

ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. Opportunity Lab
Case No. D2022-4971

1. The Parties

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

The Respondent is Opportunity Lab, India.

2. The Domain Name and Registrar

The disputed domain name <iqosheetshub.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 December 23, 2022. On December 23, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On December 28, 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 (Domains By Proxy, LLC) and contact information in the Complaint. The Center sent an email communication to the Complainant on December 29, 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 January 3, 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 the Respondent of the Complaint, and the proceedings commenced on January 5, 2023. In accordance with the Rules, paragraph 5, the due date for Response was February 6, 2023.

On January 12, 2023, the Respondent sent several informal emails one of which asked how he/she could settle the case. On January 13, 2023, the Complainant requested for the proceeding to be suspended for 30 days to explore a settlement option and the proceeding was suspended on January 13, 2023.

On January 25, 2023, the Center notified that the proceeding was reinstated at the Complainant's request on January 25, 2023, and the Response due date was February 6, 2023. The Respondent did not submit any response by the due date, and on February 10, 2023, the Center notified the Parties that the Center will proceed to Panel Appointment.

The Center appointed Zoltán Takács as the sole panelist in this matter on February 16, 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

The Complainant is part of the group of companies affiliated to Philip Morris International Inc. ("PMI"), which is a leading international tobacco and smoke-free products company selling its products in approximately 180 countries of the world.

PMI has developed a number of so-called reduced risk products, which are likely to present, or have the potential to present less risk of harm to smokers who switch to those products instead of continued smoking. One of the PMI's reduced risk products is the tobacco heating system called IQOS, which is comprised of five versions of precisely controlled heating devices into which specially designed "HEETS", "HeatSticks" or "TEREA" branded tobacco sticks are inserted.

Among others the Complainant owns:

- United Arab Emirates ("UAE") Trademark Registration No. 305079 IQOS in special characters format, registered since June 27, 2019 for tobacco and smokers' articles; and
- UAE Trademark Registration No. 256864 HEETS in standard character format, registered since December 25, 2017 for tobacco and smokers' articles.

The disputed domain name was registered on November 8, 2022 and resolves to an online shop allegedly selling the Complainant's IQOS system products, as well as competing third party products of other commercial origin.

5. Parties' Contentions

A. Complainant

The Complainant contends that the disputed domain name, which incorporates its IQOS and HEETS trademarks with addition of the term "hub" is confusingly similar to its trademarks.

The Complainant alleges that the Respondent has no rights or legitimate interests in respect of the disputed domain name, and is unable to rely on any of the circumstances set out in paragraphs 4(c)(i), (ii) or (iii) of the Policy.

The Complainant claims that the Respondent registered the disputed domain name with knowledge of its IQOS and HEETS trademarks and has been using it to divert consumers looking for goods offered by the Complainant to its website without any authorization, which is evidence of bad faith registration and use of the disputed domain name.

The Complainant requests that the disputed domain name <iqosheetshub.com> be transferred from the Respondent to the Complainant.

B. Respondent

On January 12, 2023, the Respondent transmitted the following messages to the Center:

- "What procedure I have to do? What to do next?",
- "What to do for now??", and
- "What I have to do now?? How can I settle this case?"
- "How do I settle this?"

Apart from these messages the Respondent did not reply to the Complainant's contentions.

6. Discussion and Findings

Paragraph 15(a) of the Rules requires that the Panel's decision be made "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".

A complainant must evidence each of the three elements required by paragraph 4(a) of the Policy in order to succeed on the complaint, namely that:

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

A. Identical or Confusingly Similar

Under paragraph 4(a)(i) of the Policy, there are two requirements which the Complainant must establish, first that it has rights in a trademark or service mark, and second that the disputed domain name is identical or confusingly similar to the trademark or service mark.

It has been a consensus view among UDRP panels that if the complainant owns a trademark, then it generally satisfies the threshold requirement of having trademark rights.

The Complainant produced proper evidence of having registered rights in the IQOS and HEETS trademarks and for the purpose of this proceeding, the Panel finds that the UAE Trademark Registrations Nos. 305079 and 256864 satisfy the requirement of having trademark rights for the purpose of the Policy.

Having determined the presence of the Complainant's trademark rights, the Panel next assesses whether the disputed domain name is identical or confusingly similar to the Complainant's trademarks.

According to section 1.7 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)"), the standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the complainant's trademark and the disputed domain name. This test typically involves a side-by-side comparison of the disputed domain name and the textual components of the relevant trademark to assess whether the mark is recognizable within the disputed domain name.

In cases where a domain name incorporates the entirety of a trademark (or in this case trademarks), provided that the dominant feature of the relevant mark is recognizable in the domain name, the domain name will normally be considered confusingly similar to that mark for the purposes of UDRP standing.

According to 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.

According to section 1.11.1 of the [WIPO Overview 3.0](#), the applicable Top-Level Domain (“TLD”) in a domain name (“.com” in the present case) is viewed as a standard registration requirement and as such is generally disregarded under the first element confusingly similar test.

The disputed domain name comprises of the Complainant’s IQOS trademark, which is registered in special characters format, and HEETS trademark, which is registered in standard character format and the term “hub”. The special characters format of the Complainant’s IQOS trademark does not convey any relevant information under the first element of the Policy hence in the Panel’s view it is the word components “iqos” and “heets” that should be considered as the dominant features of the Complainant’s trademarks.

The Respondent has fully incorporated in the disputed domain name the Complainant’s trademarks. The Respondent’s combination and use of the Complainant’s trademarks in the disputed domain name, even though not exactly identical with the respective registered trademarks of the Complainant, causes the disputed domain name to be at least confusingly similar with such trademarks. The Respondent’s addition of the term “hub” in the disputed domain name does not prevent a finding of confusing similarity.

