

# La résolution des litiges de propriété intellectuelle

## *Resolution of Intellectual Property Disputes*

Contributions de Joost Pauwelyn, Pierre Véron, Edouard Treppoz,  
Julie Bertholet/Pierre-Alain Killias, Torsten Bettinger, Bernard Hanotiau et  
Sarah Theurich

Jacques de Werra (éd.)

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# Designing Tailored Alternative Dispute Resolution in Intellectual Property : the Experience of WIPO

*Sarah Theurich\**

## I. Introduction

Disputes in Intellectual Property (IP) are as multifaceted as the subject itself. To name only a few, they can range from the most complex patent infringement, technology transfer and research and development cases, over software licensing, IP financing, trademark coexistence and design issues, to questions of art resale rights or the use of traditional knowledge.

IP disputes often have specific needs that require tailored resolution methods. First and foremost, the specificity of the subject matter demands legal and technical expertise from involved dispute resolution facilitators. Second, IP controversies are increasingly played out on an international level and need global solutions. Further, market cycles are rapidly evolving, which makes time and cost effective dispute resolution paramount. Finally, there may be know-how and trade secrets involved and hence confidentiality would be key.

These are some of the reasons why the international IP community advocated in the early 1990s<sup>1</sup> in favor of the creation of a tailored international dispute resolution service to be provided by the World Intellectual Property Organization (WIPO)<sup>2</sup>, which led to the establishment of

\* Legal Staff, WIPO Arbitration and Mediation Center.

1 For example, the International Association for the Protection of Intellectual Property (AIPPI), the International Federation of Industrial Property Attorneys (FICPI), and the Licensing Executives Society International (LESI). For more details on the history of the creation of the WIPO Arbitration and Mediation Center, see: Development of WIPO's Dispute Resolution Services, World Intellectual Property Organization, 1992-2007, Part III, pp.93-104, [www.wipo.int/amc/en/history/](http://www.wipo.int/amc/en/history/).

2 WIPO is an intergovernmental organization dedicated to developing a balanced and accessible international intellectual property system, which rewards creativity, stimulates innovation and contributes to economic development while safeguarding the public interest. It currently has 184 Member States and administers 24 international Treaties. For more information on WIPO, please see [www.wipo.int](http://www.wipo.int).

the WIPO Arbitration and Mediation Center (WIPO Center)<sup>3</sup>. Francis Gurry, the Director General of WIPO, explained « [t]he underlying reason for the establishment of the Center was a belief in the specificity of intellectual property as a subject matter, and, thus, of disputes concerning intellectual property, coupled with the conviction that arbitration and other dispute-resolution alternatives offered particularly suitable means of accommodating the specific characteristics of intellectual property disputes ».<sup>4</sup>

As an international service provider, the WIPO Center promotes, on a not-for-profit basis, the neutral cost and time effective alternative dispute resolution (ADR) of international commercial disputes between private parties through procedures such as arbitration, mediation and, since 2007, expert determination. While its procedures are appropriate in all types of commercial disputes, the WIPO Center specializes in particular in cases arising out of intellectual property and technology transactions, such as licensing, research and development and distribution agreements, as well as entertainment related matters.

The standard WIPO Mediation, Expedited Arbitration, Arbitration<sup>5</sup> and Expert Determination Rules (WIPO Rules) provide in themselves a tailored tool for IP disputes. Developed by leading international dispute resolution specialists and IP experts, they contain specific provisions that are particularly adapted to IP disputes (e. g., on technical evidence, expert appointment, interim measures, trade secrets and confidentiality). To date, the WIPO Center has administered more than 220 mediations and arbitrations under WIPO Rules, most of which have been filed in the last five years.

The role of the WIPO Center is twofold:

First, as an administering authority it administers disputes under WIPO Rules through an active case management system (including procedural rules and model clauses in a variety of languages; a database, open to further expansion, of over 1,500 qualified international mediators, arbitrators and experts specialized in different IP related fields;

3 The WIPO Center's website is available at: [www.wipo.int/amc](http://www.wipo.int/amc).

4 FRANCIS GURRY, *The WIPO Arbitration and Mediation Center and its Services*, *The American Review of International Arbitration*, Vol. 5, No. 2, 1994, pp. 197-201.

5 For a commentary on the WIPO Arbitration Rules, see « *WIPO Arbitration Rules: Commentary and Analysis* », Juris Publishing, Juris Net, New York, 2000.

management of case related fees; electronic case communication tools; and procedural model documents).

Second, it also acts as a resource center. In addition to providing ADR training and publications, it advises parties and entities, upon request, on existing WIPO ADR procedures and how they can be customized to specific needs. It also develops tailored dispute resolution policies that are adapted to the particular needs of certain business sectors, or specific associations of right holders, that face recurrent disputes.

