



WIPO | ADR

Arbitration
and Mediation
Center



WIPO Arbitration and Expedited Arbitration

**Basel Arbitration Winter School 2023
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Director, WIPO Arbitration and Mediation Center

WIPO Arbitration and Mediation Center

- Alternative Dispute Resolution (ADR)
- Cases concerning all types of IP and technology
- WIPO mediators, arbitrators and experts experienced in IP and technology
- Competitive fees
- International neutrality
- Users around the world



Role of the WIPO Center

- Procedural assistance
 - Information and guidance on ADR
 - Drafting ADR clauses and submission agreements

- Administering cases
 - Containing time and costs
 - WIPO eADR and online tools

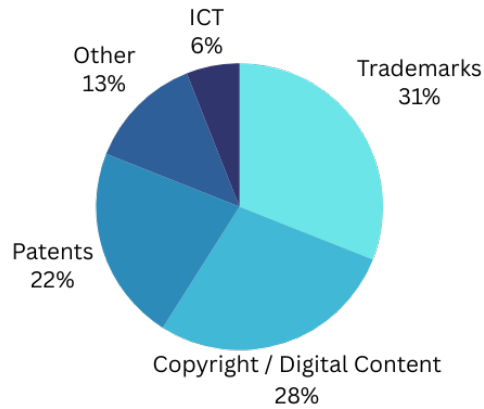
- Assisting selection and appointment of mediators and arbitrators; negotiating fees
 - 2,500+ WIPO experts from all regions
 - Specialized in IP and technology

WIPO ADR Cases

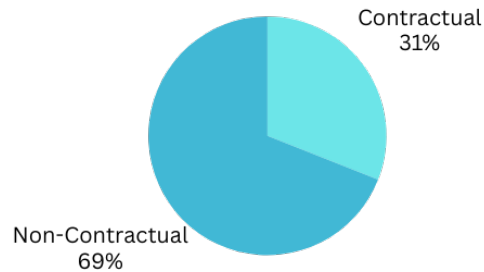
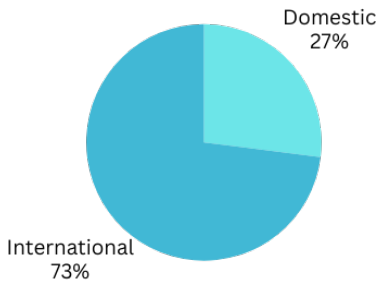
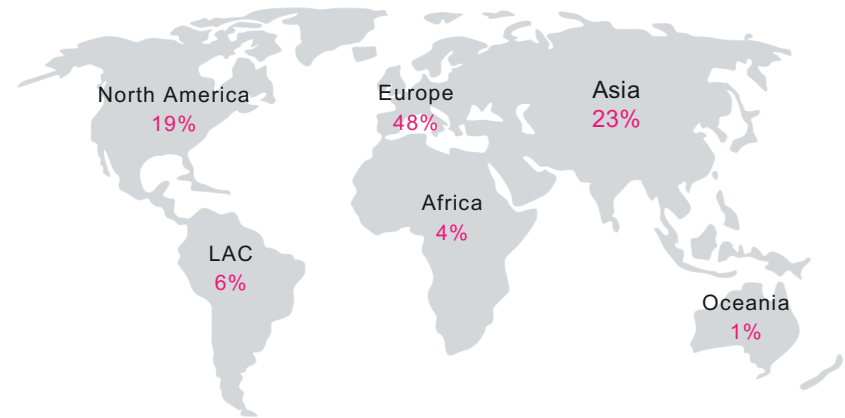
- IP/IT disputes and commercial disputes
- Patent licenses, patent pools, software/ICT, R&D and technology transfer agreements, trademark licenses and coexistence agreements, distribution and franchise agreements, joint ventures, copyright/content-related agreements, settlement agreements
- Requested remedies included: injunctive relief, damages, determination of royalty rates, declaration of non-performance, declaration of infringement
- Domestic and international disputes (20/80%)
- Amounts in dispute from USD 50,000 to USD 1 billion

