

WIPO

WORLD INTELLECTUAL PROPERTY ORGANIZATION

WIPO Arbitration Case Examples

Set out below are examples of arbitrations conducted under the WIPO Rules. These examples have been prepared while respecting the confidentiality of WIPO proceedings.

Patent Arbitrations

▼ [A WIPO Expedited Arbitration of a Patent License Dispute](#)

An Asian inventor held several US and European patents over components used in sports goods. The Claimant entered into an exclusive license agreement over the patents with a US manufacturer. The license agreement provided for the use of WIPO Expedited Arbitration to resolve disputes regarding possible infringement of the patents.

A dispute arose between the parties regarding the payment of royalties under their license agreement. As a result, the inventor filed a Request for Arbitration and Statement of Claim with the Center requesting a declaration that his patents had been infringed. The parties did not agree on the identity of the sole arbitrator for this case. As a consequence, and in order to cover the full spectrum of patents at stake, the Center appointed as sole arbitrator an English patent lawyer with very substantial experience in US patent law.

Following several evidentiary motions, motions for the protection of business secrets and for the examination of samples of the products, the arbitrator held a hearing in California for the examination of witnesses. In the final award the arbitrator addressed issues of infringement of the asserted patents and whether those patents had been anticipated.

▼ [A WIPO Arbitration of a Biotech/Pharma Dispute](#)

A French biotech company, holder of several process patents for the extraction and purification of a compound with medical uses, entered into a license and development agreement with a large pharmaceutical company. The pharmaceutical company had considerable expertise in the medical application of the substance related to the patents held by the biotech company. The parties included in their contract a clause stating that all disputes arising out of their agreement would be resolved by a sole arbitrator under the WIPO Arbitration Rules.

Several years after the signing of the agreement, the biotech company terminated the contract, alleging that the pharmaceutical company had deliberately delayed the development of the biotech compound. The biotech company filed a request for arbitration claiming substantial damages.

The Center proposed a number of candidates with considerable expertise of biotech/pharma disputes, one of whom was chosen by the parties. Having received the parties' written submissions, the arbitrator held a three-day hearing in Geneva (Switzerland) for the examination of witnesses. This not only served

for the presentation of evidence but also allowed the parties to re-establish a dialogue. In the course of the hearing, the arbitrator began to think that the biotech company was not entitled to terminate the contract and that it would be in the interest of the parties to continue to cooperate towards the development of the biotech compound.

On the last day of the hearing, the parties accepted the arbitrator's suggestion that they should hold a private meeting. As a result of that meeting, the parties agreed to settle their dispute and continued to cooperate towards the development and commercialization of the biotech compound.

▼ [A WIPO Patent License Arbitration](#)

A European inventor holding patents in Australia, Canada, Europe and the United States licensed patent rights and know-how to an Asian company. The license contained a WIPO arbitration clause providing for a three-member tribunal.

The parties disagreed on who should pay the renewal fees of the patents. Eventually the Asian company terminated the license whereupon the European inventor filed a request for arbitration, claiming damages and requesting a declaration that he was free to use the patents.

The three arbitrators appointed possessed substantial IP expertise and the necessary language skills allowing them to consider evidence in different languages.

Following a series of evidentiary exchanges, the tribunal rendered an award 14 months after commencement of the arbitration. Finding that the Asian company had not been entitled to terminate the contract as it did, the tribunal ordered it to pay damages and to return to the inventor the prototypes, plans and documents that had been communicated in the context of the license.

▼ [A WIPO Patent Arbitration relating to a Medical Device](#)

Following litigation in several jurisdictions regarding the alleged infringement of European and US patents protecting medical devices, a European company and an American company signed a settlement agreement including a WIPO arbitration clause.

Given the importance of the patents in dispute for the parties, they amended the standard WIPO arbitration clause as follows: the clause provided that infringement claims of US patents should be heard by a sole US arbitrator, and those relating to European patents by a sole European arbitrator. The clause further provided, that the awards issued by the European and US arbitrator could be subject to review through an appeal panel of three arbitrators.

A year after the signing of the settlement agreement, the European company commenced WIPO arbitration proceedings, claiming infringement of its US and European patents. From a list of candidates submitted by the Center, the parties agreed on a patent law specialist from the US and a patent law specialist from Europe to consider the allegations of infringement of the US patents and the European patents respectively. The parties agreed on a procedural order setting out the procedural steps, including the use of the WIPO Electronic Case Facility, the timetable for the proceedings, the scope of discovery, a protective order, the preliminary claim construction of the US and European patents, and a hearing schedule.

