

WIPO Dispute Settlement of IP/Technology Disputes

4th DIS Baltic Arbitration Days

Riga, 4 – 5 June 2015

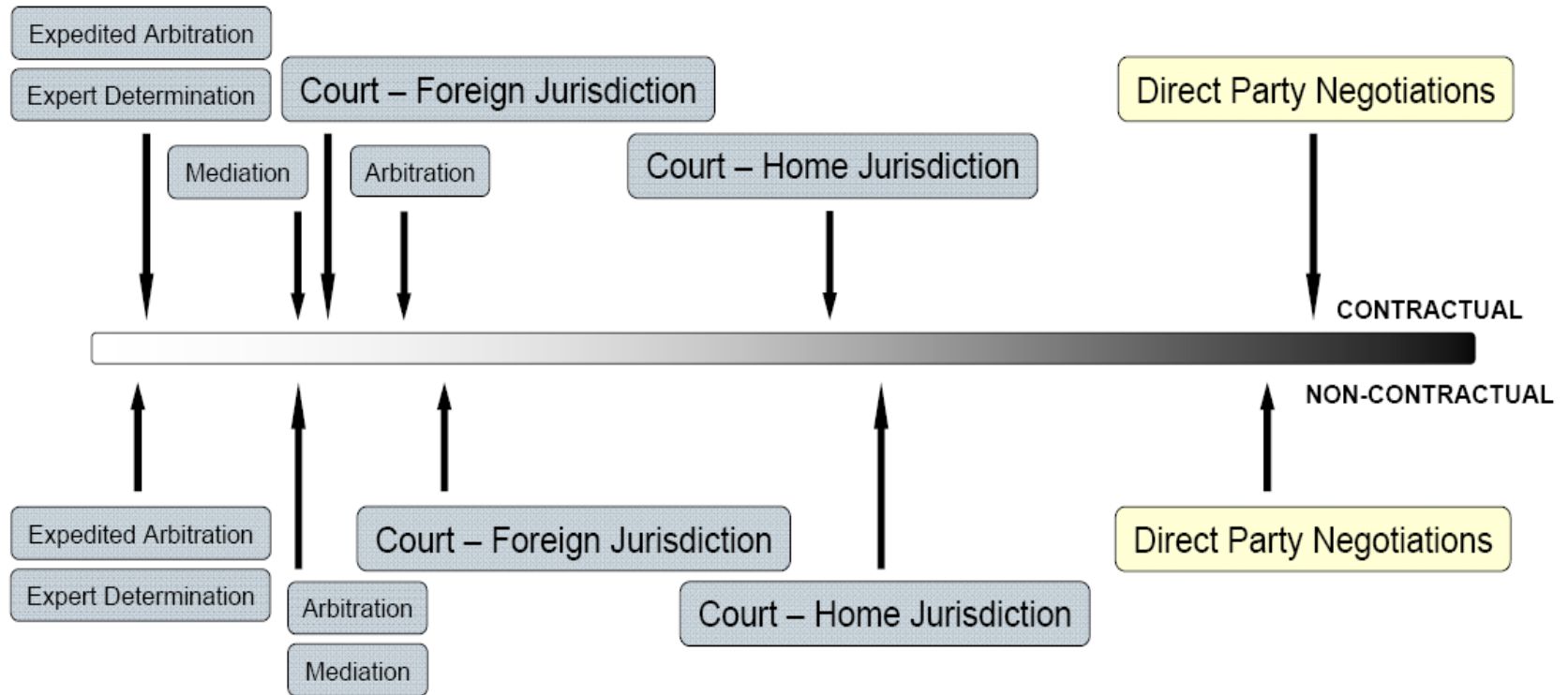
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WIPO Survey: How Are IP/Technology Disputes Resolved?



Source: WIPO Arbitration and Mediation Center, International Survey on Dispute Resolution in Technology Transactions, 2013

Why ADR for IP Disputes?

