

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. MD Sohag, VAPES IQOS UAE Case No. D2023-4586

1. The Parties

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

The Respondent is MD Sohag, VAPES IQOS UAE, Bangladesh.

2. The Domain Name and Registrar

The disputed domain name <vapesiqosuae.com> is registered with Global Domain Group LLC (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on November 6, 2023. On November 7, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On November 7, 2023, 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 (Global Domain Group Privacy Service) and contact information in the Complaint. The Center sent an email communication to the Complainant on November 9, 2023 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 November 10, 2023

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 November 14, 2023. In accordance with the Rules, paragraph 5, the due date for Response was December 4, 2023. The Respondent did not submit any response. However, on December 4, 2023, the Center received an email communication from a third party. Accordingly, the Center notified the Respondent with the Commencement of Panel Appointment Process on December 19, 2023.

The Center appointed Edoardo Fano as the sole panelist in this matter on December 27, 2023. 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.

The Panel has not received any requests from the Complainant or the Respondent regarding further submissions, waivers or extensions of deadlines, and the Panel has not found it necessary to request any further information from the Parties.

Having reviewed the communication records in the case file provided by the Center, the Panel finds that the Center has discharged its responsibility under the Rules, paragraph 2(a), "to employ reasonably available means calculated to achieve actual notice to [the] Respondent". Therefore, the Panel shall issue its Decision based upon the Complaint, the Policy, the Rules, and the Supplemental Rules and without the benefit of a response from the Respondent.

The language of the proceeding is English, being the language of the Registration Agreement, as per paragraph 11(a) of the Rules.

4. Factual Background

The Complainant is Philip Morris Products S.A., a Swiss subsidiary company of Philip Morris International Inc. ("PMI"), operating as one of the international leaders in the field of tobacco and owning several trademark registrations for IQOS.

Among the many trademark registrations for IQOS are the following ones, in the country where the Respondent's business is allegedly based:

- United Arab Emirates Trademark Registration No. 211139 for IQOS, registered on March 16, 2016;
- United Arab Emirates Trademark Registration No. 305079 for IQOS and design, registered on June 17, 2019.

The Complainant provided evidence in support of the above.

According to the Whols records, the disputed domain name was registered on April 2, 2023, and it redirects to a website, intended for United Arab Emirates consumers, purportedly advertising and trading electric tobacco heating devices, reproducing the trademark IQOS of the Complainant and copyrighted Complainant's products images, as well as offering for sale electric tobacco heating devices of the Complainant's competitors.

5. Parties' Contentions

A. Complainant

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the disputed domain name.

Notably, the Complainant states that the disputed domain name is confusingly similar to its trademark IQOS, as the disputed domain name wholly contains the Complainant's trademark with the addition of the terms "vapes" and "uae".

Moreover, the Complainant asserts that the Respondent has no rights or legitimate interests in respect of the disputed domain name since it has not been authorized by the Complainant to register the disputed domain name or to use the Complainant's trademark within the disputed domain name. The Complainant asserts

the Respondent is offering for sale the Complainant's products, without being an authorized distributor or reseller, as well as other tobacco products and accessories of the Complainant's competitors, therefore not making either a *bona fide* offering of goods or services or a legitimate noncommercial or fair use of the disputed domain name.

The Complainant submits that the Respondent has registered the disputed domain name in bad faith, since the Complainant's trademark IQOS is distinctive and not commonly used for tobacco products. Therefore, the Respondent targeted the Complainant's trademark at the time of registration of the disputed domain name and the Complainant contends that the use of the disputed domain name to intentionally attract, for commercial gain, Internet users by creating a likelihood of confusion with the Complainant's trademark as to the source, sponsorship, affiliation and/or endorsement of the Respondent's associated website qualifies as bad faith registration and use.

B. Respondent

The Respondent has made no reply to the Complainant's contentions and is in default. In reference to paragraphs 5(e) and 14 of the Rules, no exceptional circumstances explaining the default have been put forward or are apparent from the record.

A respondent is not obliged to participate in a proceeding under the Policy, but if it fails to do so, reasonable facts asserted by a complainant may be taken as true, and appropriate inferences, in accordance with paragraph 14(b) of the Rules, may be drawn. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 4.3.

On December 4, 2023, a third party has submitted an email communication stating:

"Hi, how are you? One of our clients from UAE gave us a job to create an ecommerce site for them. They found us, an online marketplace. They just planned to do some business by selling Vape. Actually it didn't work. They are very poor guys. Even though they don't know what IQOS is, even our team members didn't know when they started the project. After checking a mail from you 3-4days ago, they informed us about it. And then I told them to remove all the content. Now tell me what to do next. Actually they are very poor guys, and jobless in dubai. They are almost crying. Even they are unable to feed their family. They don't have other illegal intentions, only tried to earn some money by selling vap. That's it. As a very giant company, please consider their condition. Thanks".

6. Discussion and Findings

Paragraph 4(a) of the Policy lists three elements, which the Complainant must satisfy in order to succeed:

- (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.