Disputes Referred to WIPO Center under WIPO ADR Rules

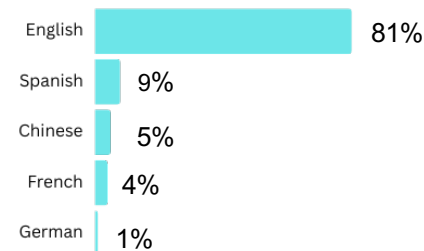
Legal Areas



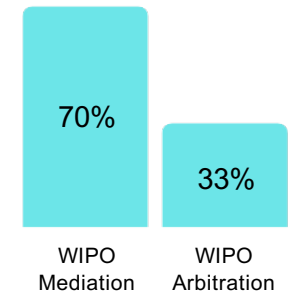
Party Location



Language



Settlement rate



WIPO ADR Rules (2021)

- IP and technology specific elements
- Applicable to all commercial disputes
- Flexibility
 - Pre-structure entire proceeding
 - For most part can be modified by arrangement between mediator or arbitrator and parties
- For domestic and international disputes

**WIPO Mediation,
Arbitration,
Expedited Arbitration
and Expert
Determination Rules
and Clauses**

Routes to WIPO ADR

- ADR contract clause electing WIPO Rules
 - WIPO Mediation, Arbitration / Expedited Arbitration, and/or Expert Determination
 - Model clauses: www.wipo.int/amc/en/clauses
- ADR submission agreement electing WIPO Rules, e.g., in existing non-contractual disputes
- Unilateral request for WIPO Mediation by one party (Art. 4 WIPO Mediation Rules)
- Court referrals

WIPO Online Case Administration Tools

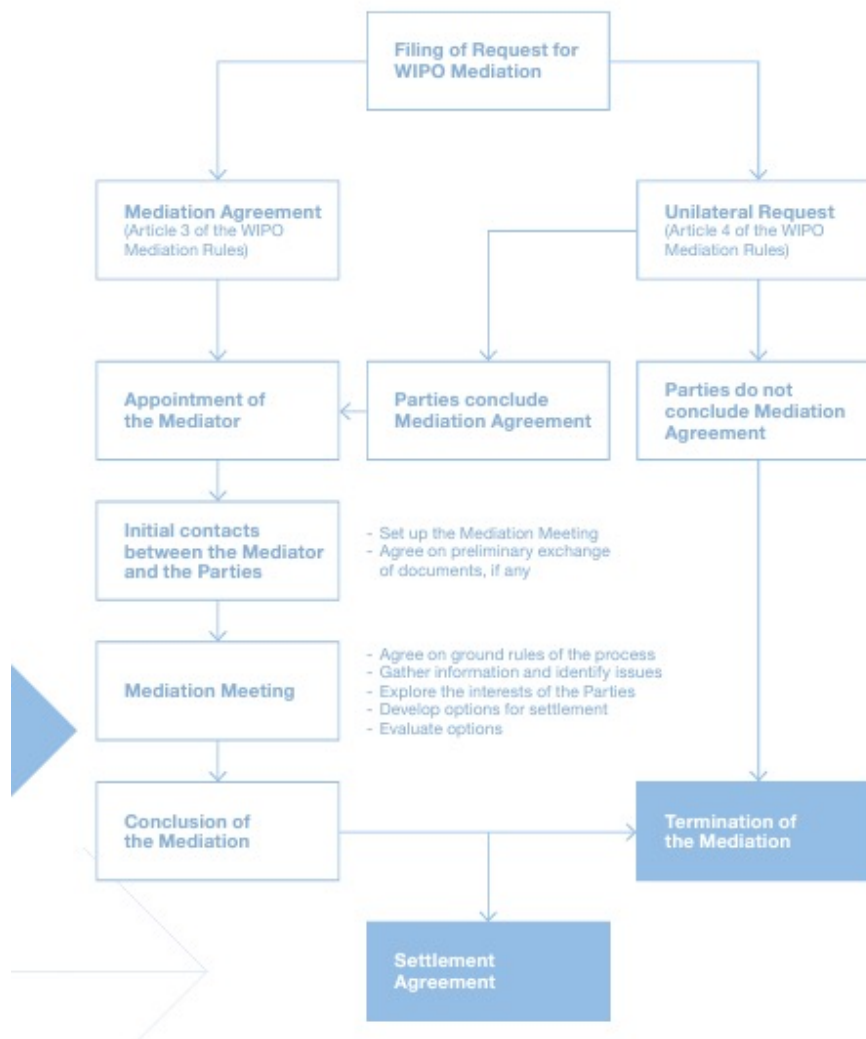
- Online Conduct of WIPO Arbitrations
 - WIPO Checklist on the Online Conduct of WIPO Mediations and Arbitration: www.wipo.int/amc/en/eadr/checklist/index.html
- Online docket: WIPO eADR: www.wipo.int/amc/en/eadr/wipoeadr/
 - Case Overview and Case Communications
 - Search Facility
 - Message Board
 - Security
 - Confidentiality

