

ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. Asad Khan
Case No. D2023-3337

1. The Parties

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

The Respondent is Asad Khan, Pakistan.

2. The Domain Name and Registrar

The disputed domain name <heetsstoredubai.com> is registered with NameCheap, Inc. (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on August 3, 2023. The same day, 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 (Privacy service provided by Withheld for Privacy ehf) and contact information in the Complaint. The Center sent an email communication to the Complainant on August 4, 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 August 7, 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 August 8, 2023. In accordance with the Rules, paragraph 5, the due date for Response was August 28, 2023. The Respondent did not submit any response. Accordingly, the Center notified the Respondent’s default on August 29, 2023.

The Center appointed Ada L. Redondo Aguilera as the sole panelist in this matter on September 11, 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.

4. Factual Background

The Complainant in this administrative proceeding is Philip Morris Products S.A., a Swiss company established under the laws of Switzerland and a subsidiary of Philip Morris International, Inc. (jointly referred to as “PMI”).

PMI is a leading international tobacco and smoke-free products company, with products sold in approximately 180 countries.

PMI is known worldwide for innovating across its brand portfolio. In the course of transforming its business from combustible cigarettes to Reduced Risk Products (or “RRPs”, which PMI 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), PMI has developed a number of RRP products that are now very popular consumer products. One of these RRP products developed and sold by PMI is a tobacco heating system called “IQOS”. IQOS is a precisely controlled heating device that works with specially designed tobacco sticks under the brand names “HEETS”, “HEATSTICKS” or “TEREA” are inserted and heated to generate a flavorful nicotine-containing aerosol (collectively referred to as the “IQOS System”).

There are five versions of the IQOS heating device currently available: the IQOS 2.4/IQOS 2.4+ pocket charger and holder, IQOS 3 pocket charger and holder, IQOS 3 Multi device, IQOS 3 DUO/DUOS and IQOS ILUMA. The IQOS System was first launched by PMI in Nagoya, Japan in 2014 and has obtained an extraordinary 20% share of the market in Japan.

Today the IQOS System is available in key cities in around 71 markets across the world. As a result of an investment of over USD 9 billion into the science and research of developing smoke-free products and extensive international sales (in accordance with local laws), the IQOS System has achieved considerable international success and reputation, and approximately 19.1 million relevant consumers find themselves using the IQOS System worldwide. To date, the IQOS System has been almost exclusively distributed through PMI’s official IQOS stores and websites as well as selected authorized distributors and retailers.

For its new innovative smoke-free products the Complainant owns a large portfolio of well-known trademarks. Among them, but by no means limited to, are the following trademark registrations (referred as “Trademarks”). The Complainant enclosed to its Complaint enough evidence of the trademark registrations in the United Arab Emirates (“UAE”), among them the following:

1. Registration IQOS (word) No. 211139, registered on March 16, 2016;
2. Registration IQOS (word/stylized) No. 257763, registered on April 22, 2018;
3. Registration IQOS (word/stylized) No. 305079, registered June 27, 2019;
4. Registration HEETS (word) No. 256864, registered on December 25, 2017; and
5. Registration HEETS (word/device) No. 256867, registered on December 25, 2017.

The Complainant has its official website at “www.iqos.com”.

The disputed domain name was registered on June 26, 2023. According to evidence submitted by the Complainant, the disputed domain name resolves to a website that is using a number of the Complainant’s official product images without the Complainant’s authorization, which strengthens the false impression of an affiliation with the Complainant.

5. Parties’ Contentions

A. Complainant

The Complainant argues that the disputed domain name is confusingly similar to its HEETS trademark due to the fact that it includes the complete trademark with the inclusion of the additional generic term “store” and

the geographical name of the city of Dubai of the UAE. Also, the Complainant argues that the Respondent has no rights or legitimate interests with respect to the disputed domain name, and finally, that the Respondent registered and is using the disputed domain name in bad faith. The Complainant requests the transfer of the disputed domain name.

B. Respondent

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

6. Discussion and Findings

A. Identical or Confusingly Similar

The Panel is satisfied that the Complainant has established its trademark rights in the HEETS trademark. The test that a panel must carry out in order to establish if a domain name is confusingly similar to a trademark involves the comparison between the trademark and the disputed domain name. Regarding whether the disputed domain name is identical or confusingly similar to the HEETS trademark, this Panel observes that the disputed domain name is comprised of: (a) the Complainant's trademark HEETS (b) with the addition of the words "store" and the geographical term "dubai" (c) followed by the generic Top-Level Domain ("gTLD") ".com".

The disputed domain name comprises the Complainant's trademark HEETS in its entirety. It is well established that where a domain name incorporates a complainant's trademark in its entirety, the domain name will be normally considered confusingly similar to that mark. See WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (["WIPO Overview 3.0"](#)), section 1.7.