As varied as IP disputes are, the dispute resolution needs of disputing parties or specific business and industry sectors can be equally diverse. Through its flexible character, ADR lends itself to adaption to the concrete needs of parties involved in a case (II), or to be the basis for the development of tailored dispute resolution systems for specific recurring types of disputes in selected sectors (III). The following explains the WIPO Center's commitment to designing tailored ADR methods on both fronts.

## **II. Tailoring Standard WIPO ADR to Party Needs – or How to « Make it Fit »**

If parties opt for ADR, they have great latitude to adapt the features of the process to their specific needs, which goes from selecting the adequate procedure, to tailoring the ADR clause, to selecting appropriate remedies.

### **A. Party Autonomy**

The WIPO Rules are based on party autonomy, a recognized principle in international commercial arbitration<sup>6</sup>, and applicable to ADR in general. As a private and consensual mechanism, ADR is based on the concept of a contract between the parties by which they agree to submit all future or existing disputes to resolution through ADR. Hence, the contractual character gives parties the power to determine the specific

6 JULIAN D. M. LEW, LOUKAS A. MISTELIS, STEFAN M. KRÖLL, *Comparative International Commercial Arbitration*, Kluwer Law International, The Hague, 2003, Section 17-8 f.



elements of the ADR process. The parties are the « masters » of their ADR process and can « make it fit » their concrete needs.

The first crucial point to decide for parties is whether the ADR process should be administered by an institution or *ad hoc*. While *ad hoc* ADR leaves it to parties to design the entire ADR process, institutional ADR, such as the procedures available through WIPO, already provides a frame for the procedure including timelines and procedural steps. While institutional ADR has the advantage of an established basic procedural structure, it still leaves a lot of flexibility to parties to adapt the procedure to their needs. This can save considerable time and costs, as it is extremely difficult and time consuming for parties to agree on anything, including on procedural rules, once they are in dispute.

In WIPO ADR, and subject to mandatory provisions in applicable national law, parties can agree on elements such as the law applicable to the substance of the case, the arbitration law, the place of arbitration or mediation, the appointment (including number and person) of the mediator or arbitrator, the language of the procedure, and other procedural elements. Such elements should ideally be determined in the ADR clause already. If no such contract clause exists, they can also be later defined in an ADR submission agreement. Parties in WIPO procedures can also agree on procedural elements at different stages during the ADR process. This principle is, for example, expressed in Article 2 of the WIPO Mediation, Arbitration, Expedited Arbitration and Expert Determination Rules under the scope of application, establishing that these rules apply « unless the parties have agreed otherwise ».

## B. Selecting Appropriate ADR Procedures

ADR offers a wide range of options and selecting the appropriate procedure(s) is paramount. In WIPO ADR, apart from mediation and expert determination, parties can choose between standard arbitration and expedited arbitration (see below 1 on fast track arbitration). Combining procedures can also be a particularly advantageous option.

Mediation<sup>7</sup> is an informal procedure, in which parties ask a neutral intermediary, the mediator(s), to assist them in reaching a settlement of the dispute. The mediator(s) have the necessary skills and expertise to

7 See for example Guide to WIPO Mediation available at: [www.wipo.int/freepublications/en/arbitration/449/wipo\\_pub\\_449.pdf](http://www.wipo.int/freepublications/en/arbitration/449/wipo_pub_449.pdf).

help parties identifying the issues in dispute, their underlying interests and to determine a range of alternative options. Mediation helps to find business-oriented solutions and to preserve long-term relationships. Any settlement which parties achieve is enforceable as a contract between them.

Arbitration<sup>8</sup> is a procedure in which the dispute is submitted to one or more independent arbitrators who render a binding decision, the arbitral award, which is normally final and not subject to appeal. The award is internationally enforceable under the New York Convention for the Recognition and Enforcement of Foreign Arbitral Awards of 1958.

Expert Determination<sup>9</sup> is a procedure in which a specific matter is submitted to one or more experts who make a determination on the issue referred to them. It is particularly appropriate for technical or specific issues, such as the determination of a royalty amount. The determination is binding unless the parties have agreed otherwise.

### 1. *Considering Fast Track Arbitration*

Standard WIPO Arbitration with the possibility of a three-member arbitral tribunal may well be appropriate in certain cases. This may, for example, be the case in complex patent disputes with patents protected in different jurisdictions, and involving lengthy evidence and expert reports. In other disputes, parties may have an interest in arbitration under the WIPO Expedited Arbitration Rules<sup>10</sup>, providing for a sole arbitrator.

The WIPO Expedited Arbitration Rules provide for one exchange of pleadings in comparison to two exchanges of pleadings under the standard WIPO Arbitration Rules. In WIPO Expedited Arbitration, the Statement of Claim is to be submitted together with the Request for Arbitration in order to commence the arbitration (Article 10 WIPO Expedited Arbitration Rules) and the Statement of Defense is to be submitted together with the Answer to the Request (Article 11 WIPO Expedited Arbitration Rules). In standard WIPO Arbitration, the Statement of

8 See for example Guide to WIPO Arbitration, available at: [http://www.wipo.int/freepublications/en/arbitration/919/wipo\\_pub\\_919.pdf](http://www.wipo.int/freepublications/en/arbitration/919/wipo_pub_919.pdf).