Disputes Referred to WIPO AMC: Co-administration with IP Offices and Courts

- **WIPO Online case tools include** online forms, meeting modules and WIPO videoconference systems
- Systems implemented with DNDA (Colombia) (nearly 500 cases), INDAUTOR (Mexico) (over 250 cases), the Judiciary of Tanzania (over 10 cases). System to be implemented by RPI (Guatemala), KECOBO (Kenya), BIPA (Namibia), DINAPI Paraguay and TTIPO (Trinidad and Tobago),
- To date:
 - 750 cases co-administered
 - 1,300+ mediation/conciliation meetings
- Main legal area is Digital Content Disputes

WIPO Mediation

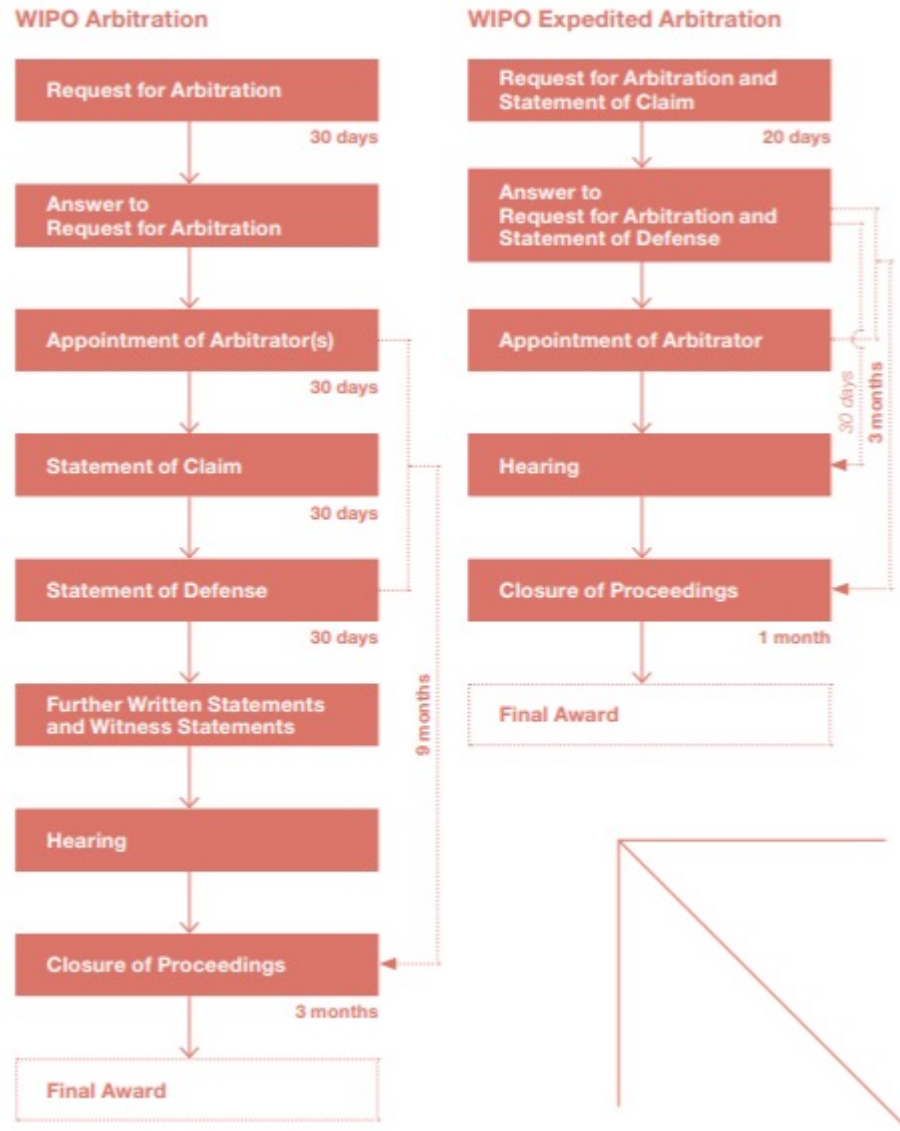
Principal steps in a WIPO Mediation



Case Example - Copyright Dispute involving Collecting Societies and TV Broadcasters

- 16 parties: collecting societies and a radio and television association (national and international broadcasters)
- Dispute: remuneration offered by cable operators to national and foreign TV broadcasters for the time-shifted viewing (replay TV/catch-up TV)
- Submission agreement to WIPO mediation
- Parties agreed on experienced WIPO Mediator and copyright collective management Expert
- Several preparatory telephone conferences with the parties
- Two mediation sessions with Mediator and Expert in 2 languages
- Settlement Agreement conclude within 9 months including renegotiation of broadcasting tariffs

WIPO Arbitration and Expedited Arbitration



WIPO Center Role - Case Commencement

- Activities of an institution during this time period
 - Receipt of Request for arbitration: Art. 6-10 WIPO Rules
 - Appointment of arbitrator(s): Art. 14-20 WIPO Rules
 - Consolidation: Art. 47 WIPO Rules
 - Determination of seat: Art. 38 WIPO Rules

Case Example - WIPO Online Expedited Arbitration of a Software Dispute

