

## **ADMINISTRATIVE PANEL DECISION**

Philip Morris Products S.A. v. Shankar khan  
Case No. D2022-0260

### **1. The Parties**

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

The Respondent is Shankar khan, India.

### **2. The Domain Name and Registrar**

The disputed domain name <iqosheetsindubai.com> 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 January 26, 2022. On January 26, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On January 27, 2022, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the disputed domain name which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to the Complainant on January 28, 2022 providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. The Complainant filed an amended Complaint on February 1, 2022.

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 the Respondent of the Complaint, and the proceedings commenced on February 8, 2022. In accordance with the Rules, paragraph 5, the due date for Response was February 28, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent’s default on March 1, 2022.

The Center appointed Luca Barbero as the sole panelist in this matter on March 7, 2022. 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

The Complainant is part of a group of companies affiliated to Philip Morris International Inc. (jointly referred to as "PMI"). PMI is a leading international tobacco and smoke-free products company, with products sold in approximately 180 countries.

In the course of transforming its business from combustible cigarettes to Reduced Risk Products (or "RRPs", which the Complainant 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), PMI has developed a number of RRP products, one of which is a tobacco heating system called IQOS.

IQOS is a precisely controlled heating device into which specially designed tobacco sticks identified with the brand names HEETS, HeatSticks and Terea are inserted and heated to generate a flavorful nicotine-containing aerosol (collectively referred to as the "IQOS System"). There are 5 versions of the IQOS heating devices currently available: the IQOS 2.4/IQOS 2.4+ pocket charger and holder, IQOS 3 pocket charger and holder, IQOS 3 Multi device, IQOS 3 DUO/DUOS and IQOS ILUMA.

The IQOS System was first launched by PMI in Nagoya, Japan in 2014 and has obtained a 20% share of the market in such country. Today, the IQOS System is available in key cities in around 66 markets across the world and is almost exclusively distributed through PMI's official IQOS stores and websites and selected authorized distributors and retailers.

The Complainant is the owner, amongst others, of the following trademark registrations:

- International trademark registration No. 1504347 for IQOS (word mark), registered on January 18, 2018, in classes 9, 12, 14, 16, 18, 21, 25, 34, 35, 37, 41 and 43;

- International trademark registration No. 1218246 for IQOS (word mark), registered on July 10, 2014, in classes 9, 11 and 34;

- United Arab Emirates trademark registration No. 211139 for IQOS (word mark), filed on May 4, 2014 and registered on March 16, 2016, in class 34;

- United Arab Emirates trademark registration No. 211143 for IQOS (figurative mark), filed on May 4, 2014 and registered on March 16, 2016, in international class 34;

- United Arab Emirates trademark registration No. 256864 for HEETS (word mark), filed on July 20, 2016 and registered on December 25, 2017, in class 34,

- United Arab Emirates trademark registration No. 322648 for IQ (word mark), filed on December 18, 2019 and registered on April 27, 2020, in class 34.

The Complainant is also the owner of the domain name <iqos.com>, registered on April 25, 1997 and pointed to a website where the Complainant promotes its IQOS products.

The disputed domain name <iqosheetsindubai.com> was registered on October 16, 2021 and, according to the screenshots submitted as Annex 8 to the Complaint – which have not been challenged by the Respondent - was pointed to a website in English displaying the trademark IQ at the top of the home page and advertising and offering for sale the IQOS System along with competing products, with the indication of prices in United Arab Emirates dirham (AED) currency and of an address located in Dubai. At the time of the drafting of the Decision, the disputed domain name does not resolve to an active website.

## 5. Parties' Contentions

### A. Complainant

The Complainant contends that the disputed domain name <iqosheetsindubai.com> is confusingly similar to the trademarks IQOS and HEETS in which the Complainant has rights as it reproduces the trademarks in their entirety with the mere addition of the non-distinctive word "in", the geographical indication "Dubai" and the generic Top-Level Domain ".com".

With reference to rights or legitimate interests in respect of the disputed domain name, the Complainant states that the Respondent was in no way licensed or otherwise permitted by the Complainant to use any of its trademarks or to register a domain name incorporating the trademarks IQOS or HEETS.

The Complainant further contends that the Respondent is not making a legitimate noncommercial or fair use of the disputed domain name as his behavior shows a clear intent to obtain an unfair commercial gain, with a view to misleadingly divert consumers and tarnish the trademarks owned by the Complainant, since the Respondent is not an authorized distributor or reseller of the IQOS System and is selling competing tobacco products and/or accessories on the website to which the disputed domain name resolves.