The US arbitrator and the EU arbitrator issued their awards within eighteen months following their appointment. The parties agreed not to use the appeal procedure.

▼ [A Patent Infringement Dispute Submitted to WIPO Arbitration](#)

Following litigation in several jurisdictions, two American companies agreed to submit to WIPO Arbitration a dispute related to the alleged infringement of a European patent concerning consumer goods. The submission agreement provided that the national patent law of a particular European country would apply and that the patent litigation timelines of that country should be followed. The three member tribunal was asked to decide whether the manufacture and sale of certain products infringed the patent.

The submission agreement, and compliance with the procedural timetable in the subsequent arbitration process, reflected the parties' mutual interest to resolve the dispute in a time- and cost-efficient manner. The parties accepted the Center's recommendation to appoint three arbitrators with substantial expertise in arbitration and in the relevant national patent law. Further to the exchange of written submissions, the arbitral tribunal held a one-day hearing in Geneva for further statements and for the examination of expert witnesses. In accordance with the time schedule agreed by the parties, the final award was rendered within five months of the commencement of the arbitration.

Trademark Arbitrations

▼ [A WIPO Expedited Arbitration of a Trademark Coexistence Dispute](#)

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 Munich (Germany) and issued an award six months after the commencement of the proceedings. Finding partial infringement of the coexistence agreement, the arbitrator granted the primary remedy claimed and ordered the European company to refrain from such infringing behavior.

▼ [A WIPO Arbitration in the context of a Technology Licensing Agreement](#)

A US company (licensee) entered into a technology licensing agreement with a German company (licensor) to manufacture, use and sell the licensed products. The license contained a WIPO Arbitration clause and provided that the national law of a particular European country would apply.

Several years after the signing of the license, the German company terminated the contract, alleging breach of a territorial scope of the license, trademark infringement as well as breach of trade secrets provisions by the licensee, and filed a request for arbitration. Following consultations between the parties and the Center, the three-member tribunal was appointed. During the proceedings, the Claimant raised an objection to the jurisdiction of the tribunal with reference to Respondent's counterclaims. This

matter was decided by the tribunal in an interim award. Further to the exchanges of written submission, the tribunal held a three-day hearing in Geneva and rendered a final award ordering the Respondent to refrain from using the disputed trademarks and awarding the Claimant compensation and damages.

▼ [A WIPO Software Trademark Arbitration](#)

A North-American software developer had registered a trademark for communication software in the United States and Canada. A manufacturer of computer hardware based elsewhere registered an almost identical mark for computer hardware in a number of Asian countries. Both parties had been engaged in legal proceedings in various jurisdictions concerning the registration and use of their marks. Each party had effectively prevented the other from registering or using its mark in the jurisdictions in which it holds prior rights. In order to facilitate the use and registration of their respective marks worldwide, the parties entered into a coexistence agreement which contains a WIPO arbitration clause. When the North-American company tried to register its trademark in a particular Asian country, the application was refused because of a risk of confusion with the prior mark held by the other party. The North-American company requested that the other party undertake any efforts to enable it to register its mark in that Asian country and, when the other party refused, initiated arbitration proceedings.

Following proposals made by the Center, the parties appointed a leading IP lawyer as sole arbitrator. In an interim award the sole arbitrator gave effect to the consensual solution suggested by the parties, which provided for the granting by the hardware manufacturer of a license on appropriate terms to the North-American company, including an obligation to provide periodic reports to the other party.

Copyright Arbitrations

▼ [A WIPO Expedited Arbitration in the context of Film Co-Production Agreement](#)

Film producers from Mexico, Portugal and Spain entered into a film co-production agreement for an animated film. The agreement provided that any dispute will be resolved under the WIPO Expedited Arbitration Rules by a sole arbitrator in accordance with Mexican law.

One year after the conclusion of the agreement, company from Mexico unilaterally terminated the agreement claiming contractual breach. Parties from Portugal and Spain filled a request and for WIPO Expedited Arbitration alleging wrongful termination of the co-production agreement by the Respondent. Following consultations between the parties and the Center a sole arbitrator was appointed from the list of candidates submitted by the Center. Given the very technical nature of the dispute, a tribunal-appointed expert was requested to assess the quality of the materials used in the production of the animated film. After a two-day hearing conducted fully online using videoconferencing system, the sole arbitrator issued an award establishing the legality of the unilateral termination of the co-production agreement.