9 For more information on WIPO Expert Determination, see [www.wipo.int/amc/en/expert-determination](http://www.wipo.int/amc/en/expert-determination).

10 For a comment on WIPO Expedited Arbitration, see JAN PAULSSON, The WIPO Expedited Arbitration Rules: Fast-Track Arbitration I., World Arbitration and Mediation Report, Vol. 6, No. 11, 1995, pp. 255-258.

Claim can be submitted after the Request for Arbitration (Article 10 WIPO Arbitration Rules) and the Statement of Defense after the Answer to the Request (Article 12 WIPO Arbitration Rules).

Further, in WIPO Expedited Arbitration, the timelines are shorter and the fees are reduced.<sup>11</sup> For example, a fixed fee applies for the arbitrator's fees in cases where the amount in dispute does not exceed 10 million USD.

WIPO Expedited Arbitration may be appropriate when the value in dispute does not justify the cost of more extensive procedures, or when the number of issues in dispute is limited. It may also be that parties wish to commence with an ambitious time or cost frame, subject to future case developments. In specific instances parties may need a particularly urgent final and enforceable decision.

In practice, WIPO Expedited Arbitration has often been used in trademark and software related disputes, and also in disputes relating to artistic productions.

a) Example: WIPO Expedited Arbitration of a Trademark Coexistence Dispute<sup>12</sup>

In this case, a European company had registered a trademark for luxury goods in different countries. An Asian manufacturer started to sell fashion products under a similar registered trademark. The Asian company filed a court case and administrative cancellation proceedings in two European countries alleging non-use by the European company of its trademark. After the court case went to appeal, the parties settled their dispute by concluding a trademark coexistence agreement which included a WIPO expedited arbitration clause. When the European company used its trademark in a trade fair, the Asian company initiated WIPO expedited arbitration proceedings claiming infringement of the coexistence agreement.

Following consultations between the parties and the Center, a European trademark specialist was appointed as sole arbitrator. After two rounds of pleadings, the arbitrator conducted a one-day hearing in

11 On cost-efficiency in WIPO ADR, see also BERLY ACOSTA-LELIEVRE, A Cost-Effective Alternative, WIPO Magazine, February 2010, [www.wipo.int/wipo\\_magazine/en/2010/01/article\\_0008.html](http://www.wipo.int/wipo_magazine/en/2010/01/article_0008.html).

12 This and other anonymized case summaries are available at the WIPO Center's website at: <http://www.wipo.int/amc/en/arbitration/case-example.html>.

a European country and issued an award six months after the commencement of the proceedings. Finding partial infringement of the co-existence agreement, the arbitrator granted the primary remedy claimed and ordered the European company to refrain from such infringing behavior.

b) Example: WIPO Expedited Arbitration Relating to an Artistic Production Finance Agreement<sup>13</sup>

A producer of artistic performances entered into an agreement with an insurance company to finance arbitration proceedings. The finance agreement included a WIPO expedited arbitration clause. The producer brought arbitration proceedings against an Asian entity in Singapore. The producer claimed the costs of the Singapore arbitration under its finance agreement. Faced with the financing company's apparent refusal to make such payment, the producer filed WIPO expedited arbitration proceedings indicating that, as a result of the deadline imposed by the arbitral tribunal in Singapore, it required that a final award be issued within six weeks after the commencement of the WIPO expedited arbitration. Following consultations with the parties, the WIPO Center appointed a sole arbitrator. After a one-day hearing in a European country, the sole arbitrator issued a timely arbitral award within five weeks.

2. *Combining ADR Procedures*

ADR procedures can also be combined together in order to cumulate the advantages of the different procedures, by having for example a first mediation phase, followed in the absence of settlement by arbitration. Such « multi-tiered » dispute resolution processes can help avoid an escalation of mechanisms while combining their benefits where necessary. To date, over 20% of the cases submitted to the WIPO Center were based on a combined clause providing for mediation followed, in the absence of settlement, by (expedited) arbitration.

a) The Advantages of Combining Procedures

Providing for an initial mediation phase has the advantage of increasing settlement chances while keeping the risk for parties low. Mediation is an

13 This and other anonymized case summaries are available at the WIPO Center's website at: <http://www.wipo.int/amc/en/arbitration/case-example.html>.

informal and flexible procedure, allowing either party to withdraw from the procedure.

To date, 73 % of WIPO mediations have settled. Even in arbitration, which normally ends with a final and binding award, parties still have the possibility to explore settlement at any stage of the arbitration process. In WIPO arbitration, to date so far, 58 % of cases have settled.<sup>14</sup>

Also, the mediation phase may allow parties to be better prepared for the arbitration phase and to have a clearer understanding of the issues in dispute. Some of the issues may already have been resolved in the mediation, which allows the resolution of the remaining issues in arbitration to occur faster.