- Internationalization of creation/use of IP:

Calls for cross-border solutions

WIPO Survey on Dispute Resolution in Technology Transactions (2013): 91% of respondents conclude agreements with parties from other jurisdictions, and 75% of respondents conclude agreements involving patents in several countries

- Technical and specialized nature of IP:
Calls for specific expertise of the neutral

- Short product and market cycles:
Calls for time-efficient procedures

- Confidential nature of IP:
Calls for private procedures

- Collaborative nature of IP creation and commercialization:
Calls for mechanisms that preserve relations

Limitations of IP ADR

- Consensual
 - May be difficult to agree once dispute has arisen and where there is no contractual relationship between the parties
- Outcome normally binding between parties only (*inter partes*)
 - No public precedent or direct office action

WIPO Arbitration and Mediation Center

- Offices in Geneva and Singapore
- Specialized: IP/IT
 - Over 1500 specialized arbitrators, mediators and technical experts from more than 100 countries; all areas of IP
- Status as international institution
- Competitive fee structure
- Procedural guidance, including submission advisory services
- Training programs
- Active case management: cost and time

WIPO Electronic Case Facility (ECAF)

- Easy; instant; centralized; location-independent; secure; available at parties' option

ECAF HOME

- Help
- Arbitration
- Mediation
- Expert Determination
- Logout

WIPO Electronic Case Facility (ECAF)

Case: WIPOA20020

Licensing v. AB Technics Inc.

Case Overview
Contact Information
Case File
Message Board
Neutral Message Board

Case File

Only documents to be recorded as part of the casefile should be submitted in the Case File.
Only first-level submissions will trigger an email notification to users.
Display issues from variations in browsers may be resolved by adjusting the Text Size in the browser menu.

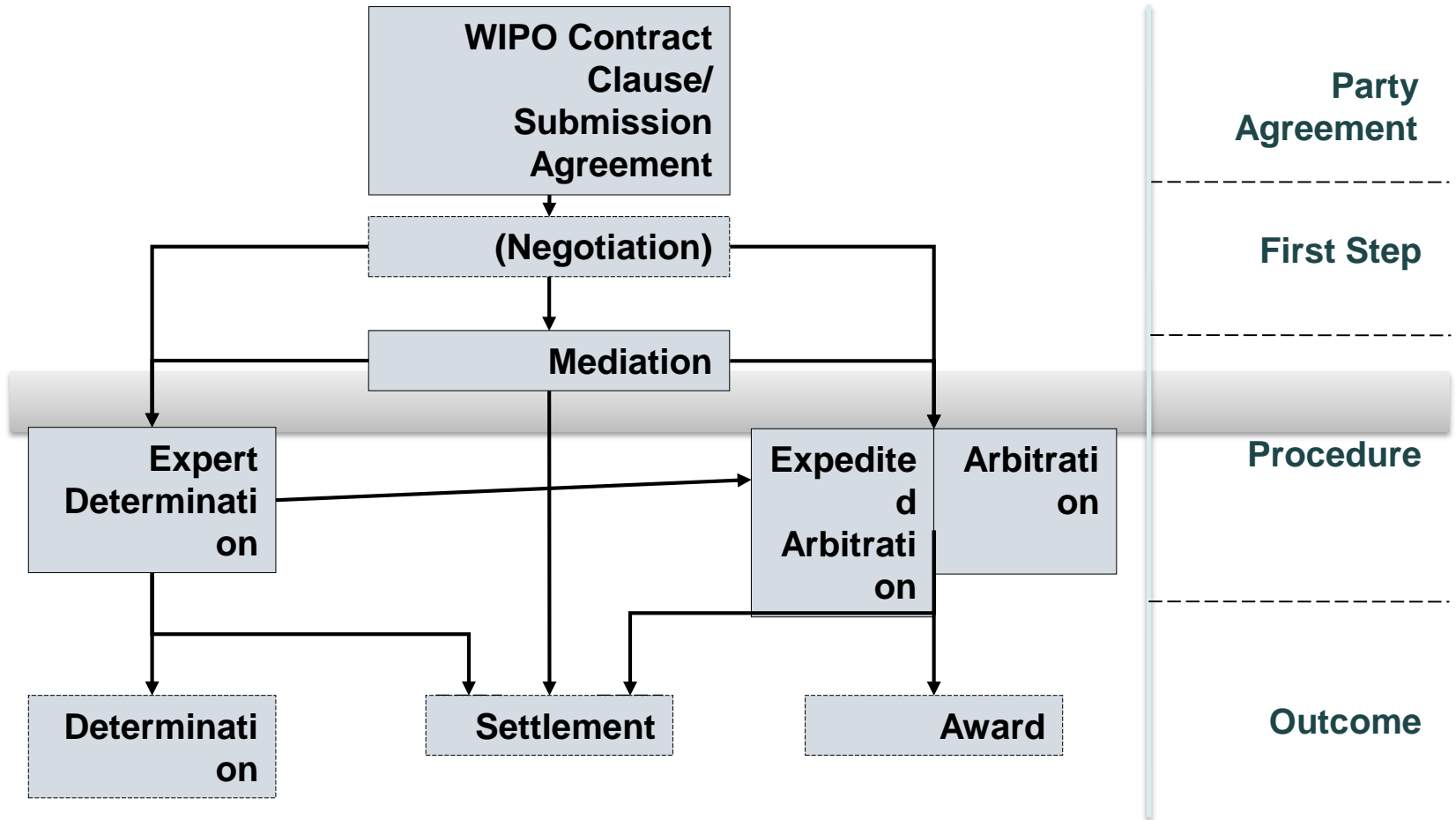
[Search Case](#)
 [Submit New File](#)