- **Valid arbitration agreement?**
- A US software developer and a European company entered into a license agreement
- The developer would use and distribute the company's security software
- Arbitration clause providing that all disputes shall be resolved under the WIPO Expedited Arbitration Rules:
 - Contained in a standard online contract
 - Not signed
 - Place of arbitration: London
 - Applicable substantive law: English law

Case Example - WIPO Online Expedited Arbitration of a Software Dispute

- The developer started WIPO Expedited Arbitration
- The parties chose one of the IT experts proposed by the WIPO Center as sole arbitrator
- Hearing was conducted via videoconference
- Final award rendered within one year and three months of the commencement of the arbitration

Case Example – Consolidation of IT Expedited Arbitrations

- Three software licenses:
 - Two licenses (one licensor, two different licensees): WIPO Expedited Arbitration clause
 - One software license (same licensor, another licensee):
no WIPO Expedited Arbitration clause
- Three licensees filed a Request for Arbitration against the licensor
- Same day: licensor filed three separate Requests for Arbitration under the WIPO Expedited Arbitration Rules against each licensee
- Parties agreed: appointment of same Sole Arbitrator and consolidation of the four arbitrations into one set of proceedings

Number of Arbitrators

- The Tribunal shall consist of such number of arbitrators as has been agreed by the parties: Article 14(a) WIPO Rules
- Where the parties have not agreed on the number, the Tribunal shall consist of a sole arbitrator except where the Center in its discretion determines that in view of all the circumstances of the case a Tribunal composed of three members is appropriate: Article 14(b) WIPO Rules