For purposes of neutrality, impartiality and independence, the arbitrator appointed in the arbitration phase would normally be a different person from the mediator in the mediation phase. In exceptional instances, and provided the parties explicitly agree, they may also ask the mediator to act as arbitrator. In WIPO cases, this has only occurred once upon the parties' explicit request.

## b) Drafting Multi-Tier Clauses

When drafting a clause combining different ADR procedures, it is important to define time-limits for each phase, so as to avoid undue delay in the resolution of the dispute.

As indicated above, there are different options available to parties in WIPO ADR. They may combine mediation with (expedited) arbitration and expert determination in different constellations.

The most frequently used WIPO ADR clause is « Mediation Followed, in the Absence of a Settlement, by [Expedited] Arbitration ». It provides that

*« 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*

14 On settlement see also, WIPO Arbitration and Mediation Center, Update on the WIPO Arbitration and Mediation Center's Experience in the Resolution of Intellectual Property Disputes, in *Les Nouvelles*, Journal of the Licensing Executives Society International, March 2009, pp. 49-54.

*[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 the law of [specify jurisdiction]. »*

*(\* The WIPO Expedited Arbitration Rules provide that the arbitral tribunal shall consist of a sole arbitrator.)*

### C. Tailoring the ADR Clause

It is generally advised to use model ADR clauses and submission agreements<sup>15</sup> in order to provide for the principal elements and to avoid any ambiguity which may later lead to difficulties and delays in the dispute resolution process. As indicated above, WIPO model clauses and submission agreements, allow parties to define elements such as the place of arbitration or mediation, applicable law, language of proceedings, appointment of mediator or arbitrator.

Where necessary, model clauses and submission agreements may be adapted to the specific needs of parties and include further provisions.

For example, in certain instances where specialized expertise is needed, parties have indicated in the ADR clause the qualifications required from the mediator or arbitrator. They have also set specially

15 For example, the WIPO Center makes available model ADR clauses and submission agreements in different languages on its website at: [www.wipo.int/amc/en/clauses](http://www.wipo.int/amc/en/clauses).

reduced timelines for certain stages of the ADR process and excluded discovery (see case example under Section II.C.1 below).

In the ADR clause, parties may also determine the degree of confidentiality. By selecting certain institutional rules and the place of arbitration, parties agree on applicable confidentiality provisions. For example, the WIPO Mediation Rules provide for confidentiality and prohibit in particular the disclosure of information exchanged in the mediation to any outside party or in subsequent proceedings (Articles 14-17). The WIPO Arbitration (Articles 73-76) and Expedited Arbitration (Articles 66-69) Rules provide in particular for the confidentiality of the existence of the arbitration, any disclosures made during the arbitration, and of the arbitration award. Beyond that, parties can also stipulate specific confidentiality safeguards in the ADR clause. For example, in one WIPO Arbitration, the clause provided that « [a]ll proceedings, submissions, and decisions related to the arbitration shall be confidential and held in confidence, except as otherwise required to be disclosed by law or to enforce the Arbitrator's award ».

Further, in addition to provisions on available interim relief in institutional Rules (such as Article 46 WIPO Arbitration Rules), parties may also provide for specific interim relief in the ADR clause itself. This was the case in a WIPO Arbitration clause, which stipulated that « [n]either party shall be precluded hereby from seeking provisional remedies in the courts of any jurisdiction including, but not limited to, temporary restraining orders and preliminary injunctions, to protect its rights and interests, but such shall not be sought as a means to avoid or stay arbitration ».

### *1. Example: Tailored ADR Clause in a WIPO Expedited Arbitration Relating to a Banking Software Dispute*<sup>16</sup>

In this case, a US company providing data processing software and services and an Asian bank concluded an agreement regarding the provision of account processing services. The parties agreed that the US company was to be the exclusive service provider for certain of the bank's affiliates in North America and Europe. The agreement contained

16 Part of this case summary, as well as other anonymized case summaries are available at the WIPO Center's website at: [www.wipo.int/amc/en/arbitration/case-example](http://www.wipo.int/amc/en/arbitration/case-example).

a WIPO Expedited Arbitration clause, tailored to the parties' specific needs by reducing timelines and excluding discovery :

« Any dispute or controversy arising out of this agreement shall be submitted to and resolved by arbitration under the WIPO Expedited Arbitration Rules. [...] The arbitrator will be selected from a panel of persons having experience of information technology. Discovery shall not be permitted. A hearing on the merits of all claims for which arbitration is sought by either party shall be commenced not later than 60 days from the date of the Request for Arbitration is filed. The arbitrator must render a decision within 10 days after the conclusion of such hearing. The place of Arbitration shall be New York City. The applicable substantive law shall be that of the State of New York. »

Four years after the conclusion of their agreement, the US company alleged that the bank had violated the agreement by using processing services offered by third parties in the countries covered by the agreement. When the parties failed to settle the dispute, the US service provider commenced WIPO expedited arbitration proceedings claiming infringement of the agreement and substantial consequential damages. The parties agreed upon a sole arbitrator specialized in IT dispute resolution.

