

## DECISIONS MADE WITHIN THE FRAMEWORK OF THE WORLD INTELLECTUAL PROPERTY ORGANIZATION

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**Abstract:** *Specialized arbitrations are of great importance for the parties in the dispute, given that the dispute is resolved by experts in the given field, the rules of the profession and experience are of immeasurable importance, and one of the most important one is World Intellectual Property WIPO arbitration. In the era of the economy that runs under conditions of uncertainty and innovations, Intellectual Property Rights and their legal protection is of paramount importance. The subject of this research paper aims to consider the question of why international arbitration in the field of Intellectual property rights, as such, has experienced rapid expansion and development, and whether such dispute resolution based on the free choice of the parties can lead to a fairer resolution of disputes, whether resorting to arbitration is a reflection of distrust in the courts and whether the parties believe that their interests will be better protected. Arbitration is chosen over regular courts mainly because of the specialized nature of the disputes involved. The result of the work is reflected in pointing out the advantages provided by arbitration dispute resolution within the economy of uncertainty and innovation. The World Intellectual Property Organization specializes in resolving disputes in the field of intellectual property and therefore also disputes in the field of Industrial property Law as part of intellectual property law. The research objectives are primarily related to and expressed through an analysis of the advantages and disadvantages of settling international disputes by arbitration as an alternative way of resolving disputes rather than taking a case before the court. To ensure a rigorous analysis, this paper employs a multi-methodological approach rooted in social science research. Primary emphasis is placed on scientific description and content analysis (complemented by synthesis), alongside inductive-deductive, historical, and comparative methods. This paper explores the hypothesis that the WIPO Arbitration and Mediation Center provides a superior framework for resolving intellectual property*

*disputes within an economic landscape defined by the tension between uncertainty and innovation. The result of this paper is to outline the legal tools and opportunities available to boost innovation and economic development when facing market uncertainty, using various legal instruments and the legal strategies.*

**Key words:** *WIPO, arbitration, intellectual property, innovations.*

**JEL classification:** *K22*

### 1. INTRODUCTION

In addition to the Arbitration and Mediation Center established within WIPO, “this organization continuously seeks to assist its member countries in activities related to each of the four components mentioned, by providing training, seminars, legal and technical assistance. WIPO continuously organizes and conducts, in cooperation with the governments of its member countries, training and seminars aimed at government officials, legislators, employees of intellectual property offices, judges and lawyers, enforcement officers, those who apply intellectual property, creators and inventors and others. Dealing with components in an environment in which intellectual property rights play such a major role, WIPO and the work it undertakes performs serve to advance economic, social and cultural development; to raise standards at all levels of society; to create new opportunities for rewards and opportunities for the public and private sectors; to help nations compete in the world market”. (Idris, 2003, p., 281-282). Within WIPO, there are centers for dispute resolution. Various types of services are provided, starting from mediation, conciliation, negotiations and ending with mediation and arbitration. An Arbitration-Mediation Center has even been formed for this purpose. International arbitrations are the most effective legal means for preserving business-legal relationships based on products of

the human spirit, innovations and products that are unique in their creation; transfer; legal protection; method of economic exploitation; and immeasurable economic and developmental importance so unique that they have become inseparable from a special form of dispute resolution, through international arbitration "The decisions it makes are binding on the parties to the proceedings. In this way, a parallelism is created with court decisions, because the effects of arbitration decisions are equal to the effects of court decisions. This actually means that if the parties do not voluntarily implement the arbitration decision, the state will use its coercive apparatus to ensure its implementation." (Radović, 2025, p. 298).

