

ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. Yan Xian Sheng
Case No. D2023-4356

1. The Parties

Complainant is Philip Morris Products S.A., Switzerland, represented by D.M. Kisch Inc., South Africa.

Respondent is Yan Xian Sheng, China

2. The Domain Name and Registrar

The disputed domain name <iqoscases.com> (the “Domain Name”) is registered with GoDaddy.com, LLC (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on October 20, 2023. On October 20, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On October 24, 2023, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Name which differed from the named Respondent (Registration private, Domains By Proxy, LLC) and contact information in the Complaint. The Center sent an email communication to Complainant on October 24, 2023, providing the registrant and contact information disclosed by the Registrar, and inviting Complainant to submit an amendment to the Complaint. Complainant filed an amended Complaint on October 24, 2023.

The Center verified that the Complaint together with the amended Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the “Policy” or “UDRP”), the Rules for Uniform Domain Name Dispute Resolution Policy (the “Rules”), and the WIPO Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the “Supplemental Rules”).

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified Respondent of the Complaint, and the proceedings commenced on October 25, 2023. In accordance with the Rules, paragraph 5, the due date for Response was November 14, 2023. Respondent did not submit any response. Accordingly, the Center notified Respondent’s default on November 15, 2023.

The Center appointed Marina Perraki as the sole panelist in this matter on November 21, 2023. The Panel finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 7.

4. Factual Background

Complainant is part of the Philip Morris International Inc. group of companies (“PMI group”), active in the tobacco industry, with products sold in approximately 180 countries. PMI group has been transforming its business from combustible cigarettes to Reduced Risk Products (“RRP”), which PMI group defines as products that present, are likely to present, or have the potential to present less risk of harm to smokers who switch to those products versus continued smoking. One of these products, developed and sold by PMI group, is a tobacco heating system branded as IQOS. IQOS is a controlled heating device into which specially designed tobacco sticks under the brand names “HEETS”, “HEATSTICKS” or “TEREA” are inserted and heated to generate a flavourful nicotine-containing aerosol (together “the IQOS System”). IQOS was first launched by PMI group in 2014. Today the IQOS System is available in approximately 71 markets across the world. Per Complainant, PMI group has invested USD 9 billion into the science and research of developing smoke-free products and extensive international sales and as a result the IQOS brand has gained considerable international reputation, with almost 19.1 million users. Per Complaint, the IQOS System products have been almost exclusively distributed through PMI group’s official IQOS stores and websites and selected authorized distributors and retailers, while they are not sold in Iran (Islamic Republic of).

Complainant is the owner of numerous IQOS trademark registrations. These include:

- Chinese trademark registration no. 16314286 (word mark), registered on May 14, 2016 for goods in International Class 34;
- International registration no. 1218246 (word mark), registered on July 10, 2014 for goods in International Classes 9, 11, and 34; and
- International registration no. 1338099 (word and device mark), registered on November 22, 2016, designating, *inter alia*, China, for services in International Class 35.

The Domain Name was registered on August 28, 2023, and resolves to a website (the “Website”), which is an online shop, allegedly offering for sale competing third party accessories compatible with Complainant’s IQOS System, as well as third party products of other commercial origin and third-party accessories which infringe Complainant’s IQOS trademark. On the Website, the IQOS trademark of Complainant is prominently displayed. Complainant’s IQOS trademark appears also at the top of the Website and within the tab interface of the Website, locations where users usually expect to find the name of the online shop provider. The Website is provided in English. The fact that the Website is presenting the address of “Fuyong Subdistrict, Baoan, Shenzhen, Guangdong Province, China, 518103” indicates that the Website is addressed to consumers in China, however Complainant’s IQOS System is not currently sold in China. Moreover, the Website is using Complainant’s IQOS, ILUMA and HEATSTICKS trademarks to describe third party competing tobacco products (and other products) of other commercial origin. The Website does not show any details regarding the provider of the Website nor does it acknowledge Complainant as the brand owner of the IQOS System. The statement “We cooperate with major tobacco 14 companies. The following are the brands we cooperate with IQOS” appears at the bottom of the Website.

5. Parties’ Contentions

A. Complainant

Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the Domain Name.

