

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. Mediaexceed.inc aka Media Exceed Co., Ltd. (株式会社メディアエクシード)
Case No. D2022-0476

1. The Parties

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

The Respondent is Mediaexceed.inc aka Media Exceed Co., Ltd. (株式会社メディアエクシード), Japan, represented by Monolith Law Office (モノリス法律事務所), Japan.

2. The Domain Name and Registrar

The disputed domain name <iqos919.com> is registered with GMO Internet, Inc. d/b/a Onamae.com (the "Registrar").

3. Procedural History

The Complaint was filed in English with the WIPO Arbitration and Mediation Center (the "Center") on February 11, 2022. On February 11, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On February 14, 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 February 14, 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 in English on February 15, 2022.

On February 14, 2022, the Center transmitted an email communication to the Parties in English and Japanese regarding the language of the proceeding. On February 15, 2022, the Complainant confirmed its request that English be the language of the proceeding. The Respondent did not comment on the language of the proceeding.

However, the Respondent sent an email communication in English and Japanese on February 15, 2022 in which it appears to have indicated its willingness to settle the dispute. On February 16, 2022, the Complainant sent a request to the Center, in accordance with paragraph 17(a)(i) of the Rules, to suspend

the proceeding to allow the parties to explore a settlement of the matter. On February 16, 2022, the Center confirmed that the administrative proceeding be suspended until March 18, 2022, for purposes of settlement discussions concerning the disputed domain name.

Between February 21, 2022 and March 22, 2022, the Respondent sent a couple of emails indicating that it could not agree with the proposed settlement conditions and sent a counter-offer. On March 22, 2022, the Complainant informed the Center that the Parties had been unable to reach a settlement and requested the Center to reinstitute the proceeding.

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 in English and Japanese of the Complaint, and the proceedings commenced on March 23, 2022. In accordance with the Rules, paragraph 5, the due date for Response was April 12, 2022. The Response mainly in English was filed with the Center on April 12, 2022.

The Center appointed Erica Aoki as the sole panelist in this matter on April 27, 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 a company which is part of the group of companies affiliated to Philip Morris International Inc. (jointly referred to as "PMI"). PMI is an international tobacco and smoke-free products company and is also known for innovating across its brand portfolio. In the course of transforming its business, PMI has developed a number of smoke-free products. One of such products developed and sold by PMI is a tobacco heating system called "IQOS".

For its new innovative smoke-free products the Complainant owns a large portfolio of well-known trademarks. Among them, but by no means limited to, trademark registration in Japan (Registration for IQOS (word) No. 5727311), registered on December 19, 2014, and international trademark registration (Registration for IQOS (device) No. 1329691), registered on August 10, 2016, designating Japan.

The disputed domain name <iqos919.com> was registered on April 19, 2021. The disputed domain name is linked to a website at "www.iqos919.com" which appears to provide information about tobacco products from various brands. More particularly, according to the evidence provided by the Complainant, the website refers to and/or includes hyperlinks which redirects Internet users to third party online shops (e.g., "search.rakuten.co.jp", "www.amazon.co.jp" and www.shopping.yahoo.co.jp), allegedly selling the Complainant's products and competing third-party products of other commercial origin.

5. Parties' Contentions

A. Complainant

The Complainant is a leading international tobacco and smoke-free products company, with products sold in approximately 180 countries. The Complainant's unequalled brand portfolio contains brands like Marlboro (outside of the United States of America and Canada), the world's number one international selling cigarette brand since 1972.

The Complainant developed and is selling a tobacco heating system called "IQOS". IQOS is a precisely controlled heating device into which specially designed tobacco sticks under the brand names Heets, HeatSticks or Terea are inserted and heated to generate a flavorful nicotine-containing aerosol (collectively referred to as the "IQOS System"). There are five versions of the IQOS heating device 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 the Complainant in Nagoya, Japan in 2014 and has obtained an extraordinary 20% share of the market in Japan. Today the IQOS System is available in key cities in around 66 markets across the world. As a result of an investment of over USD 8.1 billion into the science and research of developing smoke-free products and extensive international sales, the IQOS System has achieved considerable international success and reputation, and approximately 19.1 million relevant consumers using the IQOS System worldwide.