[Expand](#) | [Collapse](#)

To sort, you may click on the column headers

ITEM NO	SUBMITTED BY	DATE	SUBJECT	ANNEX
3	WIPO AMC Case Manager	04/06/09 14:44:26	Main Case File 3	1 [Add]
3.1		04/06/09 14:45:21	Annex 1	[Add]
2	WIPO AMC Case Manager	22/05/09 16:11:02	Main Case File 2	2 [Add]
2.1		22/05/09 16:11:22	Annex 1	3 [Add]
2.1.1		02/06/09 11:03:17	Annex 1	
2.1.2		21/09/09 12:05:27	Annex 2	

ADR Options under WIPO Rules



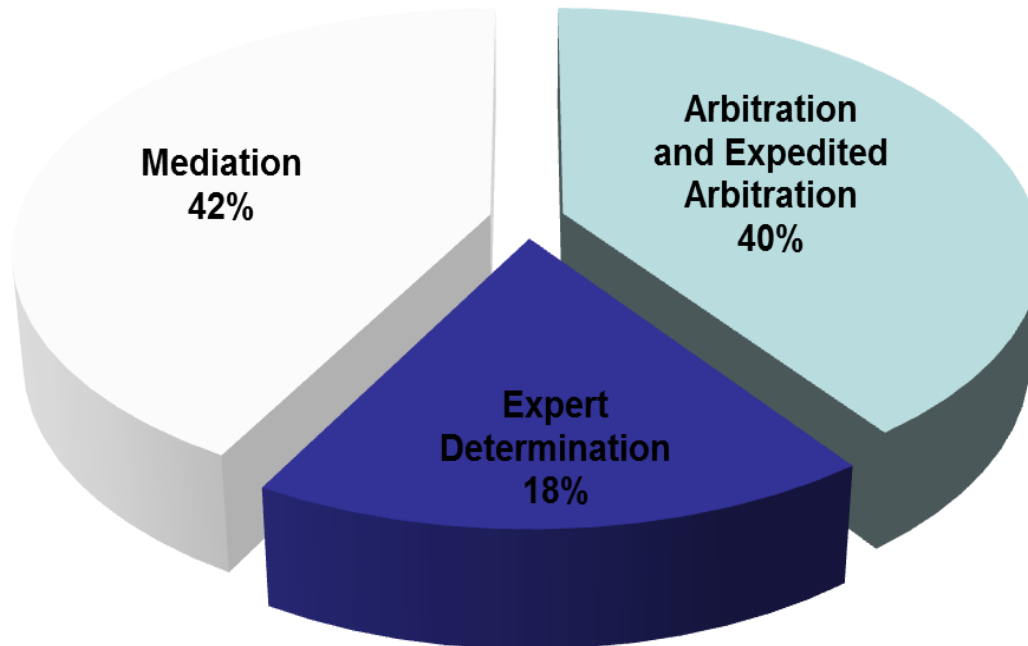
Mediation, Arbitration, Expert Determination

- **Mediation:** an informal procedure in which a neutral intermediary, the mediator, assists the parties in reaching a settlement of their dispute, based on the parties' respective interests. The mediator cannot impose a decision. The settlement agreement has the force of a contract.
- **Arbitration:** a procedure in which the parties submit their dispute to one or more chosen arbitrators, for a binding and final decision (award) based on the parties' respective rights and obligations and enforceable as an award under arbitral law.
- **Expert Determination:** a procedure in which the parties submit a specific matter (e.g. technical question) to one or more experts who make a determination on the matter, which can be binding unless the parties have agreed otherwise.

