

## MAIN PROGRAM 11

# Arbitration and Mediation Center

### 11.1 Case Administration

### 11.2 Legal Framework, Information and Promotion Activities

#### Summary

170. The introduction of the on-line administration of Internet domain name disputes significantly increased the scope and quantity of work of the WIPO Arbitration and Mediation Center. It also raised the profile of the Center's more conventional services for the resolution of intellectual property disputes.

171. Clauses for the submission of disputes to arbitration and under the WIPO Mediation, Arbitration and Expedited Arbitration Rules are found in commercial contracts involving intellectual property, particularly international licensing agreements. Several developments give rise to an expectation of structural growth of the Center's work as administering authority of these procedures.

172. Spurred on by technological advances and the reduction of trade barriers, intellectual property is increasingly created and commercialized across jurisdictions. Arbitration and other private methods of dispute resolution are particularly well-placed to meet the resulting demand for neutral procedures that are enforceable internationally. The WIPO procedures also mean a growing need for neutrals (independent arbitrators and mediators) who are specialized in the increasingly complex areas of intellectual property concerned. In addition to administering a growing arbitration and mediation caseload, the Center provides referrals of neutrals from the database which it has developed of specialized candidates for appointment.

173. In December 1999, the Center became the first dispute resolution provider to receive a complaint filed under the Uniform Domain Name Dispute Resolution Policy (UDRP). Adopted at WIPO's recommendation, this innovative mechanism provides owners of trademark rights with an administrative remedy against the bad-faith registration and use by third parties of domain names corresponding to those trademark rights. In the first year of the UDRP, the Center administered over 1,850 domain name disputes in the generic top-level domains (.com, .net, and .org) involving parties from 75 countries. The Center also administered the first disputes filed under similar policies adopted by certain country-code top level domains.

174. The delivery of market services in accordance with the applicable domain name dispute rules requires the Center to maintain an adequate legal, administrative and information technology infrastructure. Thanks to facilities such as on-line filing, case communication by e-mail, and a web site offering WIPO model documents, guides and posted decisions, the

Center's domain name dispute services are fast and cost-effective. Even so, they entail a significant need for staff. Because this need could not be quantified when the Program and Budget for the 2000-2001 biennium was adopted, it has been met mostly through ad hoc means, such as the addition of short-term secretaries and case administrators, as well as the re-deployment of two posts.

175. The factors that are expected to drive the Center's domain name activity in the 2002-2003 biennium include the possible widening of the scope of the existing dispute policy, the expected introduction of new generic top-level domains, the increasing adoption by national registration authorities of dispute policies involving the Center, and the opportunities to register domain names in different language scripts. While the dynamic character of these new developments makes it extremely difficult to predict the Center's case load accurately, it appears likely to increase further, possibly to a significant extent.

176. Bearing in mind this longer potential, the 2002-2003 biennium offers the opportunity to put this highly visible WIPO activity on a more stable footing. Should the actual number of internet domain name resolution cases be higher or lower than forecasted, the budget of the Arbitration and Mediation Center and supporting services would be increased or decreased as described in Appendix 3.

## **SUB-PROGRAM 11.1**

### **Case Administration**

#### **Objective:**

To enhance the protection of intellectual property through the provision of quality services for the resolution of intellectual property disputes.

#### **Background**

177. This sub-program covers the Center's management of intellectual property disputes filed with the Center. Whether under the WIPO Rules, the UDRP, country-code domain policies, or other schemes serviced by the Center, the administration of such cases requires an effective operational infrastructure. The Center meets the demand for conventional arbitration and mediation by maintaining specialized rules, electronic case facilities, and an expert pool of neutrals. Likewise, in order to give effect to the UDRP, the Center provides a model complaint and response, on-line filing, case communication facilities, and web-assisted information, as well as an international roster of domain name specialists. The Center's case managers conduct the proceedings on-line, providing time and cost benefits to parties.

Expected Results	Performance Indicators
1. Increased conventional arbitration and mediation caseload.	<input type="checkbox"/> Number of cases processed under WIPO Rules. <input type="checkbox"/> Number of requests for appointment of WIPO arbitrators and mediators.
2. Expansion of dispute resolution activity in relation to Internet domain name disputes to 3,100 cases in 2002 and 3,600 cases in 2003.	<input type="checkbox"/> Number of cases processed in this area.