The disputed domain name also comprises the words "store" and "dubai". 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 [WIPO Overview 3.0](#), section 1.8. The addition of the gTLD ".com" is a technical requirement and therefore is irrelevant to determine the confusing similarity between the trademark and the disputed domain name. Accordingly, the Panel finds that the Complainant has satisfied paragraph 4(a)(i) of the Policy.

B. Rights or Legitimate Interests

Pursuant to paragraph 4(c) of the Policy, a respondent may establish rights or legitimate interests in a domain name by demonstrating any of the following: (i) before any notice to it of the dispute, the 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) the respondent has been commonly known by the domain name, even if it has acquired no trademark or service mark rights; or (iii) the 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.

Even though the Policy addresses ways in which a respondent may demonstrate rights or legitimate interests in a domain name, it is well established that, as it is put in section 2.1 of [WIPO Overview 3.0](#) that a complainant is required to make out a *prima facie* case that the respondent lacks rights or legitimate interests. Once such *prima facie* case is made out, the burden of production shifts to the respondent to come forward with relevant allegations and evidence demonstrating rights or legitimate interests in the domain name.

The Complainant contends that the Respondent is not commonly known by the disputed domain name or the trademark HEETS. The Respondent has not been authorized by the Complainant to register or use the trademark HEETS in any way including the disputed domain name. At the moment of this Decision the

disputed domain name resolves to a website that contains products and services of the Complainant. In fact, the Complainant argued that the website provided under the disputed domain name does not meet the requirements set out by numerous panel decisions for a *bona fide* offering of goods. A reseller or distributor can be making a *bona fide* offering of goods or services and thus have a legitimate interest in the domain name at issue only if certain requirements are met. The leading case on this point is *Oki Data Americas, Inc. v. ASD, Inc.*, WIPO Case No. [D2001-0903](#). The Panel in *Oki Data* concluded that the use of a manufacturer's trademark as a domain name by a reseller could be deemed a "*bona fide* offering of goods or services" within the meaning of the Policy only if the following conditions are satisfied: first, the respondent must use the site to sell only the trademarked goods; second, the site itself must accurately disclose the respondent's relationship with the trademark owner; and third, the respondent must not try to "corner the market" in all relevant domain names, thus depriving the trademark owner of the ability to reflect its own mark in a domain name.

In the present case, the disputed domain name in itself suggests at least an affiliation with the Complainant and its HEETS trademark, as the disputed domain name wholly reproduces the Complainant's registered HEETS trademark together with the non-distinctive and descriptive word "store" and geographical indication "dubai". In addition, the owner / administrator of the website, prominently and without authorization presents the Complainant's registered Trademarks appearing at the top left of the website, as well as uses the Complainant's registered HEETS trademark within the tab interface of the website where relevant consumers will usually expect to find the name of the online shop and/or the name of the website provider. The website further uses the Complainant's official product images without authorization. The website includes no information regarding the identity of the provider of the website, which is only identified as "HEETS IQOS Store Dubai" on the website, being a name, which similarly includes the Complainant's registered Trademarks (without authorization) and further serves to perpetuate the false impression of an official commercial relationship between the website and the Complainant. As the Complainant's IQOS System is primarily distributed through official / endorsed stores (as detailed above), in this case Internet users are clearly misled regarding the (lack of) relationship between the website and the Complainant and will falsely believe the website under the disputed domain name to be an official / endorsed distributor. In conclusion, such use of the disputed domain name cannot be considered a *bona fide* offering of goods and does not establish any rights or legitimate interests on behalf of the Respondent.

The Respondent had the opportunity to demonstrate its rights or legitimate interests but did not do so. In the absence of a Response from the Respondent, the *prima facie* case was established by the Complainant and has not been refuted by the Respondent.

Based on the following reasons, the Panel finds that the Respondent has no rights or legitimate interests in the disputed domain name:

- (a) The Respondent has not rebutted and has not presented evidence in this case showing that the Respondent is using the disputed domain name in connection with a *bona fide* offering of goods or services. Therefore, the Respondent has not provided evidence of a legitimate use of the disputed domain name. There has been no evidence to show that the Complainant has licensed or otherwise permitted the Respondent to use the Trademarks or to apply for or use any domain name incorporating the Trademarks;
- (b) There has been no evidence presented in this case to demonstrate that the Respondent has been commonly known by the disputed domain name. There has been no evidence included in the present case showing that the Respondent has any registered trademark rights with respect to the disputed domain name. The Respondent registered the disputed domain name in June 2023, long after the Trademarks became internationally known. The disputed domain name is confusingly similar to the Complainant's HEETS trademark;
- (c) There has been no evidence adduced to show that the Respondent is making a legitimate noncommercial or fair use of the disputed domain name. According to the Complainant and the evidence presented in the Complaint, the Respondent is not making a legitimate noncommercial or fair use of the disputed domain name. On the contrary, the Respondent's behavior 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. Due to the fact that the Respondent is not an authorized distributor or reseller of the HEETS and IQOS System and in the website displayed, it is clear that the Respondent is prominently using the Complainant's Trademarks without any clear disclaimer of the lack of relationship with the Complainant, consumers could be confused due to the fact that any Internet user when visiting a website under the disputed domain name will reasonably expect to find a website commercially linked to the Complainant, and this type of association could not be considered a legitimate noncommercial or fair use of the disputed domain name.