The parties further agreed to use the WIPO Electronic Case Facility (WIPO ECAF), an online case communication system that can be used in cases filed under WIPO Rules if parties opt for it.<sup>17</sup> Submissions and communications are thereby filed into an online case docket, providing an electronic case record available to the parties, the arbitrators or mediators, and the WIPO Center. In order to protect the confidentiality of the procedures and to provide full security, WIPO ECAF is secured by a firewall, user names, changing passwords and a RSA SecurID card.

The sole arbitrator in this case held a two-day hearing in New York City. Three months after the request for expedited arbitration, the

17 More information on WIPO ECAF is available at [www.wipo.int/amc/en/ecaf](http://www.wipo.int/amc/en/ecaf). WIPO ECAF was also used in the 32<sup>nd</sup> America's Cup, an international sailing competition. Disputes arising in relation with this competition were to be resolved by a jury under specific rules of procedure. As the jury members were based in different countries, an international flexible communication system was needed. See DINA LEYTES, America's Cup – WIPO Provides Online Dispute Resolution Facility, WIPO Magazine, Issue 3, June 2007, [www.wipo.int/wipo\\_magazine/en/2007/03/article\\_0009.html](http://www.wipo.int/wipo_magazine/en/2007/03/article_0009.html).



arbitrator rendered a final award finding partial infringement of the agreement and granting damages to the US service provider.

## 2. *Example: Tailored ADR Clause in a Complex Pharma Patent Dispute*

In another WIPO arbitration, the parties had opted for a different arbitration model. The dispute involved US and Asian parties, and concerned US and European patents in the area of pharmaceutical products.

Following prior litigation in US and Europe, the parties concluded a worldwide settlement agreement in the form of a patent license with a tailored WIPO Arbitration clause, deviating from the standard WIPO Arbitration procedure. The clause provided for a Trial Tribunal, consisting of a sole US Arbitrator with jurisdiction for issues relating to US Patents, and a sole European Arbitrator with jurisdiction for issues relating to the European Patents. The clause further provided for an Appeal Tribunal consisting of three arbitrators. New York was agreed as the place of arbitration and as applicable law.

Once the arbitration had started, the parties' counsel agreed on a timetable for the proceedings, the scope of the discovery, preliminary claim construction of the US and European patents, a protective order and a hearing schedule. They also agreed on using WIPO ECAF.

A one-week hearing took place in New York at which both the US Arbitrator and the European Arbitrator were present and heard all the witnesses and issues.

Thanks to the collaborative approach of the parties' counsel in organizing the procedure, a complex patent arbitration could be conducted in an efficient manner. Eighteen months after the commencement of the arbitration, the US and the EU arbitrators rendered separate awards dealing with the respective patents under their jurisdiction. The parties also agreed not to start the appeal procedure.

## D. Tailoring the Remedies

Parties in ADR can obtain remedies that are tailored to their particular needs and may not always be available in court.

As mediation is an interest-based procedure, parties can agree on creative and business-oriented solutions. Any remedies they agree on in the settlement agreement will be binding as an enforceable contract.

In arbitration, it is up to the arbitrator to issue a particular remedy in the award, depending on what relief was requested by the filing party and if that party has established its case. Also, there may be a counter-claim from the defendant party requesting certain relief as well.

While monetary relief remains the most common form sought in WIPO cases, parties often also request specific actions as a remedy, such as a declaration of non-performance of contractual obligations, or of infringement of rights. Other forms of remedies sought are, for instance, further safeguards for the preservation of confidentiality of evidence, the provision of a security, the production of specific data, the delivery of a specific good or the conclusion of new contracts.

For example, in a WIPO arbitration relating to an artist promotion dispute, the parties settled their dispute and agreed that the artist would provide a number of its works to the gallery.<sup>18</sup>

### **III. Tailoring Specific ADR Services for Recurring Disputes or Selected Sectors**

#### **A. Why Tailored ADR Services ?**

While the standard WIPO Rules are generally appropriate for all commercial disputes, there are certain business sectors that experience specific recurring types of disputes with particular features and needs that can best be addressed by specially tailored ADR services. The WIPO Center therefore works with IP owners and users and their representative organizations and associations, as well as with other interested private or public entities, in order to facilitate or establish specially adapted ADR schemes.<sup>19</sup>

When developing tailored ADR services, the WIPO Center works in consultation with relevant experts and entities. The service may include specifically tailored ADR rules, clauses and schedule of fees. Typically, a specialized Panel of mediators, arbitrators and experts is set up.