Appointment Procedures

- Control by parties – Arbitrators will be appointed following any procedure agreed by the parties: Art. 15(a) WIPO Rules
- If no agreed appointment procedure:
 - A sole arbitrator is nominated jointly by the parties, failing which appointed by the Center: Art. 16 WIPO Rules
 - For a three-member tribunal, Claimant(s) and Respondent(s) each nominate one arbitrator and those two nominate the presiding arbitrator: Art. 17 WIPO Rules
- Default list procedure: Art. 19 WIPO Rules

Conflicts of Interest

- Arbitrators shall be “impartial and independent”: Art. 22(a) WIPO Rules
- Duty to disclose: Art. 22(b) and (c) WIPO Rules
- IBA Guidelines on Conflicts of Interest in International Arbitration
- Challenges: Art. 24-29 WIPO Rules

General Powers of the Arbitral Tribunal

- Art. 37 WIPO Rules: General Powers of the Tribunal
 - (a) The Tribunal may conduct the arbitration in such manner as it considers appropriate.
 - (b) In all cases, the Tribunal shall ensure that the parties are treated with equality and that each party is given a fair opportunity to present its case.
 - (c) The Tribunal shall ensure that the arbitral procedure takes place with due expedition

Preparatory Conference

- The Tribunal shall, in general within 30 days after its establishment, conduct a preparatory conference with the parties by telephone, videoconference or using online tools, or in any suitable format for the purpose of organizing and scheduling the subsequent proceedings in a time and cost efficient manner: Art. 40 WIPO Rules
- Normally held by videoconference or telephone

Written Submissions

■ Typically:

1. Request for Arbitration (Claimant): Art. 6-10 WIPO Rules
2. Answer [and Counterclaim] (Respondent): Art. 11-12 WIPO Rules
3. Statement of Claim (Claimant): Art. 41 WIPO Rules
4. Statement of Defense (Respondent): Art. 42 WIPO Rules
5. Further Written Statements: Art. 43 WIPO Rules

Interim Relief

- At the request of a party, the Tribunal may issue any provisional orders or take other interim measures it deems necessary, including injunctions and measures for the conservation of goods which form part of the subject matter in dispute: Art. 48(a) WIPO Rules
- A request addressed by a party to a judicial authority for interim measures or for security for the claim or counter-claim, or for the implementation of any such measures or orders granted by the Tribunal, shall not be deemed incompatible with the Arbitration Agreement, or deemed to be a waiver of that Agreement: Art. 48(d) WIPO Rules

The Guiding Principle for Evidence

- The Tribunal shall determine the admissibility, relevance, materiality and weight of evidence: Art. 50 WIPO Rules
- The Tribunal may, at the request of a party or on its own motion, order a party to produce such documents or other evidence as it considers necessary or appropriate

Presentation of Scientific and Technical Evidence

- Experiments: Art. 51(a) WIPO Rules
- Site Visits: Art. 52 WIPO Rules
- Agreed Primers and Models: Art. 53 WIPO Rules

Form of Testimony of Witnesses

- Testimony can be by written statements: Art. 56(d) WIPO Rules
- At the request of either party, the tribunal will hold an oral hearing and will allow presentation of evidence by witnesses, including expert witnesses: Art. 55(a) WIPO Rules
- Experts appointed to assist the Tribunal: Art. 57 WIPO Rules
- Party appointed experts

Disclosure of Trade Secrets and other Confidential Information

■ **What constitutes Confidential Information: Art. 54(a) WIPO Rules**

Any information, regardless of the medium in which it is expressed, which is:

- i. in the possession of a party;
- ii. not accessible to the public;
- iii. of commercial, financial or industrial significance; and
- iv. treated as confidential by the party possessing it

■ **Procedure for seeking a Protective Order: Art. 54(b) and (c) WIPO Rules**

Hearings

■ Whether to hold a hearing : Art. 55(a) WIPO Rules

A hearing or hearings could be held, when:

- i. either party so requests;
- ii. the Tribunal shall decide whether to hold such a hearing or hearings in the absence of a request;

If no hearings are held, the proceedings shall be conducted on the basis of documents and other materials alone.