It is known that arbitral jurisdiction can be established even before the dispute arises, in the form of a compromise clause. "A compromise clause is a form of arbitration agreement that is contained in the text of the main contract as a separate clause, or as an annex to the contract itself." (Popović, Vukadinović, 2007, p. 302). In addition to all the advantages of resolving disputes through arbitration compared to judicial dispute resolution, starting from the primary autonomy of the parties to the dispute to choose whether to resolve the dispute through arbitration; the possibility of selecting an arbitrator, which is impossible within the framework of judicial proceedings; the selection of substantive and procedural law for conducting the procedure and resolving the dispute; the cost-effectiveness of the arbitration procedure, which is reflected in the short conduct of the procedure, i.e. the cost-effectiveness in terms of the duration of the arbitration procedure, which inevitably leads to cost-effectiveness in terms of financial costs for the parties to the dispute themselves; the arbitration procedure is confidential, which is particularly beneficial to the parties to the dispute because they avoid having their business reputation damaged by being in the dispute; decisions must be respected and there is no right of appeal except in exceptional cases, and decisions are enforceable within a short period of time. „What requirements does an arbitration agreement have to fulfill in order to be binding? One could expect that this question is a long time settled legal issue. Even though this is true to a certain extent, several developments of the recent past give new relevance to the debate. Corporate mechanisms of arbitration particularly used by tech companies constitute a new form of out-of-court dispute resolution. Whereas binding corporate dispute resolution mechanisms in Europe tend to be rare at the moment, this is different in the U.S. Corporate arbitration schemes are in widespread use and may even provide for arbitration clauses that do not just

exclude individual access to state courts, but also participation in class actions; the Supreme Court of the United States has dealt with respective clauses contained in contracts of adhesion in several judgments of the recent past". (Thönissen, 2025, p. 936).

The arbitration award is not usually published, but it may be published if both parties consent. One of the reasons why parties choose arbitration is the confidentiality of the procedure, primarily because they do not want their existing and potential business partners to have access to the disputes they are involved in, as this leads to a decline in business reputation, and thus to a reduction in the number of business relationships. Ultimately, this can also lead to a decrease in reputation, in public opinion and resistance from end consumers when purchasing a particular product or using certain services. „Arbitration is, however, used across highly diverse contexts, ranging from consumer disputes to high-stakes transnational commercial cases involving sophisticated parties with access to specialised legal counsel. In acknowledgement of these differences, traditionally, the EU legislator has regulated arbitration in certain sectors, most notably consumer protection, with intervention aimed at ensuring procedural guarantees. By contrast, commercial arbitration has remained largely unregulated by EU law, especially with respect to procedural aspects". (Migliorini and Moreira, 2025, p.,1).

## 2. RESEARCH GOALS AND METHODS

The primary research objectives focus on a comparative analysis of arbitration versus litigation, specifically examining their advantages and disadvantages. The scientific objective of the research investigates the role and efficiency of WIPO arbitration, specifically focusing on its protective measures it offers for settling international disputes in the area of Intellectual property rights.

The aim of the research is precisely to analyze analyze how the WIPO Arbitration and Mediation Center adapts its decision-making processes to navigate periods of economic instability and the technological innovations. Intellectual property rights are only as effective as the legal means that protect them. In this sense, WIPO arbitration, as a form of justice that is in many ways different from that provided by the courts, is a reliable means of resolving disputes, especially when the parties to the dispute belong to different sovereignties. The risks that accompany conducting legal proceedings in several countries inevitably lead to a conflict of legal norms and a mismatch of legal systems. This can especially apply to European Union, and arise certain questions „Wat does it mean to know

European Union (EU) law? When we say that we have knowledge of EU law what do we intend? And when we argue that a certain claim about EU law is true or false then which validity standards do we rely on explicitly or implicitly? These are epistemological questions about EU law. When claiming to know EU law, then, presumably, we mean that we have knowledge about EU law as it is. This raises the question of what exactly the mode of being of EU law is, which is related today, in one way or another, to the further question of what the EU really is, and, in some cases, on what else exists and what not. These are ontological questions about EU law. (Hesselink, M.W., 2024, p., 155) .“

The practical goal of the research stems from the fact that specialized arbitrations were created under the influence of business associations. In the business world, business relations change, develop, and become more complex, disproportionately in relation to the development of regulations, but the speed of development of business relationships is proportionally followed by the number of disputes that arise in these relations.

However, what is most beneficial to the parties to the dispute, in addition to all the above-mentioned advantages of resolving disputes through arbitration as one of the alternative methods of resolving disputes in relation to court proceedings, is when the dispute is resolved before a specialized arbitration for a certain type of dispute. In such cases, although the parties have the right to choose the arbitrators to conduct the proceedings, they have the option of choosing arbitrators who are experts in the given field. This provides certainty that the dispute will be resolved from the perspective of the rules of the profession in the given field, which cannot be said if the dispute is resolved before judges who are experts in the application of the law but do not possess expert knowledge in the field of industrial property law.