18 This and other anonymized case summaries are available at the WIPO Center's website at: [www.wipo.int/amc/en/arbitration/case-example](http://www.wipo.int/amc/en/arbitration/case-example).

19 See also SARAH THEURICH, Efficient Alternative Dispute Resolution in Intellectual Property, in WIPO Magazine, Issue 3, June 2009, [www.wipo.int/wipo\\_magazine/en/2009/03/article\\_0008.html](http://www.wipo.int/wipo_magazine/en/2009/03/article_0008.html).

Further, specialized training may be provided on ADR in the specific sector.

## **B. Tailored Domain Name Dispute Resolution**

A prominent example of WIPO's tailored ADR efforts is the WIPO-initiated and ICANN mandated Uniform Domain Name Resolution Policy (UDRP). The UDRP was launched in 1999 for the resolution of disputes between trademark owners and domain name registrants over the abusive registration of domain names. To date, the WIPO Center has administered nearly 17,000 domain name disputes under the UDRP.<sup>20</sup>

The WIPO Center also assists regional domain name registries to develop dispute resolution policies in relation to regional domain names, so called ccTLDs.<sup>21</sup> The WIPO Center currently provides dispute resolution services for 62 ccTLDs worldwide.

## **C. Tailored ADR for Collecting societies**

Another more recent area where WIPO tailored ADR services have been utilized is collecting societies.

### *1. Why Tailored ADR for Collecting Societies*

Collecting societies collect royalties for certain copyright owners in different areas and use different collecting management systems for this purpose. A collecting society normally has members that can register their works with it and to which the collecting society redistributes the collected royalties. These members may get involved in disputes amongst each other over their entitlement to the amount collected by the collecting society.

Indeed, collecting societies are increasingly facing such conflicts for which effective dispute resolution mechanisms need to be developed. The WIPO Center has developed a specific arbitration procedure for AGICOA (as explained below) and is currently working with another collecting society based in Europe to establish a tailored ADR system.

20 On the UDRP, see [www.wipo.int/amc/en/domains/gtld/](http://www.wipo.int/amc/en/domains/gtld/).

21 On ccTLDs, see [www.wipo.int/amc/en/domains/cctld/](http://www.wipo.int/amc/en/domains/cctld/).

## 2. *WIPO Expedited Arbitration for AGICOA*

In 2008, the WIPO Center responded to a request by AGICOA (Association de Gestion Internationale Collective des Œuvres Audiovisuelles) by developing the « WIPO Expedited Arbitration Rules for AGICOA »<sup>22</sup>, tailored to the specific needs of AGICOA right holders.

AGICOA is an international not-for-profit organization involved in the tracking and distribution of royalties on the retransmission of audiovisual works created by independent producers.<sup>23</sup> It appears that as of September 2009, AGICOA had collected and distributed over half a billion Euros in royalty payments for a portfolio of more than 700,000 audiovisual products since 2000.<sup>24</sup>

Conflicts arise when an AGICOA rights holder registers a work declaring the same rights, for the same territory, the same language version, or for the same television channel as another right holder, and with an overlapping percentage of rights.

This why a twofold dispute resolution process was put in place. In a first mandatory phase, AGICOA operates a conflict resolution procedure for disputes between AGICOA rights holders under AGICOA Conflict Rules. These provide for a settlement and recommendation phase conducted by AGICOA.<sup>25</sup> In the event AGICOA's final recommendation is rejected, parties can opt either to go to a national court or to initiate arbitration, for example under the specific WIPO Expedited Arbitration Rules for AGICOA.

The second optional phase under WIPO Expedited Arbitration Rules for AGICOA applies where right holders agree in an arbitration agreement to submit their dispute to arbitration under these Rules.

These Rules have been particularly customized to the needs in AGICOA conflicts. One of the specifically tailored provisions stipulates that parties may file submissions in English or French, subject to appropriate determination by the sole arbitrator. Also, the Rules provide for

22 See [www.wipo.int/amc/en/arbitration/agicoa/](http://www.wipo.int/amc/en/arbitration/agicoa/).

23 For more information, see AGICOA's website at: [www.agicoa.org](http://www.agicoa.org).

24 See CATALINA SAFFON & CORINNE CHANTRIER, Collective Management of Audiovisual Works: Facing the challenges, then and now, in WIPO Magazine, Issue 5, September 2009, [www.wipo.int/wipo\\_magazine/en/2009/05/article\\_0007.html](http://www.wipo.int/wipo_magazine/en/2009/05/article_0007.html).

25 For more information on this procedure, see AGICOA's website at: [www.agicoa.org/english/rightsholder/settle.html](http://www.agicoa.org/english/rightsholder/settle.html).

the direct implementation of the arbitration award by AGICOA, which updates the rights and releases the royalties accordingly.

Furthermore, a specific schedule of fees has been adopted to reflect the general amounts in dispute in AGICOA conflicts.