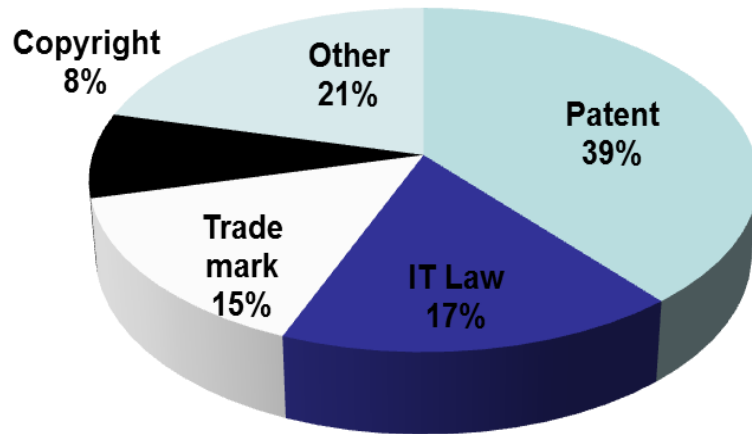
New WIPO Mediation and (Expedited) Arbitration Rules

- Effective since June 1, 2014
- Accommodate certain external developments in arbitration law, including the 2010 revision of the UNCITRAL Arbitration Rules
- Offer guidance on Center practice that has emerged over the years
- Underscore the Center's commitment to time and cost efficiency of proceedings conducted under its Rules
- Main novelties:
 - «List procedure» available in all WIPO ADR proceedings, including WIPO Mediation
 - Multi-party arbitration: availability of joinder and consolidation orders
 - Introduction of emergency relief proceedings

