

ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. Privacy Service Provided by Withheld for Privacy ehf / Xinke Liu
Case No. D2022-1651

1. The Parties

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

Respondent is Privacy Service Provided by Withheld for Privacy ehf, Iceland / Xinke Liu, Australia.

2. The Domain Names and Registrar

The disputed domain names (“Domain Names”) <heatsone.com> and <heatsone.com>, are registered with NameCheap, Inc. (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on May 6, 2022. On May 6, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Domain Names. On May 6, 2022, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Domain Names which differed from the named Respondent and contact information in the Complaint. The Center sent an email communication to Complainant on May 10, 2022 providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. Complainant filed the amended Complaint on May 11, 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 Respondent of the Complaint, and the proceedings commenced on May 16, 2022. In accordance with the Rules, paragraph 5, the due date for Response was June 5, 2022. Respondent did not submit any response. Accordingly, the Center notified Respondent’s default on June 7, 2022.

The Center appointed Marina Perraki as the sole panelist in this matter on July 1, 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

Complainant is part of the Philip Morris International Inc. group of companies (“PMI group”), active in the tobacco industry, with products sold in approximately 180 countries. PMI group has been transforming its business from combustible cigarettes to Reduced Risk Products (“RRP”), which PMI group 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. One of these products, developed and sold by PMI group, is a tobacco heating system branded as IQOS. IQOS is a controlled heating device into which specially designed tobacco sticks under the brand names HEETS, HEATSTICKS, or TEREAs are inserted and heated to generate a flavourful nicotine-containing aerosol (together “the IQOS System”). Today the IQOS System is available in approximately 71 markets across the world. Per Complainant, PMI group has invested over USD 9 billion into the science and research of developing smoke-free products and extensive international sales and, as a result, the IQOS brand has gained considerable international reputation, with almost 19.1 million users. Per Complaint, the IQOS System products have been almost exclusively distributed through PMI group’s official IQOS stores and websites and selected authorized distributors and retailers

Complainant is the owner of numerous HEETS trademark registrations. These include:

- International trademark registration HEETS (word) No. 1326410, registered on July 19, 2016, for goods in International classes 9, 11, and 34; and
- International trademark registration HEETS (word/device) No. 1328679, registered on July 20, 2016, for goods in International classes 9, 11, and 34.

The Domain Name <heatstone.com> was registered on February 1, 2022, and the Domain Name <heetsone.com> was registered on March 7, 2022.

The Domain Names lead each to a website which is an online shop allegedly selling and offering Complainant’s IQOS System (collectively the “Websites”). The Websites are prominently using Complainant’s registered IQOS trademark at the top of the Websites in the form of IQOSPOST, as well as Complainant’s registered logo within the tab interface of the Websites, namely locations where users usually expect to find the name of the online shop and/or the name of the provider of the Websites. The Websites are further using a number of Complainant’s official product images and marketing materials without Complainant’s authorization, while at the same time providing a copyright notice at the bottom of the Websites claiming copyright in the material presented on the Websites. The Websites do not show any details regarding the provider of the Websites nor do they acknowledge Complainant as the real brand owner of the IQOS System. In a non-discernible disclaimer at the bottom of the Websites, after the offers to Internet users to make purchases from the Websites, the following text appears: “All product and company names are trademarks™ or registered® trademarks of their respective holders. Use of them does not imply any affiliation with or endorsement by them. We are reseller of these products. ‘IQOS’, ‘Marlboro’, and ‘Heatsticks’ are registered trademarks of PMI (Phillip Morris International Inc.) in the United States and/or other countries. heatsshop is not endorsed nor affiliated with PMI (Phillip Morris International Inc.)” The Websites include no information regarding the identity of the provider of the Website, which is only identified as “IQOSPOST” e.g. in the “About Us” page. The information included in the disclaimer is per Complaint inaccurate, and does not correctly identify the owners of the IQOS and HEATSTICKS trademarks, which are owned by Complainant, as well as the MARLBORO trademark which is owned by Philip Morris Brands Sàrl outside of the United States of America (“United States”), and by Philip Morris USA Inc in the United States, and their relationship (or lack thereof) to Respondent. Furthermore, the disclaimer makes no mention of the HEETS trademark, its owner and the relationship (or lack thereof) between the provider of the Website and the HEETS trademark.

5. Parties' Contentions

A. Complainant

Complainant asserts that it has established all three elements required under paragraph 4(a) of the Policy for a transfer of the Domain Names.

B. Respondent

Respondent did not reply to Complainant's contentions.

