

## **ADMINISTRATIVE PANEL DECISION**

Philip Morris Products S.A. v. Contact Privacy Inc. Customer 0164380294 /  
Zlamenco Muikala, IQOSPOT  
Case No. D2022-2988

### **1. The Parties**

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

The Respondent is Contact Privacy Inc. Customer 0164380294, Canada / Zlamenco Muikala, IQOSPOT, United Kingdom.

### **2. The Domain Name and Registrar**

The disputed domain name <iqospots.com> is registered with Tucows Inc. (the “Registrar”).

### **3. Procedural History**

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on August 12, 2022. On August 12, 2022, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On the same day, 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 15, 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 18, 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 23, 2022. In accordance with the Rules, paragraph 5, the due date for Response was September 12, 2022. The Respondent did not submit any response. Accordingly, the Center notified the Respondent’s default on September 17, 2022.

The Center appointed Assen Alexiev as the sole panelist in this matter on September 23, 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 affiliated to Philip Morris International Inc., which is a leading international tobacco company with products sold in about 180 countries. The Complainant's group of companies has developed the IQOS system – a heating device into which specially designed tobacco products under the brand names “HEETS”, “HeatSticks” or “TEREA” are inserted and heated to generate a nicotine-containing aerosol. The IQOS system was first launched in Japan in 2014 and has 20% share of the market in this country. The IQOS system is now available in key cities in 71 countries through official IQOS stores and websites and selected authorized distributors and retailers and has about 19.1 million users.

The Complainant is the owner of the following trademark registrations for the signs IQOS (the “IQOS trademark”):

- the Italian trademark IQOS with registration No. 0001626574, registered on February 17, 2015 for goods in International Classes 9, 11 and 34;
- the United Arab Emirates trademark IQOS with registration No. 211139, registered on March 16, 2016 for services in International Class 34;
- the European Union Trade Mark IQOS with registration No. 017681727, registered on August 20, 2018 for goods and services in International Classes 9, 12, 14, 16, 18, 21, 25, 34, 35, 37, 41 and 43; and
- the International trademark IQOS with registration No. 1557546, registered on August 27, 2020 for goods and services in International Classes 9, 18, 34, 35, 37 and 41.

The disputed domain name <iqospots.com> was registered on May 11, 2022. At the time of filing of the Complaint, it resolved to an Italian language online shop selling the Complainant's IQOS System.

#### **5. Parties' Contentions**

##### **A. Complainant**

The Complainant states that the disputed domain name is confusingly similar to its IQOS trademark, because it reproduces the trademark in its entirety with the addition of the word “pots”. According to the Complainant, when visiting the website at the disputed domain name, Internet users would expect to find a website commercially linked to the owner of the IQOS trademark, and this association would be exacerbated by the use on this website of the Complainant's official product images.

According to the Complainant, the Respondent has no rights or legitimate interests in respect of the disputed domain name, because the Complainant has not licensed or otherwise permitted it to use the IQOS trademark or to register a domain name incorporating it. The Complainant states that the website at the disputed domain name does not meet the requirements for a *bona fide* offering of goods, as it falsely claims being an authorized by the Complainant reseller of the IQOS System, and may create the impression that the Complainant has illegally introduced its IQOS ILUMA devices in the United States of America (“United States”) and in the United Arab Emirates, where they have not been authorized for sale, which in turn may tarnish the IQOS trademark.

The Complainant adds that the Respondent's website presents the IQOS trademark and associated logo at the top, where relevant consumers would expect to find the name of the online shop or the name of the website provider, and uses the Complainant's official product images without authorization, while at the same time falsely claiming copyright in this material. According to the Complainant, this illegitimate and false claim of rights in the Complainant's official copyright protected material further supports the false impression that the website at the disputed domain name is authorized by the Complainant. The Complainant adds that the website under the disputed domain name includes no information regarding the identity of its provider, which is only identified as "IQOSPOT". The Complainant notes that as its IQOS System is primarily distributed through official or endorsed stores, Internet users would be misled regarding the relationship between the website at the disputed domain name and the Complainant, and would falsely believe the website is an official or endorsed distributor.