■ Hearings may conducted remotely (expressly mentioned in 2021 WIPO Rules)

Award

- Award final and binding: Art. 66 WIPO Rules
- Losing party may:
 - Seek correction or additional award (Art. 68 WIPO Rules)
 - Comply with award
 - Challenge award
 - Resist recognition/enforcement of award
- Winning party may:
 - Seek correction or additional award
 - Apply for recognition/enforcement of award

Post Award: Confidentiality

- Broad and ongoing confidentiality: Art. 75-78 WIPO Rules
- Disclosure of award only if (Art. 77 WIPO Rules):
 - the parties consent; or
 - award falls into public domain, e.g. due to challenge and enforcement proceedings; or
 - disclosure required by law or to protect legal right

Case Example - WIPO Arbitration of a Patent Infringement Dispute

Parties Two US companies

Contract Submission Agreement to WIPO Arbitration

Dispute Patent infringement dispute related to a European patent in the area of consumer goods; litigation in several jurisdictions

Process Three-member arbitral tribunal

Detailed procedural and hearing schedule

Amendments of WIPO Rules: e.g. shortened timelines and detailed provision on experiments

One-day hearing in Geneva including witness statements

Result **Final award rendered within five months of the commencement of the arbitration**

Case Example - WIPO Expedited Arbitration of a Software Dispute

- Parties* US company providing data processing software and services and Asian bank
- Contract* Agreement for data account processing services
- Dispute* Whether the bank breached the contract by failing to comply with exclusivity obligations with US company
- Process* WIPO Center proposed arbitrator candidates with IT and arbitration experience and the parties agreed on the sole arbitrator
- Two-day hearing in New York City
- Result* **Award resolving dispute in four months**

ADR Pointers

- Contracting on technology should anticipate disputes
- Prepare for likelihood of international aspect in parties, rights, law
- Institutional' or 'ad hoc'?
 - Institution can help especially in early stages (appointments, challenges, payments,)
- Dispute policy should **combine options** and include **mediation**
 - 40% of WIPO cases include escalation clauses
 - 70% of WIPO mediations settle
- Consider **expedited arbitration** as time- and cost-effective option
- In non-contractual disputes, potential for negotiation and mediation

WIPO Model Clause Example: Mediation followed by [Expedited] Arbitration

"**Any dispute**, controversy or claim arising under, out of or relating to this contract and any subsequent amendments of this contract, including, without limitation, its formation, validity, binding effect, interpretation, performance, breach or termination, as well as non-contractual claims, **shall be submitted to mediation in accordance with the WIPO Mediation Rules**. The place of mediation shall be **[specify place]**. The language to be used in the mediation shall be **[specify language]**"

If, and to the extent that, **any such dispute**, controversy or claim **has not been settled pursuant to the mediation within [60][90] days of the commencement of the mediation**, it shall, **upon the filing of a Request for Arbitration by either party, be referred to and finally determined by arbitration in accordance with the WIPO [Expedited] Arbitration Rules**. Alternatively, if, before the expiration of the said period of [60][90] days, either party fails to participate or to continue to participate in the mediation, the dispute, controversy or claim shall, upon the filing of a Request for Arbitration by the other party, be referred to and finally determined by arbitration in accordance with the WIPO [Expedited] Arbitration Rules. [The arbitral tribunal shall consist of **[a sole arbitrator][three arbitrators]**.]* The place of arbitration shall be **[specify place]**. The language to be used in the arbitral proceedings shall be **[specify language]**. The dispute, controversy or claim referred to arbitration shall be decided in accordance with **[specify jurisdiction]** law." (* The WIPO Expedited Arbitration Rules provide that the arbitral tribunal shall consist of a sole arbitrator.)

WIPO Clause Generator

Step 3 – Build your clause: WIPO Mediation followed, in the absence of a settlement, by Arbitration Clause

Mediation

Core Elements ?

Place of Mediation

Language of the Mediation

Duration of the Mediation Proceedings

Additional Elements ?

