

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. Domains By Proxy, LLC / Cihan Bayrak, Elit Case No. D2022-0235

1. The Parties

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

The Respondent is Domains By Proxy, LLC, United States of America ("United States") / Cihan Bayrak, Elit, Turkey.

2. The Domain Name and Registrar

The disputed domain name <elitiqos.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 January 25, 2022. On January 25, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On January 26, 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 January 27, 2022, providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complainant. The Complainant filed an amended Complaint on January 28, 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 February 3, 2022. In accordance with the Rules, paragraph 5, the due date for Response was February 23, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on February 24, 2022.

The Center appointed Tobias Malte Müller as the sole panelist in this matter on March 4, 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 Philip Morris Products S.A. is a company which is part of the group of companies affiliated to Philip Morris International Inc. and a tobacco and smoke-free products company. The Philip Morris Group also sells reduced risk products such as a tobacco heating system called IQOS. IQOS is a precisely controlled heating device into which specially designed tobacco sticks are inserted and heated to generate a flavourful nicotine-containing aerosol.

The disputed domain name has been registered on December 9, 2021. The language of the registration agreements at the time of registration was English.

The Complaint is based, amongst others, on the International Registration IQOS (word) No. 1218246 registered on July 10, 2014 for goods in classes 9, 11, 34 and designating amongst other the country of Turkey, where the Respondent is allegedly located.

It results from the undisputed evidence provided by the Complainant that the disputed domain name resolves to a web shop allegedly selling and offering the Complainant's IQOS System, as well as competing third party products of other commercial origin. Third party accessories which infringe the Complainant's IQOS trademark are also offered for sale. In addition, this web shop prominently features at its head the IQOS logo and uses a number of the Complainant's official product images without the Complainant's authorization.

5. Parties' Contentions

A. Complainant

Firstly, the Complainant contends that the disputed domain name is confusingly similar to its earlier trademarks, since it reproduces the IQOS trademark in its entirety, in addition to a non-distinctive word "elit" informally to be translated as "elite". The addition of such merely generic wording to a trademark in a domain name would normally be insufficient in itself to avoid a finding of confusing similarity under the first element of the UDRP.

Secondly, the Complainant contends that the Respondent lacks any rights or legitimate interests in the disputed domain name. In particular, the Complainant has not licensed or otherwise permitted the Respondent to use any of its trademarks or to register a domain name incorporating its IQOS trademark. Furthermore, the Respondent's behaviour shows a clear intent to obtain an unfair commercial gain, with a view to misleadingly diverting consumers or to tarnish the trademarks owned by the Complainant. It is a common principle that the use of a domain name cannot be "fair" if it suggests an affiliation with the trademark owner. Such an affiliation is suggested in the case at hand by the following facts: (i) the disputed domain name contains the IQOS trademark, (ii) the website prominently presents the Complainant's trademark IQOS at the top of the Website and without authorization and (iii) the website further uses the Complainant's official product images without authorization, while at the same time falsely claiming copyright in this material.

Thirdly, the Respondent's registration and use of the disputed domain name constitutes – in the Complainant's view – bad faith in particular, because by using the disputed domain name, the Respondent intentionally attempted to attract for commercial gain, Internet users to the Respondent's website, 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. Since the disputed domain name is used for a website which is headed with the Complainant's trademark, shows the Complainant's official product photos and sells the Complainant's IQOS products along with competing third party products and accessories, the Respondent was well aware of the Complainant and its trademark.

B. Respondent

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

6. Discussion and Findings

Paragraph 15(a) of the Rules instructs this Panel to "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 requires the Complainant to prove each of the following three elements in order to obtain an order that the disputed domain name should be transferred or cancelled:

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

The Panel is satisfied that the registrant of record for the disputed domain name is the Respondent and will therefore proceed to analyze whether the three elements of paragraph 4(a) of the Policy are satisfied.

A. Identical or Confusingly Similar

Pursuant to paragraph 4(a)(i) of the Policy, the Complainant must establish rights in a trademark or service mark and secondly establish that the disputed domain name is identical or confusingly similar to a trademark in which the Complainant has rights.

It results from the evidence provided, that the Complainant is the registered owner of various trademark registrations in several jurisdictions consisting of the term IQOS. Reference is made in particular to International Registration IQOS (word) No. 1218246 registered on July 10, 2014 for goods in classes 9, 11, 34 and designating amongst other the country of Turkey.

Many UDRP panels have found that a disputed domain name is confusingly similar to a complainant's trademark for purposes of the first element, where the relevant trademark is recognizable within the disputed domain name. Under such circumstances, the addition of other terms (whether descriptive, geographical, pejorative, meaningless, or otherwise) would not prevent a finding of confusing similarity under the first element (*cf.* section 1.8 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0")). This Panel shares the same view and notes that the disputed domain name contain the Complainant's registered trademark IQOS in its entirety. In the Panel's view, the term "elit" does not prevent a finding of confusing similarity. Consequently, this Panel is of the opinion that the trademark IQOS remains recognizable within the disputed domain name.

Finally, the generic Top-Level-Domain ("gTLD") ".com" of the disputed domain name may be disregarded under the first element confusing similarity test (see WIPO Overview 3.0, section 1.11.1).

In the light of the above, the Panel finds that the disputed domain names are confusingly similar to a trademark in which the Complainant has rights.

