

## **ADJUDICATOR DECISION**

CASE NUMBER:	<b>ZA2008-0020</b>
DECISION DATE:	<b>30 September 2008</b>
DOMAIN NAME:	<b>mixit.co.za</b>
THE DOMAIN NAME REGISTRANT:	<b>Andre Steyn</b>
REGISTRANT'S LEGAL COUNSEL:	<b>None</b>
THE COMPLAINANT:	<b>Mxit Lifestyle (Pty) Ltd</b>
COMPLAINANT'S LEGAL COUNSEL:	<b>Buys Inc Attorneys</b>
THE 2 <sup>nd</sup> LEVEL DOMAIN NAME ADMINISTRATOR:	<b>UniForum SA (CO.ZA Administrators)</b>

### **1. Procedural History**

1.1. The Dispute was filed with the South African Institute of Intellectual Property Law (the "SAIIPL") on 24 July 2008. On the same day the SAIPL transmitted by email to UniForum SA a request for the registry to suspend the Disputed Domain Name and UniForum SA confirmed that the Disputed 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.

1.2. In accordance with the Regulations, the SAIPL formally notified the Registrant of the commencement of the Dispute on 25 July 2008. In accordance with the Regulations the due date for the Registrant's Response

was 22 August 2008. The Registrant submitted his Response on 22 August 2008, and the SAIPL verified that the Response satisfied the formal requirements of the Regulations. The SAIPL forwarded a copy of the Response to the Complainant on 25 August 2008.

- 1.3. In accordance with the Regulations the due date for the Complainant's Reply was 1 September 2008. The Complainant submitted its Reply on 31 August 2008.
- 1.4. The SAIPL appointed Charne le Roux as the Adjudicator in this matter on 5 September 2008. The SAIPL also invited Steven Yeates to act as Trainee Adjudicator but following an objection by the Complainant's legal counsel Mr Yeates elected not to participate. The objection to the appointment of the Trainee Adjudicator will be dealt with later in the decision.

## **2. Factual Background**

- 2.1. The Complainant is a South African Company incorporated on 26 February 2004. It is the owner of pending trade mark applications in South Africa, filed on 22 October 2003, for the mark MXIT covering services falling in international classes 35, 38 and 42.
- 2.2. The Complainant is also the proprietor of the domain names mxit.co.za and mxit.com. The domain names were registered on 9 May 2003 and 26 February 2004 respectively.
- 2.3. The Complainant has furthermore used the trademark MXIT for messaging, chat rooms and related communications applications in South Africa (as well as other territories) on a considerable scale. The Complainant provided examples of media articles that appeared in connection with its MXIT trademark dated from 2007 to March 2008. The date that the Complainant commenced use of its MXIT trademark and from which it can be said to have established rights in its trademark is in dispute.

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- 2.4. The Disputed Domain Name mixit.co.za was registered in the name of the Registrant on 19 April 2005. The website to which the Disputed Domain Name currently resolves is a domain parking site.
- 2.5. The Complainant's attorneys addressed a letter to the Registrant on 31 September 2007 calling on him to transfer the Disputed Domain Name to it. There was no response to this letter. The second letter of demand was sent by different attorneys on 18 June 2008. On 23 June 2008 these attorneys sent a further (third) letter to the Registrant. The third letter caused the Registrant to contact the Complainant's attorneys and discussions of a privileged nature were held. The Registrant also made some changes to the website attached to the Disputed Domain Name subsequent to the third letter as referenced below.
- 2.6. Initially, between the date of registration and 7 July 2008, the Disputed Domain Name resolved to an empty website hosted by RSAWeb Internet Services. On 7 July 2008, the Disputed Domain Name was redirected to the current domain name parking site with sponsored links to various businesses. Some of these links included key words directly related to the business of the Complainant, including "Chat", "Messaging" and "Mxit". These references were removed following the third letter of demand indicated above, but other sponsored links related to businesses in fields ranging from clothing to music to food and hotels remained.

