

ARBITRATION AND MEDIATION CENTER

## ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. parivate private Case No. D2022-2859

#### 1. The Parties

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

The Respondent is parivate private, Denmark.

## 2. The Domain Name and Registrar

The disputed domain name <heetsmarket.com> is registered with CSL Computer Service Langenbach GmbH dba Joker.com (the "Registrar").

## 3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on August 3, 2022. On August 3, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On August 4, 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 August 10, 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 August 12, 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 August 22, 2022. In accordance with the Rules, paragraph 5, the due date for Response was September 11, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on September 13, 2022.

The Center appointed Gareth Dickson as the sole panelist in this matter on September 26, 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 subsidiary of Philip Morris International, Inc. ("PMI"), which is an international tobacco and smoke-free products company based in Switzerland. The Complainant's products are sold in approximately 180 countries.

Since 2014, PMI has sold a smoke-free, controlled heating device system called IQOS, into which are inserted and heated tobacco sticks made available under the marks HEETS, HEATSTICKS, or TEREA. The IQOS System is available in 71 markets across the world with approximately 19.1 million consumers. It is almost exclusively distributed through PMI's official IQOS stores and websites as well as selected authorized distributors and retailers.

The Complainant owns trade mark registrations for HEETS (the "Mark") around the world, including:

- International trade mark registration number 1326410 for HEETS (word), registered on July 19, 2016; and
- International trade mark registration number 1328679 for HEETS (word/device), registered on July 20, 2016.

The disputed domain name <heetsmarket.com> was registered on June 17, 2022. According, to the Complainant, as at the date of the Complaint the disputed domain name directed Internet users to a webpage featuring an online shop which offer the Complainant's IQOS products under the Mark (the "Website"). The Website is provided in Persian and lists prices in toman, the currency of Islamic Republic of Iran.

#### 5. Parties' Contentions

## A. Complainant

The Complainant argues that it has rights in the Mark by virtue of its ownership of various trade mark registrations for the Mark around the world. It contends that the disputed domain name is confusingly similar to the Mark since it incorporates the Mark (which is recognisable within the disputed domain name) with the addition of the descriptive term "market", under the generic Top-Level Domain ("gTLD") ".com".

The Complainant confirms that the disputed domain name was registered by the Respondent without its permission and that the Respondent is not a licensee of the Complainant. It alleges that the Respondent has been using the disputed domain name to give the false impression that the Website is commercially linked to the Complainant, in order to divert and/or attract customers to the Website, for commercial gain, by creating a likelihood of confusion with the Mark.

In addition, the Claimant contends the Website is marketed towards consumers in Islamic Republic of Iran since it is provided in Persian, lists prices in Iranian toman, uses an address on the Website which is in Islamic Republic of Iran, and gives visitors the option when checking out to ship products to the territory of informal translation "Iran"). The Complainant argues that this represents to Internet users that the Complainant has officially introduced the IQOS System to the Iranian market, but asserts that it does not currently sell the IQOS products in Islamic Republic of Iran and therefore has no authorized distributors or retailers for that market. The Complainant therefore asserts that the Respondent is misrepresenting itself as an official online retailer for the Complainant's IQOS System in Islamic Republic of Iran, including by use of other trade marks belonging to the complainant, including its IQOS logo. The Complainant notes that the Respondent also claims copyright in the material presented on the Website, which it says strengthens the false impression of an affiliation with the Complainant.

The Complainant submits that there is no evidence to suggest that the Respondent: has been commonly known by the disputed domain name; is making, or intends to make, a legitimate noncommercial or fair use of it (the services offered on the Respondent's website, accessible via the disputed domain name, having

been commercial in nature); or has ever used or demonstrated preparations to use it in connection with a *bona fide* offering of goods or services.

The Complainant alleges that given the substantial reputation and distinctiveness of the Mark, combined with the Respondent's use of the Mark in the disputed domain name and on the Website to advertise and sell products similar to those sold by the Complainant under the Mark, the Respondent must have known of the Complainant and the Mark when it registered the disputed domain name and therefore registered it and is using it in bad faith.

Finally, the Complainant argues that the Respondent's own use of the disputed domain name (and of the Complainant's official product images) without the Complainant's authorisation to offer the Complainant's products for sale further confirms that the Respondent knew of the Mark and the Complainant's interest in it when it registered the disputed domain name and that it registered it in bad faith. Further, the Complainant contends that the Respondent is likely the same person, or is likely connected to the same person, who was the respondent to a previous UDRP complaint filed by the Complainant in relation to the bad faith registration and use of the domain name <iqosmarket.com>, which not only also involved a domain name comprising a trade mark owned by the Complainant together with the addition of "market", under the ".com" gTLD, but directed Internet users to a virtually identical website (see *Philip Morris Products S.A. v. naeem naeem*, WIPO Case No. D2022-1012).

The Complainant notes too that the Respondent has used a privacy service to conceal its identity for as long as possible.

Together, the Complainant submits that the Respondent registered and is using the disputed domain name in bad faith.

#### **B.** Respondent

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

### 6. Discussion and Findings

Under paragraph 4(a) of the Policy, the Complainant bears the burden of proving that:

- a) the disputed domain name is identical or confusingly similar to a trade mark or service mark in which the Complainant has rights;
- b) the Respondent has no rights or legitimate interests in respect of the disputed domain name; and
- c) the disputed domain name has been registered and is being used in bad faith.

These criteria are cumulative. The failure of the Complainant to prove any one of these elements means the Complaint must be denied.

# A. Identical or Confusingly Similar

The Panel accepts that the Complainant is the owner of, and therefore has rights in, the Mark.

