James Sai [ZA2015-00214](#) and Investment Solutions Limited v James Sai [ZA2015-0224](#).

against any Third Party, and in particular against the Registrant as is required by Regulation 3(1)(a)."⁴

3.2 The reasons for this finding are the following:-⁵

- The Complainant only attached extracts of its legal representative's database of trade mark registrations. The Initial Adjudicator did not regard this as adequate evidence of the Complainant's trade mark rights.⁶
- In order to establish common law rights in a mark the Complainant must be able to illustrate, on a balance of probabilities, that it has goodwill and reputation that can be protected by way of an action for passing-off.⁷
- The vague factors cited are woefully inadequate. In addition to being claimed recent figures [there is] no indication of the geographic extent of the Complainant's claimed services in any jurisdiction, numbers of customer, or such common *indiciae* as are normally required to satisfy the bar of establishing common law rights.⁸
- The mere registration of a domain name does not automatically create common law, trade mark or service mark rights. A domain name registration may establish rights but the evidence must show that the public associates the mark with the Complainant's goods or services.⁹
- The Initial Adjudicator is aware of the services that the Complainant offers but "the strict rules defining judicial

⁴ Initial Adjudication, para. 4.1.8.

⁵ The extracts are not reproduced verbatim.

⁶ Initial Adjudication, para. 4.1.1.

⁷ Initial Adjudication, para. 4.1.4.

⁸ Initial Adjudication, para. 4.1.6.

⁹ Initial Adjudication, para. 4.1.7.

cognisance” prevent her from reaching the conclusion that the Complainant has established rights in the marks NEDBANK or GREENBACKS that are enforceable in common law in the absence of evidence to that effect.¹⁰

- 3.3 Because of this finding, the Initial Adjudicator did not consider the merits of the Complaint.¹¹
- 3.4 The Appeal Panel is unanimously of the view that the Initial Adjudicator erred. In what is to follow hereunder we set out reasons explaining why this is so.

4 THE COMPLAINANT’S SUBMISSIONS ON APPEAL

- 4.1 The Complainant bases its Appeal on three grounds:-
- 4.1.1 The Initial Adjudicator ignored International and Southern African legal precedent with regard to the nature of the domain name adjudication process, the standard of proof that would be required by a Complainant to establish rights in a name or mark, and the effect of the failure of a Respondent to respond to a complaint.
- 4.1.2 The Initial Adjudicator misapplied International and Southern African precedent.
- 4.1.3 The Initial Adjudicator ignored factual evidence contained within the record.
- 4.2 We find it unnecessary to address in detail the submissions offered by the Complainant to substantiate these grounds of appeal, although we will traverse some in our discussion of the merits of the appeal.

¹⁰ Initial Adjudication, para. 4.1.8.

¹¹ Initial Adjudication, para. 4.2.1.

5 DISCUSSION AND FINDINGS

- 5.1 In terms of Regulation 11(8), an Appeal proceeds on the basis of a full review of the matter. The Appeal Adjudication panel is obliged to consider the matter afresh.
- 5.2 The first aspect to deal with is whether the Complainant adequately established that it has rights in respect of a name or mark (NEDBANK and GREENBACKS) which is identical or similar to the domain names in question as contemplated by Regulation 3(1)(a).
- 5.3 We accept that the domain names are similar to the marks NEDBANK and GREENBACKS. They clearly incorporate, as their dominant – and (only) distinctive – feature, these marks. The question is whether the Complainant has established that it has rights in these marks.
- 5.4 In considering this issue, the Complainant bears the onus of proof,¹² which is discharged on a balance of probabilities.¹³ In order to make the required assessment, the adjudicative body – in this case the present Panel – will take into account the evidence submitted by the Complainant about its rights,¹⁴ as well as any inferences that are permissibly to be drawn from that evidence, or presumptions that are to apply. This is, after all, the manner of judicial assessment of facts.
- 5.5 As pointed out in the Initial Adjudication,¹⁵ in ZA 2009-0030 (Seido), the Appeal Panel there held that the threshold for establishing the existence

¹² Regulation 3(1)(a).

