

Decision

ZA2016-0245

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

ADJUDICATOR DECISION

CASE NUMBER:	ZA2016-0245
DECISION DATE:	7 November 2016
DOMAIN NAME	KFCLISTENS.CO.ZA
THE DOMAIN NAME REGISTRANT:	MALKHAZ KAPANADZE
REGISTRANT'S LEGAL COUNSEL:	NONE
THE COMPLAINANT:	KENTUCKY FRIED CHICKEN INTERNATIONAL HOLDINGS INC
COMPLAINANT'S LEGAL COUNSEL:	GÉRARD DU PLESSIS, ADAMS & ADAMS
2 nd LEVEL ADMINISTRATOR:	ZA CENTRAL REGISTRY

1 Procedural History

- a) The Dispute was filed with the South African Institute of Intellectual Property Law (the “SAIIPL”) on **15 September 2016**. On **16 September 2016** the SAIPL transmitted by email to ZA Central Registry a request for the registry to suspend the domain name at issue, and on **16 September 2016** ZA Central Registry confirmed that the domain name 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.
- b) In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the Dispute on **19 September 2016**. In accordance with the Regulations the due date for the Registrant’s Response was **17 October 2016**. The Registrant did not submit any response, and accordingly, the SAIPL notified the Registrant of its default on **18 October 2016**.
- c) The SAIPL appointed **Marthinus Jacobus van der Merwe** as the Senior Adjudicator and **Jeremy Speres** as the Trainee Adjudicator in this matter on **26 October 2016**. The Adjudicator and Trainee Adjudicator have submitted Statements of Acceptance and Declarations of Impartiality and Independence, as required by the SAIPL to ensure compliance with the Regulations and Supplementary Procedure.

2 Factual Background

- 2.1 The Complainant is *Kentucky Fried Chicken International Holdings Inc*, a corporation of Delaware, United States of America.
- 2.2 The Complainant is the proprietor of trade mark registrations in South Africa filed in 1991 for marks consisting of or incorporating KFC in classes 29, 30, 35 and 43 covering, amongst others, various food products, franchising of business systems and restaurants and fast food outlets. These registrations appear to have been timeously renewed and remain registered.
- 2.3 In addition to its registered trade marks, the Complainant contends that its KFC mark is well-known in South Africa, having been applied to fast food outlets

countrywide since 1971, having in excess of 700 such outlets at present in South Africa. In addition, the Complainant contends that it has used the mark KFC LISTENS in relation to its customer satisfaction surveys since 2014 and that it has acquired a reputation in that mark as a result. The Complainant has, under oath, adduced evidence of use in support of its claims to reputations for its KFC and KFC LISTENS marks, all of which or a at least a large part of which would appear to postdate the registration of the contested domain, including printouts from the Complainant's website, Wikipedia, Facebook and Twitter pages, photographs of various KFC branded outlets, outdoor advertising and product packaging. All of this evidence is uncontested by the Registrant.

2.4 The contested domain name was registered on **30 October 2015**. The Complainant has adduced evidence, including printouts of the webpage to which the contested domain resolves, indicating that the contested domain is and has been used to host affiliate advertising for products and services associated with the Complainant's business. In addition, the Complainant has adduced evidence indicating that at some time in the past the contested domain was used to host a competition in respect of which numerous complaints from members of the public have been expressed and in respect of which, members of the public appear to have been confused into believing that the Complainant was responsible for the survey.

2.5 Based on the WHOIS page for the contested domain, the Registrant is Malkhaz Kapanadze, of Tbilisi, Georgia.

3 Parties' Contentions

3.1 Complainant

a) The Complainant relies on the following factors indicating that the domain name is an abusive registration:

- Regulation 4(1)(a)(i) – Circumstances indicating that the Registrant registered the contested domain primarily to sell the domain to the Complainant or one of its competitors;
- Regulation 4(1)(a)(ii) – Circumstances indicating that the Registrant registered the contested domain primarily to block intentionally the

registration of a name or mark in which the Complainant has rights;
and

- Regulation 4(1)(b) – Circumstances indicating that the Registrant is using or has registered the domain name in a way that leads people to believe that the domain name is registered to, operated or authorised by or otherwise connected to the Complainant.

- b) The Complainant has also referred us to a previous SAIPL domain name dispute decision in which the Registrant was found to have made an abusive registration, namely the decision in ZA2016-0231, which the Complainant submits is relevant to this dispute.

3.2 Registrant

- a) The Registrant did not reply to the Complainant's contentions.

4 Discussion and Findings

4.1 Complainant's Rights

4.1.1 Whilst the Complainant undoubtedly has registered rights in its KFC mark predating registration of the contested domain, our view is that the evidence of use adduced by the Complainant is deficient in two respects vis-à-vis its claims to have a reputation in the marks KFC and KFC LISTENS. Firstly, the evidence largely consists of printouts from the internet showing use of the marks but crucially not the extent of same. Ordinarily such evidence would take the form of sales figures, marketing spend, market surveys and the like – in other words, evidence that speaks directly to the extent of use made of the relevant marks and the recognition of those marks by the public. It is our view that the evidence tendered by the Complainant is insufficient, in itself, to establish the claimed reputations.