The Complainant contends that the disputed domain name was registered and is being used in bad faith. According to it, the Respondent knew of the Complainant's IQOS trademark when registering the disputed domain name, and started offering the Complainant's IQOS System immediately after registering it. The Complainant adds that the term IQOS is purely an imaginative term and unique to the Complainant, and is not commonly used to refer to tobacco products or electronic devices. The Complainant concludes that the Respondent chose the disputed domain name with the intention of invoking a misleading association with the Complainant, and registered and used it to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the Complainant's registered IQOS trademark as to the source, sponsorship, affiliation, or endorsement of its website or location or of a product or service on its website or location. The Complainant notes that the Respondent's website reproduces the IQOS trademark and uses the Complainant's official product images accompanied by a copyright notice claiming the copyright for the website under the disputed domain name and its contents. The Complainant points out that the illegitimacy of the Respondent's use of the disputed domain name is further amplified by the fact that the Complainant does not currently offer for sale its IQOS ILUMA products in the United States and the United Arab Emirates, and the website provided under the disputed domain name creates the false impression that the Complainant has officially introduced these products into the United States and United Arab Emirates markets.

## **B. Respondent**

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

## **6. Discussion and Findings**

Pursuant to the Policy, paragraph 4(a), the Complainant must prove each of the following to justify the transfer of the disputed domain name:

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

In this case, the Center has employed the required measures to achieve actual notice of the Complaint to the Respondent, in compliance with the Rules, paragraph 2(a), and the Respondent was given a fair opportunity to present its case.

By the Rules, paragraph 5(c)(i), it is expected of a respondent to: "[r]espond specifically to the statements and allegations contained in the complaint and include any and all bases for the Respondent (domain name holder) to retain registration and use of the disputed domain name [...]".

The Respondent however did not make any submission in this proceeding.

### **A. Identical or Confusingly Similar**

The Complainant has provided evidence and has thus established its rights in the IQOS trademark.

The Panel notes that a common practice has emerged under the Policy to disregard in appropriate circumstances the generic Top-Level Domain (“gTLD”) portion of domain names for the purposes of the comparison under the Policy, paragraph 4(a)(i). The Panel sees no reason not to follow the same approach here, so it will disregard the “.com” gTLD portion of the disputed domain name.

The relevant part of the disputed domain name is therefore the second-level domain portion “iqospots”. It consists of the elements “iqos” and “pots”. 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. See section 1.8 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (“[WIPO Overview 3.0](#)”).

In view of the above, the Panel finds that the disputed domain name is confusingly similar to the IQOS trademark in which the Complainant has rights.

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

While the overall burden of proof in UDRP proceedings is on the complainant, UDRP 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. See section 2.1 of the [WIPO Overview 3.0](#).

The Complainant contends that the Respondent has no rights or legitimate interests in the disputed domain name, stating that the Respondent has not been authorized by the Complainant to use the IQOS trademark or to distribute the IQOS products, and that the Respondent is not carrying out a *bona fide* use of the disputed domain name. According to the Complainant, the Respondent uses the disputed domain name for a website that offers the Complainant’s IQOS products for sale, displays the Complainant’s IQOS trademark and official product images in the website without authorization by the Complainant, claiming copyright in the website without disclosing the lack of relationship between the Parties. Thus, 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 submitted a Response and has not alleged that it has rights or legitimate interests in the disputed domain name and has not disputed the Complainant’s allegations in this proceeding.

As summarized in section 2.8.1 of [WIPO Overview 3.0](#), panels under the Policy have recognized that resellers and distributors using a domain name containing the complainant’s trademark to undertake sales of the complainant’s goods may be making a *bona fide* offering of goods and services and thus have a legitimate interest in such domain name, if they comply with certain cumulative requirements, among which is the requirement that the reseller’s or distributor’s website must accurately and prominently disclose its relationship with the trademark holder.