6. Discussion and Findings

Paragraph 4(a) of the Policy lists the three elements which Complainant must satisfy with respect to the Domain Name:

- (i) the Domain Name is identical or confusingly similar to a trademark or service mark in which Complainant has rights; and
- (ii) Respondent has no rights or legitimate interests in respect of the Domain Name; and
- (iii) the Domain Name has been registered or is being used in bad faith.

A. Identical or Confusingly Similar

Complainant has demonstrated rights through registration and use on the HEETS mark.

The Domain Name <heetsone.com> incorporate the said trademark of Complainant in its entirety. This is sufficient to establish confusing similarity (*Magnum Piering, Inc. v. The Mudjackers and Garwood S. Wilson, Sr.*, WIPO Case No. [D2000-1525](#)).

The word "one" which is added in the Domain Names does not alter the above (*BHP Billiton Innovation Pty Ltd v. Oloyi*, WIPO Case No. [D2017-0284](#), *Accenture Global Services Limited v. Jean Jacque / Luck Loic*, WIPO Case No. [D2016-1315](#); *Wragge Lawrence Graham & Co LLP v. Registration Private, Domains by Proxy LLC / Ian Piggan*, WIPO Case No. [D2015-0135](#); WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)"), section 1.8), neither does the misspelling of Complainant's trademark, using the letters "ea" as opposed to the letters "ee", in the Domain Name <heatsone.com> prevent a finding of confusingly similarity.

The generic Top-Level Domain ("gTLD") ".com" is also disregarded, as gTLDs typically do not form part of the comparison on the grounds that they are required for technical reasons only (*Rexel Developpements SAS v. Zhan Yequn*, WIPO Case No. [D2017-0275](#); *Hay & Robertson International Licensing AG v. C. J. Lovik*, WIPO Case No. [D2002-0122](#)).

The Panel finds that the Domain Names are confusingly similar to the HEETS trademark of Complainant.

Complainant has established Policy, paragraph 4(a)(i).

B. Rights or Legitimate Interests

Pursuant to paragraph 4(c) of the Policy, Respondent may establish its rights or legitimate interests in the Domain Name, among other circumstances, by showing any of the following elements:

- (i) before any notice to Respondent of the dispute, Respondent's 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) Respondent (as an individual, business, or other organization) has been commonly known by the Domain Name, even if it has acquired no trademark or service mark rights; or

(iii) Respondent is 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 Panel concludes that Respondent lacks rights or legitimate interests in respect of the Domain Names.

Respondent has not submitted any formal response and has not claimed any such rights or legitimate interests with respect to the Domain Names. As per Complaint, Respondent was not authorized to register the Domain Names.

Prior to the notice of the dispute, Respondent did not demonstrate any use of the Domain Names or a trademark corresponding to the Domain Names in connection with a *bona fide* offering of goods or services.

On the contrary, as Complainant demonstrated, the Domain Names resolve to the Websites, which suggest falsely that they are of an affiliated entity or of an authorized partner of Complainant.

Per Complaint, Respondent is not an affiliated entity or an authorized distributor or reseller of Complainant and no agreement, express or otherwise, exists allowing the use of Complainant's trademarks on the Websites and the use of the Domain Names by Respondent.

A distributor or reseller can be making a *bona fide* offering of goods and thus have a legitimate interest in a domain name only if the following cumulative requirements are met (*Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. [D2001-0903](#); [WIPO Overview 3.0](#), section 2.8.1: (i) respondent must actually be offering the goods at issue; (ii) respondent must use the site to sell only the trademarked goods; (iii) the site must accurately and prominently disclose the registrant's relationship with the trademark holder; and (iv) respondent must not try to "corner the market" in domain names that reflect the trademark.)

These requirements are not cumulatively fulfilled in the present case. The Domain Names falsely suggest that the Websites are official sites of Complainant or of an entity affiliated to or endorsed by Complainant. The Websites extensively reproduce, without authorization by Complainant, Complainant's trademark, without any clear, accurate and adequately visible disclaimer of association (or lack thereof) with Complainant.

The Domain Name <heetstone.com> falsely suggests that the Website is an official site of Complainant or of an entity affiliated to or endorsed by Complainant (see section 2.5.1 of the [WIPO Overview 3.0](#)). Moreover, the Websites at the disputed domain names extensively reproduce, without authorization by Complainant, Complainant's trademark. While the Panel notes that there is a disclaimer of association (or lack thereof) with Complainant, the Panel does not find that the disclaimer is sufficiently prominent. In any event, noting the overall circumstances of the case, the Panel finds that Respondent's use of a disclaimer is an admission by Respondent that users may be confused.

The Panel finds that these circumstances do not confer upon Respondent any rights or legitimate interests in respect of the Domain Names.

