

ARBITRATION AND MEDIATION CENTER

ADMINISTRATIVE PANEL DECISION

Swedish Match North Europe AB, Philip Morris International, Inc. v. jingsun64793 Case No. D2024-2239

1. The Parties

The Complainants are Swedish Match North Europe AB, Sweden (the "First Complainant"), and Philip Morris International, Inc., United States of America ("United States" or "US") (the "Second Complainant"), represented by D.M. Kisch Inc., South Africa.

The Respondent is jingsun64793, Guinea.

2. The Domain Name and Registrar

The disputed domain name <zynaustralia.com> is registered with Alibaba.com Singapore E-Commerce Private Limited (the "Registrar").

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on May 31, 2024. On June 3, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On June 4, 2024, 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 (Alibaba.com Singapore E-commerce Private Ltd.) and contact information in the Complaint. The Center sent an email communication to the Complainants on June 4, 2024 providing the registrant and contact information disclosed by the Registrar, and requiring the Complainants to submit an amendment to the Complaint. The Complainants filed an amended Complaint on June 5, 2024.

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 June 7, 2024. In accordance with the Rules, paragraph 5, the due date for Response was June 27, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent's default on June 28, 2024.

The Center appointed Andrew Brown K.C. as the sole panelist in this matter on July 2, 2024. 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 First Complainant, Swedish Match North Europe AB, is a company which is part of a group of companies affiliated to the Second Complainant, Philip Morris International Inc. The First Complainant is a Swedish entity. In May 2022 the First Complainant was acquired by the Second Complainant. The two Complainants are referred together as "the Complainant".

The First Complainant was founded in 1992 and is primarily engaged in the business of manufacturing, marketing, and selling smokefree tobacco products such as snus and nicotine pouches.

The First Complainant's brand portfolio includes the trademark ZYN which is the market-leading brand for nicotine pouches in the United States. The First Complainant has a long history of selling and manufacturing smoke-free tobacco products in Nordic countries and in the US.

The First Complainant owns a portfolio of trademarks comprising ZYN as a word mark or in logo form. The most relevant trademarks (together the "ZYN Trademark") are registered in Australia, as an International registration (in multiple countries and in the European Union ("EU") and the US as follows:

Country	Mark	Registration No.	Registration Date	Goods
Australia	ZYN (word mark)	2318846	November 10, 2022	Class 34
International registration	ZYN (word mark)	1421212	April 18, 2018	Class 34
(such as Switzerland, Denmark,				
United Kingdom, Indonesia, Israel,				
India, Iceland, Mexico, Malaysia,				
Norway, New Zealand, African				
Intellectual Property Organization,				
Russian Federation, and Viet				
Nam)				
International registration	ZYN logo	1456681	December 27, 2018	Class 34
(such as Australia, Israel, Kenya,				
Oman, and Philippines)				
EU	ZYN logo	017579939	March 23, 2018	Class 34
EU	ZYN (word mark)	015272487	July 8, 2016	Class 34

The disputed domain name was registered on November 26, 2023. As at the date of the Complaint a website operated from the disputed domain name with a title "ZYN Australia Official Store | 3/6 MG Nicotine Pouches", where the Complainant's trademark was prominently displayed, and the Complainant's products were purportedly offered for sale.

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 contends that the disputed domain name is confusingly similar to the ZYN Trademark in which it claims rights. The Complainant states that it launched the ZYN brand of nicotine patches in 2016 in the US where it has achieved a 76% share of the market. It further states that its ZYN nicotine product is available in key cities in around 15 markets in the world.

The Complainant states that the Respondent has no rights or legitimate interests in respect of the disputed domain name. In particular, it states that:

- (a) the Complainant is not licensed or otherwise permitted the Respondent to use its ZYN Trademark or to register a domain name incorporating its ZYN Trademark.
- (b) the Respondent is not making any legitimate noncommercial fair use of the disputed domain name. Rather the Respondent's clear intent is to obtain an unfair commercial gain with a view to directing customers so as to tarnish the ZYN Trademark owned by the Complainant. The Respondent is not an authorized distributor or reseller of the ZYN nicotine product.

As to the well-known *Oki Data* test (*Oki Data Americas, Inc v. ASD, Inc.* WIPO Case No D2021-0903) (devised to ascertain whether a respondent is making a bona fide offering of the Complainant's goods) the Complainant states that:

- (a) the Respondent's use cannot be fair if it suggests an affiliation with the trademark owner. In this regard the website located at the disputed domain name uses the Complainant's ZYN word and logo marks, claims that it is "Australia's official online store" and claims that the trademarks are the "property of or are licensed to, us".
- (b) the Complainant asserts that this creates an illegitimate and false impression of an affiliation with the Complainant and fraudulently claims rights in and to the material presented on the website. The Complainant says this further supports the false impression that the disputed domain name is endorsed by the Complainant when it is not.

As to registration and use of the disputed domain name in bad faith, the Complainant states that the Respondent has demonstrated that it knew of and was familiar with the Complainant's ZYN Trademark when registering the disputed domain name. The ZYN Trademark is an invented term and is not commonly used to refer to tobacco products or electronic devices – other than as a trademark by the Complainant.

The Complainant also states that it is evident from the Respondent's use of the disputed domain name that it registered the disputed domain name with the intent to attract for commercial gain Internet users to the website by creating a likelihood of confusion with the Complainant's registered ZYN Trademark as to source, sponsorship, affiliation or endorsement of its website.