### **3. Parties' Contentions**

- 3.1. The Complainant contends in connection with its rights that:
- 3.1.1. it owns trade mark rights in the trademark MXIT as a consequence of its three pending MXIT trade mark applications in international classes 35, 38 and 42 all dated 22 October 2003;

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- 3.1.2. it owns business name rights in its company name Mxit Lifestyle (Pty) Ltd;
- 3.1.3. it is the proprietor of the domain names mixit.co.za and mixit.com and owns domain name rights as a consequence of these registrations. The domain names were registered on 9 May 2003 and 27 February 2004 respectively;
- 3.1.4. it owns common law rights in the MXIT trademark as a consequence of the considerable goodwill and reputation that it established in the MXIT trademark as of 2003. In support of this contention, the Complainant advises that 8.7 million users have subscribed to its MXIT services which record 12 million logins and 210 million mobile messages on a daily basis, that its MXIT services are available and subscribed to in 249 countries and that the MXIT trade mark has been the subject of various online and offline news articles and television programs.
- 3.1.5. The Complainant claims that the Disputed Domain Name is identical and/or similar to its MXIT trademark. It provided evidence in support of its claim that its trademark is pronounced phonetically as [miksit].
- 3.1.6. The Complainant submits that the Disputed Domain Name is an abusive registration in the hands of the Registrant in that:
- 3.1.6.1. the Registrant blocks intentionally the registration of a name or mark in which the Complainant has rights. The Complainant refers to the decision in [ZA2007-0006](#) and indicates that the facts in that matter are similar in the facts of the present matter;
- 3.1.6.2. the Registrant disrupts unfairly the business of the Complainant. In this respect the Complainant indicates

that the Registrant uses the Disputed Domain Name in an advertising revenue service which generates a number of automated search results (including adult site listings and illegal databases) which dilute the Complainant's MXIT trademark and unfairly disrupts the business of the Complainant;

- 3.1.6.3. the Registrant is using or has registered the Disputed Domain Name in a way that leads people or businesses to believe that the Disputed Domain Name is registered to, operated or authorised by, or otherwise connected to the Complainant. The Complainant submits that the advertising revenue service in respect of which the Disputed Domain Name is being used has often been held by 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. The Complainant advises that the Registrant initially included the keywords "Mxit" "Chat" and "Messaging" on the domain parking site linked to the Disputed Domain Name;
- 3.1.6.4. the Registrant used false and incomplete contact details in the Whois database. The Complainant claims that the contact details submitted by the Registrant were false in that his postal address was merely listed as "as above" and that the phone number provided turned out to be the telephone number of Condor Visual Effects Studio.
- 3.1.6.5. The Complainant also made reference to a for sale notice sign on the website attached to the Disputed Domain Name.

3.1.7. The Complainant contends furthermore that the Registrant may indicate that the registration of the Disputed Domain Name is not an abusive registration by showing certain factors. The Complainant deals with a number of the factors provided for in Regulation 5, namely:

3.1.7.1. that before being aware of the Complainant's cause for complaint, the Registrant has used or made demonstrable preparations to use the Disputed Domain Name in connection with a good faith offering of goods or services. The Complainant contends that the subscription by the Registrant to an advertising revenue service can not amount to a good faith offering of goods or services. It refers to a number of UDRP decisions in support of this contention;

3.1.7.2. that before being aware of the Complainant's cause for complaint, the Registrant has been commonly known by the name or legitimately connected with a mark which is identical or similar to the Disputed Domain Name. The Complainant contends that the Registrant is a natural person with no association with the MXIT name or mark and thus that he can not rely on the provisions of Regulation 5(a)(ii) in order to dispute an abusive registration;

3.1.7.3. that the Disputed Domain Name is used generically or in a descriptive manner and that the Registrant is making fair use of it. The Complainant contends that the Disputed Domain Name is not used generically, descriptively or in fairness by virtue of its use to access a website containing several sponsored links referring to a variety of products and services unrelated to the meaning

of the Disputed Domain Name proposed by the Registrant.

- 3.1.8. The Complainant requests that the Disputed Domain Name be transferred to it.