The Panel finds that the disputed domain name is confusingly similar to the Complainant’s trademarks and that requirement of paragraph 4(a)(i) of the Policy is satisfied.

B. Rights or Legitimate Interests

Under paragraph 4(c) of the Policy, a respondent may demonstrate its rights or legitimate interests in a domain name by showing any of the following circumstances, in particular but without limitation:

- (i) its use of, or demonstrable preparation to use the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods or services;
- (ii) it has been commonly known by the domain name;
- (iii) it is making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert customers or to tarnish the trademark or service mark at issue.

In the present case, the Complainant has submitted sufficient and uncontested evidence that it holds well-established rights in the IQOS and HEETS trademarks.

According to section 2.1 of the [WIPO Overview 3.0](#), while the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized that proving a respondent lacks rights or legitimate interests in a domain name may result in the often impossible task of “proving a negative”, requiring information that is often primarily within the knowledge or control of the respondent.

As such, where a complainant makes out a *prima facie* case that the respondent lacks rights or legitimate interests, the burden of production on this element shifts to the respondent to come forward with the relevant evidence demonstrating rights or legitimate interests in the domain name.

The Respondent defaulted and failed to respond, and by doing so failed to offer the Panel any type of evidence set forth in paragraph 4(c) of the Policy, or otherwise counter the Complainant’s *prima facie* case.

The Respondent is not a licensee or distributor of the Complainant. The Respondent is not affiliated with the Complainant in any way. The Complainant has not granted any authorization for the Respondent to make use of its IQOS and HEETS trademarks, in a domain name or otherwise.

The Complainant exhibits downloads of December 22, 2022 from the Respondent's website which show the disputed domain name resolving to a website promoting a web shop allegedly selling and offering the Complainant's IQOS system products (inclusive of the Complainant's HEETS trademark), as well as competing third party products of other commercial origin without any disclosure of the Respondent's relationship with the Complainant, the trademark holder.

Currently, the corresponding website allegedly still offers for sale the Complainant's IQOS system products (including use of the Complainant's HEETS trademark) as well as competing products of third parties of other commercial origin now with inclusion of a disclaimer at the bottom of the site stating that "IQOS Heets Hub have no affiliation with Philip Morris International (PMI)", and that "This is not official website of PMI or IQOS".

Paragraph 4(c)(i) of the Policy provides that for a respondent's use of domain name in connection with the *bona fide* offering of goods and services to be considered legitimate it should have taken place prior to the commencement of the dispute. Lack of any disclaimer on the Respondent's website prior to the notice of the dispute, combined with the prominent use of the Complainant's trademarks is sufficient to cause confusion of Internet users and does not qualify as *bona fide* offering of goods and services.

Furthermore, the Panel notes that even if the Respondent would have accurately and prominently disclosed its relationship with the Complainant prior to the commencement of the dispute, the Respondent's website would still not qualify as fair use under the *OKI Data* test because of the Respondent's offering for sale competing third party products at the website under the disputed domain name (see *OkI Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. [D2001-0903](#) and section 2.8 of the [WIPO Overview 3.0](#)).

The Panel finds that the Respondent has no rights or legitimate interests in the disputed domain name in accordance with paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy lists a number of factors which, if found by the panel to be present, shall be evidence of registration and use of a domain name in bad faith. This non-exclusive list includes:

- (i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or
- (ii) you have 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 you have engaged in a pattern of such conduct; or
- (iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or
- (iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your website or other online location, by creating a likelihood of confusion with the complainant's mark as to the source, sponsorship, affiliation, or endorsement of your website or location or of a product or service on your website or location.

The Respondent clearly knew of the Complainant's business and trademarks as the disputed domain name resolves to a website offering a wide range of the Complainant's IQOS and HEETS branded goods.

The Complainant's trademarks are fanciful and distinctive. It is highly unlikely that the Respondent selected the disputed domain name for any other reason than to trade on the Complainant's reputation, attract consumers aware of the Complainant and its trademarks to its website.

Prior to the Respondent's notification of the dispute the website at the dispute domain name showed no details as to the provider of the website or acknowledged the Complainant as the true owner of the IQOS and HEET trademarks. Thus Internet users might have well been under the impression that the corresponding website was either of the Complainant or created and operated by an official distributor or reseller of the Complainant, neither of which the Respondent is.

As discussed above, after having been notified of the dispute and shortly after failing to reach a settlement with the Complainant the Respondent has placed a disclaimer on its website. Due to the timing and circumstances of such disclaimer (without making any determination as to whether it is clear and sufficiently prominent within the applicability of the *OKI Data* test) the Panel considers it as an admission by the Respondent that Internet users may be confused (see section 3.7 of the [WIPO Overview 3.0](#)).

Also, as discussed in section 3.7 of the [WIPO Overview 3.0](#), for a respondent's disclaimer to be considered in the context of good faith conduct under the *OKI Data* test the respondent would have to have a right or legitimate interest in the disputed domain name, *e.g.*, legitimately provide goods and or services related to the complainant's mark only, which for the reasons discussed above in Section 6.B. is not the case here.

The Respondent is evidently using the disputed domain name to divert Internet users to its website for commercial gain by - beside the Complainant's IQOS and HEETS branded goods - offering for sale a number of competing third party products of other commercial origin, which is indicative of bad faith.

The Panel finds that the Respondent is intentionally attracting for commercial gain, Internet users to its website, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation or endorsement of the website at the disputed domain name within the meaning of paragraph 4(b)(iv) of the Policy.

Accordingly, the Panel finds that paragraph 4(a)(iii) of the Policy is satisfied.

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 <iqosheetshub.com> be transferred to the Complainant.

/Zoltán Takács/

Zoltán Takács

Sole Panelist

Date: March 1, 2023