For its new innovative smoke-free products the Complainant owns a large portfolio of well-known trademarks.

The disputed domain name is linked to an online shop which refers to and/or includes hyperlinks which redirects Internet users to third party online shops selling and offering competing third-party products of other commercial origin.

The Complainant contends that the disputed domain name is confusingly similar to the Complainant's trademark, that the Respondent has no rights or legitimate interests in respect of the disputed domain name, and that the disputed domain name was registered and is being used in bad faith.

B. Respondent

The Respondent presented its Response on April 12, 2022, mainly in English.

The Respondent contends that it was indeed aware of the IQOS products sold by the Complainant but was not clearly aware of the fact that the Complainant had registered the trademark itself, and that the Respondent has only registered and used the disputed domain name to introduce tobacco related products purely for the purpose of developing the tobacco industry.

The Respondent claims that on its website relating to the disputed domain name, the Respondent merely introduces tobacco related products and does not sell its own products in any way. The Respondent only provides a hyperlink that redirects to an online store. Although the Respondent also introduces the products of the Complainant's competitors, it does not say that "the Complainant's products as inferior to the Competitor's products".

Finally, the Respondent argues that any Internet users visiting the Respondent's website could tell that the website at the disputed domain name is simply a website introducing tobacco related products. The Respondent contends that it has never claimed to be the official website of the Complainant. The Respondent is merely using the privacy protection service to protect its own privacy, and there is no connection between that and bad faith. The Respondent asserts that it "has not taken advantage of the Complainant's ability to attract customers to sell the Respondent's products, nor has the Respondent acted in a manner that would unfairly harm the Complainant".

The Respondent also mentioned in its email communication dated February 21, 2022 that it "added the number 919 to the trademark [...] IQOS, it means that we [they] deliver information on heated cigarettes, including IQOS, to our [their] readers in a timely manner. The Japanese reading of IQOS919 is iqos $9(ku)1(i)9(ku) \Rightarrow kuiku = Quick$ ".

6. Discussion and Findings

The Complainant is required to establish the requirements specified under paragraph 4(a) of the Policy:

- (i) that the disputed domain name is identical or confusingly similar to a trademark or service mark in respect of which the Complainant has rights; and
- (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. Language of the Proceeding

The language of the Registration Agreement for the disputed domain name is Japanese. Paragraph 11(a) of the Rules provides that "unless otherwise agreed by the Parties, or specified otherwise in the Registration Agreement, the language of the administrative proceeding shall be the language of the Registration Agreement, subject to the authority of the Panel to determine otherwise, having regard to the circumstances of the administrative proceeding". The Panel may also order that any documents submitted in a language other than that of the proceeding be translated.

However, as noted by previous UDRP panels, paragraph 11 of the Rules must be applied in accordance with the overriding requirements of paragraphs 10(b) and 10(c) of the Rules that the parties are treated equally, that each party is given a fair opportunity to present its case and that the proceeding takes place with due expedition (see, e.g., General Electric Company v. Edison Electric Corp. General Energy a/k/a Edison GE GEEEEGE.COM a/k/a Edison-GE and Edison Electric Corp., WIPO Case No. D2006-0334).

In deciding whether to allow the proceeding to be conducted in a language other than the language of the Registration Agreement, and to require the Complainant in an appropriate case to translate the Complaint into the language of that Agreement, the Panel must have regard to all "the relevant circumstances" of the case. The factors that the Panel should take into consideration include *inter alia* whether the Respondent is able to understand and effectively communicate in the language in which the Complaint has been made and would suffer no real prejudice, and whether the expenses of requiring translation and the delay in the proceedings can be avoided without causing injustice to the Parties.