B. Respondent

Respondent did not reply to Complainant's contentions.

6. Discussion and Findings

Paragraph 4(a) of the Policy lists the three elements which Complainant must satisfy with respect to the Domain Name:

(i) the Domain Name is identical or confusingly similar to a trademark or service mark in which Complainant has rights; and

(ii) Respondent has no rights or legitimate interests in respect of the Domain Name; and

(iii) the Domain Name has been registered or is being used in bad faith.

A. Identical or Confusingly Similar

Complainant has demonstrated rights through registration and use on the IQOS mark.

The Panel finds that the Domain Name that incorporates Complainant's IQOS mark in its entirety plus the additional term "cases" is confusingly similar to the IQOS trademark of Complainant. The addition of the term "cases" does not prevent a finding of confusing similarity.

The generic Top-Level Domain ("gTLD") ".com" is disregarded, as gTLDs typically do not form part of the comparison on the grounds that they are required for technical reasons (*Rexel Developpements SAS v. Zhan Yequn*, WIPO Case No. [D2017-0275](#); *Hay & Robertson International Licensing AG v. C. J. Lovik*, WIPO Case No. [D2002-0122](#)).

Complainant has established Policy, paragraph 4(a)(i).

B. Rights or Legitimate Interests

Pursuant to paragraph 4(c) of the Policy, Respondent may establish its rights or legitimate interests in the Domain Name, among other circumstances, by showing any of the following elements:

(i) before any notice to Respondent of the dispute, Respondent's use of, or demonstrable preparations to use, the Domain Name or a name corresponding to the Domain Name in connection with a *bona fide* offering of goods or services; or

(ii) Respondent (as an individual, business, or other organization) has been commonly known by the Domain Name, even if it has acquired no trademark or service mark rights; or

(iii) Respondent is making a legitimate noncommercial or fair use of the Domain Name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

The Panel concludes that Respondent lacks rights or legitimate interests in respect of the Domain Name.

Respondent has not submitted any response and has not claimed any such rights or legitimate interests with respect to the Domain Name. As per Complaint, Respondent was not authorized to register the Domain Name.

Prior to the notice of the dispute, Respondent did not demonstrate any use of the Domain Name or a trademark corresponding to the Domain Name in connection with a *bona fide* offering of goods or services.

On the contrary, as Complainant demonstrated, the Domain Name resolved at the time of filing of the Complaint to the Website, which suggested falsely that it is of an affiliated entity or of an authorized partner of Complainant.

Per Complaint, Respondent is not an affiliated entity or an authorized distributor or reseller of Complainant and no agreement, express or otherwise, exists allowing the use of Complainant's trademarks on the Website and the use of the Domain Name by Respondent.

Further, per Complaint, Complainant's IQOS branded products are not sold in China.

A distributor or reseller can be making a *bona fide* offering of goods and thus have a legitimate interest in a domain name only if the following cumulative requirements are met (*Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. [D2001-0903](#); WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)"), section 2.8.1: (i) respondent must actually be offering the goods at issue; (ii) respondent must use the site to sell only the trademarked goods; (iii) the site must accurately and prominently disclose the registrant's relationship with the trademark holder; and (iv) respondent must not try to "corner the market" in domain names that reflect the trademark.)

These requirements are not cumulatively fulfilled in the present case. The Domain Name falsely suggested that the Website is an official site of Complainant or of an entity affiliated to or endorsed by Complainant. The Website extensively reproduced, without authorization by Complainant, Complainant's trademark, without any disclaimer of association (or lack thereof) with Complainant.

Furthermore, the use of a domain name which intentionally trades on the fame of another and suggests affiliation with the trademark owner cannot constitute a *bona fide* offering of goods or services (*Madonna Ciccone, p/k/a Madonna v. Dan Parisi and "Madonna.com"*, WIPO Case No. [D2000-0847](#); *AB Electrolux v. Handi Sofian, Service Electrolux Lampung*, WIPO Case No. [D2016-2416](#); [WIPO Overview 3.0](#), section 2.5).