Qualifications of the Mediator

Conduct of the Mediation

Arbitration

Core Elements ?

Number of Arbitrators

Place of Arbitration

Language of Arbitration

Substantive Law

Additional Elements ?

Appointment Procedure

Qualifications of the Arbitrators

ECAF

Evidence

Time Period of Delivery of the Final Award

Appeal

The parties should determine where they want the mediation to take place.

The place of mediation shall be .

Clear

Next

Any dispute, controversy or claim arising under, out of or relating to this contract and any subsequent amendments of this contract, including, without limitation, its formation, validity, binding effect, interpretation, performance, breach or termination, as well as non-contractual claims, shall be submitted to mediation in accordance with the WIPO Mediation Rules.

The place of mediation shall be [specify place].

The language to be used in the mediation shall be [specify language].

If, and to the extent that, any such dispute, controversy or claim has not been settled pursuant to the mediation within [specify timeline] days of the commencement of the mediation, it shall, upon the filing of a Request for Arbitration by either party, be referred to and finally determined by arbitration in accordance with the WIPO Arbitration Rules. Alternatively, if, before the expiration of the said period of [specify timeline] days, either party fails to participate or to continue to participate in the mediation, the dispute, controversy or claim shall, upon the filing of a Request for Arbitration by the other party, be referred to and finally determined by arbitration in accordance with the WIPO Arbitration Rules.

The arbitral tribunal shall consist of [a sole arbitrator][three arbitrators].

The place of arbitration shall be [specify place].

The language to be used in the arbitral proceedings shall be [specify language].

The dispute, controversy or claim shall be decided in accordance with the law of [specify jurisdiction].

<https://www.wipo.int/amc-apps/clause-generator/procedure/>

Step 4 – Download or copy the final result

Download

Copy to clipboard

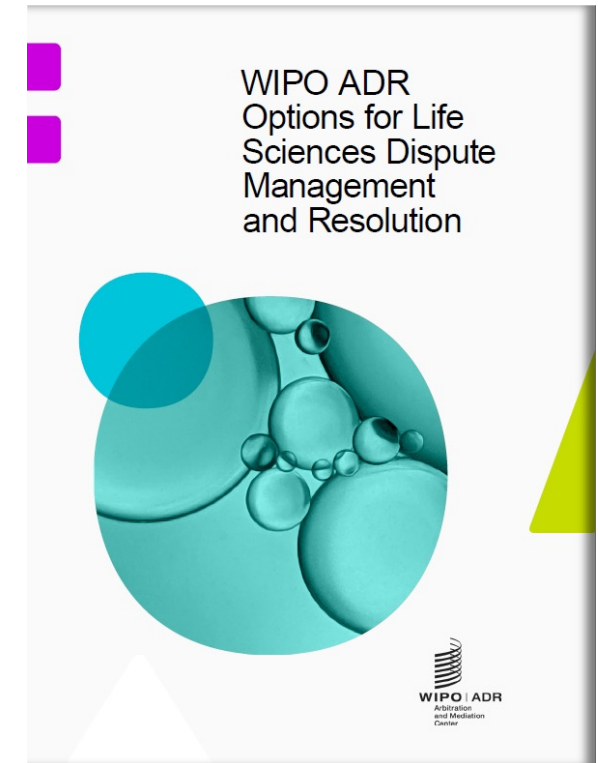
Print clause

Problematic Dispute Resolution Clauses

- “Arbitration in Geneva”
- WIPO Arbitration with a sole arbitrator, place of arbitration Geneva, no applicable law, WIPO Arbitration with three arbitrators: amount in dispute USD 60,000
- WIPO Expedited Arbitration with three arbitrators
- Patent license: infringement disputes → WIPO Arbitration Rules, contractual disputes → other institution
- To avoid issues: usually best to start from standard rules and clauses (e.g., WIPO Arbitration Rules)

