

ADMINISTRATIVE PANEL DECISION

Philip Morris Products S.A. v. Nguyen Quang Hung
Case No. D2024-3594

1. The Parties

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

The Respondent is Nguyen Quang Hung, Viet Nam.

2. The Domain Name and Registrar

The disputed domain name <iqosnhatviet.net> is registered with Mat Bao Corporation (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on September 5, 2024. On September 6, 2024, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On September 9, 2024, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

The Center verified that the 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 September 18, 2024. In accordance with the Rules, paragraph 5, the due date for Response was October 8, 2024. The Respondent did not submit any response. Accordingly, the Center notified the Respondent’s default on October 13, 2024.

The Center appointed Marina Perraki as the sole panelist in this matter on October 18, 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

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, DELIA, LEVIA or TEREAA are inserted and heated to generate a flavourful nicotine-containing aerosol (together “the IQOS System”). IQOS was first launched by PMI group in 2014. Today the IQOS System is available in approximately 84 markets across the world. Per Complainant, PMI group has invested USD 12.5 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 33 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 IQOS trademark registrations. These include:

- International registration no. 1218246 (word mark), registered on July 10, 2014, for goods in International Classes 9, 11, and 34; and
- International registration no. 1338099 (word and device mark), registered on November 22, 2016, for services in International Class 35.

The Domain Name was registered on July 7, 2024, and at the time of filing of the Complaint it led to a website (the “Website”), which is an online shop, allegedly offering for sale Complainant’s IQOS System, as well as repair and maintenance services for the Complainant’s IQOS System. Competing third party tobacco and other products were also offered on the Website. The Website was provided in Vietnamese and was addressed to Vietnamese consumers - however Complainant does not currently sell its products in Viet Nam. On the Website, the IQOS trademark of Complainant was prominently displayed. Complainant’s IQOS trademark appeared also at the top of the Website, a location where users usually expect to find the name of the online shop / provider. The Website was further using a number of the Complainant’s official product images without the Complainant’s authorization. Moreover, under the “Stores” page, the Website was using Complainant’s registered IQOS trademark without Complainant’s authorization, including a picture of a physical shop bearing the sign IQOS. The Website had also altered the Complainant’s official product images without authorization by including a logo in close conjunction with the Complainant’s registered IQOS trademark. The Website does not show any details regarding the provider of the Website, nor does it acknowledge the Complainant as the real brand owner of the IQOS System.

Currently the Domain Name leads to an inactive website.

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.

B. Respondent

The Respondent did not reply to the 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;
- (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

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 of WIPO Panel Views on Selected UDRP Questions, Third Edition ("[WIPO Overview 3.0](#)"), section 1.7.

The Complainant has shown rights in respect of a trademark or service mark for the purposes of the Policy. [WIPO Overview 3.0](#), section 1.2.1.

The entirety of the mark is reproduced within the Domain Name. Accordingly, the Domain Name is confusingly similar to the mark for the purposes of the Policy. [WIPO Overview 3.0](#), section 1.7.

Although the addition of other terms, here, "nhat" ("nhật" means "Japan" in Vietnamese) and "viet" (short for Vietnamese) 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.

The generic Top-Level Domain ("gTLD") ".net" is disregarded, as gTLDs typically do not form part of the comparison on the grounds that they are required for technical reasons (*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 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 Domain Name such as those enumerated in the Policy or otherwise.

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

On the contrary, as Complainant demonstrated, the Domain Name resolved at the time of filing of the Complaint to the Website, which suggested falsely that it is 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 or repair center of Complainant and no agreement, express or otherwise, exists allowing the use of Complainant's trademarks on the Website and the use of the Domain Name by Respondent.

Further, per Complaint, Complainant's IQOS branded products are not sold in Viet Nam.

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 Name falsely suggested that the Website is an official site of Complainant or of an entity affiliated to or endorsed by Complainant. The Website extensively reproduced, without authorization by Complainant, Complainant's trademark, without any disclaimer of association (or lack thereof) with Complainant.

Furthermore, the use of a domain name which intentionally trades on the fame of another and suggests affiliation with the trademark owner cannot constitute a bona fide offering of goods or services (*Madonna Ciccone, p/k/a Madonna v. Dan Parisi and "Madonna.com"*, WIPO Case No. [D2000-0847](#); *AB Electrolux v. Handi Sofian, Service Electrolux Lampung*, WIPO Case No. [D2016-2416](#); [WIPO Overview 3.0](#), section 2.5).

As Complainant has demonstrated, the Website offers for sale also competing tobacco products and other products of third parties. The Website furthermore creates the false impression that Complainant has officially introduced the IQOS System into the Vietnamese market.

Panels have held that the use of a domain name for illegitimate activity here, claimed impersonation/passing off, and other types of fraud, can never confer rights or legitimate interests on a respondent. [WIPO Overview 3.0](#), section 2.13.1.

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.

Paragraph 4(b) of the Policy sets out a list of non-exhaustive circumstances that may indicate that a domain name was registered and used in bad faith, but other circumstances may be relevant in assessing whether a respondent's registration and use of a domain name is in bad faith. [WIPO Overview 3.0](#), section 3.2.1.

Panels have held that the use of a domain name for illegitimate activity, here, claimed, impersonation/passing off, or other types of fraud constitutes bad faith. [WIPO Overview 3.0](#), section 3.4. Having reviewed the record, the Panel finds the Respondent's registration and use of the disputed domain name constitutes bad faith under the Policy.

The Panel concludes that Respondent has registered and used the Domain Name in bad faith. As per Complaint, Complainant's IQOS trademark is well known for RRP smoking devices. Furthermore, "iqos" is a fictitious word. Because the IQOS mark had been widely used and registered at the time of the Domain Name registration by Complainant, the Panel finds it more likely than not that Respondent had Complainant's mark in mind when registering the Domain Name (*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 Name, Complainant has demonstrated that the Domain Name was used to resolve to the Website, which prominently displayed Complainant's registered trademark, thereby giving the false impression that it was operated by Complainant, or a company affiliated to Complainant or an authorised dealer of Complainant. The Domain Name was 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 website it resolves 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 bad faith use of Respondent was further indicated by the fact that the Website created the false impression that Complainant offers for sale its IQOS products in Viet Nam, while it is not.

The Panel considers the following factors: (i) the reputation of Complainant's mark, (ii) the failure of Respondent to submit a response, and (iii) the fact that the Website was offering competing tobacco and other products of third parties, given that, as Complainant has demonstrated, the Domain Name resolved to the Website which gives the false impression that it is operated by Complainant or an official retailer of Complainant and that the IQOS Products are offered for sale in Viet Nam where Complainant does not offer currently offer its IQOS Products.

Furthermore, Panels have found that the non-use of a domain name would not prevent a finding of bad faith under the doctrine of passive holding. [WIPO Overview 3.0](#), section 3.3. Having reviewed the available record, the Panel notes the distinctiveness or reputation of the Complainant's trademark, and the composition of the disputed domain name, and finds that in the circumstances of this case the current passive holding of the disputed domain name does not prevent a finding of bad faith under the Policy.

The Panel finds that the Complainant has established the third element 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 <iqosnhaviet.net> be transferred to the Complainant.

/Marina Perraki/

Marina Perraki

Sole Panelist

Date: November 1, 2024