

ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. Shishir Ahmed Case No. D2022-1011

1. The Parties

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

The Respondent is Shishir Ahmed, Bangladesh.

2. The Domain Name and Registrar

The disputed domain name <vapeheetsuae.net> ("Domain Name") is registered with Cosmotown, Inc. (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on March 24, 2022. On March 24, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Name. On April 8, 2022, 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 and contact information in the Complaint. The Center sent an email communication to the Complainant on April 8, 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 April 8, 2022.

The Center verified that the Complaint together with 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").

On April 8, 2022, the Center received an email communication from the Respondent, and the Center sent an email regarding possible settlement to the Parties on the same day. On April 12, 2022, the Complainant requested suspension of the proceeding by email in order to explore settlement options with the Respondent. The Center sent Notification of Suspension to the Parties, and the proceeding was suspended as of April 12, 2022. On April 22, 2022, the Complainant informed the Center that the settlement was not possible, and requested reinstitution of the proceeding. On April 25, 2022, the Center notified the Parties the proceeding was reinstituted as of April 25, 2022.

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified the Respondent of the Complaint, and the proceedings commenced on April 27, 2022. In accordance with the Rules, paragraph 5, the due date for Response was May 17, 2022. The Respondent did not submit a formal Response. Accordingly, the Center notified commencement of panel appointment process on May 18, 2022.

The Center appointed Nicholas Smith as the sole panelist in this matter on June 8, 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 and its related entities are a corporate group focused on the sale of tobacco products. The Complainant group has sales in 180 countries and sells a number of leading tobacco brands such as MARLBORO. One of the Complainant group's products is IQOS which is a heating device into which tobacco products (including products sold by the Complainant group under the brand name HEETS) are inserted to generate a nicotine-containing aerosol. The IQOS system was first launched in Japan in 2014 and is available in 66 markets across the world with 19 million consumers. The IQOS system is almost exclusively distributed through the Complainant group's official stores and selected authorised distributors and retailers.

The Complainant is the owner of trademark registrations for the word HEETS (the "HEETS Mark") including a United Arab Emirates registration registered on December 25, 2017 (No. 256864). The Complainant also owns trademark registrations for the word IQOS (the "IQOS Mark") including a United Arab Emirates registration registered on March 16, 2016 (No. 211139).

The Domain Name <vapeheetsuae.net> was registered on February 12, 2022 by the Respondent. The Domain Name is presently inactive but prior to the commencement of the proceeding resolved to a website ("the Respondent's Website") that reproduced the HEETS and IQOS Marks and various product images and marketing materials in which the Complainant holds copyright. The Respondent's Website purported to offer the Complainant's IQOS and HEETS products in United Arab Emirates, notwithstanding that it is not an official store or authorised distributor of the Complainant. The Respondent's website did not contain any details as to the identity of the Respondent, nor did it clearly disclaim any association with the Complainant. It also offered third party competing products.

5. Parties' Contentions

A. Complainant

The Complainant makes the following contentions:

- (i) that the Domain Name is identical or confusingly similar to the Complainant's HEETS Mark;
- (ii) that the Respondent has no rights nor any legitimate interests in respect of the Domain Name; and
- (iii) that the Domain Name has been registered and is being used in bad faith.

The Complainant is the owner of the HEETS Mark, having registered the HEETS Mark in numerous jurisdictions, including in the United Arab Emirates. The Domain Name reproduces the HEETS Mark along with the descriptive term "vape" and the geographical abbreviation "uae" which does not distinguish the Domain Name from the HEETS Mark.

There are no rights or legitimate interests held by the Respondent in respect of the Domain Name. The Respondent is not commonly known as the Domain Name nor does the Respondent have any authorization from the Complainant to register the Domain Name. The Respondent is not making a legitimate noncommercial or fair use of the Domain Name. Rather the Respondent is using the Domain Name to create a website that purports to sell the Complainant's products and reproduces the Complainant's marks and copyrighted photos and promotional material, such use not being *bona fide*.

The Domain Name was registered and is being used in bad faith. By using the Domain Name for a website that reproduces the Complainant's copyrighted photos and purports to represent the Complainant, the Respondent is clearly aware of the HEETS and IOQS Marks and is using the Domain Name to deceive consumers as to its affiliation with the Complainant. Such conduct amounts to registration and use of the Domain Name in bad faith.

B. Respondent

The Respondent did not formally reply to the Complainant's contentions. Rather its only communication to the Center was in respect of settlement however the Parties were unable to reach a settlement prior to this decision being issued.

6. Discussion and Findings

A. Identical or Confusingly Similar

To prove this element the Complainant must have trade or service mark rights and the Domain Name must be identical or confusingly similar to the Complainant's trade or service mark.

The Complainant is the owner of the HEETS Mark, having registrations for HEETS as a trademark in the United Arab Emirates.

The Domain Name incorporates the HEETS Mark with the addition of the geographical abbreviation "uae" (an abbreviation for the United Arab Emirates), the descriptive term "vape" and the generic Top-Level Domain ("gTLD") ".com". Other UDRP panels have repeatedly held that where the relevant trademark is recognizable within the disputed domain name, the addition of other terms does not prevent a finding of confusing similarity under the first element; see section 1.8 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("<u>WIPO Overview 3.0</u>").