The recognition and enforcement of an arbitration award is of the greatest importance in terms of issues related to the implementation of arbitration awards, i.e. it concerns the procedures that need to be undertaken in the country of enforcement of the international commercial arbitration award. Arbitration awards are not automatically enforceable in themselves, especially since they are international arbitration awards, and similar to foreign court decisions, they need to go through the domestic legal system in order to be enforceable. Each country has its own set of rules that must be followed in order for the decision to be in accordance with the legal system and constitution of that country. The recognition of an arbitration award is a procedure carried out by the competent authorities, which decide whether the substantive and procedural aspects have been met.

All the advantages of arbitration dispute resolution are recognized by business people, and thanks to legal theory and practice, the borders of countries are opened, the paths of exchange and cooperation are expanded, and the path to legal certainty is paved, which is the basic foundation for the development of a country's economy. „Economic law reflects the important challenges facing our societies such as digital dominance, the concentration of market power, unequal wealth distribution and climate change. (Sauter, 2024, p.,768)“. Borders become invisible when a strong legal system is expanded by accepting solutions based on the autonomy of will, or rather voluntariness, as is the case with mandatory legal regulations And also „Given that making a profit is the main goal of every company, it must be emphasized that it should not be allowed for financial goals to jeopardize other aspects of good business (Kovačević, 2021, p. 65).“ This paper will use all methods that could contribute to its higher quality. Primarily referring to methods that are specific for social research, which will include scientific description and content analysis (with synthesis), then inductive-deductive, historical and comparative analysis.

**Picture 1.** Types of Disputes



Source: <https://www.wipo.int/amc/en/center/caseload-2023.html> retrived from the website 11.03.2026.

### 3. DISCUSSION AND RESULTS

#### 3.1. ADMINISTRATIVE PANEL DECISION IN EVOLUTION USA, INC. V. ALEXEI DOICEV, CASE NO. D2006-008, MARCH 24, 2006

The decision under consideration was rendered by the WIPO Arbitration and Mediation Center. “Claimant: TEvolution USA, Inc. d/b/a TechnoMarine, Miami, Florida United States, represented by Tucker & Latifi, LLP, United States, and Defendant Alexei Doicev, Chisinau, Republic of Moldova”. The subject matter of the dispute is “The disputed domain name <technomarines.net> (the “Disputed Domain”) is registered with Go Daddy Software (the “Registrar”)”.

The dispute arose when the defendant illegally registered and used a domain that misled end users and buyers of products protected by a given mark (these were watches and jewelry protected by the technomarine mark, while the defendant used the mark technomarines). What emerged as a disputed fact in this dispute was not whether there was a trademark infringement. The Panel found that there was a trademark infringement since the defendant used the name for the same or similar products, misleading third parties that it was an identical product, which was marked with a protected mark that guarantees a certain quality and design of a certain product. The disputed fact in this dispute was the plaintiff's active legal standing. The plaintiff was a contracting party to an exclusive distribution and license agreement for products marked with a protected mark; he himself was not the owner of the protected trademark.

“The fundamental question raised in this case is whether a license is sufficient in itself to establish “trademark rights” within the meaning of paragraph 4(a)(i) of the Policy.”. <https://www.wipo.int/portal/en/index.html>

The dispute was resolved in favor of the plaintiff, and the Panel decided that the disputed domain be transferred to the plaintiff.

The subject matter of the dispute is based on the relationship between the recipient and the grantor of an exclusive license to use a protected domain name. This decision of the WIPO Center Panel is extremely complex because it raises the issue of a three-party legal relationship: the grantor of an exclusive license: the recipient of an exclusive license and the defendant (the infringer of the protected trademark right).

The basic problem, as stated by the WIPO Center, is the question of the active standing of the plaintiff, who is also the recipient of an exclusive license to the trademark right, whether that same

exclusive license grants him the right to act as a plaintiff in the event of a violation of the protected right he enjoys under the contract. The WIPO Center took the position that the active standing of the defendant is justified and legally based. More precisely, the WIPO Center had in mind the national regulations and solutions that they adopt in this or similar cases.

If the holder of an exclusive license were to be denied active legal standing in a dispute, the very cause of the legal business of the license agreement would disappear, because in that case the acquirer of the right would not be able to protect it, and therefore the purpose of the license agreement would disappear, the holder of such a license would not see a legal basis for paying a license fee for the use of a protected industrial property right, if any third party could use it without concluding a contract and not suffer legal consequences for violating the said right. Considering all of the above, we believe that the WIPO Center made a fair decision.