### **3.2. Registrant**

- 3.2.1. The Registrant contends in connection with the Complainant's rights that:

3.2.1.1. MXIT and MIXIT are generic and/or descriptive terms which generate substantial hits from Google searches;

3.2.1.2. the term "Mixit" has been registered widely across top level and country specific domain names and that the Complainant can not claim rights in the term "Mixit";

3.2.1.3. there was no use of the MXIT trademark before May 2005 when the Complainant launched its MXIT services. The Registrant submits that the mxit.co.za and mxit.com domain names owned by the Complainant were only used from the launch of its MXIT services in May 2005. The Registrant disputes the Complainant's claim that it established a clear right to the MXIT name before the Registrant registered the Disputed Domain Name on 19 April 2005.

- 3.2.2. The Registrant claims that since the MXIT website was not launched and the mark was not in use at the time of his registration of the Disputed Domain Name, he could not have been aware of the Complainant's rights and could not take unfair advantage of the Complainant.

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- 3.2.3. The Registrant contends further that he is a musician and video editor and that the term "Mix it" is relevant to his profession. He advises that he intends using the Disputed Domain Name to publicise his music but that he has not yet had the time and resources to do so.
- 3.2.4. The Registrant submits that he has a right to own and use the Disputed Domain Name because the term "Mix it" is a generic term commonly associated with music and that he has the right to register a domain name and use it to promote his work.
- 3.2.5. The Registrant claims that the fact that he has paid for hosting for the Disputed Domain Name for three years indicates an intent to use it for legitimate purposes. He advises that the Complainant's website at mixit.co.za was itself dormant for two years prior to the launch of the MXIT service.
- 3.2.6. The Registrant submits that he does not own other domain names and that he has never been involved in any legal disputes regarding domain names. He claims that there is no pattern of prior conduct.
- 3.2.7. In connection with the claim by the Complainant that the Disputed Domain Name resolves to a domain parking site which generates an income, the Registrant contends that his actions were legitimate, that other generic domain names are parked at the parking sites such as the one used by him and that he was hoping that his use of the Disputed Domain Name in this manner would generate enough funds to enable him to pay for its annual renewal fees.
- 3.2.8. The Registrant claims that he took care to select generic keywords on the parking site and that his use of MXIT as a keyword on the parking site would cause Internet users who ended up on the website at the Disputed Domain Name to return to the Complainant's website.



- 3.2.9. The Registrant claims that the for sale notice on the parking site at the Disputed Domain Name is a default text on parking pages and does not constitute a genuine offer to sell the relevant domain name, but simply invites enquiries from Internet users about the possibility of a domain name being for sale.
- 3.2.10. The Registrant denies that he supplied false or incomplete registration details. He advises in connection with the postal address that it would be clear to any reasonable man that reference should be made to the full home address of the Registrant, which was published underneath the postal address. Insofar as the incorrect telephone number is concerned, the Registrant submits that it was the number of his previous employer and that he neglected to update this when he left the business.
- 3.2.11. The Registrant complains about the aggressive attitude of the Complainant, the fact that mention is made of a without prejudice conversation at all, even if the content of this conversation is not disclosed and that the Complainant included reference to adult content websites to which the website at the Disputed Domain Name points. He claims that these adult content websites are generic links that affect many domain names, including the domain names owned by the Complainant.
- 3.2.12. The Registrant requests that the dispute be denied and also that a finding be made of reversed domain name hijacking.

#### **4. Complainant's reply**

- 4.1 In its reply, the Complainant challenges the Registrant's allegation that the Disputed Domain Name is generic and/or descriptive and contends that it only has to prove that it has rights in a name or mark that is identical or similar to the Disputed Domain Name and not the Disputed Domain Name itself.

- 4.2 The Complainant submits that the registration date of the Disputed Domain Name is not relevant in determining the Complainant's rights and that this date only becomes relevant in determining whether or not such registration constitutes an abusive registration.
- 4.3 The Complainant indicates that it did not make out a case based on a pattern of conduct by the Registrant.
- 4.4 The Complainant challenges the Respondent's allegation that he used or made demonstrable preparations to use the Disputed Domain Name in connection with a good faith offering of goods or services, or made legitimate non-commercial or fair use of the Disputed Domain Name prior to being aware of the Complainant's cause for complaint, since he did not provide any evidence to show use or preparations to use the Disputed Domain Name prior to 31 August 2007.
- 4.5 The Complainant also challenges the allegation by the Registrant that the Disputed Domain Name is used generically or in a descriptive manner and that the Registrant is making fair use of it. The Complainant deals in particular with the fair use that the Registrant is alleging to be making of the Disputed Domain Name. It takes the view that Regulation 4(1)b does not require ongoing use of the Disputed Domain Name and that even if the abusive use stopped after the Registrant learned of the Complainant's claim, Regulation 4(1)b continues to apply. The Complainant also provided evidence of third parties referring to its MIXIT trademark as "Mixit".
- 4.6 In connection with the Registrant's request for a finding of reverse domain name hijacking to be made, the Complainant contends that no supporting evidence was provided.