According to section 4.5.1 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), prior UDRP panels have found that certain scenarios may warrant proceeding in a language other than that of the registration agreement. Such scenarios include: (i) evidence showing that the respondent can understand the language of the complaint, (ii) the language/script of the domain name particularly where the same as that of the complainant's mark, (iii) any content on the webpage under the disputed domain name, (iv) prior cases involving the respondent in a particular language, (v) prior correspondence between the parties, (vi) potential unfairness or unwarranted delay in ordering the complainant to translate the complaint, (vii) evidence of other respondent-controlled domain names registered, used, or corresponding to a particular language, (viii) in cases involving multiple domain names, the use of a particular language agreement for some (but not all) of the disputed domain names, (ix) currencies accepted on the webpage under the disputed domain name, or (x) other indicia tending to show that it would not be unfair to proceed in a language other than that of the registration agreement.

The Complainant has submitted a request that the language of the proceeding be English. The Complainant contends that in the present case, there is plenty of evidence showing that the Respondent can communicate in English, since the disputed domain name is in Latin script and not in Japanese script indicating that the website provided under the disputed domain name is directed to, at the very least, an English-speaking public. The Complainant also contends that the website under the disputed domain name includes a number of English words or phrases. The Complainant also contends that it is Swiss entity and has no knowledge of Japanese. The Complainant would have to retain specialized translation services in

order to proceed in Japanese, which would impose an extra burden on the Complainant and unnecessarily delay the proceeding.

The Panel notes that the Center notified the Respondent in Japanese and English regarding the language of the proceeding and the Respondent was invited to present its objection to the proceeding being held in English and if the Center did not hear from the Respondent by the specified due date, the Center would proceed on the basis that the Respondent had no objection to the Complainant's request that English be the language of the proceeding. The Respondent had the opportunity to raise objections or make known its preference but did not do so. The Panel further notes that the Center notified the Respondent in Japanese and English of the Complaint, and the Respondent was informed that it could file a response either in Japanese or English.

In the present case, the Respondent sent a couple of emails in both Japanese and English, and filed the Response mainly in English.

Taking all these circumstances into account, the Panel finds that it is appropriate to exercise its discretion and allow the proceeding to be conducted in English.

B. Identical or Confusingly Similar

Based on the facts presented by the Complainant, this Panel finds that the disputed domain name identically adopts the Complainant's IQOS trademarks in which the Complainant has rights under the Policy, paragraph 4(a)(i). The Complainant has established its rights in IQOS through registration and use. The Panel finds that there is no doubt that the disputed domain name is confusingly similar to the Complainant's registered trademark, as the disputed domain name includes the Complainant's mark in full, with only the addition of the term "919" to the IQOS mark, which does not prevent a finding of confusing similarity (see section 1.8 of the WIPO Overview 3.0).

C. Rights or Legitimate Interests

The Panel finds the following on record in this proceeding under the Policy:

Paragraph 4(c)(i) of the Policy indicates that a registrant may have rights or legitimate interests in a domain name if it uses the domain name in connection with a *bona fide* offering of goods or services prior to notice of the dispute. In this regard, the Respondent is in no way connected with the Complainant and has no authorization to use any of the Complainant's trademarks. The disputed domain name is linked to a website which appears to provide information about tobacco products from various brands and includes hyperlinks redirecting Internet users to third party online shops allegedly selling the Complainant's products and competing third party products of other commercial origin. Such use does not constitute a *bona fide* offering of good or services nor a legitimate noncommercial or fair use, without intent for commercial gain to misleadingly divert consumers or to tarnish the Complainant's trademark under paragraph 4(c)(iii) of the Policy.

The Registrar has confirmed that the Respondent's name is Mediaexceed.inc. In the Response, the Respondent identified itself as 株式会社メディアエクシード (Media Exceed Co., Ltd.). Therefore, there is no evidence on record that the Respondent is or was commonly known by the disputed domain name as an individual, business, or other organization.