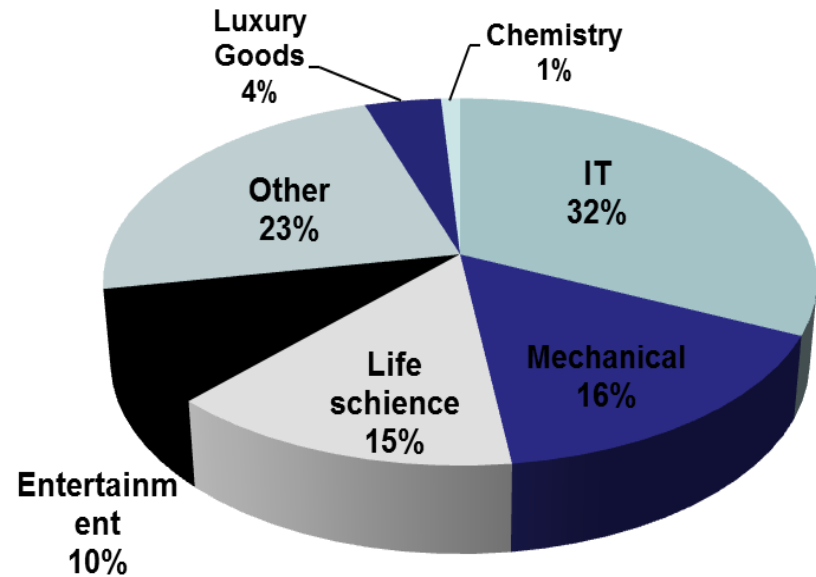
WIPO Cases: Types of Procedure



Subject Matter



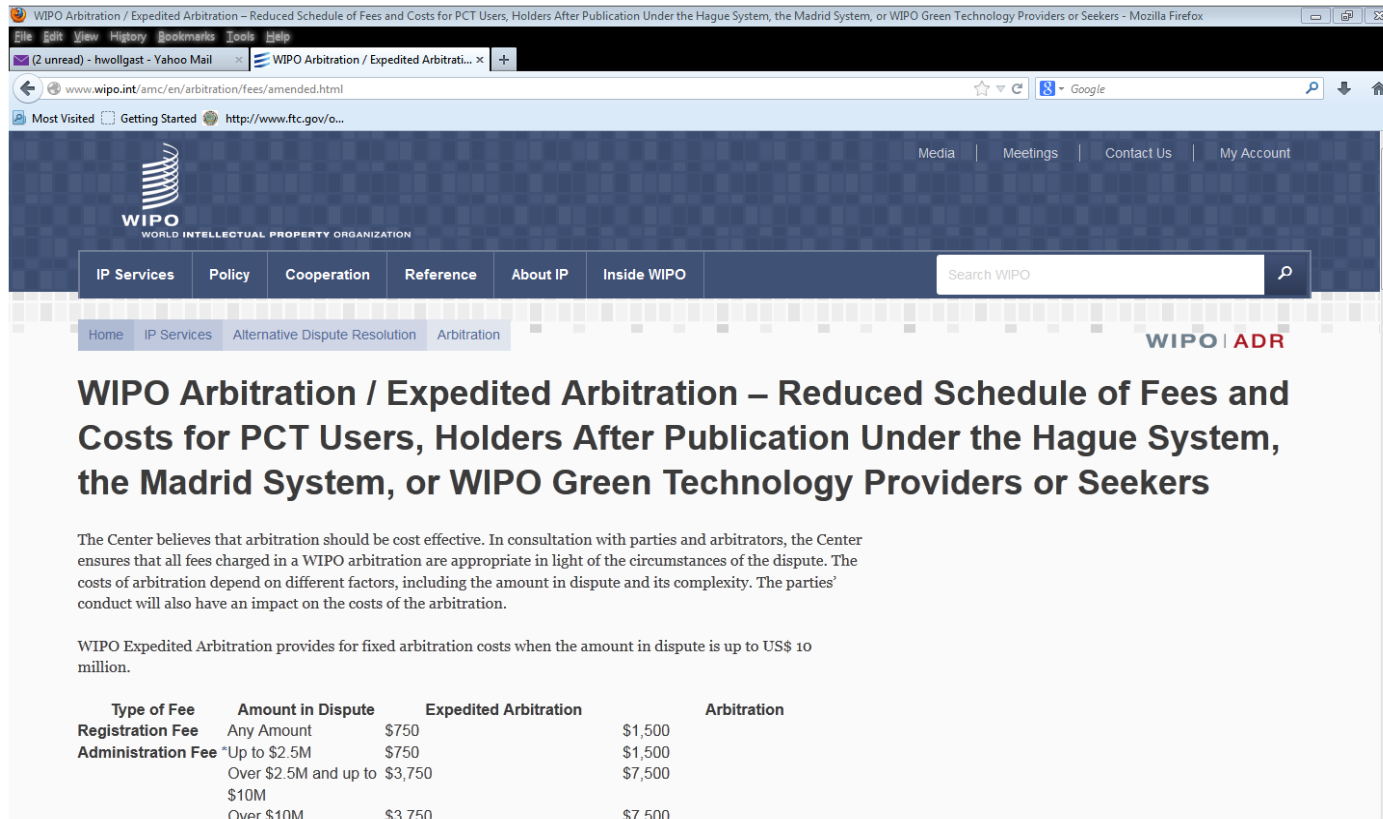
Business Areas



Typical Subject Areas of WIPO Cases

- Contractual
 - patent licenses
 - software development/license agreements
 - research and development agreements
 - trademark coexistence agreements
 - patent pools
 - distribution agreements
 - joint ventures
 - copyright collecting societies
 - IP settlement agreements
- Non-contractual infringement of IP rights

