

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. Rohan Mubbashir Khan Case No. D2022-1160

1. The Parties

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

The Respondent is Rohan Mubbashir Khan, Turkey.

2. The Domain Name and Registrar

The disputed domain name <igsepeti.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 April 4, 2022. On April 4, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On April 5, 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 April 6, 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 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 April 8, 2022. In accordance with the Rules, paragraph 5, the due date for Response was April 28, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on April 29, 2022.

The Center appointed Luca Barbero as the sole panelist in this matter on May 5, 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 five 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. 1218246 for IQOS (word mark), registered on July 10, 2014, in classes 9, 11 and 34;
- International trademark registration No.1338099 for IQOS (figurative mark), registered on November 22, 2016, in international class 35;
- International trademark registration No.1329691 for IQOS (figurative mark), registered on August 10, 2016, in international classes 9, 11 and 34;
- International trademark registration No. 1326410 for HEETS (word mark), registered on July 19, 2016, in international classes 9, 11 and 34;
- International trademark registration No. 1328679 for HEETS (figurative mark), registered on July 20, 2016, in international classes 9, 11 and 34;
- International trademark registration No. 1347235 for Q (figurative mark), registered on January 24, 2017, in international classes 9, 11, 34, 35 and 42;

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

The disputed domain name <iqsepeti.com> was registered on September 2, 2021, and is pointed to a website in Turkish promoting and offering for sale the Complainant's IQOS System and competing products.

5. Parties' Contentions

A. Complainant

The Complainant contends that the disputed domain name is confusingly similar to the trademark IQOS in which the Complainant has rights as it includes a misspelling of the Complainant's trademark IQOS with the

mere addition of the Turkish non-distinctive and descriptive term "sepeti (informally translated as "cart") 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 it has not licensed or otherwise permitted the Respondent to use any of its trademarks or to register a domain name incorporating its trademark IQOS.

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

The Complainant also refers to the leading case *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. D2001-0903, in which it was held that the use of a domain name cannot be "fair" if it suggests an affiliation with the trademark owner, and states that, in the present case, the use of the disputed domain name suggests at least an affiliation with the Complainant and its trademark IQOS, in light of the use of the Complainant's figurative trademarks or variations thereof on the correspondent website, where also the Complainant's official product images are displayed.

Moreover, the Complainant contends that the fact that the Respondent is not only offering the Complainant's products but also competing heated tobacco products and/or accessories of other known and unknown commercial origin is, in itself, sufficient to exclude a legitimate interest in the form of a *bona fide* offering of goods.

Lastly, the Complainant highlights that it does not currently offer for sale its IQOS System in the territory of Turkey, though the on-line shop provided under the disputed domain name creates the false impression that the Complainant has officially introduced the IQOS System into the Turkish market.

With reference to the circumstances evidencing bad faith, the Complainant indicates that the Respondent knew of the Complainant and its trademark IQOS when registering the disputed domain name, since it started offering the Complainant's IQOS System immediately after registering the disputed domain name.

The Complainant emphasizes that IQOS is purely an imaginative term and unique to the Complainant and it is not commonly used to refer to tobacco products or electronic devices and argues that it is unlikely that the Respondent should have chosen the disputed domain name, without the intention of invoking a misleading association with the Complainant.

Moreover, the Complainant states that the Respondent used the disputed domain name to attract, for commercial gain, Internet users to the website by creating a likelihood of confusion with the Complainant's registered trademark IQOS as to the source, sponsorship, affiliation, or endorsement of its website or of a product on its website.

The Complainant also submits that the Respondent's purported recent involvement in the bad faith registration and use of the domain name <heetsepeti.com> (as highlighted in *Philip Morris Products S.A. v. Rohan mubbashir Khan*, WIPO Case No. D2021-1314) shows a pattern of bad faith conduct in connection with domain names incorporating the Complainant's trademarks.

The Complainant further states that the Respondent's use of a privacy protection service to hide its identity in the public Whols records constitutes a factor indicating 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 Panel finds that the Complainant has established rights over the trademark IQOS based on the trademark registrations cited under section 4 above and the related trademark certificates submitted as annex 6 to the Complaint.

It is well accepted that the first element functions primarily as a standing requirement, and that the threshold test for confusing similarity involves a reasoned but relatively straightforward comparison between a complainant's trademark and the disputed domain name to assess whether the trademark is recognizable within the disputed domain name (section 1.7 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0")).

In the case at hand, the Panel finds that the Complainant's trademark IQOS is recognizable within the disputed domain name, as it reproduces the trademark with the mere deletion of the letter "o". Moreover, as indicated in section 1.9 of the WIPO Overview, a domain name which consists of a common misspelling of a trademark is considered to be confusingly similar to the relevant mark for purposes of the first element.

As to the addition of the term "sepeti ("basket" in Turkish), as stated in section 1.8 of the <u>WIPO Overview 3.0</u>, where the relevant trademark is recognizable within the disputed domain name, the addition of other terms does not prevent a finding of confusing similarity. Moreover, the generic Top Level Domain ".com" can be disregarded under the first element of confusing similarity test (section 1.11 of the <u>WIPO Overview 3.0</u>).

Therefore, the Panel finds that the Complainant has proven that the disputed domain name is confusingly similar to a trademark 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 Rohan Mubbashir Khan according to the Registrar-disclosed Whols 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.

Indeed, according to section 2.8.1 of the <u>WIPO Overview 3.0</u>, "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, at least the second and third conditions are not met since the Respondent has used the disputed domain name to advertise and sell also smoking products and accessories competing with the ones of the Complainant and has failed to publish an accurate and prominent disclaimer on its website aimed at informing users about its lack of relationship with the Complainant. Indeed, the Respondent's publication of an altered version of the Complainant's figurative trademarks and of the Complainant's official product images, appears designed to reinforce the impression that the website is 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 resolves is clearly commercial in nature, the Respondent has not made a legitimate noncommercial or fair use of the disputed domain name.

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 trademark IQOS in connection with the Complainant's IQOS System in several countries and considering that the Respondent has engaged in the sale of purported IQOS products on the website to which the disputed domain name resolves, the Respondent was very likely aware of the Complainant and its trademarks at the time of registration.

In light of the redirection of the disputed domain name to a website displaying an altered version of the Complainant's figurative trademark and the Complainant's product images, and advertising and offering for sale the Complainant's branded products along with competing products, the Panel finds that the Respondent indeed intended to target the Complainant and its trademarks at the time of the registration of the disputed domain name and that, in doing so, 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 its website according to paragraph 4(b)(iv) of the Policy.

The Panel also finds that the Respondent's failure to file a Response to the Complaint and the circumstance that it was also involved in a prior WIPO UDRP proceeding concerning a domain name incorporating the Complainant's trademark, *i.e. Philip Morris Products S.A. v. Rohan mubbashir Khan,* WIPO Case No. D2021-1314 (<heetsepeti.com>) are additional circumstances evidencing the Respondent's bad faith.

Therefore, the Panel finds that the Complainant has also proven that the Respondent registered and has been 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 <igsepeti.com> be transferred to the Complainant.

/Luca Barbero/ Luca Barbero Sole Panelist Date: May 20, 2022