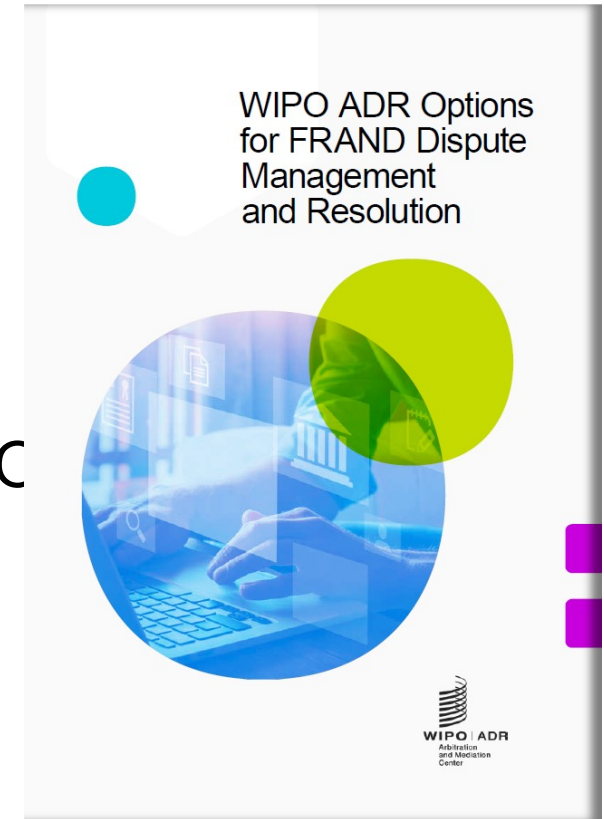
WIPO ADR for Life Sciences Disputes

- Approximately 15% of WIPO arbitration and mediation cases relate to life sciences
- Disputes are often international and may be contractual/non-contractual
- Disputes may relate to wide range of issues including:
 - non-disclosure agreements
 - material transfer agreements
 - R&D agreements (including clinical data)
 - patent licensing (including trade secrets i.e. know-how/show-how)
 - manufacturing and distribution agreements



WIPO ADR for FRAND Disputes

- Tailored Model WIPO FRAND ADR Submission Agreements: Mediation, Arbitration, Expedited Arbitration, Expert Determination developed in collaboration with ETSI, telecom stakeholders and WIPC neutrals
- Guidance on WIPO FRAND ADR <https://www.wipo.int/amc/en/center/specific-sectors/ict/frand/>



WIPO FRAND ADR Case Examples – Licensing negotiations between SEP holders and implementers

- Requests for WIPO Mediation relating to licensing negotiations between SEP holders and patent pool administrators and implementers in relation to ongoing unsuccessful patent licensing negotiations
 - Cases included parties from 23 jurisdictions, including the US (almost 50% of cases involved parties based in Asia including China, India, Japan and the Republic of Korea)
 - Mediation requests prompted appointment of mediators or renewed licensing negotiations
 - SEP holders proposing arbitration to determine FRAND licensing terms

Trends in IP, Technology Arbitration

- Increasingly international nature of IP/IT disputes
 - Need for more effective cross-border dispute resolution solutions
- Increasingly technical and specialised nature of IP/IT disputes
 - Need for specific expertise of “neutral”
- Growth of complex IP/IT long-term business relationships
- Increasing recognition and use of ADR for IP disputes
 - Fewer concerns as to arbitrability of IP and enforcement of awards

WIPO ADR Young

- The WIPO Arbitration and Mediation Center provides a forum for young professionals interested in IP and ADR
- Become a Member:



www.wipo.int/amc/en/center/wipoadryoung/

Further Information

- Queries: arbiter.mail@wipo.int
- Clauses: www.wipo.int/amc/en/clauses
- Rules: www.wipo.int/amc/en/rules
- Neutrals and Case Examples:
www.wipo.int/amc
- Case Filing Guidelines:
 - www.wipo.int/amc/en/arbitration/filing
 - www.wipo.int/amc/en/mediation/filing/index.html
- Guide to WIPO Arbitration:
www.wipo.int/amc/en/publications

