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UPOV

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INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS

GENEVA

AD HOC COMMITTEE ON
THE REVISION OF THE CONVENTION

Geneva, September 11 to 15, 1978

COMPILATION OF THE OBSERVATIONS
ON THE DRAFT REVISED CONVENTIONprepared by the Office of the Union

1. Documents DC/6 to 8 and documents RC/ad hoc/2 and 4 to 6 contain observations presented by States, by international organizations and by the Office of the Union on the draft revised Convention (documents DC/3, 4 and 5).

2. To facilitate the preparation of the Diplomatic Conference and the discussions in the Ad Hoc Committee on the Revision of the Convention, the Office of the Union has prepared a compilation of the observations so far made. The compilation appears in the Annex to this document. As it is a summary, it does not always literally reproduce the observations and, especially, the argumentation. For precise information, the observations as reproduced in the above-mentioned documents should be consulted. For this purpose, the source is indicated in brackets after the name of the entity which submitted the observation.

3. In order to further facilitate the discussions, the Office of the Union has classified, as far as possible, the observations pertaining to one and the same Article in the order in which their substance is removed from the text presently in force, the furthest removed being placed first and the least removed being placed last. In cases where an Article is the subject of a greater number of observations which relate to different aspects of the same Article, the observations are grouped according to the matter to which they relate, that matter being briefly indicated in the title of the corresponding paragraph.

[Annex follows]

ANNEX

COMPILATION OF THE OBSERVATIONS
ON THE DRAFT REVISED CONVENTION

1. General Comments

Barbados (Document DC/6, Annex II)

It is not foreseen that the Convention would have immediate benefits to Barbados.

Pakistan (Document DC/6, Annex IV)

The documents are closer to the needs of Western Europe and are barely applicable to the conditions prevailing in Pakistan as Pakistan has no breeders' rights or royalty system for new varieties of crop plants. The said documents deal mainly with the protection of plant varieties and rights of plant breeders, etc. Since in most of the Asian countries, and more so in Pakistan, the work relating to breeding of crop varieties is essentially handled by the Government departments, the system and procedures for payment of royalties to plant breeders are not of direct relevance to Pakistan.

Sweden (Document DC/6, Annex V)

The Swedish Government is in general satisfied with the present text of the Convention. Several of the proposed amendments do not, in the view of the Swedish Government, represent any improvement of the Convention. If the revised text is adopted, this may lead to a reduction of the uniformity of legislation in the member States. Some of the amendments, however, are proposed in order to make it easier for certain States at present not members of UPOV to adhere to the Convention. The Swedish Government considers it important that more States become party to the Convention. For this reason, the Swedish Government can, except for one point, accept the draft revised text.

2. General Proposal

Office of the Union (Document RC/ad hoc/2, Annex I, page 1)

The method of citing other provisions of the Convention should be harmonized. It is proposed that throughout the Convention provisions should be referred to according to the following example taken from Article 2(2): "[the requirements of] Article 6(1)(c) and (d)" rather than "[the requirements of] subparagraphs (c) and (d) of paragraph (1) of Article 6." This would shorten and simplify the text and improve its legibility. If this proposal is accepted, amendments will have to be made in Articles 2(2), 4(3)(c), 4(5), 10(1), 37(1) and 40(1) (in document DC/5).

In addition, the question should be discussed whether, for the sake of uniformity, a reference to a preceding paragraph or subparagraph of the same Article should also be followed by the words "of this Article". References to such paragraphs (and subparagraphs) are made in the following provisions: 3(3), 4(4), 4(5), 5(4), 12(2), 12(3), 13(8), 13(9)(b), 13(11), 33(2), 33(3), 36(3)(a) and (b), 37(3) and 40(2) (in document DC/5) and, in document DC/4, 13(4)(b) and 13(7).

3. Article 1(1)

South Africa (Document DC/6, Annex I, page 1)

It is proposed that paragraph (1) be amended as follows:

"(1) The purpose of this Convention is to recognise [and to ensure] to the breeder ... a right and to ensure the protection of such right under the conditions hereinafter defined."¹

Argumentation: The two distinct steps involved in the granting of the right, namely the recognition (which includes the application by the breeder, the examination of the application and the issuing of the title of protection) and the protection of the right (which includes inter alia the privileges of the holder of the title of protection and the duration of the protection) should be already clearly indicated in the first Article of the Convention.

4. Article 2(1)

South Africa (Document DC/6, Annex I, page 1)

It is proposed that the first sentence be amended as follows:

"(1) Each member State of the Union may recognise and protect the right of the breeder ... by the grant either of a special title of protection or of a patent."

Argumentation: Consequence of the proposed amendment of Article 1(1). Recognition is only one step in the granting of the right. Equally important is the protection of the right which means that without "and protect" this paragraph would be incomplete.

5. Article 2(2)

France (Document RC/ad hoc/4, Annex)

The new wording, and especially the French version of the text, does not yet seem to be satisfactory; in particular, the French rendering of the English word "assemblage" by the expression "ensemble" is not a good solution. The French Delegation will try to find a new wording.

AIPH² (Document DC/7, Annex I, page 1)

The new wording is accepted.

¹ Words to be added are underlined and words to be deleted are between square brackets (also in subsequent proposals). (Note by the Office of the Union).

² The observations from AIPH have been elaborated by the Committee for the Protection of Plant Breeders' Rights. (Note by the Office of the Union).

6. Article 2(3)

CIOPORA (Document DC/7, Annex V, page 1)

Article 2(3) should be rejected as it constitutes a restriction as compared with the present text.

AIPH (Document DC/7, Annex I, page 1)

The new wording is accepted.