B. Rights or Legitimate Interests

Pursuant to paragraph 4(a)(ii) of the Policy, the Complainant must secondly establish that the Respondent has no rights or legitimate interests in respect of the disputed domain name.

Paragraph 4(c) of the Policy contains a non-exhaustive list of circumstances which, if found by the Panel to be proved, shall demonstrate the Respondent's rights or legitimate interests to a disputed domain name. In the Panel's view, based on the undisputed allegations stated above, the Complainant has made a *prima facie* case that none of these circumstances are found in the case at hand and, therefore, that the Respondent lacks rights or legitimate interests in the disputed domain name.

First, it results from the Complainant's uncontested evidence that the disputed domain name identically contains the IQOS trademark and resolves to a web shop which prominently presents the Complainant's trademark IQOS at the top of the Website and without authorization. Furthermore, this web shop uses the Complainant's official product images without authorization. Finally, in that web shop, competing third party products and accessories and which infringe the Complainant's IQOS trademark are offered for sale. In the Panel's view, such use cannot be qualified as a *bona fide* offering of goods or services in accordance with paragraph 4(c)(i) of the Policy, since such use rather capitalizes on the reputation and goodwill of the Complainant's trademarks and is therefore likely to mislead Internet users (cf. WIPO Overview 3.0 at section 2.9). In addition, the Respondent did not submit any evidence of *bona fide* pre-Complaint preparations to use the disputed domain name. In particular, the Complainant's uncontested allegations demonstrate that it has not authorized the Respondent's use of the IQOS trademarks for registering the disputed domain name, which are confusingly similar.

Furthermore, the Panel notes that there is no evidence in the record or Whols information showing that the Respondent might be commonly known by the disputed domain name in the sense of paragraph 4(c)(ii) of the Policy.

Finally, the Panel notes that there is no evidence in the record either showing that the Respondent might be making a noncommercial or fair use of the disputed domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue pursuant to paragraph 4(c)(iii) of the Policy. In particular, the Panel is satisfied that the registered IQOS trademark is distinctive so that it is unlikely that the Respondent wanted to fairly use the disputed domain name consisting of this trademark with further non-distinctive elements. Furthermore, the term "elit" indicates an alleged exclusive shop, which is in line with the Complainant's information, that the IQOS System is currently not sold in Turkey. In addition, the disputed domain name is used for a commercial website, so that a noncommercial use is excluded from the outset.

It is acknowledged that once the Panel finds a *prima facie* case has been established, the burden of production shifts to the Respondent to come forward with relevant evidence demonstrating rights or legitimate interests in the disputed domain name. Since the Respondent in the case at hand failed to come forward with any allegations or evidence, this Panel finds that the Respondent has no rights or legitimate interests in the disputed domain name.

The Complainant has therefore satisfied paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

According to paragraph 4(a)(iii) of the Policy, the Complainant must thirdly establish that the disputed domain name has been registered and is being used in bad faith. The Policy indicates that certain circumstances specified in paragraph 4(b) of the Policy may, "in particular but without limitation", be evidence of a disputed

domain name's registration and use in bad faith. One of these circumstances is that the Respondent by using the disputed domain name, 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 its website or location or of a product or service on its website or location (paragraph 4(b)(iv) of the Policy).

It is the view of this Panel that these circumstances are met in the case at hand:

It results from the Complainant's documented allegations that the disputed domain name contains the IQOS trademark and resolves to a web shop which prominently presents the Complainant's trademark IQOS at the top of the website while the Complainant has not given any authorisation for such use and is not linked to the Respondent or this website. Furthermore, this web shop uses the Complainant's official product images without authorization. Finally, in that web shop competing third party products and accessories and which infringe the Complainant's IQOS trademark are offered for sale. For the Panel, it is therefore evident that the Respondent positively knew of the Complainant's trademarks and products. Consequently, and in the absence of any evidence to the contrary, the Panel is convinced that the Respondent also knew that the disputed domain name included the Complainant's trademark entirely when it registered the disputed domain name. Registration of a domain name which contains a third party's trademark, in awareness of said trademark and in the absence of rights or legitimate interests is suggestive of registration in bad faith (see e.g., KOC Holding A.S. v. VistaPrint Technologies Ltd, WIPO Case No. D2015-1910; The Chancellor, Masters and Scholars of the University of Oxford v. Oxford College for PhD Studies, WIPO Case No. D2015-0812; The Chancellor, Masters and Scholars of the University of Oxford v. Almutasem Alshaikhissa, WIPO Case No. D2014-2100; and Deutsche Lufthansa AG v. Mustermann Max, Muster AG, WIPO Case No. D2015-1320).

The finding of bad faith registration and use is supported by the following further circumstances resulting from the case at hand:

- (i) the Respondent's failure to submit a response,
- (ii) the Respondent's failure to provide any evidence of actual or contemplated good-faith use,
- (iii) the implausibility of any good faith use to which the disputed domain name may be put, and
- (iv) the Respondent concealing its identity behind a privacy shield.

In the light of the above the Panel finds that the disputed domain name has been registered and is being used in bad faith pursuant 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, <elitiqos.com> be transferred to the Complainant.

/Tobias Malte Müller/
Tobias Malte Müller
Sole Panelist

Date: March 18, 2022