## 5. Discussion and Findings

### 5.1 Procedural Matters

#### **Objection to the appointment of Mr. Steven Yeates as the Trainee Adjudicator**

The Complainant's Counsel addressed a letter to the SAIPL dated 4 September 2008 following the invitation to Mr. Yeates to accept an appointment as Trainee Adjudicator, advising that he was engaged in a matter with Mr. Yeates in connection with a dispute concerning another domain name, being capepropertyguide.co.za and that in correspondence, he and Mr. Yeates strongly disagreed on a question that is central to the current dispute. He advised that he considers his prior knowledge of Mr. Yeates' opinion in this regard as prejudicial to the Complainant's case and also, that he did not believe that the Adjudicator and Trainee should be from the same firm.

The appointment of Trainee Adjudicators by the SAIPL is a concept introduced to assist persons who wish to be appointed to the SAIPL Panel of Adjudicators, but who have not yet acquired relevant experience, to obtain such experience. A Trainee Adjudicator does not act in an Adjudication in the true sense but assists and is guided by a Senior Adjudicator in his/her preparation of a decision.

Furthermore, the fact that an Adjudicator (whether he/she is a Trainee or Senior Adjudicator) may have expressed an opinion in connection with a question that relates to a domain name dispute that is not relevant to the matter in respect of which the Adjudication is sought, should not preclude the Adjudicator from adjudicating that matter (or any other matters which may involve a similar question). To uphold an objection on this ground (which in essence constitutes forum selection) would make it impossible for this dispute resolution system to function.

In connection with the objection that the Adjudicator and the Trainee should be from the same firm, no reasons in support of this contention were provided and no grounds for a recusal on this basis can be found.

Consequently, the Adjudicator finds that the objections made do not constitute valid bars to Mr. Yeates' appointment. Mr. Yeates, nevertheless, offered to recuse himself from the Adjudication in order to allow the matter to proceed to a decision without delay.

## **5.2 Substantive Matters**

Regulation 3(1)(a) requires that the Complainant proves each of the following elements in order for the Disputed Domain Name to be transferred:

- a) that the Complainant has established rights in respect of a name or mark which is identical or similar to the Disputed Domain Name; and
- b) that in hands of the Registrant, the Disputed Domain Name is an abusive registration.

### **5.2.1 Complainant's Rights in the MXIT mark**

Regulation 1 defines rights to include intellectual property rights, commercial, cultural, religious and personal rights protected under South African Law but are not limited thereto. The definition is broad and rights are not restricted to rights founded on the principles of trademark law, but recognises rights going beyond those in terms of the Trade Marks Act No. 194 of 1993 or the requirements at common law for passing off. Such rights must, however, find recognition in law. See [ZA2007-0008](#) (privatesale.co.za).

Against this background, since the Complainant's contention that it owns trade mark rights in connection with a trade mark which is the

subject of pending South African trade mark applications is not recognised in law, the Adjudicator finds that the Complainant has not succeeded in showing trade mark rights on this basis.

The Complainant's claims that it owns business name and domain name rights on the basis of the registration of its company name and the domain names are similarly rejected. A company or domain name registration does not in itself give rise to any rights. See also [ZA2007-0001](#) (mrplastic.co.za) where the Adjudicator, referring to supporting South African authority, confirmed that the registration of a company name, per se, confer to an entity no rights in that name enforceable against third parties in the sense that third parties can restrict others from using it.