### Activities

- ◆ Administering disputes under WIPO Rules and providing referrals of neutrals from the WIPO list of neutrals.
- ◆ In collaboration with registration authorities in different domains and languages, administering procedures for on-line resolution of Internet domain name disputes.
- ◆ Operating on-line case administration services tailored to the demands of electronic commerce and information technology transactions.
- ◆ Further developing the Center's infrastructure to make optimal use of technological developments to enhance the Center's case administration services.

## SUB-PROGRAM 11.2

### Legal Framework, Information and Promotion Activities

#### Objective:

To achieve increased awareness and application of, and improve the legal framework for, alternative dispute resolution as an effective means of resolving international intellectual property disputes.

#### Background

178. Alternative dispute resolution procedures complement the options traditionally available to holders of intellectual property rights for the enforcement of those rights. This sub-program aims to increase awareness and use of such alternatives, through activities that include the organization of workshops, the publication of guides, and the collaboration in other enforcement-related WIPO programs. The Sub-program also covers the Center's development of tailor-made dispute resolution systems at the demand of specific intellectual property interests, such as associations of rights owners.

Expected Results	Performance Indicators
1. Strengthening the position of the Center as the leading resource center in the area of intellectual property disputes.	☐ Number of requests for information and collaboration and of participants in WIPO events, including workshops and conferences.
2. Increased role as designer and provider of tailor-made dispute resolution services in an on-line environment.	☐ Number of dispute resolution mechanisms established through cooperation of WIPO.

### Activities

- ◆ In collaboration with registration authorities in different domains and languages, implementing mechanisms for on-line resolution of Internet domain name disputes.
- ◆ Designing on-line case administration services tailored to the demands of electronic commerce and information technology transactions.
- ◆ Organizing, annually, one conference, one arbitration and two mediation workshops, and four domain name panelist meetings.
- ◆ Producing, publishing, posting and presenting information in coordination with activities under Main Program 09 (Global Communications), as well as responding to ad hoc information requests.
- ◆ Developing relations with other institutions, in particular in developing countries and countries in transition in coordination with activities under the cooperation for development Main Programs 12 and 13.

**Table 11.11 Detailed Budget 2002-2003**  
**Main Program 11**  
**Arbitration and Mediation Center**

**A. Budget Variation by Object of Expenditure**  
(in thousands of Swiss francs)

Object of Expenditure	2000-2001 Revised Budget A	Variation						2002-2003 Proposed Budget E=A+D
		Program		Cost		Total		
		Amount B	% B/A	Amount C	% C/A	Amount D=B+C	% D/A	
Staff Expenses	3,699	1,792	48.4	2,255	61.0	4,047	109.4	7,746
Travel and Fellowships	310	(9)	(2.9)	9	2.9	-	-	310
Contractual Services	658	243	36.9	32	4.9	275	41.8	933
Operating Expenses	72	142	197.2	8	11.1	150	208.3	222
	<b>4,739</b>	<b>2,168</b>	<b>45.7</b>	<b>2,304</b>	<b>48.6</b>	<b>4,472</b>	<b>94.4</b>	<b>9,211</b>

**B. Budget Variation by Post Category**

Post Category	2000-2001 Revised Budget A	Variation B-A	2002-2003 Proposed Budget B
Professionals	2	-	2
General Service	19	9	28
<b>TOTAL</b>	<b>21</b>	<b>9</b>	<b>30</b>

**C. Budget Allocation by Sub-program and  
Detailed Object of Expenditure**  
(in thousands of Swiss francs)

Object of Expenditure	Sub-program		Total
	1	2	
<b>Staff Expenses</b>			
Posts	7,626	-	7,626
Short-term Expenses	80	40	120
<b>Travel and Fellowships</b>			
Staff Missions	40	100	140
Government Officials	-	100	100
Fellowships	-	70	70
<b>Contractual Services</b>			
Conferences	-	50	50
Consultants	473	-	473
Publishing	150	-	150
Other	260	-	260
<b>Operating Expenses</b>			
Premises and Maintenance	72	-	72
Communication and Other	150	-	150
<b>Total</b>	<b>8,851</b>	<b>360</b>	<b>9,211</b>