For AGICOA disputes, the WIPO Center has identified a special panel of copyright and entertainment law arbitrators from various jurisdictions, who can be appointed in cases filed under the WIPO Expedited Arbitration Rules for AGICOA.

#### **D. WIPO Mediation and Expedited Arbitration for Film and Media**

Responding to a need expressed in the film and media industry, the WIPO Center launched in December 2009 « WIPO Mediation and Expedited Arbitration for Film and Media ». This scheme has been tailored to the needs in film and media related disputes and aims to provide an international forum for neutral, cost and time effective dispute resolution in the film and media sector.<sup>26</sup>

The background to this system is a Memorandum of Understanding signed in July 2009 between WIPO and the Singaporean Ministry of Information, Communication and the Arts.<sup>27</sup> Under this Memorandum, the Media Development Authority of Singapore and a group of international film and media experts have been collaborating with the WIPO Center in the development of WIPO Mediation and Expedited Arbitration for Film and Media.

The WIPO Film and Media system includes a specific set of « WIPO Mediation and Expedited Arbitration Rules for Film and Media » (WIPO Film and Media Rules), as well as model contract dispute resolution clauses and submission agreements. Further, an international Panel of Film and Media Mediators, Arbitrators and Experts with experience in entertainment related disputes was established, from which appointments are made in cases filed under these Rules. Also, a specific and moderate Schedule of Fees applies to such cases.

The WIPO Film and Media Rules are particularly adapted for international disputes, which may relate to a variety of issues, such as production and co-production agreements, joint-ventures, copyright related

26 See [www.wipo.int/amc/en/film](http://www.wipo.int/amc/en/film).

27 See the related WIPO Press Release of July 28, 2009: [www.wipo.int/pressroom/en/articles/2009/article\\_0027.html](http://www.wipo.int/pressroom/en/articles/2009/article_0027.html).

agreements, financing agreements, distribution agreements, broadcasting agreements, completion bond agreements, laboratory-access agreements, funding agreements, development agreements, licensing, music synchronization agreements, merchandising agreements, insurance agreements, artist and talent agreements, new media agreements, sponsorship agreements, co-ownership agreement, confidentiality and non-disclosure agreements, and TV and media formats.

As of April 2010, the WIPO Center and the Format Recognition and Protection Association (FRAPA) will collaborate in alternative dispute resolution in the area of TV program format disputes.<sup>28</sup> The WIPO Center has thereby taken on FRAPA's existing mediation activity and will administer TV format related disputes filed under the WIPO Mediation and Expedited Arbitration Rules for Film and Media.

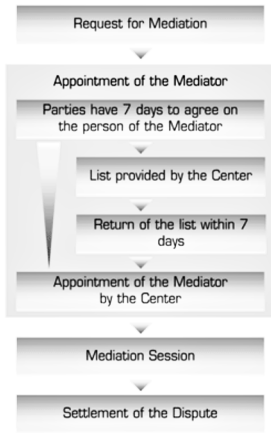
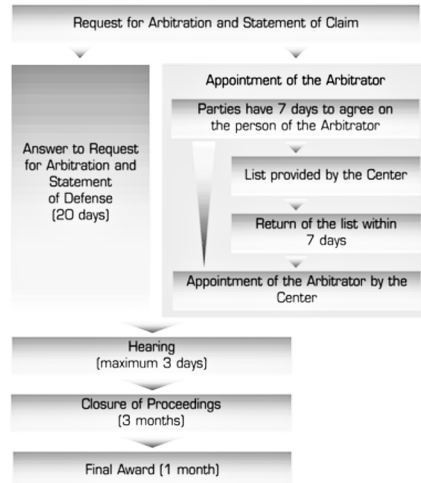
### *1. How Does the WIPO Film and Media Dispute Resolution Procedure Work ?*

Parties that opt for the WIPO Film and Media Rules can elect to have either a mediation or an expedited arbitration procedure, or a combination of both (i. e., in a first phase of mediation the parties would try to settle the case, and failing that, each party has the option to submit the case to binding expedited arbitration).

The WIPO Film and Media Rules provide for particularly reduced time lines in order to expedite the dispute resolution process.

A specific appointment procedure applies, whereby, and unless the parties have agreed on the person of the mediator or the sole arbitrator or on another appointment procedure, the WIPO Center will normally provide the parties with a list containing the names of specialized mediators and arbitrators with expertise in film and media. Parties can then agree on a person from that list or indicate their preferences. The WIPO Center will then appoint the agreed person, or if no person could be agreed upon, make the appointment taking into account these preferences. Disputes under the WIPO Film and Media Rules are decided by a sole arbitrator. If parties prefer to appoint a three-member arbitral tribunal, they are free to use the standard WIPO Arbitration Rules.

28 See the related WIPO press release of April 7, 2010: [www.wipo.int/pressroom/en/articles/2010/article\\_0009.html](http://www.wipo.int/pressroom/en/articles/2010/article_0009.html).