The Complainant also contends that it has acquired common law trade mark rights in the MXIT trade mark as consequence of its substantial use of it. The Complainant claims these rights as of 2003. The Complainant did not submit any evidence of use at this date. The evidence submitted only demonstrate use from the date that the MXIT service was launched in May 2005. The Complainant's evidence in support of its use over the period May 2005 to March 2008, which included several magazine and online articles and an indication of a large number of visits to its website and the fact that the evidence was not disputed by the Registrant, persuaded the Adjudicator that the Complainant has made out a case in support of common law rights in the trade mark MXIT.

In connection with the Registrant's contentions that rights can not subsist in the mark MXIT because it is descriptive or generic, the Adjudicator finds that the mark MXIT is neither descriptive nor generic, but even if it is, that sufficient secondary meaning attach to the MXIT mark to confer rights to the Complainant in it.

The Respondent's contention that the Disputed Domain Name incorporates a generic phrase, namely "Mix it" and that there are other domain names that incorporate this term, are not relevant in determining the Complainant's rights in MXIT. The Complainant does not have to prove rights in the Disputed Domain Name but a name or mark which is similar to the Disputed Domain Name. See also [D2006-0669](#) (clickbusinesscards.com) and [D2000-1223](#) (trashylingerie.com).

Turning to the issue of the date from which the Complainant can establish rights in the MXIT trade mark, the Complainant contends that it is not necessary for it to show that its rights in its trade mark MXIT were established prior to the registration to the Disputed Domain Name. The Adjudicator concurs with the Complainant's submissions in this regard. Regulation 3(1)(a) only provides for the Complainant to show rights in a mark. Panels under the Nominet and UDRP policies have made findings, with which the Adjudicator agrees, confirming that the date on which rights must exist is the date of the Complaint and not the registration date of the Disputed Domain Name, and that the issue of the Registrant's registration of the Disputed Domain Name prior to the establishment of the Complainant's rights is only relevant to questions concerning the Registrant's legitimate interest and bad faith. See [DRS/03078](#), [D2000-0270](#) and [D2002-0669](#). See also [D2003-0598](#).

### **5.2.2 The Disputed Domain Name is identical or similar to the name or mark in which the Complainant has rights**

The Adjudicator finds that the Disputed Domain Name is similar to the Complainant's trade mark MXIT as required in terms of Regulation 3(1)(a).

The only differences between the Disputed Domain Name and the Complainant's trade mark is a generic indicator .co.za which is to be

ignored for purposes of this analysis and the addition of a letter "i" between the first two letters of the MXIT trade mark in the Disputed Domain Name. The MXIT trade mark and the Disputed Domain Name are phonetically identical.

The fact that the Disputed Domain Name comprises of a generic phrase does not assist the Registrant in escaping a finding of similarity. Refer again to the decisions in D2000-1223 and D2006-0669 referenced above.

### **5.2.3 The Disputed Domain Name in the hands of the Registrant is an Abusive Registration**

Regulation 4(1) provides for a number of grounds (non exhaustive) on which the Complainant can rely in showing that the Disputed Domain Name is an abusive registration. For purposes of this dispute, the Complainant relies on Regulations 4(1)(a)(ii), 4(1)(a)(iii), 4(1)(b) and 4(1)(d) namely that the Registrant:

- a) blocks intentionally the registration of a name or mark in which the Complainant has rights;
- b) disrupts unfairly the business of the Complainant;
- c) is using or has registered the Disputed Domain Name in a way that leads people or businesses to believe that the Disputed Domain Name is registered to, operated or authorised by or otherwise connected with the Complainant; and
- d) submitted false or incomplete contact details in the Whois data base.

Having considered all the evidence, the Adjudicator finds that a case has been made out that the Registrant is using or has registered the

Disputed Domain Name in a way that leads people or businesses to believe that the Disputed Domain Name is registered to, operated or authorised by or otherwise connected with the Complainant.

While it may be accepted that the Registrant was innocent when he registered the Disputed Domain Name, despite the registration being, peculiarly, a mere weeks before the launch of the Complainant's MXIT service, his use has not been innocent. See [DRS1515](#) (almay.co.uk). The Registrant pointed the website attached to the Disputed Domain Name to a domain parking site after being made aware of the Complainant's cause for complaint, that included specific reference to the Complainant's business by including keywords such as "Chat", "Messaging" and "Mixit". This was undoubtedly done because he realised the value of the Complainant's trade mark, the likely association that Internet users will have with the Disputed Domain Name and the potential revenue that the website attached to the Disputed Domain Name will generate.