As Complainant has demonstrated, the Website offers for sale also competing heated tobacco products and/or accessories and infringing accessories for use with Complainant's IQOS System, of other known and unknown commercial origin. The Website furthermore creates the false impression that Complainant has officially introduced the IQOS System into the Chinese market.

The Panel finds that these circumstances do not confer upon Respondent any rights or legitimate interests in respect of the Domain Name.

Complainant has established Policy, paragraph 4(a)(ii).

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy provides that the following circumstances, "in particular but without limitation", are evidence of the registration and use of the Domain Name in "bad faith":

(i) circumstances indicating that Respondent has registered or has acquired the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Domain Name registration to Complainant who is the owner of the trademark or service mark or to a competitor of that Complainant, for valuable consideration in excess of its documented out of pocket costs directly related to the Domain Name; or

(ii) Respondent has registered the Domain Name in order to prevent the owner of the trademark or service mark from reflecting the mark in a corresponding Domain Name, provided that Respondent has engaged in a pattern of such conduct; or

(iii) Respondent has registered the Domain Name primarily for the purpose of disrupting the business of a competitor; or

(iv) by using the Domain Name, Respondent has intentionally attempted to attract, for commercial gain, Internet users to Respondent's website or other on line location, by creating a likelihood of confusion with Complainant's mark as to the source, sponsorship, affiliation, or endorsement of Respondent's website or location or of a product or service on Respondent's website or location.

The Panel concludes that Respondent has registered and used the Domain Name in bad faith. As per Complaint, Complainant's IQOS trademark is well known for RRP smoking devices. Furthermore, "iqos" is a fictitious word. Because the IQOS mark had been widely used and registered at the time of the Domain Name registration by Complainant, the Panel finds it more likely than not that Respondent had Complainant's mark in mind when registering the Domain Name (*Tudor Games, Inc. v. Domain Hostmaster, Customer ID No. 09382953107339 dba Whois Privacy Services Pty Ltd / Domain Administrator, Vertical Axis Inc.*, WIPO Case No. [D2014-1754](#); *Parfums Christian Dior v. Javier Garcia Quintas and Christiandior.net*, WIPO Case No. D2000-0226).

As regards bad faith use of the Domain Name, Complainant has demonstrated that the Domain Name was used to resolve to the Website, which prominently displays Complainant's registered trademarks, thereby giving the false impression that it is operated by Complainant, or a company affiliated to Complainant or an authorised dealer of Complainant. The Domain Name is therefore used to intentionally create a likelihood of confusion with Complainant's trademark and business as to the source, sponsorship, affiliation, or endorsement of the website it resolves to. This can be used in support of bad faith registration and use (*Booking.com BV v. Chen Guo Long*, WIPO Case No. [D2017-0311](#); *Ebel International Limited v. Alan Brashear*, WIPO Case No. [D2017-0001](#); *Walgreen Co. v. Muhammad Azeem / Wang Zheng, Nicenic International Group Co., Limited*, WIPO Case No. [D2016-1607](#); *Oculus VR, LLC v. Sean Lin*, WIPO Case No. [DCO2016-0034](#); and [WIPO Overview 3.0](#), section 3.1.4).

The bad faith use of Respondent is further indicated by the fact that the Website creates the false impression that Complainant offers for sale its IQOS products in China, while it is not.

The Panel considers the following factors: (i) the reputation of Complainant's mark, (ii) the failure of Respondent to submit a response, (iii) the fact that the Website is offering competing heated tobacco products and/or accessories and infringing accessories for use with Complainant's IQOS System, of other known and unknown commercial origin, and (iv) the implausibility of any good faith use to which the Domain Name may conceivably be put, given that, as Complainant has demonstrated, the Domain Name resolves to the Website which gives the false impression that it is operated by Complainant or an official retailer of Complainant and that the IQOS Products are offered for sale in China where Complainant does not offer currently offer its IQOS Products.

Under these circumstances and on this record, the Panel finds that Respondent has registered and is using the Domain Name in bad faith.

Complainant has established Policy paragraph 4(a)(iii).

7. Decision

For the foregoing reasons, in accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the Panel orders that the Domain Name <iqoscases.com> be transferred to Complainant.

/Marina Perraki/

Marina Perraki

Sole Panelist

Date: December 5, 2023