¹³ Regulation 3(2).

¹⁴ These include: intellectual property rights, commercial, cultural, linguistic, religious and personal rights protected under South African Law, but are not limited thereto. See the definition in Section 1 of the Regulations.

¹⁵ At para. 4.1.5.

of a right in a domain name dispute is “fairly low”. In that matter, the Appeal Panel stated¹⁶ the following:-

“The extent or strength of the “right”, as defined in the Regulations, required to be shown by a Complainant to have *locus standi* conferred on it on a balance of probabilities under Regulation 3(1)(a) is not clear but we have been guided by earlier decisions on this point. (See WIPO decisions *surfcult.com* [2002-0381] and *dinkybomb.com* [D2004-320] and SAIPL decisions *suncityvacation.co.za* [ZA2008-0023] and *bikeandleisuretrader.co.za* [ZA2008-0018]. Our view is that the threshold in this regard should be fairly low and we find that the Complainant has, through the License Agreement, established sufficient right to cross this hurdle.”

- 5.6 The discharge of the onus, in the present adjudicative process, requires a value judgment on the part of the Adjudicator. If he is in doubt about a fact, the onus in that regard is not discharged. If, on the other hand, he is satisfied that – on balance – a certain fact is as it is said to be, the onus is discharged. This ‘satisfaction’, the perfection of the intellectual process that culminates in the value judgment, is dependent upon reason, and not formality.
- 5.7 It is so, of course, that formality can achieve that objective: the production of a certified extract from the Trade Marks Register, for example,¹⁷ would satisfy the inquisitorial mind burdened with assessing whether, on a balance of probabilities, a particular trade mark is registered – and, if so, the nature and qualities of the entry in the register. *Non constat*, however, that failure to produce a certified extract axiomatically disallows admission of the fact of the existence of a registration.

¹⁶ At para. 5.7.

¹⁷ Notwithstanding the provisions of Section 50 of the Trade Marks Act 194 of 1993.

- 5.8 Insistence on what is, in strict terms, the 'best evidence' has been rejected by our law of evidence. The reason is not hard to fathom - legal process would be stultified and justice potentially denied, were judicial reasoning to (have to) proceed devoid of the ability to draw inferences, for example. This is why reputation is proven, in a passing-off case, by proving sales figures and advertising figures for (the product bearing) the feature in question.¹⁸ Reputation being the public state of mind, the means of 'proof' would otherwise be an endless trapeze of witnesses through court attesting to their knowledge of the feature. Clearly, courts cannot work to such a postulate.
- 5.9 The domain dispute process is less stringent, and less observant of the rules, laws and procedures that obtain in the Courts.
- 5.10 The foregoing demonstrates that proof of a factual position is not (at least, at common law) to be constrained by rigid formality. So the question then becomes: what are the probabilities that Nedbank Limited is the owner of an entry in the Trade Marks Register for the mark NEDBANK?¹⁹
- 5.11 Put differently, is there a basis for disbelieving the following statement on oath, by the representative of the Complainant:-

"The Complainant owns trade mark registrations for the NEDBANK mark on its own and in association with other words, logos and devices in many countries across the world. A list with the details of

¹⁸ Cf. *Cambridge Plan Ag v Moore & Others* 1987 (4) SA 821 (D) at 837 B – F; and note: "...each case must be decided on its own facts..." per Page J at 837 D.

¹⁹ Given the dominance of the mark NEDBANK in the domain name <nedbankgreenback.co.za>, in our view it is not necessary to consider the position concerning the Complainant's rights – or lack thereof – in the mark GREENBACK. In any event, similar considerations apply.

all the Complainant's Nedbank registrations, and applications, is annexed as Annexure B"?²⁰

5.12 Or, is there reason to doubt the statement made by the Complainant's attorneys, in its initial letter of demand to Mr Sai concerning the domain name nedbankgreenback.co.za :-

"We act on behalf of NEDBANK LIMITED.