▼ [A WIPO Arbitration concerning Determination of Licensing Terms](#)

Following a two-year negotiation of a license agreement, a US company and European CMOs decided to submit their dispute to WIPO Arbitration. The submission agreement provided that the national law of a particular European country would apply. The three-member tribunal was requested to decide the terms of the proposed license, including the royalty rate.

The submission agreement, and the procedural timetable proposed by the parties, reflected the parties' mutual interest to resolve the dispute in a time- and cost-efficient manner. Eight months after the appointment of the tribunal, the parties requested the suspension of the proceedings to facilitate direct settlement negotiations during which the parties decided to settle all matters that were subject to the arbitration. The order for termination was issued by the tribunal within 11 months of the commencement of the arbitration.

▼ [A WIPO Broadcast Rights Distribution Agreement Arbitration](#)

A TV distribution company requested arbitration in a dispute against an international sports federation based on the WIPO Arbitration Rules pursuant to a broadcast rights distribution agreement. The agreement related to the exclusive broadcast distribution of sports competitions to television audiences in Asia and the Pacific regions. The dispute resolution clause provided that the dispute be decided by a sole arbitrator, the place of arbitration be Geneva, Switzerland, and the law applicable to the substance of the dispute be Swiss law. The TV distribution company claimed damages for breach of contract.

Following consultations between the parties and the Center, the Center appointed a sole arbitrator experienced in media and sport issues. The sole arbitrator considered documentary evidence, held a hearing for the examination of witnesses, and rendered a final award rejecting the claims within a year of the commencement of the arbitration.

IT Arbitrations

▼ [A WIPO Expedited Arbitration of a Software Dispute](#)

A software developer based in the United States and a European company concluded an on-line license agreement permitting use of the European company's security software for internet distribution of the developer's software. The license agreement contained an arbitration clause providing that all disputes should be resolved under the WIPO Expedited Arbitration Rules. Several years after the conclusion of the agreement the software developer submitted a request for Expedited Arbitration to the WIPO Center. He alleged that the European company's security application had not prevented third parties from unauthorized access to his software and claimed substantial damages for breach of contract.

The parties chose one of the candidates proposed by the WIPO Center as sole arbitrator. Because of the geographical distance between them and in order to avoid cost expenditure for travel, the parties agreed to hold the hearing through a videoconference, including witness examinations. Following post-hearing submissions, the arbitrator rendered a final award.

▼ [A WIPO Expedited Arbitration relating to a Banking Software Dispute](#)

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 stated that any dispute arising out of or in connection with the agreement would be resolved under the WIPO Expedited Arbitration Rules and that the sole arbitrator will be selected from a panel of persons having experience of information technology.

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 who held a two-day hearing in New York City. Three months after the request for expedited arbitration, the arbitrator rendered a final award finding partial infringement of the agreement and granting damages to the US service provider.

▼ [A WIPO IT Mediation Followed by Expedited Arbitration](#)

A European airline entered into an agreement with a US software company concerning the development of a worldwide platform for the management of ticket sales. This was followed by a professional services agreement, which contained a more detailed description of the project as well as the support services to be delivered by the software company. The latter agreement included a WIPO mediation followed by WIPO expedited arbitration clause.

The airline paid several million USD for the application. Some years later, the airline terminated the agreement. In response, the software company asserted that, with the termination, the airline's rights in the application had lapsed and requested the software to be returned. The airline was of the position that it was entitled to retain the software application and initiated mediation. The result of the mediation was a new license between the parties.

Following the termination of the mediation, the publishing house initiated expedited arbitration proceedings. The Center appointed a practicing judge as sole arbitrator who had been agreed by the parties. The arbitrator conducted a one-day hearing in Hamburg (Germany), in the course of which the parties expressed their desire to settle their case, asking the arbitrator to prepare a settlement proposal. The parties accepted the arbitrator's proposal and requested the arbitrator to issue a consent award. In addition to confirming the terms of the settlement, the consent award made reference to a press release to be published by the parties announcing the settlement of their dispute.

▼ [A WIPO Arbitration of an IT/Telecom Dispute](#)

An Asian company and a European software developer negotiated to form a joint venture company and entered into a license agreement to provide a mobile payment service in a number of Asian countries. Prior to the joint venture's formation, a dispute arose between them concerning performance of the license agreement. The Asian company submitted a request for arbitration under the WIPO Arbitration Rules on the basis of the license agreement, and also obtained an interim order freezing the European developer's bank account from a court based in the European developer's domicile (Article 46(d) of the WIPO Arbitration Rules).