Section 1.7 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition, ("WIPO Overview 3.0") provides that: "[I]n cases where a domain name incorporates the entirety of a trademark, or where at least a 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 purposes of UDRP standing."

Section 1.8 of the <u>WIPO Overview 3.0</u> further provides that: "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."

The Panel therefore finds that the disputed domain name is confusingly similar to the Mark since the Mark is recognisable within the disputed domain name. The use of the gTLD ".com" does not prevent a finding of confusing similarity, nor does the addition of the term "market".

Accordingly, the Panel finds that the disputed domain name is confusingly similar to a trade mark in which the Complainant has rights.

## **B. Rights or Legitimate Interests**

Although a complainant is required to demonstrate that a respondent has no rights or legitimate interests in respect of the domain name, as explained in section 2.1 of the <u>WIPO Overview 3.0</u>, the consensus view of previous UDRP panels is that where a complainant establishes 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 relevant evidence demonstrating rights or legitimate interests in the domain name. If the respondent fails to come forward with such relevant evidence, the complainant is deemed to have satisfied the second element.

The use of a third party's trade mark to offer genuine goods or services can in some circumstances be evidence of a *bona fide* offering of goods and services and thus constitute a legitimate interest in a domain name (also see section 2.8.1 of the <u>WIPO Overview 3.0</u>). For the purposes of the Policy, those circumstances have been set out in *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. <u>D2001-0903</u> ("*Oki Data*"), which sets out four requirements which must all be met for the use to be considered legitimate.

These requirements may be stated briefly as follows:

- the Respondent must actually be offering the goods or services at issue;
- the Respondent must use the site to sell only the trade marked goods;
- the site must accurately disclose the registrant's relationship with the trade mark owner; and
- the Respondent must not try to corner the market in all domain names, thus depriving the trade mark owner of reflecting its own mark in a domain name.

Even assuming that the goods offered by the Respondent via the disputed domain name are genuine goods first put on the market by the Complainant or with its consent, the Respondent cannot benefit from *Oki Data* since the Respondent has not accurately disclosed the lack of any relationship between it and the Complainant, notwithstanding that a commercial relationship will be inferred in light of the Respondent's use of the Mark in the disputed domain name, of the HEETS and IQOS marks on the Website, and of copyright-protected artistic works on the Website. The Respondent is therefore using the Complainant's intellectual property in a manner that has the effect of impersonating the Complainant or falsely suggesting an affiliation with the Complainant.

Such use of the Complainant's Mark does not amount to a *bona fide* offering of goods and services, nor is it a legitimate noncommercial or fair use of the disputed domain name.

In the current proceeding, the Complainant has established its *prima facie* case. The evidence before the Panel is that the Mark is distinctive, which makes a coincidental adoption by the Respondent highly unlikely, and that the Complainant has not given the Respondent permission to use the Mark, in a domain name or otherwise, and that the Respondent has not been commonly known by the disputed domain name.

There is no evidence that the Respondent has acquired any common law rights to use the Mark, is commonly known by the Mark or has chosen to use the Mark in the disputed domain name in any descriptive manner or is making any use of the disputed domain name that would establish rights or legitimate interests

as a result of a noncommercial or fair use of it.

By not participating in these proceedings, the Respondent has failed to refute the Complainant's *prima facie* case that it has met its burden under the second UDRP element.

As clearly stated in section 2.1 of the <u>WIPO Overview 3.0</u>, "a panel's assessment will normally be made on the basis of the evidence presented in the complaint and any filed response. The panel may draw inferences from the absence of a response as it considers appropriate, but will weigh all available evidence irrespective of whether a response is filed". Having reviewed and weighed the available evidence, the Panel finds that the Respondent has no rights or legitimate interests in respect of the disputed domain name.

## C. Registered and Used in Bad Faith

The Panel notes that the disputed domain name was registered several years after the Mark was registered and accepts that the disputed domain name was chosen by reference to the Mark. The content of the Website puts that conclusion beyond any doubt.

As a result, the Panel must conclude that the Respondent knew of the Complainant's rights in the Mark when it registered the disputed domain name and finds that the Respondent's registration of the disputed domain name was in bad faith since it attempted to appropriate for the Respondent, without the consent or authorisation of the Complainant, commercial benefit from association with the Complainant's Mark.

The disputed domain name is also being used in bad faith.

It is being used for a commercial purpose that involves using the Mark to direct Internet users (in particular those seeking the Complainant) to the sale of goods under the Mark in a territory where the Complainant is not yet active, whilst misrepresenting that there is a connection to the Complainant.

The Respondent has not sought to justify its registration and use of the disputed domain name, has attempted to conceal its identity, and has not participated in these proceedings. There is therefore no basis for the Panel to conclude that the Respondent's use of the disputed domain name is justified.

Furthermore, while the existence of earlier UDRP proceedings involving similar (or identical) websites might be a relevant factor, the Panel is not able in this Complaint, on the basis of the submissions made to it, to confirm that the respondent in earlier cited UDRP decisions is necessarily the same as the Respondent in this proceeding, but in any event this potential connection is not necessary in order to find bad faith in the present circumstances alone.

Therefore, and on the basis of the information available to it, the Panel finds that the Respondent's use of the disputed domain name is without justification and is inconsistent with the Complainant's exclusive rights in the Mark. Consideration of these and other factors militates in favour of a finding of bad faith.

The Panel finds that the Respondent has registered and is using the disputed domain name in bad faith.

# 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 <heetsmarket.com> be transferred to the Complainant.

/Gareth Dickson/ Gareth Dickson Sole Panelist

Date: October 13, 2022