This requirement has not been complied with in the present case. The disputed domain name is confusingly similar to the IQOS trademark and resolves to a website that offers the Complainant’s IQOS products, displays the IQOS trademark and product images without identifying the supplier of the offered goods and without disclosing the lack of relationship between the Parties. The website at the disputed domain name

states: “RIVENDITORI AUTORIZZATI Siamo rivenditori autorizzati Iqos e il nostro scopo è quello di rendere disponibili in tutto il mondo i prodotti che vengono venduti solo in alcuni paesi” (translated in English as “AUTHORIZED DEALERS We are authorized Iqos resellers and our aim is to make products available worldwide that are only sold in certain countries”). The Complainant however denies having authorized the Respondent to resell the IQOS System, and the Respondent does not claim otherwise.

In view of the above and in the lack of any denial by the Respondent of it, the Panel is satisfied that it is more likely than not that the Respondent, being aware of the goodwill of the Complainant’s IQOS trademark, has registered and used the disputed domain name in an attempt to exploit the trademark’s goodwill to attract and mislead Internet users that the Respondent’s website offering the Complainant’s products has been authorized by the Complainant and is commercially linked to it. To the Panel, such conduct does not appear to be legitimate and giving rise to rights or legitimate interests of the Respondent in the disputed domain name.

Therefore, the Panel finds that the Respondent does not have rights or legitimate interests in the disputed domain name.

### **C. Registered and Used in Bad Faith**

Paragraph 4(b) of the Policy lists four illustrative alternative circumstances that shall be evidence of the registration and use of a domain name in bad faith by a respondent, namely:

“(i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name; or

(ii) you have 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 you have engaged in a pattern of such conduct; or

(iii) you have registered the domain name primarily for the purpose of disrupting the business of a competitor; or

(iv) by using the domain name, you have intentionally attempted to attract, for commercial gain, Internet users to your 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 your website or location or of a product or service on your website or location.”

As discussed above, the disputed domain name is confusingly similar to the IQOS trademark and is linked to a website that offers the Complainant’s IQOS products and displays the IQOS trademark and product images, without disclosing the lack of relationship with the Complainant. The Respondent does not deny the Complainant’s contention that it is not an authorized reseller of the IQOS System.

Taking the above into account, the Panel accepts that it is more likely than not that the Respondent has registered the disputed domain name with knowledge of the Complainant and targeting the IQOS trademark in an attempt to attract traffic to the disputed domain name by confusing Internet users that they are reaching an official or authorized online location where the Complainant’s IQOS products are offered for sale globally, and has used the disputed domain name to offer the Complainant’s products for commercial gain.

As also noted by the Complainant, the website at the disputed domain name states “Compriamo direttamente da Iqos i dispositivi ILUMA e le TEREAs, le importiamo nei nostri magazzini in USA, UAE e ITALIA per poi rispedirli in tutto il mondo” (translated in English as “We buy ILUMA and TEREAs devices directly from Iqos, import them to our warehouses in the USA, UAE and ITALY and then send them back all over the world”). The Complainant points out that its IQOS ILUMA products are not currently authorized for

sale or marketing in the United States and in the United Arab Emirates, so the Respondent's importation and sale of IQOS ILUMA products into either the United States or the United Arab Emirates would be illegal. Therefore, the Respondent's website may create the impression that the Complainant has illegally introduced its IQOS devices in the United States and in the United Arab Emirates, which may tarnish the IQOS trademark.

Taking the above into account, the Panel finds that the disputed domain name has been registered and used 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 <iqospots.com> be transferred to the Complainant.

*/Assen Alexiev/*

**Assen Alexiev**

Sole Panelist

Date: October 4, 2022