Fees and Costs – Reduction for Users of the PCT/Madrid/Hague Systems

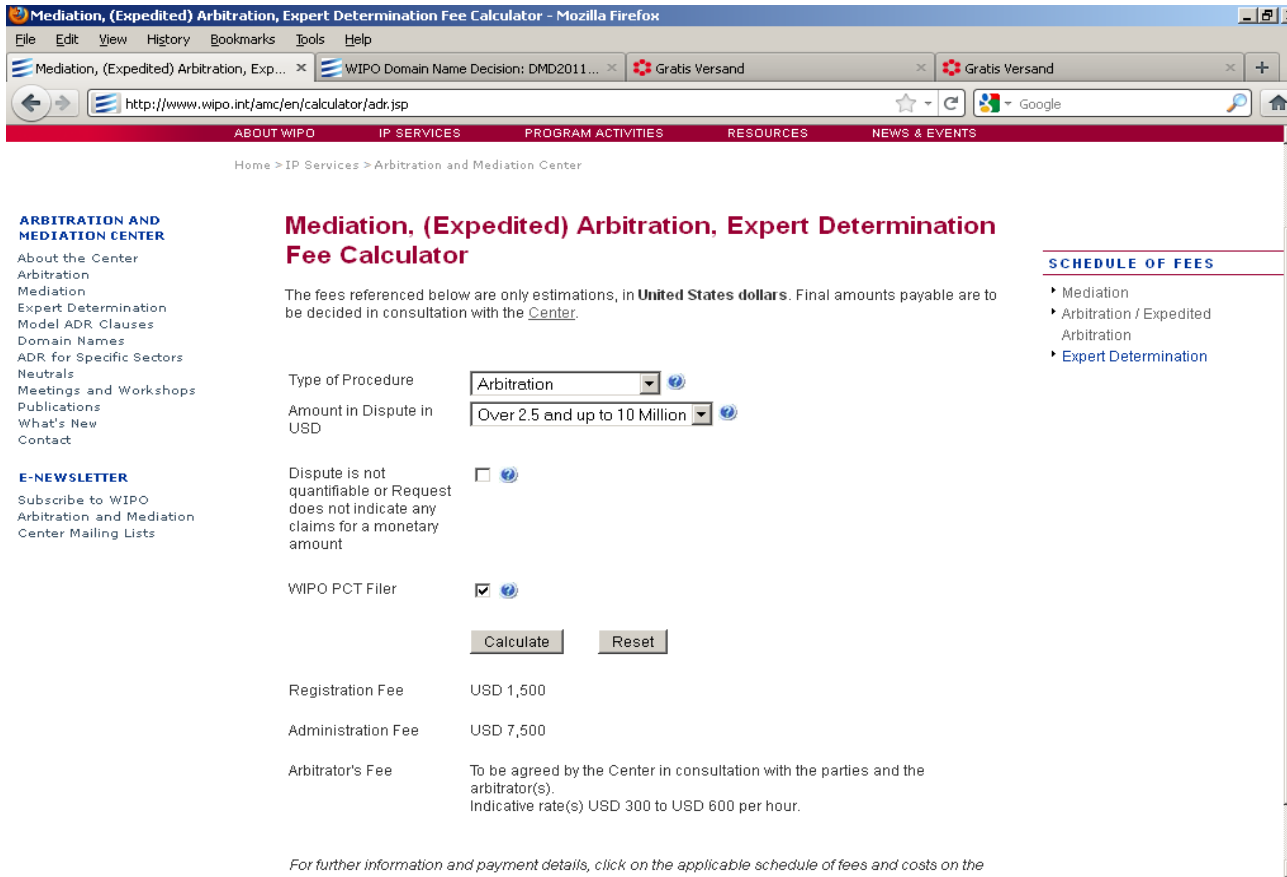


WIPO Arbitration / Expedited Arbitration – Reduced Schedule of Fees and Costs for PCT Users, Holders After Publication Under the Hague System, the Madrid System, or WIPO Green Technology Providers or Seekers

The Center believes that arbitration should be cost effective. In consultation with parties and arbitrators, the Center ensures that all fees charged in a WIPO arbitration are appropriate in light of the circumstances of the dispute. The costs of arbitration depend on different factors, including the amount in dispute and its complexity. The parties' conduct will also have an impact on the costs of the arbitration.

WIPO Expedited Arbitration provides for fixed arbitration costs when the amount in dispute is up to US\$ 10 million.

Type of Fee	Amount in Dispute	Expedited Arbitration	Arbitration
Registration Fee	Any Amount	\$750	\$1,500
Administration Fee	Up to \$2.5M	\$750	\$1,500
	Over \$2.5M and up to \$10M	\$3,750	\$7,500
	Over \$10M	\$3,750	\$7,500



The screenshot shows a web browser window displaying the WIPO Fee Calculator. The browser title is "Mediation, (Expedited) Arbitration, Expert Determination Fee Calculator - Mozilla Firefox". The address bar shows the URL: <http://www.wipo.int/amc/en/calculator/adr.jsp>. The page has a navigation menu with links for ABOUT WIPO, IP SERVICES, PROGRAM ACTIVITIES, RESOURCES, and NEWS & EVENTS. The main content area is titled "Mediation, (Expedited) Arbitration, Expert Determination Fee Calculator". It includes a description of the fees, a form for selecting procedure type and amount in dispute, and a "Calculate" button. Below the form, the calculated fees are listed: Registration Fee (USD 1,500), Administration Fee (USD 7,500), and Arbitrator's Fee (indicative rate of USD 300 to USD 600 per hour).