**Mediation for Film and Media****Expedited Arbitration for Film and Media**

The diagram is taken from BERLY ACOSTA-LELIEVRE, A Cost-Effective Alternative, WIPO Magazine, February 2010, [www.wipo.int/wipo\\_magazine/en/2010/01/article\\_0008.html](http://www.wipo.int/wipo_magazine/en/2010/01/article_0008.html).

## 2. Example: WIPO Arbitration of a TV Rights Distribution Dispute

In a recent WIPO case, a European sports association granted to an Asian media company exclusive rights to broadcast an international sports competition in certain territories for a certain period of time. The broadcasting agreement included a WIPO Arbitration clause providing for a sole arbitrator. A dispute arose as to the scope and execution of the broadcasting agreement, following which the Asian company initiated the WIPO Arbitration proceeding. The WIPO Center submitted a list of qualified candidates to the parties, who agreed upon an arbitrator with expertise in sports and multimedia matters and dispute resolution experience.

## E. Other Sectors of WIPO Center Involvement

The WIPO Center also collaborates with stakeholders in emerging IP-related areas, including biodiversity, traditional knowledge, traditional cultural expressions and access to health care, in order to develop adapted dispute resolution systems. For example, it currently advises

the Secretariat of the International Treaty for Plant Genetic Resources for Food and Agriculture (ITPGRFA) on ADR guidelines in the context of the ITPGRFA and the related Standard Material Transfer Agreement. The WIPO Center is also involved in informal explorations of ADR's potential in the context of the Convention on Biological Diversity of June 5, 1992.

Also, the WIPO Center is particularly active in the area of technology transfer and research and development. Apart from administering mediations and arbitrations in this area, the WIPO Center collaborates with providers of model contracts, advises research associations in developing internal ADR mechanisms and provides procedural advice on ADR clauses in research and development and technology transfer agreements.<sup>29</sup>

Another area of WIPO Center involvement is art and cultural heritage.<sup>30</sup> In that sector the WIPO Center closely collaborates with WIPO's program in the area of traditional knowledge and traditional cultural expressions (also folklore), as well as WIPO's copyright program. The WIPO Center has identified a list of cultural heritage mediators and arbitrators that can be appointed in such cases. A number of art and culture related cases have been filed with the WIPO Center, involving for example an artist, galleries, a museum, an indigenous community, a producer of artistic performances.

29 For more information on this subject, see JUDITH SCHALLNAU, *Alternative Dispute Resolution in Research & Development collaborations – the WIPO Arbitration and Mediation Center*, in IPR Helpdesk, no. 41, January-March 2009; *Mediation in Research & Development projects – the WIPO Arbitration and Mediation Center*, in IPR Helpdesk, no. 42, April – June 2009; *Arbitrating Disputes in International and Domestic R&D Collaborations*, in IPR Helpdesk, no. 43, July – September 2009. All available at : [www.ipr-helpdesk.org](http://www.ipr-helpdesk.org).

30 For more information, see SARAH THEURICH, *Art and Cultural Heritage Dispute Resolution*, in WIPO Magazine, Issue 4, July 2009, [www.wipo.int/wipo\\_magazine/en/2009/04/article\\_0007.html](http://www.wipo.int/wipo_magazine/en/2009/04/article_0007.html).



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Cet ouvrage constitue le deuxième volume de la série propriété intellectuelle – *intellectual property* ([www.pi-ip.ch](http://www.pi-ip.ch)) éditée à la Faculté de droit de l'Université de Genève (par le Prof. Jacques de Werra). Il rassemble les contributions rédigées (en français ou en anglais) à l'occasion de la Journée de droit de la propriété intellectuelle ([www.jdpi.ch](http://www.jdpi.ch)) qui a eu lieu le 8 février 2010 sur le thème «La résolution des litiges de propriété intellectuelle / *Resolution of Intellectual Property Disputes*» au cours de laquelle divers aspects des modes de résolution ordinaires ou alternatifs (notamment par l'arbitrage) des litiges de propriété intellectuelle ont été traités par des experts des domaines concernés.

L'ouvrage comporte ainsi des contributions sur les thèmes suivants: *The Dog That Barked But Didn't Bite: 15 Years of Intellectual Property Disputes at the WTO* (Prof. Joost Pauwelyn); Le contentieux de la propriété industrielle en Europe: état des lieux, stratégies et perspectives (Me Pierre Véron); Les litiges internationaux de propriété intellectuelle et le droit international privé (Prof. Edouard Treppoz); La création de juridictions spécialisées: l'exemple du Tribunal fédéral des brevets (Me Julie Bertholet / Me Pierre-Alain Killias); *ICANN's New gTLD Program: Applicant Guidebook and Dispute Resolution* (Torsten Bettinger); L'arbitrabilité des litiges de propriété intellectuelle (Prof. Bernard Hanotiau) et *Designing Tailored Alternative Dispute Resolution in Intellectual Property: the Experience of WIPO* (Sarah Theurich).

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