A. Identical or Confusingly Similar

It is well accepted that the first element functions primarily as a standing requirement. The standing (or threshold) test for confusing similarity involves a reasoned but relatively straightforward comparison between the Complainant's trademark and the disputed domain name. <u>WIPO Overview 3.0</u>, section 1.7.

Based on the available record, the Panel finds the Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.2.1.

The Panel finds the entirety of the mark is reproduced within the disputed domain name. Accordingly, the disputed domain name is confusingly similar to the mark for the purposes of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

Although the addition of other terms, here "vapes" and "uae", may bear on assessment of the second and third elements, the Panel finds the addition of such terms does not prevent a finding of confusing similarity between the disputed domain name and the mark for the purposes of the Policy. WIPO Overview 3.0, section 1.8.

It is also well accepted that a generic Top-Level Domain ("gTLD"), in this case ".com", is typically ignored when assessing the similarity between a trademark and a domain name. WIPO Overview 3.0, section 1.11.1.

Based on the available record, the Panel finds the first element of the Policy has been established.

B. Rights or Legitimate Interests

Paragraph 4(c) of the Policy provides a list of circumstances in which the Respondent may demonstrate rights or legitimate interests in a disputed domain name.

While the overall burden of proof in UDRP proceedings is on the complainant, panels have recognized that proving a respondent lacks rights or legitimate interests in a domain name may result in the often impossible task of "proving a negative", requiring information that is often primarily within the knowledge or control of the respondent. As such, where a complainant makes out 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. WIPO Overview 3.0, section 2.1.

Having reviewed the record, the Panel finds the Complainant has established a prima facie case that the Respondent lacks rights or legitimate interests in the disputed domain name. The Respondent has not rebutted the Complainant's prima facie showing and has not come forward with any relevant evidence demonstrating rights or legitimate interests in the disputed domain name such as those enumerated in the Policy or otherwise.

The Complainant asserts that the Respondent is not using the disputed domain name for a legitimate noncommercial or fair use or in connection with a *bona fide* offering of goods or services because the Respondent is offering for sale the Complainant's products, without being an authorized distributor or reseller, as well as other tobacco products and accessories of the Complainant's competitors.

Should the electric tobacco heating devices and relevant accessories purportedly sold on the website to which the disputed domain name is redirecting Internet users be genuine products, legitimately acquired by the Respondent, the question that would arise is whether the Respondent would therefore have a legitimate interest in using the disputed domain name that is confusingly similar to the Complainant's trademark in circumstances that are likely to give rise to confusion.

According to the current state of UDRP decisions in relation to the issue of resellers as summarized in the WIPO Overview 3.0, section 2.8.1:

"(...) 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."

This summary is based on the UDRP decision in *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. D2001-0903.

However, the website at the disputed domain name is not only making no reference to the lack of relationship between the Respondent and the Complainant, but it is also offering for sale other electric tobacco heating devices and relevant accessories of the Complainant's competitors. Thus, the Panel is of the opinion that this is sufficient to support the allegation of lack of rights or legitimate interests of the Respondent in relation to this disputed domain name.

Moreover, the Panel finds that the composition of the disputed domain name carries a risk of implied affiliation as it effectively impersonates or suggests sponsorship or endorsement by the Complainant. WIPO Overview 3.0, section 2.5.1.

Based on the available record, the Panel finds the second element of the Policy has been established.

C. Registered and Used in Bad Faith

The Panel notes that for the purposes of paragraph 4(a)(iii) of the Policy, paragraph 4(b) of the Policy establishes circumstances, in particular but without limitation, that if found by the Panel to be present, shall be evidence of the registration and use of a domain name in bad faith.

In the present case, regarding the registration in bad faith of the disputed domain name, the reputation of the Complainant's trademark IQOS in the field of electric tobacco heating devices is clearly established, and the Panel finds that the Respondent must have known of the Complainant, and deliberately registered the disputed domain name in bad faith, especially because the website at the disputed domain name is reproducing the IQOS trademark of the Complainant and is offering for sale the same products as the Complainant, namely electric tobacco heating devices.

The Panel further notes that the disputed domain name is also used in bad faith since on the relevant website the Complainant's IQOS trademark is displayed in an attempt to pass off as an official online retailer of the Complainant, and also other electric tobacco heating devices and relevant accessories of the Complainant's competitors are offered for sale.

The above suggests to the Panel that the Respondent intentionally registered and is using the disputed domain name in order both to disrupt the Complainant's business, and to attract Internet users to its website in accordance with paragraph 4(b)(iv) of the Policy.

Having reviewed the record, the Panel finds the Respondent's registration and use of the disputed domain name constitutes bad faith under the Policy.

Furthermore, the Panel considers that the nature of the inherently misleading disputed domain name, which includes the Complainant's trademark in its entirety with the mere addition of the terms "vapes" and "uae", further supports a finding of bad faith. WIPO Overview 3.0, section 3.2.1.

Based on the available record, the Panel finds the third element of the Policy has been established.

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, <vapesiqosuae.com> be transferred to the Complainant.

/Edoardo Fano/ Edoardo Fano Sole Panelist

Date: January 10, 2024