ARBITRATION AND MEDIATION CENTER

- About the Center
- Arbitration
- Mediation
- Expert Determination
- Model ADR Clauses
- Domain Names
- ADR for Specific Sectors
- Neutrals
- Meetings and Workshops
- Publications
- What's New
- Contact

E-NEWSLETTER

Subscribe to WIPO Arbitration and Mediation Center Mailing Lists

Mediation, (Expedited) Arbitration, Expert Determination Fee Calculator

The fees referenced below are only estimations, in **United States dollars**. Final amounts payable are to be decided in consultation with the [Center](#).

Type of Procedure:

Amount in Dispute in USD:

Dispute is not quantifiable or Request does not indicate any claims for a monetary amount:

WIPO PCT Filer:

Registration Fee	USD 1,500
Administration Fee	USD 7,500
Arbitrator's Fee	To be agreed by the Center in consultation with the parties and the arbitrator(s). Indicative rate(s) USD 300 to USD 600 per hour.

For further information and payment details, click on the applicable schedule of fees and costs on the

Routes to ADR

- ADR contract clauses
- Submission Agreements, e.g. in non-contractual disputes
- Domestic and international
- Sometimes following court litigation between the parties (court referral)
- Model clauses/submission agreements:
<http://www.wipo.int/amc/en/clauses/index.html>

WIPO Model Clause

"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]"

<http://www.wipo.int/amc/en/clauses/index.html>

WIPO Model Clause continued

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 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."

<http://www.wipo.int/amc/en/clauses/index.html>

- “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.

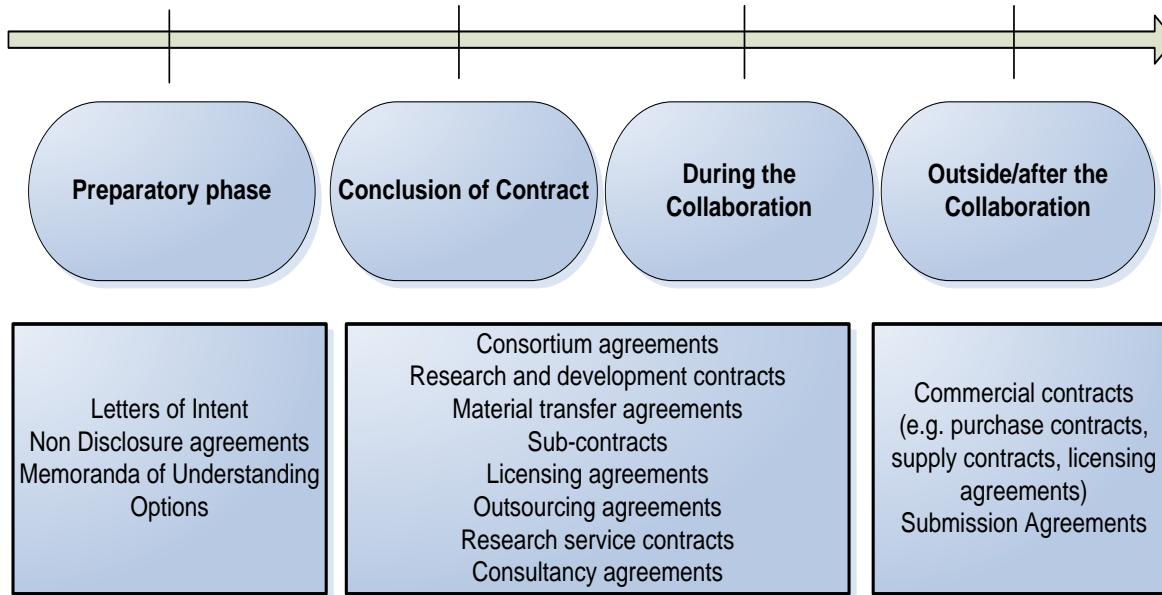
Place of Arbitration and applicable law: New York”