Our client is the proprietor of the well-known NEDBANK trade mark. It has acquired several trade mark registrations for this mark and marks incorporating NEDBANK, in classes 09, 16, 33, 35, 36, 39, 41, 42 and 45 including:-

NEDBANK (and almost 90 others)"?²¹

²⁰ To be found in the initial dispute submission, para. 11.1.1(ii).

²¹ The trade marks cited in the letter are: Nedbank Passport To Pleasure, Nedbanks Passport, Nedbank Prime Plan Logo, Nedbank Autoteller, Nedbank Plastic Cheque Book, Nedbank Special Reserve Account, Nedbank Optimum Portfolio, Nedbank Sports Trust, Nedbank Arts Trust, Nedbank Creditline, Nedbank Dialogue, Nedbank Business Banking, Nedbank Global Investments, Nedbank Options, Nedbank Private Bank, Nedbank International Quattro Deposit, Nedbank Business Direct, Nedbank Mobile Banking, Nedbank Primeselect, Nedbank Rainmakers, Nedbank Professional Direct, Nedbank Professional Banking, Nedbank Syfrets Private Banking, Nedbank Ten, Nedbank Icon, Nedbank Buy To Let Logo, Nedbank Private Banking, Nedbank Corporate, The A To Z Of Nedbanking Logo, Nedbank Dezing Banking, Nedbank Jade, Nedbank Investments, Nedbank Listening, Nedbank Delivering, Nedbank Eyethu, Nedbank Eyethu Ownership Loan, Nedbank Group Eyethu Ownership Plan, Nedbank – Make It Happen, Nedbank Transactor Account, Nedbank Money-24 Investment Account, Nedbank Cellphone Banking, Nedbank Million Plus Investment Account, Nedbank Dezing Save Account, Nedbank Home Income Plan, Nedbank Bank Anywhre, Anytime; Nedbank Digital Banking, Nedbank Everyday Account, Nedbank Private Bank Account, Nedbank Premier Funeral Plan, Nedbank Justsave, Nedbank Futuresure Investment Plan, The Nedbank Cup, Nedbank Automated Reconciliation Logo, Nedbank Equity Linked Deposit, Nedbank Wealth Hub, Nedbank Personal Money Manager, Nedbank Platinum Park-It, Nedbank Mini-Atm, Nedbank Zimbabwe, Nedbank Mobile Money, Nedbank Save As You Go, Nedbank Justinvest Deposit Account, Nedbank Instant Payment, Nedbank Quick Loan, Nedbank Wealth, Nedbank Mybonus, Nedbank Express Service, Nedbank Express Contact Centre, Nedbank Cash Online, Nedbank Retail Bonds, Nedbank Green Wine Awards, Nedbank Green Awards, Nedbank Private Wealth, Nedbank App Suite, Nedbank Green Savings Bond, Nedbank Private Wealth Sine 1834, Nedbank Personal Banking Account, Nedbank Docusafe, Nedbank Ebilling, Nedbank App World, Nedbank Prime Linked Deposit, Nedbank Insurance, Nedbank Home Loans, Nedbank Green Trust, Nedbank Epay Solutions, Nedbank Airtime Without Airtime, Nedbank Money Transfer, Nedbank Brand Engine, Nedbank Savvy Bundle, Nedbank Savvy Plus, Nedbank Ke Yona Bundle And Nedbank Ke Yona Plus.