The Complainant states that by reproducing the Complainant's ZYN Trademark in both the disputed domain name and throughout the website located there, the Respondent is clearly suggesting to any Internet user visiting the site that the Complainant or an affiliated dealer is the source of the website (when it is not).

The Complainant also claims that the fact that the Respondent is using a privacy protection service to hide its true identity may itself constitute a factor indicating bad faith. WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition ("WIPO Overview 3.0"), section 3.6.

B. Respondent

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

6. Discussion and Findings

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. WIPO Overview 3.0, section 1.7.

The Complainant has shown rights in respect of the ZYN Trademark for the purposes of the Policy: <u>WIPO</u> Overview 3.0, section 1.2.1.

The entirety of the Complainant's ZYN word mark registration is reproduced within the disputed domain name. It is well-established that the applicable Top-Level Domain ("TLD") is disregarded under the first element of confusing similarity (see <u>WIPO Overview 3.0</u>, section 1.11.1).

It is also established that the addition of other term (i.e., in this case "Australia") in the disputed domain name may bear on assessment of the second and third elements, however, the Panel finds that the addition of such term does not avoid a finding of confusing similarity. WIPO Overview 3.0, section 1.8.

The Panel finds that the disputed domain name is confusingly similar to the Complainant's ZYN Trademark for the purpose of the Policy. <u>WIPO Overview 3.0</u>, section 1.7.

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.

Although 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 difficult 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 (although the burden of proof always remains on the complainant). 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 available 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 Panel also finds that the Respondent's use of the disputed domain name is not justified by the principle that a mark may be used legitimately without its owner's consent to promote a bona fide offering of goods put on the market by its owner as discussed in the *Oki Data* test and <u>WIPO Overview 3.0</u>, section 2.8. This principle can only be invoked under the Policy as follows:

- (i) The respondent must actually be offering the goods or services at issue;
- (ii) The respondent must use the website to sell only genuine trademarked goods or services;

- (iii) The website must accurately and prominently disclose the respondent's relationship with the trademark owner; and
- (iv) The respondent must not try to corner the market in all domain names and thus deprive the trademark owner of reflecting its own mark in a domain name.

If even one of these requirements is not met, the respondent fails the test and has no rights or legitimate interests in the disputed domain name: *ADIDAS AG v. Glenn Tart*, WIPO Case No. D2022-4350.

The Panel is satisfied that the Respondent is not able to claim the benefit of the *Oki Data* "safe harbor". The Respondent's website located at the disputed domain name (as at the date of the Complaint) made prominent use of the Complainant's ZYN Trademark. Indeed, the Respondents claimed that the ZYN Trademark (comprising both the word and logo form) was licensed to it, and stated "[w]e are Australia's official online store" on the website. This use carries with it a false association with the Complainant (the trademark holder) and for this reason cannot constitute legitimate fair use. Moreover, the composition of the disputed domain name also carries a risk of implied affiliation with the Complainant. WIPO Overview 3.0, section 2.5.1.

For all the foregoing reasons the Panel finds that 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.

The Panel is satisfied that the disputed domain name has been registered in bad faith for the following reasons:

(a) The Panel is satisfied from the Respondent's use of the disputed domain name that the Respondent was aware of the Complainant's ZYN Trademark when registering the disputed domain name. Immediately after registration of the disputed domain name, the Respondent commenced use of a website at the disputed domain name which began purportedly offering ZYN nicotine products using both the ZYN word and logo marks for which the Complainant has registrations. The Respondent's use of the Complainant's ZYN Trademark throughout this website demonstrates to the satisfaction of the Panel that the Respondent's actions in registering and immediately using the disputed domain name were undertaken with full knowledge of the Complainant's ZYN Trademark.

Two other matters demonstrate the Respondent's clear awareness of the Complainant's trademark rights. The first is the statement within the Terms and Conditions page of the website at the disputed domain name. "This site features logos and other trademarks and service marks that are the property or are licensed to, us". Secondly, the website has provided hyperlinks to the Complainant's official Instagram profile.

(b) The Panel is also entitled to draw adverse inferences from the failure of the Respondent to respond to the Complaint or to address the detailed factual allegations made by the Complainant.

The Panel is also satisfied that the Respondent is using the disputed domain name in bad faith for the following reasons:

(a) As a result of the inclusion of the Complainant's ZYN Trademark in the disputed domain name, Internet users will be attracted to the disputed domain name thinking that this is the Complainant with an Australian Internet presence or that the disputed domain name is connected with the Complainant when there is no such connection. This creates a likelihood of confusion with the Complainant's trademark as to its source, sponsorship, affiliation, or endorsement. The likelihood of confusion is added to by the incorrect statements on the website located at the disputed domain name mentioned above, i.e., that the trademarks

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and service marks "are the property of or are licensed to, us" and "[w]e are Australia's official online store". The Panel is satisfied that the Respondent is using the ZYN Trademark for the purpose of commercial gain and to attract Internet users to the website and advertised goods.

- (b) The Respondent's registration of the disputed domain name is a disruption to the Complainant's business and prevent the Complainant from reflecting its ZYN Trademark in a corresponding domain name registration relating to the Australian jurisdiction.
- (c) The Panel is again entitled to draw adverse inferences from the failure of the Respondent to respond to the detailed Complaint.

Based on the available records, the Panel finds that the Complainant has established the third element of the Policy.

7. Decision

For the foregoing reasons, in accordance with paragraph 4(i) of the Policy and 15 of the Rules, the Panel orders that the disputed domain name <zynaustralia.com> be transferred to the Complainant.

/Andrew Brown K.C./
Andrew Brown K.C.
Sole Panelist
Date: July 14, 2024