The Panel finds that the Domain Name is confusingly similar to the Complainant's HEETS Mark. Consequently, the requirement of paragraph 4(a)(i) of the Policy is satisfied.

B. Rights or Legitimate Interests

In general, to succeed on this element, a complainant must make out a *prima facie* case that the respondent lacks rights or legitimate interests in the domain names. If such a *prima facie* case is made out, then the burden of production shifts to the respondent to demonstrate rights or legitimate interests in the domain names.

Paragraph 4(c) of the Policy enumerates several ways in which a respondent may demonstrate rights or legitimate interests in a domain name:

"Any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate your rights or legitimate interests to the domain name for purposes of paragraph 4(a)(ii):

(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 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 Respondent is not affiliated with the Complainant in any way. It has not been authorized by the Complainant to register or use the Domain Name or to seek the registration of any domain name incorporating the HEETS Mark or a mark similar to the HEETS Mark. There is no evidence that the Respondent is commonly known by the Domain Name or any similar name. There is no evidence that the Respondent has used or made demonstrable preparations to use the Domain Name in connection with a legitimate noncommercial use.

The Respondent has used the Domain Name to operate a website to sell products that purport to be legitimate IQOS and HEETS products (as well as third party products). If the products sold on the Respondent's Website are not genuine products produced by the Complainant's group, the Respondent's use of the Domain Name does not grant it rights or legitimate interests since it is using the Complainant's HEETS Mark for a site selling counterfeit products (see <u>WIPO Overview 3.0</u>, section 2.13.1).

Even if the Respondent is offering genuine IQOS and HEETS products from the Respondent's Website, such use does not automatically grant it rights or legitimate interests. The principles that govern whether a reseller of genuine goods has rights or legitimate interests have been set out in a variety of UDRP decisions, starting with the case of *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u>.

The <u>WIPO Overview 3.0</u>, section 2.8 summarizes the consensus views of UDRP panels in assessing claims of nominative (fair) use by resellers or distributors in the following manner:

"... Panels have recognized that 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.

The 'Oki Data test' does not apply where any prior agreement, express or otherwise, between the parties expressly prohibits (or allows) the registration or use of domain names incorporating the complainant's trademark."

In this case, the Respondent's Website does not accurately or prominently disclose the Respondent's relationship with the Complainant, in particular that it is not an authorized dealer or has any particular connection with the Complainant. Rather, its prominent display of the HEETS and IQOS Marks, its reproduction of the Complainant's official product images without the Complainant's authorization, and the absence of a disclaimer or any explanation as to the identity of the operator of the Respondent's Website results in the impression that the Respondent's Website is an official website of the Complainant in the United Arab Emirates. Furthermore, the Respondent's Website offers third party products. Even in the event that the Respondent is reselling genuine IQOS and HEETS products, its use of the Domain Name for

the Respondent's Website does not grant it rights or legitimate interests in the Domain Name. In addition, the Panel notes the nature of the Domain Name which carries a risk of implied affiliation, see section 2.5.1 of the <u>WIPO Overview 3.0</u>.

The Complainant has established a *prima facie* case that the Respondent lacks rights or legitimate interests in the Domain Name. The Respondent has had the opportunity to put on evidence of its rights or legitimate interests, including submissions as to why its conduct amounts to a right or legitimate interest in the Domain Name under the Policy. In the absence of such a response the Panel finds that the Respondent has no rights or legitimate interests in respect of the Domain Name under paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

For the purposes of paragraph 4(a)(iii), the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith:

(i) circumstances indicating that the respondent has registered or has 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 the complainant, for valuable consideration in excess of its documented out-of-pocket costs directly related to the domain name; or

(ii) the 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 the respondent has engaged in a pattern of such conduct; or

(iii) the respondent has registered the domain name primarily for the purpose of disrupting the business of a competitor; or

(iv) by using the domain name, the respondent has intentionally attempted to attract, for commercial gain, Internet users to its 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 website or location or of a product or service on the respondent's website or location (Policy, paragraph 4(b)).

The Panel finds that the Respondent was aware of the Complainant and its reputation in the HEETS Mark at the time the Domain Name was registered. The Respondent's Website contains numerous references to the Complainant, including offering the Complainant group's products for sale and reproducing photos from the Complainant's website. The registration of the Domain Name in awareness of the HEETS Mark and in the absence of rights or legitimate interests amounts under these circumstances to registration in bad faith.

The Respondent registered the Domain Name for the purposes of operating a website specifically to sell either the Complainant's products or counterfeit products that compete with the Complainant's products (and third-party competing products). The Respondent is using a Domain Name that is confusingly similar to the HEETS Mark to sell products, being genuine or otherwise, in competition with the Complainant and without the Complainant's approval and without meeting the Oki Data test. An individual viewing the Domain Name may be confused into thinking that the Domain Name refers to a site in some way connected to the Complainant. Consequently, the Panel finds that the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the Complainant and the Complainant's HEETS Mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's Website.

Accordingly, the Panel finds that the Respondent has registered and used the Domain Name in bad faith under 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 Domain Name <vapeheetsuae.net> be transferred to the Complainant.

/Nicholas Smith/ Nicholas Smith Sole Panelist Date: June 21, 2022