The fact that the use of the keywords referred to ceased subsequent to a third letter of demand does not assist the Registrant in changing the finding made above, since the circumstances set out in terms of Regulation 4(1)(b) continued to exist. Even in the absence of the keywords "Chat", "Messaging" and "Mxit" on the domain parking site people will, particularly in view of the similarity between the Disputed Domain Name and the Complainant's trade mark MXIT and the fact that the Complainant's trade mark is pronounced and often referred to in writing as "Mixit", likely believe that the Disputed Domain Name is connected with the Complainant.



#### **5.2.4 Factors indicating that the Disputed Domain Name is not an Abusive Domain Name**

The factors mentioned by the Registrant in claiming that the Disputed Domain Name is not an abusive domain name merit some analysis even if they did not persuade the Adjudicator to make a different finding.

Regulation 5 provides grounds on which the Registrant may rely (not exhaustive) in showing that the Disputed Domain Name is not an abusive registration. The Complainant anticipated certain factors in terms of Regulation 5 on which the Registrant could have relied and dealt with them comprehensively in its Complaint. However, after consideration of the Registrant's response, its contentions appear to be limited to Regulations 5(a)(i), 5(a)(iii) and 5(b), namely that before being aware of the Complainant's cause of complaint, the Registrant has used or made demonstrable preparations to use the Disputed Domain Name in connection with a good faith offering of goods or services, or made legitimate non-commercial or fair use of it and that the Disputed Domain Name is used generically or in a descriptive manner and that the Registrant is making fair use of it.

In connection with the first two factors, it is common cause that the Registrar became aware of the Complainant's cause of complaint when he received the first letter of demand from the Complainant's attorneys on 31 September 2007 and that on 7 July 2008, the Disputed Domain Name was redirected to a domain parking site. Prior to that, the website resolved to an empty website hosted by RSAWeb Internet Services. The Adjudicator finds that there was no use or demonstrable preparations to use the Disputed Domain Name at the time required by Regulation 5(a).

In connection with the third factor raised by the Registrant, it is again common cause that the Registrant pointed the website connected to the Disputed Domain Name to a domain name parking service with "pay per click" landing pages. Landing pages or domain parking sites can be customised or automated and much consideration has been given by panels under the UDRP and Nominet policies as to whether such use constitutes fair use. A number of factors analysing landing pages have been proposed and these include whether the domain name is an obvious trade mark, whether the website's content is related to the dictionary meaning of the domain name (for example laptops being offered for sale at laptop.com), whether the landing page provides links or advertisements for competing products, whether the landing page appears to be a pretext for cyber squatting and whether the Registrant registered and use the relevant domain name or other domain names in bad faith on other grounds. See also D2006-0964.

The Registrant initially included key words on the domain parking site which included words directly related to the business of the Complainant, including "Chat", "Messaging" and "Mxit". These references were removed subsequent to the third letter of demand that he received from the Complainant's attorneys. At present, the key words and advertisements that appear on the parking site attached to the Disputed Domain Name include fashion, clothing, slimming, music, jobs, movies, art, concerts, events, food, hotels and shopping. They are not directly related to the meaning of the term "Mxit" as proposed by the Registrant, namely that it is associated with music. It is clear that the Registrant generates revenue from the sponsored links and advertisements that appear on the landing pages and as a consequence of the confusion with the Complainant's trade mark. The Registrant's actions therefore do not satisfy the requirement that the Disputed Domain Name be used generically or descriptively and in fairness.

Since a finding in terms of Regulation 3(b) has been made, it is not necessary to make findings in connection with the other grounds offered in support of an abusive registration and the Registrant's request for a finding of domain name hijacking is consequently also rejected.

## **6. Decision**

For all the foregoing reasons, in accordance with Regulation 9, the Adjudicator orders that the domain name "mixit.co.za" be transferred to the Complainant.

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CHARNE LE ROUX  
SENIOR ADJUDICATOR  
30 SEPTEMBER 2008