“Today's environment requires companies to use a modern way of performance management, using a dynamic approach in the decision-making process based on the company's strategy, with all employees involved and with the focus on continuous improvement. (Kovačević, 2020, p. 65).“

The importance of trademark law is by no means negligible, because having a recognizable trademark, which instills confidence in buyers that it is a quality product, manufactured according to certain standards, guarantees the safe sale of these products.

For example even in European Union „a progressive European private law code should be inspired by various European traditions, but there is a steep slope leading to a generalised standardisation of Europe, where attempts to maintain some diversity are immediately countered. (Fabre-Magnan, M., 2022, p., 443)“.

#### 3.2. ADMINISTRATIVE PANEL DECISION IN THE CASE OF A. NATTERMANN & CIE. GMBH AND SANOFI AVENTIS V. WATSON PHARMACEUTICALS, CASE NO. D2010 0800, 31.08.2010

The second dispute deals with a dispute resolved within the Arbitration and Mediation Center, which arose between “the plaintiff A.Nattermann&Cie. GmbH of Cologne, Germany, and Sanofi aventis of Paris, France. The defendant Watson Pharmaceuticals, Inc. of California, United States of America (“USA”)”. <https://www.wipo.int/portal/en/index.html>

The subject matter of the dispute relates to the disputed domain name <ferrlecit.com>. The plaintiffs and the defendants were previously in a contractual relationship, having concluded a distribution and exclusive license agreement.

“The first plaintiff is the successor of the second plaintiff, who is the owner of a leading pharmaceutical company. The first plaintiff is the owner of the mark FERLECIT, which is used to designate an intravenous treatment for the treatment of anemia. This trademark is registered in the name of the first plaintiff in the United States and other countries. The defendant is also a pharmaceutical company.”

The plaintiffs and the defendants concluded a contract in the form of an exclusive license to import, use and sell the product in the United States, Canada and Greece, and an exclusive license agreement to use the FERLECIT mark for the product in the same territory.

At a later date, all of the aforementioned contracts were terminated by an arbitration award, before the Arbitration Court in Switzerland. The arbitration court determined that the contracts expire on a certain date and ordered the return of all documentation. However, the dispute arose regarding the domain name that contains the name of the protected mark.

Since the court was not explicit about the domain, the plaintiff retained the disputed domain. The plaintiff's request was to transfer the disputed domain to the plaintiff, and to prohibit the defendant from using it. The panel made a decision based on the interpretation of the defendant's behavior, i.e. whether he acted in good faith and whether he was conscientious. The panel rejected the claim, but not unanimously, one of the panelists singled out opinions, but due to the volume of work, we are unable to cite him.

The question arises whether the Panel made the correct decision. In the above case, exclusive license agreements were concluded that expired after a certain period of time. What is at issue in this case is whether the domain name registered by the defendant himself is actually related to the exclusive license agreement or whether he registered it himself in order to make the license agreement easier and more efficient. There is no dispute that the defendant acted conscientiously at the time of registration by registering a domain name that contained a protected mark, in order to fulfill a contractual obligation.

The question that arises is whether the defendant continued to act conscientiously by retaining the domain name after the expiration of the concluded exclusive use agreements.

In the above case, the plaintiff suspended all activities ordered by the Swiss Arbitration Court, the given domain name referred to the plaintiffs, the defendant himself did not derive any material benefit from it or mislead third parties, the reason for his refusal to transfer the disputed domain to the plaintiff was that he requested reimbursement of the costs he had for its registration and maintenance.

There is no doubt that the Panel was in a dilemma, given that this is a delicate case that has actually been shaped by practice. The basic problem is that if nothing was stipulated in the exclusive license agreement regarding the domain name, can the plaintiff at all invoke a violation of the rights under the agreement?

Second, if nothing was stipulated in the exclusive license agreement, does the plaintiff in this case, as a contracting party to the license agreement, have the right to request that the domain name be transferred to him upon termination of the agreement if he did not consider it to be unlawful conduct during the term of the agreement.

Third, what constitutes the biggest problem in this dispute is whether, regardless of the previous contractual relationship, and the conscientious conduct of the defendant, it is reasonable enough to allow the defendant to own a domain that contains protected brand names.