The Complainant also highlights that the Respondent's website does not meet the requirements set forth in the leading case *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. [D2001-0903](#) for a *bona fide* offering of goods or services, as the Respondent is offering also tobacco products and accessories of competitors of the Complainant, is prominently using the Complainant's trademark IQ - which appears at the top left corner and on the tab interface of the website -, and has also displayed official product images without authorization whilst falsely claiming rights to the Complainant's copyrighted material and thus giving the impression that the website is in some way endorsed by the Complainant, which it is not.

With reference to the circumstances evidencing bad faith, the Complainant indicates that: i) considering the Respondent began selling IQOS and HEETS products immediately after registering the disputed domain name and that ii) the terms IQOS and HEETS are purely imaginative terms, unique to the Complainant and are in fact not commonly used terms to refer to tobacco products or electronic devices, it is very likely that the Respondent knew about the Complainant and its trademarks at the time of registering the disputed domain name.

The Complainant emphasizes that the Respondent registered and used the disputed domain name with the intention of attracting, for commercial gain, Internet users to his website by creating a likelihood of confusion with the Complainant's registered trademarks IQOS and HEETS as to the source, sponsorship, affiliation or endorsement of his website or location of a product or service on such website or location, which clearly constitutes registration and use in bad faith.

Furthermore, the Complainant highlights that the Respondent is not only using the Complainant's IQOS and HEETS trademarks for the purposes of offering for sale the IQOS System, but also for the purposes of promoting and/or offering for sale third-party products of other commercial origin. The Complainant concludes that such abusive use of the Complainant's IQOS and HEETS trademarks to promote competing products is a clear-cut trademark infringement and constitutes clear evidence of the Respondent's bad faith.

### B. Respondent

The Respondent did not reply to the Complainant's contentions.

## 6. Discussion and Findings

According to paragraph 15(a) of the Rules: “A Panel shall decide a complaint on the basis of the statements and documents submitted and in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable.” Paragraph 4(a) of the Policy directs that the Complainant must prove each of the following:

- (i) that the disputed domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;
- (ii) that the Respondent has no rights or legitimate interests in respect of the disputed domain name; and
- (iii) that the disputed domain name has been registered and is being used in bad faith.

### A. Identical or Confusingly Similar

The Complainant has provided evidence of ownership of numerous trademark registrations for IQOS and HEETS in several countries, as mentioned under Section 4 above.

As highlighted in section 1.7 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (“[WIPO Overview 3.0](#)”), the first element functions primarily as a standing requirement, and the threshold test for confusing similarity typically involves a side-by-side comparison of the domain name and the textual components of the relevant trademark to assess whether the mark is recognizable within the disputed domain name. In addition, as stated in section 1.8 of the [WIPO Overview 3.0](#), where the relevant trademark is recognizable within the disputed domain name, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) would not prevent a finding of confusing similarity under the first element.

In the case at hand, the Complainant’s trademarks IQOS and HEETS are entirely reproduced in the disputed domain name, with the mere addition of the article “in”, the geographical indicator “Dubai” and the generic Top-Level Domain “.com”, which can be disregarded under the first element of confusing similarity test (section 1.11 of the [WIPO Overview 3.0](#)).

Therefore, the Panel finds that the Complainant has proven that the disputed domain name is confusingly similar to trademarks in which the Complainant has established rights according to paragraph 4(a)(i) of the Policy.

### B. Rights or Legitimate Interests

The Complainant must show that the Respondent has no rights or legitimate interests in respect of the disputed domain name. The Respondent may establish a right or legitimate interest in the disputed domain name by demonstrating in accordance with paragraph 4(c) of the Policy any of the following:

- “(i) before any notice to you of the dispute, your 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) you (as an individual, business, or other organization) have been commonly known by the domain name, even if you have acquired no trademark or service mark rights; or
- (iii) you are making a legitimate non-commercial 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.”

In the case at hand, by not submitting a Response, the Respondent has failed to invoke any circumstance that could demonstrate, pursuant to paragraph 4(c) of the Policy, any rights or legitimate interests in the

disputed domain name.

Moreover, it has been repeatedly stated that when a respondent does not avail himself of its right to respond to a complaint, it can be assumed in appropriate circumstances that the respondent has no rights or legitimate interests in the disputed domain name (*Nordstrom, Inc. and NIHC, Inc. v. Inkyu Kim*, WIPO Case No. [D2003-0269](#)).

According to the evidence on record, there is no relationship between the Complainant and the Respondent and the Complainant has not authorized the Respondent to register or use its trademark or the disputed domain name.

Moreover, there is no indication before the Panel that the Respondent, whose name is Shankar Khan according to the Registrar-disclosed Whois information, is commonly known by the disputed domain name.