The Panel therefore finds that the Complainant has established a *prima facie* case that the Respondent has no rights or legitimate interests in the disputed domain name, under the Policy, paragraph 4(a)(ii). Accordingly, the burden of production shifts to the Respondent to come forward with relevant evidence demonstrating its rights or legitimate interests in the disputed domain name.

The Respondent claims that on its website relating to the disputed domain name, the Respondent merely introduces tobacco related products and does not sell its own products in any way. The Respondent argues that it "merely provides a hyperlink that redirects to the online store". On record, the Respondent has no trademark rights in IQOS nor IQOS919. However, the Respondent chose to register a domain name incorporating the Complainant's trademark, and to use it for a website providing information for tobacco products from various brands, and, according to the evidence provided by the Complaint, including several hyperlinks redirecting Internet users to third party websites that allegedly sell the Complainant's products as well se the products of the Complainant's competitors. The Panel finds that such use does not constitute a bona fide offering of good or services nor a legitimate noncommercial or fair use.

The Respondent also asserts that its choice of "919" in the disputed domain name due to the fact that "919" in Japanese has a meaning of "quick" so that the disputed domain name may imply that the Respondent delivers information on heated cigarettes including IQOS to Internet users in a timely manner. Accordingly, the Panel finds that the nature of the disputed domain name carries a risk of implied affiliation with the Complainant as Internet users may think that the disputed domain name, composed of the Complainant's trademark plus "919" belongs to or associated with the Complainant (see section 2.5.1 of the WIPO Overview 3.0).

Accordingly, the Panel finds that the requirements under the second element have been met.

D. Registered and Used in Bad Faith

The Complainant contends that the Respondent has registered and is using the disputed domain name in bad faith under paragraph 4(b)(iv) of the Policy and that the Respondent has used the disputed domain name intentionally to attempt to attract, for commercial gain, Internet users to the Respondent's 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 the Respondent's site or of a product or service offered on the Respondent's site.

The Complainant's trademark was registered before the registration of the disputed domain name and it is confirmed by the Respondent that the Respondent was aware of the Complainant's IQOS products when registering the disputed domain name.

The Respondent asserts that it was not clearly aware of the fact that the Complainant had registered trademark rights in IQOS. The Panel notes that the Complainant's IQOS System was first launched in Japan in 2014 and appears to be widely known in Japan, where the Respondent is located, and the Respondent provides information about tobacco products from various brands on the website at the disputed domain name. The Respondent provides no explanation of its choice to include the Complainant's IQOS trademark in the disputed domain name.

Therefore, the Panel finds that it is more likely than not that the Respondent was aware of the Complainant's rights in the IQOS trademark at the time the disputed domain name was registered, and the Respondent chose to register the disputed domain name with an intention to mislead Internet users into believing that the disputed domain name is somehow associated with the Complainant. Accordingly, such registration was made in bad faith.

The disputed domain name is linked to a website providing information for tobacco products from various brands and including hyperlinks redirecting Internet users to third party online shops allegedly selling the Complainant's products as well as third party competing tobacco products (and other products) of other commercial origin. Based on that evidence, the Panel finds that the Respondent has intentionally attempted to attract, for commercial gain, Internet users to the Respondent's website or other online locations, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's website or other online locations or products on other online locations, and this constitutes evidence of bad faith under the Policy, paragraph 4(b)(iv). The Respondent's use of the disputed domain name also disrupts the Complainant's business.

Moreover, panels have consistently found that the mere registration of a domain name that is identical or confusingly similar (particularly domain names incorporating the mark plus a descriptive term) to a famous or widely-known trademark by an unaffiliated entity can by itself create a presumption of bad faith (see section 3.1.4 of the WIPO Overview 3.0).

Accordingly, and as also supported by the Panel's findings above under the second element of the Policy, the Panel finds that the Respondent has registered and is using the disputed domain name in bad faith under the 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 disputed domain name <iqos919.com> be transferred to the Complainant.

/Erica Aoki/ Erica Aoki Sole Panelist

Date: May 11, 2022