- 5.13 The established legal principle is that, if a factual assertion is not far-fetched, clearly untenable or palpably implausible, in the absence of contrary facts, as a *prime facie* allegation of fact it then becomes conclusive.²² The assertion is to be accepted as establishing what it purports to do.
- 5.14 This is all the more applicable, *in casu*, because the statement by the Complainant's representative Ms Maria Kruger is, after all, *prima facie* evidence: "*The Complainant owns trade mark registrations for the NEDBANK word on its own...*" There is no challenge to her knowledge of this state of affairs. As a statement of fact, it is not rendered effete by the lack of *further* evidence, such as would be constituted by certified extracts of the trade marks register. It would be different if this relatively terse statement were to be challenged, as a matter of fact; then certificates would thus be required. But, why before then, and particularly with something like such a well-known mark? As it is, the extracts from the Adams & Adams database supplementing the allegations, which formed part of the Dispute, must indicate further the relevant probability.
- 5.15 Similar considerations apply to the existence of common law rights in the mark NEDBANK. This is not a passing-off case, where questions of markets and their nature, geographic locations, holistic impressions, customers, and their likelihood of their confusion are core to the issue. The question is: has the Complainant an intellectual property or commercial right in the mark NEDBANK? The depth and nature of the evidence demanded in a successful passing off case is not required to show that a Complainant has a right. All the process wants to know is that the Complaint is not based on spurious grounds, and that there is some

²²

Terry v Senator Versekeringsmaatskappy Bpk 1984 (1) SA 693 (A) at 699 C – E.

reason justifying the Registrant living up to his contractually undertaken (and regulatorily imposed²³) obligation to submit to the proceedings.

- 5.16 The threshold is low; but it is only a *locus standi* bar. A complainant runs the risk if it does not put facts before the tribunal to demonstrate why the domain is, for whatever reason, abusive. But the two issues are separate, not to be conflated or confused.
- 5.17 Leaving aside the question of the sufficiency of proof of the trade mark registrations, and whether common law rights sufficient to sustain a passing-off case have been proven, there are several allegations in the Dispute document which, unchallenged but perfectly plausible as they are, establish a right in the mark NEDBANK. We need go no further than refer to that recorded in paragraph 21 above (referenced by footnote 1), and which the Initial Adjudicator accepted.
- 5.18 It is further necessary to bear in mind that the Panel is entitled, in the process of considering the matter, to conduct, limited, independent research to confirm facts relied upon by a party, such as the existence of the trade mark registrations on which a complainant is placing reliance on.
- 5.19 The above is confirmed by WIPO in a document titled "*WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition ("WIPO Overview 2.0")*", which WIPO produced to assist awareness of its views on certain questions that commonly arise on key procedural and substantial issues in proceedings under the UDRP, especially. In clause 4.5 of this document, under the heading "*May a panel perform independent research when reaching a decision?*", WIPO remarks as follows:

²³

Regulation 3(1)

*“Consensus view: A panel may undertake limited **factual research into matters of public record if it deems this necessary to reach the right decision**. This may include visiting the website linked to the disputed domain name in order to obtain more information about the respondent and the use of the domain name, consulting a repository such as the Internet Archive (at www.archive.org) in order to obtain an indication of how a domain name may have been used in the relevant past, reviewing dictionaries or encyclopedias to determine any common meaning, or **discretionary referencing of trademark online databases**”.* (emphasis added)

- 5.20 The principle that a panel may conduct its own search of an online trade mark register, *in casu* the United Kingdom trade marks register, was also confirmed in WIPO D2002/1038 (hescobastion.com).
- 5.21 The Panel conducted online searches of database is freely accessible to members of the public, and confirmed the validity of the South African trade mark registrations relied upon by the Complainant.
- 5.22 We accordingly conclude that the Complainant *“has rights in respect of a name or mark which is similar to the domain names...”* as postulated by Regulation 3(1).

6 THE MERITS OF THE COMPLAINANT

- 6.1 Mr Sai has, prior to the lodging of this Complaint, been found to have made an abusive registration in five disputes. These have been referred to above. They are not within the period of twelve months prior to the

Complaint and so the presumption that the currently disputed domain names are abusive does not apply.²⁴

- 6.2 We nevertheless find that the domains are abusive. What *bona fide* use a resident of Malaysia would make of such domains, which are dominated and denominated by the name of one of South Africa's largest banking institutions, is impossible to fathom. This being so, the conclusion that their registration in his hands is abusive of the Complainant's rights is not difficult to reach.

7 DECISION

For the foregoing reasons, we uphold the Complainant's Appeal. We direct that the domains be transferred to the Complainant as contemplated by Regulation 9(a).

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²⁴ cf. Regulation 4(3).