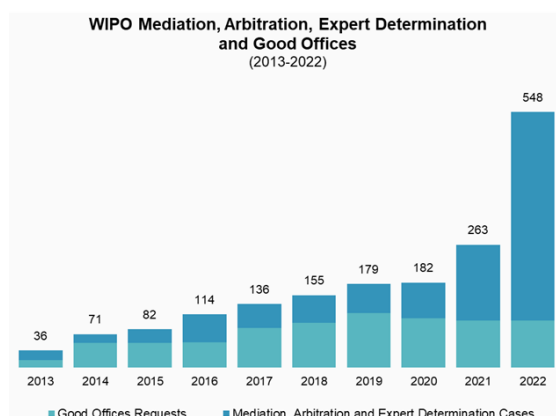
Given the complexity of the dispute itself, it is not surprising that the panelists reached their decision by majority rather than unanimous, with a dissenting opinion from one of the panelists. The panel made the decision based on the interpretation of the defendant's own behavior, i.e. whether he was conscientious or not, in his actions both from the beginning of the conclusion of the contract and until the expiration of the contract by the arbitration award of the court in Switzerland.

However, understanding the legal nature of this institute as a legal nature of a contractual obligation, then its rejected the position that it is one of the institutes of the judiciary, but rather a type of profession that deals with the professional provision of services.

This second point of view, has gone too far; the first point of view, namely that international arbitrations have a predominance of jurisdictional character, with such a number of specificities in relation to judicial dispute resolution, so specific that it does not separate arbitration from the judiciary, but rather makes it a method of resolving commercial disputes that does not possess the negative aspects of the judiciary.

**Chart 1. WIPO Caseload Summary**

WIPO Mediation, Arbitration, Expert Determination Cases and Good Offices Requests



*Source:* <https://www.wipo.int/amc/en/center/caseload-2023.html>, retrieved from the website 11.03.2026.

## CONCLUSION

There are numerous advantages of arbitration over court dispute resolution, which are mainly reflected in the following: selection of arbitrators; speed of dispute resolution; simplicity and informality of the procedure; and confidentiality of the procedure.

Speed of dispute resolution is also closely related to reducing the costs of the procedure, the calculation is simple, if the procedure lasts shorter, the costs will be lower.

As a rule, an arbitration award is not published, but it may be published if both parties consent. One of the reasons why parties choose arbitration is the confidentiality of the proceedings, primarily because they do not want their existing and potential business partners to have access to the disputes they are involved in, as this leads to a decline in business reputation, and thus to a reduction in the number of business relationships. Ultimately, this can also lead to a decrease in reputation, in public opinion and resistance from end consumers when purchasing a certain product or using certain services, especially when the subject of the dispute is a trademark.

Some of these trademarks represent status symbols in society, such as cars, watches, technical equipment, and it is not surprising that they are the target not only of obvious trademark infringement in the form of the production of pirated products, but also of covert trademark infringement in the form of trademark dilution. The second decision considered in the WIPO arbitration related to the concept of an exclusive license, and whether it continues to have legal effect after the annulment of the contract in court.

Decisions made within the framework of the World Intellectual Property Organization (WIPO) -

arbitration awards that have as their subject matter the violation of the license agreement between the parties to the dispute in the field of domain names were analyzed. The subject matter of the dispute, the arguments of the parties to the dispute and the operative part of the decision were analyzed in detail, and a critical review of the merits of the disputes and the operative part of the arbitration awards was given.

The question arises as to how to understand the legal nature of arbitration decisions of specialized arbitrations. If opting for the position that the legal nature is of a jurisdictional nature, the question arises as to how much it differs from the judiciary, and whether these differences are so great that it is necessary to single out arbitration as an independent institution

While no legal process is flawless, and arbitration is no exception, a balanced assessment reveals that its advantages clearly outweigh its drawbacks. Consequently, arbitration merits the focused attention of both legal scholars and practitioners.

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- [12] Picture 1. WIPO statistics. <https://www.wipo.int/amc/en/center/caseload-2023.html>, retrived from the website 11.03.2026.
- [13] Chart1.WIPO statistics. <https://www.wipo.int/amc/en/center/caseload-2023.html>, retrived from the website 11.03.2026.



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