4.1.2 Secondly, the majority of the evidence of use postdates the date of registration of the contested domain, as well as the offending use of the domain as set out in the Complainant's evidence at Annexure K. The relevant date for establishing the Complainant's rights is the date of the

Complaint (see ZA2008-00020). However, where a Complainant can only establish rights postdating the registration of the contested domain, the domain will only be found to be abusive in exceptional circumstances (see the WIPO Arbitration and Mediation Centre's Overview of WIPO Panel Views under the third UDRP as well as Tana Pistorius .za Alternative Dispute Resolution Regulations: The First Few SAIPL Decisions JILT 2008). The Complainant has not offered any exceptional circumstances in this regard.

- 4.1.3 We are therefore not prepared to accept the Complainant's contention that it has, on the evidence tendered in its papers, established common law rights in the KFC or KFC LISTENS marks at a date predating the registration date of the contested domain. However, we are prepared to take judicial notice of the Complainant's repute in its KFC mark, which is so well-known that it cannot reasonably be contested otherwise. Judicial notice is a recognised principle of the South African law of evidence in terms of which a fact can be judicially recognised where it is so well-known as to be incapable of dispute among reasonably informed and educated people (See the authorities cited in the *Law of South Africa*, Vol 9: Evidence, at para 822). Furthermore, panels in UDRP domain name disputes have in the past applied the concept of judicial notice to well-known marks – see for instance the decision in D2016-1300 of the WIPO Arbitration and Mediation Centre.

4.2 Abusive Registration

- 4.2.1 The Complainant has directed us to one prior .co.za domain dispute in which the Registrant was found to have made an abusive registration.
- 4.2.2 We have independently established that the Registrant has, in addition, been found to have made one further bad-faith registration by a UDRP panel – see the decision in DCH2016-0017 of the WIPO Arbitration and Mediation Centre. We have also independently established that the Registrant has registered numerous domains within the .co.za namespace that are clearly misspellings or adoptions of well-known brands, for example, ackemans.co.za, adidasrunning.co.za, adultword.co.za, amzon.co.za and a host of others. Adjudicators are permitted to undertake limited factual

research into matters of public record, especially if this is in the interests of justice (see the decision in [ZA2015-0193](#) at para 4.2.9).

- 4.2.3 These factors undoubtedly indicate a pattern of making abusive registrations and, in addition to the factors listed by the Complainant, we find that the factor listed in Regulation 4(1)(c) is relevant.
- 4.2.4 The Registrant uses the domain name to advertise goods and services which are identical or highly similar to those offered by the Complainant. In addition, the contested domain name wholly incorporates the Complainant's reputed KFC trade mark, differing only by the addition of the non-distinctive element "listens". As a result, the contested domain name is likely to lead to internet users viewing the Registrant's website when they in fact intended to view that of the Complainant. Furthermore, it is probable that consumers will believe that KFC LISTENS is in some way or another aimed at a consumer feedback service operated by the Complainant, as the Complainant does indeed offer under an identical trade mark.
- 4.2.5 The Complainant has tendered what it claims to be instances of actual confusion. However, it is not clear from the evidence tendered by the Complainant in this respect whether the competition allegedly hosted at the contested domain is indeed one hosted at the contested domain, given that many of the complaints referenced in Annexure J of the Complainant's evidence predate the registration date of the contested domain. We are therefore not prepared to accept the Complainant's evidence of actual confusion.
- 4.2.6 Given that the contested domain name has been put to some limited use, we need to consider whether Regulation 5(a)(i) applies and whether the Registrant can be said to have used the domain in connection with a good faith offering of goods or services. In numerous local and foreign domain name decisions it has been held that use of a domain name that conflicts with a complainant's trade mark purely for the purposes of providing pay-per-click advertisements to third party businesses that compete with the complainant does not amount to a good faith offering of goods or services.

See WIPO decisions [D2007-1499](#), [D2010-1652](#) and the local decision in [ZA2015-0209](#). We respectfully agree with these decisions and find the principle to be equally applicable here, especially given the repute of the Complainant's mark in this case. If the general principle were otherwise, then it would be open to nefarious Registrants to adopt the trade marks of others as domain names, use them for competing services and profit handsomely from the exercise.

4.2.7 In the circumstances, we find that the contested domain name is an abusive registration.

5. Decision

5.1 For all the foregoing reasons, in accordance with Regulation 9, we order that the disputed domain name, KFCLISTENS.CO.ZA, be transferred to the Complainant.

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MARTHINUS JACOBUS VAN DER MERWE

SAIIPL SENIOR ADJUDICATOR

www.DomainDisputes.co.za

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JEREMY SPERES

SAIIPL TRAINEE ADJUDICATOR

www.DomainDisputes.co.za