In the WIPO arbitration, the European developer requested the arbitrator to issue an interim award ordering the Asian company to discharge the freezing order, to refrain from initiating any further action in court without prior consent of the arbitrator and to provide a bank guarantee in order to secure payment of the European developer's counterclaim. The arbitrator, while declining to undertake action in direct relation to the court case, ordered the Asian company to provide a bank guarantee in favor of the European developer. The Asian company provided the bank guarantee as ordered.

At the suggestion of the arbitrator and with the consent of the parties, having reviewed the further pleadings in the case, the arbitrator convened a conciliation conference in Geneva (Switzerland), at which he communicated to the parties his provisional conclusions on the matter referred to arbitration. No written record was provided to the parties of the views so communicated. Although the parties did not immediately settle the case, they were able to do so after further discussions in the weeks that followed. The European developer agreed to pay a certain amount and to return the bank guarantee to the Asian company, which in turn agreed to transfer relevant intellectual property rights to the developer.

▼ [A WIPO Arbitration of a Telecom Infrastructure Dispute](#)

A company that provides wireless communication services and a company that sells, installs and maintains telecom infrastructures concluded an agreement for the purchase of infrastructure equipment for wireless communication networks. Both companies were based in the United States. The purchase agreement provided that any dispute arising out of or in connection with the agreement would be resolved under the WIPO Arbitration Rules.

The seller delivered the equipment which was used by the purchaser despite alleged performance shortfalls. Several years after the delivery of the system, the purchaser filed a request for arbitration including, inter alia, claims for breach of contract and damages. The parties chose to appoint as sole arbitrator one of several candidates proposed by the WIPO Center: a lawyer with considerable experience with telecom infrastructure disputes. The sole arbitrator considered substantial documentary evidence, held a three-day hearing in California for the cross-examination of witnesses, and rendered a final award rejecting the claims.

Other Commercial Arbitrations

▼ [A WIPO Expedited Arbitration relating to a Distribution Agreement](#)

Companies from Austria and Turkey entered into a distribution agreement to import and market seeds in the territory of Turkey. The agreement provided that any dispute will be resolved under the WIPO Expedited Arbitration Rules in accordance with Swiss law.

Two years after the conclusion of the agreement, the company from Austria filed a request for WIPO Expedited Arbitration seeking damages and declaratory relief for an alleged breach of the distribution agreement by the Turkish company. Following consultations between the parties and the Center, a sole arbitrator based in Geneva was appointed from the list of candidates submitted by the Center. The sole arbitrator considered documentary evidence and rendered a final award within seven months after the commencement of the arbitration.

▼ [A WIPO Expedited Arbitration relating to an Artistic Production Finance Agreement](#)

A producer of artistic performances entered into an agreement with an insurance company to finance arbitration proceedings. The finance agreement includes 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 Frankfurt (Germany), the sole arbitrator issued a timely arbitral award within five weeks.

▼ [A WIPO Arbitration relating to Solar Technologies](#)

Companies from France and Portugal entered into two sales agent agreements relating to photovoltaic projects in the territory of France. The agreements provided that any dispute will be resolved under the WIPO Arbitration Rules in accordance with the laws of France.

Three and a half years after the conclusion of the first agreement, a dispute arose regarding the payment for services provided under the agreements, and was submitted to WIPO Arbitration. Following consultations between the parties and the Center, a sole arbitrator based in Paris was appointed from the list of candidates submitted by the Center. The sole arbitrator held a one-day hearing in Paris and rendered a final award within 12 months after the commencement of the arbitration.

▼ [A WIPO Arbitration relating to an Artist Promotion Dispute](#)

A European art gallery concluded an exclusive cooperation agreement with a European artist in order to promote the artist in the international market. The agreement contained a WIPO arbitration clause providing for a three-member tribunal. Three years after the signing of the agreement, the parties' relationship began to deteriorate and the artist sent a notice terminating the agreement. At that point, the art gallery initiated WIPO arbitration proceedings.

Following consultations between the parties and the Center, the Center appointed three arbitrators experienced in art law issues.

After studying the parties' pleadings, the tribunal considered that there was potential for settlement. With the agreement of the parties, the tribunal issued a preliminary case assessment encouraging the parties to resume settlement negotiations which the parties had attempted at an earlier stage. The parties reached a settlement and asked the tribunal to render a consent award, incorporating the parties' settlement agreement. The terms of the settlement included the termination of the cooperation agreement and the provision of a number of works by the artist to the gallery in final settlement.

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