Tailored WIPO ADR Services for Specific Sectors

- Disputes arising in a specific industry sector or for a specific subject matter may benefit from ADR procedures tailored to specific types of disputes and attendant needs
- Tailoring of clauses / submission agreements; rules; schedule of fees and costs; specialized panel of mediators, arbitrators, experts
- Examples (www.wipo.int/amc/en/center/specific-sectors/)
 - Research & Development/Technology Transfer (DESCA, IPAG)
 - Intellectual Property Offices: WIPO ADR options for parties in administrative trademark/patent procedures before IP Offices of e.g. Singapore, Brazil, Colombia, Mexico and the Philippines
 - Art and Cultural Heritage: ICOM-WIPO Mediation <http://www.wipo.int/amc/en/center/specific-sectors/art/icom/>
 - Patents in Standards (FRAND disputes)

Use Of WIPO ADR in R&D/Technology Transfer Agreements

Contractual Stages for R&D and Commercialization



- WIPO Mediation, (Expedited) Arbitration
- Used in several model agreements (e.g., DESCA Model Consortium Agreement (section 11.8; <http://www.desca-2020.eu/>); IPAG (incl. patent licences) <http://www.wipo.int/amc/en/center/specific-sectors/rd/ipag/>); German BMWI Model Agreements

WIPO ADR for FRAND/SEP Disputes

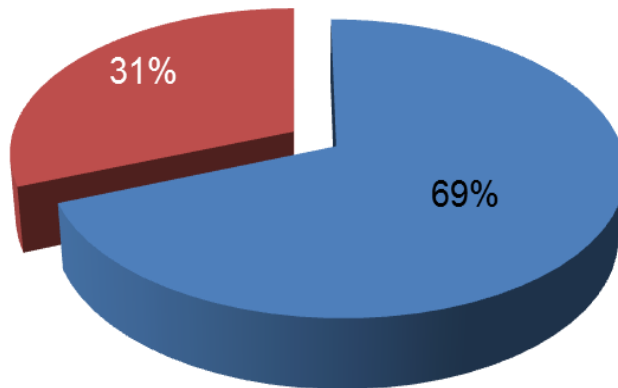
- Special WIPO list of neutrals and experts for patents in standards
- Model Submission Agreements to facilitate referral of FRAND/SEP disputes to WIPO ADR, developed in consultation with ETSI
<http://www.wipo.int/amc/en/center/specific-sectors/ict/frand/>
 - Based on WIPO Rules and WIPO patent case experience; builds in FRAND dispute-specific features
 - Flexible, can be adapted by parties
 - Two options:
 - WIPO Arbitration (3 arbitrators)
 - WIPO Expedited Arbitration (sole arbitrator)
 - Either option can be combined with WIPO Mediation
 - Tailored procedural schedule

Recent WIPO IT Case Example

- Parties: Start-up IT companies; Asian licensor and US licensee
- Agreement: License agreement concerning the use of mobile phone applications (“Apps”); Dispute resolution clause: WIPO Mediation followed by WIPO Arbitration
- Dispute: Unreported use of the application by licensee
- Mediation: WIPO appointed Mediator with IT expertise
- Discussions and settlement through telephone conferences within 2 months after the appointment of the mediator
- Cost of the mediation: USD 6,000

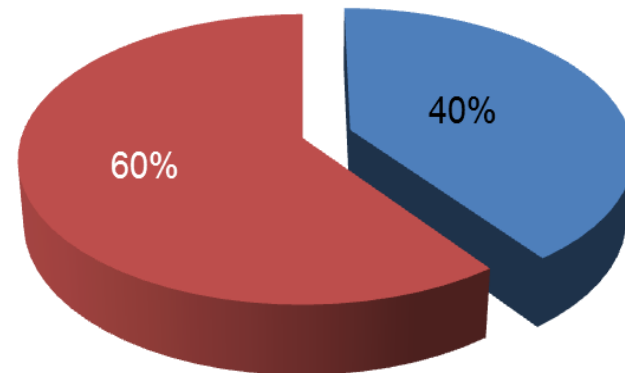
Mediation

■ Settlement ■ Non-Settlement



Arbitration

■ Settlement ■ Non-Settlement (Arbitral Award)



Further Information

- WIPO procedures, neutrals and case examples:
<http://www.wipo.int/amc/en/>
- 2014 WIPO Rules:
<http://www.wipo.int/amc/en/rules/newrules.html>
- Contact information, general queries and case filing:
arbiter.mail@wipo.int
- WIPO model clauses/submission agreements:
<http://www.wipo.int/amc/en/clauses/>
- International Survey on Dispute Resolution in Technology Transactions
<http://www.wipo.int/amc/en/center/survey/results.html>