The Panel also concurs with the Complainant that the Respondent's use of the disputed domain name, as shown in the screenshots submitted as Annex 8 to the Complaint, does not meet the requirements for a reseller or distributor to be making a *bona fide* offering of goods or services under a domain name incorporating a third-party trademark.

According to section 2.8.1 of the [WIPO Overview 3.0](#), "resellers, distributors, or service providers using a domain name containing the complainant's trademark to undertake sales or repairs related to the complainant's goods or services may be making a *bona fide* offering of goods and services and thus have a legitimate interest in such domain name. Outlined in the 'Oki Data test', the following cumulative requirements will be applied in the specific conditions of a UDRP case:

- (i) the respondent must actually be offering the goods or services at issue;
- (ii) the respondent must use the site to sell only the trademarked goods or services;
- (iii) the site must accurately and prominently disclose the registrant's relationship with the trademark holder; and
- (iv) the respondent must not try to 'corner the market' in domain names that reflect the trademark".

In the case at hand, the second and third conditions are not met since the Respondent has used the disputed domain name to advertise and also sell competing tobacco products and accessories and has failed to publish an accurate and prominent disclaimer aimed at informing users about its lack of relationship with the Complainant. Indeed, the Respondent's publication of the Complainant's trademarks and official product images appears designed to reinforce the impression that the website was operated by the Complainant or one of its authorized distributors.

Moreover, since the Respondent's activity on the website to which the disputed domain name resolved was clearly commercial in nature, the Respondent has not made a legitimate noncommercial or fair use of the disputed domain name.

Furthermore, considering the nature of the disputed domain name, confusingly similar with the Complainant's trademarks IQOS and HEETS, the Panel finds that it carries a high risk of implied affiliation. See section 2.5.1 of the [WIPO Overview 3.0](#): "Even where a domain name consists of a trademark plus an additional term (at the second- or top-level), UDRP panels have largely held that such composition cannot constitute fair use if it effectively impersonates or suggests sponsorship or endorsement by the trademark owner".

Therefore, the Panel finds that the Complainant has proven that the Respondent has no rights or legitimate interests in the disputed domain name according to paragraph 4(a)(ii) of the Policy.

### **C. Registered and Used in Bad Faith**

Paragraph 4(a)(iii) of the Policy requires that the Complainant prove that the disputed domain name was registered and is being used by the Respondent in bad faith.

As to the bad faith at the time of the registration, the Panel finds that, in light of the prior registration and use of the Complainant's trademarks IQOS and HEETS in connection with the Complainant's tobacco products in several countries and considering that the Respondent has engaged in the sale of tobacco products on the website to which the disputed domain name resolved, the Respondent was or ought to be aware of the Complainant's trademarks.

The circumstance that the Respondent pointed the disputed domain name to a website displaying the Complainant's trademarks and advertising and offering for sale the Complainant's branded products shows that the Respondent indeed intended to target the Complainant and its trademarks at the time of the registration of the disputed domain name.

The Panel also finds that, by redirecting the disputed domain name to a website featuring the Complainant's trademarks and selling the Complainant's products along with competitors' tobacco products and accessories, the Respondent intentionally attempted to attract Internet users to its website for commercial gain, by creating a likelihood of confusion with the Complainant's trademarks as to the source, sponsorship, affiliation or endorsement of his website according to paragraph 4(b)(iv) of the Policy.

At the time of the drafting of the Decision, the disputed domain name is not pointed to an active website and is thus passively held. As also established in a number of prior cases, the concept of "bad faith use" in paragraph 4(b) of the Policy includes not only positive action but also passive holding; see the landmark case *Telstra Corporation Limited v. Nuclear Marshmallows*, WIPO Case No. [D2000-0003](#).

In the case at hand, in view of i) the distinctiveness of the Complainant's trademarks IQOS and HEETS incorporated in the disputed domain name; ii) the Respondent's registration of a domain name highly confusingly similar to the Complainant's prior trademarks; iii) the absence of rights or legitimate interests of the Respondent in the disputed domain name; iv) the Respondent's failure to respond to the Complaint; and v) the implausibility of any good faith use to which the disputed domain name may be put, the Panel finds that the current passive holding of the disputed domain name by the Respondent does not prevent a finding of bad faith registration and use. See Section 3.3 of [WIPO Overview 3.0](#).

Therefore, the Panel finds that the Complainant has also proven that the Respondent registered and is using the disputed domain name in bad faith according to paragraph 4(a)(iii) of the Policy.

### **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 disputed domain name <iqosheetsindubai.com> be transferred to the Complainant.

*/Luca Barbero/*

**Luca Barbero**

Sole Panelist

Date: March 21, 2022