Complainant has established Policy, paragraph 4(a)(ii).

C. Registered and Used in Bad Faith

Paragraph 4(b) of the Policy provides that the following circumstances, "in particular but without limitation", are evidence of the registration and use of the Domain Name in "bad faith":

(i) circumstances indicating that Respondent has registered or has acquired the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the Domain Name registration to Complainant who is the owner of the trademark or service mark or to a competitor of that Complainant, for valuable consideration in excess of its documented out of pocket costs directly related to the Domain Name; or

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

(iii) Respondent has registered the Domain Name primarily for the purpose of disrupting the business of a competitor; or

(iv) by using the Domain Name, Respondent has intentionally attempted to attract, for commercial gain, Internet users to Respondent's website or other online location, by creating a likelihood of confusion with Complainant's mark as to the source, sponsorship, affiliation, or endorsement of Respondent's website or location or of a product or service on Respondent's website or location.

The Panel concludes that Respondent has registered and used the Domain Names in bad faith. As per Complaint, Complainant's HEETS trademark is well known for RRP smoking devices. Furthermore, "heets" is a fictitious word. Because the HEETS mark had been widely used and registered at the time of the Domain Names registration by Respondent, the Panel finds it more likely than not that Respondent had Complainant's mark in mind when registering the Domain Names (*Tudor Games, Inc. v. Domain Hostmaster, Customer ID No. 09382953107339 dba Whois Privacy Services Pty Ltd / Domain Administrator, Vertical Axis Inc.*, WIPO Case No. [D2014-1754](#); *Parfums Christian Dior v. Javier Garcia Quintas and Christiandior.net*, WIPO Case No. [D2000-0226](#)).

As regards bad faith use of the Domain Names, Complainant has demonstrated that the Domain Names were used to create the Websites, which prominently display Complainant's registered trademarks, logos, and official product images and marketing material, thereby giving the false impression that they are operated by Complainant or a company affiliated to Complainant or an authorized dealer of Complainant. The Domain Names are therefore used to intentionally create a likelihood of confusion with Complainant's trademark and business as to the source, sponsorship, affiliation, or endorsement of the websites they resolve to. This can be used in support of bad faith registration and use (*Booking.com BV v. Chen Guo Long*, WIPO Case No. [D2017-0311](#); *Ebel International Limited v. Alan Brashear*, WIPO Case No. D2017-0001; *Walgreen Co. v. Muhammad Azeem / Wang Zheng, Nicenic International Group Co., Limited*, WIPO Case No. [D2016-1607](#); *Oculus VR, LLC v. Sean Lin*, WIPO Case No. [DCO2016-0034](#); and [WIPO Overview 3.0](#), section 3.1.4).

The Panel considers the following factors: (i) the reputation of Complainant's mark, (ii) the failure of Respondent to submit a response, (iii) the fact that the Websites display not only Complainant's HEETS and IQOS trademarks and logos but also Complainant's official product images and marketing material without authorization, (iv) the disclaimer is not sufficiently prominent. In any event, noting the overall circumstances of the case, the Respondent's use of a disclaimer is an admission by Respondent that users may be confused (see section 3.7 of the [WIPO Overview 3.0](#)), and (v) the implausibility of any good faith use to which the Domain Names may conceivably be put, given that, as Complainant has demonstrated, the Domain Names resolve to the Websites which give the false impression that they are operated by Complainant or an official retailer of Complainant.

Furthermore, Respondent is the same person as the respondent to previous UDRP complaints filed by Complainant (*Philip Morris Products S.A. v. WhoisGuard Protected / WhoisGuard, Inc. / Xinke Liu*, WIPO Case No. [D2019-0918](#), *Philip Morris Products S.A. v. Withheld for Privacy Purposes, Privacy service provided by Withheld for Privacy ehf / Liu Xinke / IQOSPOST/Japan Tokyo Trading Pty Limited*, WIPO Case No. [D2021-2767](#), and *Philip Morris Products S.A. v. Withheld for Privacy ehf / Xinke Liu*, WIPO Case No. [D2021-3733](#), in relation to the bad faith registration and use of the domain name <iqospost.com>, the

domain names <heatsshop.com>, <iqosale.com>, and <iqosales.com>, and the domain name <heetsales.com> respectively.

Under these circumstances and on this record, the Panel finds that Respondent has registered and is using the Domain Names in bad faith.

Complainant has established Policy, paragraph 4(a)(iii).

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 Names, <heatstone.com> and <heetsone.com>, be transferred to the Complainant.

/Marina Perraki/

Marina Perraki

Sole Panelist

Date: July 15, 2022