In light of the above, the Complainant has complied with the second element of the Policy. Accordingly, the Panel finds that the Complainant has satisfied paragraph 4(a)(ii) of the Policy.

C. Registered and Used in Bad Faith

This Panel finds that, based on the record, the Complainant has demonstrated the existence of the Respondent's bad faith pursuant to paragraph 4(b) of the Policy. In order to prevail under the Policy, the Complainant must show that the disputed domain name has been registered and is being used in bad faith, accordingly it is a cumulative requirement.

The Panel accepts the Complainant's submissions that the trademark HEETS is distinctive and invented by the Complainant, and that it is obvious that the Respondent registered the disputed domain name with the intention of referring to the Complainant's trademark and the products associated. The Panel consents with the Complainant's argument that the Respondent knew of the Complainant's HEETS trademark when registering the disputed domain name.

The Panel is satisfied that the Respondent must have been aware of the trademark HEETS when it registered the disputed domain name as the disputed domain name contains the trademark HEETS in its entirety, together with the words "store" and "dubai" as both terms could be related to the Complainant's store in Dubai.

The Panel finds that the evidence in the case shows that the Respondent registered the disputed domain name in bad faith.

In the present case, the Panel finds that the use of the disputed domain name is in bad faith, taking into account that the website that displayed by the Respondent reproduces the Complainant's Trademarks, which creates a likelihood of confusion with the Complainant's products.

The website at the disputed domain name is being used to reproduce the Complainant's Trademarks. Additionally, the title of the website was clearly suggesting to any Internet user visiting the website that the Complainant (or an affiliate dealer of the Complainant) is the source of the website, which is not. Such use of the Complainant's Trademarks is evidence of bad faith.

In fact, the disputed domain name displays a website that operates as an online shop that is purportedly selling and offering the Complainant's IQOS System. The website is provided in English. The circumstance that the website is indicating all prices in UAE dirham (AED) currency, as well as presenting the designation "HEETS IQOS Store Dubai", clearly indicates that the website is directed to the consumers of the UAE. Notwithstanding the website is clearly purporting to be an official online retailer of the Complainant's IQOS System in the UAE by using the Complainant's HEETS trademark in the disputed domain name together with the non-distinctive and descriptive word "store" and geographical indication "dubai", the website is also prominently using the Complainant's registered Trademarks, as well as uses the Complainant's registered HEETS trademark within the tab interface of the website, being locations where Internet users / relevant consumers usually expect to find the name of the online shop and/or the name of the provider of the website. In the present case, Internet users probably will be confused and will believe that the website displayed at the disputed domain name is the Complainant's official website. Also, any user being confronted with the disputed domain name and the website provided thereunder will usually expect to find the name of the online shop and/or the name of the Company or the Product or services provider of the website.

The Panel finds that the use of the disputed domain name displaying a website that using a number of the Complainant's official product images without the Complainant's authorization, which strengthens the false impression of an affiliation with the Complainant, and not showing any details regarding the lack of relationship of the Respondent with the Complainant, is leaving the Internet users under the false impression that the online shop provided under the disputed domain name that displayed the website, is that of the Complainant or that it is connected to that of the Complainant or one of its official distributors, which it is not.

Taking into account all the circumstances of this case, the Panel concludes that the current use of the disputed domain name by the Respondent is in bad faith.

In summary, the Respondent, by choosing to register and use the disputed domain name, which is confusingly similar to the Complainant's well-known trademark, intended to disrupt the Complainant's business. In the absence of convincing evidence and rebuttal to the contrary from the Respondent, the choice of the disputed domain name and the conduct of the Respondent are indicative of registration and use of the disputed domain name in bad faith.

The Panel therefore finds that the disputed domain name has been registered and is being used in bad faith. Therefore, the Panel sustain that the Complaint fulfils the third condition of paragraph 4(a) 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 <heetsstoredubai.com> be transferred to the Complainant.

/Ada L. Redondo Aguilera/

Ada L. Redondo Aguilera

Sole Panelist

Date: September 25, 2023