7. Article 3 (First Question: Desirability of Reciprocity Principle)

AIPH (Document DC/7, Annex I, page 1)

AIPH is opposed to the new Article 3(3), because it conflicts with the need to extend the membership of UPOV. A member State must not be entitled to limit the protection to a species which can also be protected in another country.

CIOPORA (Document DC/7, Annex V, page 2)

The plea is expressed that the principle of reciprocity as provided for in Article 3(3) (Article 4(4) in the present text) be generally examined, and the wish is expressed that Article 4(5) of the present text be maintained.

Argumentation: The interest of the breeders is that they benefit from protection in as many States as possible. The national treatment principle appears to be the only one capable of enhancing international cooperation and the introduction of equality in the rights of the nationals of the member States.

8. Article 3 (Second Question: Drafting)

Office of the Union (Document RC/ad hoc/2, Annex I, page 1)

It is proposed that the words "the provisions of" be inserted in Article 3(3) at the beginning of the sentence, which would then read "Notwithstanding the provisions of paragraphs (1) and (2)," in order to harmonize this provision with other Articles. This proposal affects neither the French nor German texts.

9. Article 3 (Third Question: Interpretation)

ASSINSEL (Document DC/7, Annex III, page 7)

The question is raised whether Article 3(3) can be interpreted as allowing a member State to grant less protection to a national of another member State than to its own nationals, more precisely as much protection as that other member State provides for. It is further wondered whether, if the answer is affirmative, a member State would not have to grant more extensive rights to a national of another member State, which provides for more extensive rights, than to its own nationals.

10. Article 3 (Fourth Question: Application at National Level)

United States of America (Document RC/ad hoc/5, Annex, page 1)

It is understood that the Patent and Trademark Office may continue to accord national treatment under the terms and conditions of Articles 2 and 3 of the Paris Convention. The Plant Variety Protection Office would provide reciprocal rights under paragraph (3).

11. Article 4(3) (First Question: Extension of Protection to "Important Species")

France (Document RC/ad hoc/4, Annex)

It would be useful to specify, in Article 4(3)(a), that the five genera or species should be selected from among the main crops of the State concerned.

ASSINSEL (Document DC/7, Annex III, page 8)

The deletion of the Annex to the Convention is supported. It is proposed that the words "of its main crops" be added at the end of paragraph (3)(a).

AIPH (Document DC/7, Annex I, page 1)

It is proposed that a paragraph be added, which would oblige member States to protect their main crops, that is, those species which are significant in their international commerce.

12. Article 4(3) (Second Question: Number of Genera and Species to be Protected)

CIOFORA (Document DC/7, Annex V, page 2)

It is proposed that subparagraph (b)(iii) be amended as follows:

[Each member State shall apply the Convention]

"(iii) within eight years, to any genus or species to which any one of the member States of the Union applies the Convention and in respect of which such other State is already capable of performing the preliminary examination provided for by Article 7."

It is further proposed that subparagraph (c) be deleted.

Argumentation: The main purpose of Article 4(3) and (4) is to take account of the technical and financial difficulties which certain member States may encounter when setting up examination facilities for each species. These provisions may lead to economic pegging and thus to regrettable differences in international commerce and plant variety protection, mainly because of the shortcomings of the present Article 5. Moreover, the minimum number of species may be either too low or too high, depending on the state of organization of each country. International cooperation in examination seems to be a much better and more positive way of increasing UPOV's membership.

United States of America (Document RC/ad hoc/5, Annex, pages 1 and 2)

It is proposed that "or species" be deleted in subparagraphs (a) and (b).

Argumentation: The proposed paragraphs (3) (a) and (b) are drafted in a way that allows a State to adhere to the Convention by protecting no more than twenty-four species of a single plant genus. It is wondered if these provisions are intended to make Union membership available to a State offering such limited protection to plant breeders, or if their undue narrowness is the consequence of a drafting error. The proposed amendment would still allow the Council, on the basis of paragraph (4), to accept new member States unable to offer broader protection.

13. Article 4(3) (Third Question: Drafting)

Office of the Union (Document RC/ad hoc/2, Annex I, page 1)

It is proposed that the words "the present" be replaced by "this" in the expression "for the purpose of subparagraphs (a) and (b) of the present paragraph." This proposal affects neither the French nor the German text.

14. Article 5(1) (First Question: Mandatory Protection of Final Product)¹

AIPH (Document DC/7, Annex I, pages 1 and 2)

AIPPI (Document DC/7, Annex II, page 3)

ASSINSEL (Document DC/7, Annex III, page 9)

CIOPORA (Document DC/7, Annex V, pages 3 to 5)

FIS (Document DC/7, Annex IV, page 9)

These organizations either propose, or support the proposal, that the mandatory scope of protection be extended to the final product in the case of (vegetatively reproduced) ornamental plants.

Text proposed by CIOPORA

"(1) The effect of the right granted to the breeder of a variety is that his prior authorisation shall be required for the production and the utilization, for commercial purposes [for purposes of commercial marketing], of the reproductive or vegetative propagating material of that [the] variety [, as such], and for the offering for sale or marketing of such material. Vegetative propagating material shall be deemed to include whole plants. [Third sentence omitted.]

"(2) [New] In the case of vegetatively propagated ornamental plants, the right of the breeder shall extend to plants or parts thereof normally marketed for purposes other than propagation."

¹ See also paragraph 15 below. (Note by the Office of the Union).

Restrictions on the Protection of the Final Product

AIPH requests that breeders should not be enabled or authorized to collect royalties at more than one step of the production and marketing process and that breeders should collect them either on the basis of propagating material or on the basis of the final product. In the member States, they should collect them on the basis of the propagating material.

CIOPORA suggests that the following sentence could be added to the new paragraph (2) (in order to satisfy the above request):

"However, the remuneration of such right may not, in the member States of the Union, be extended to acts of marketing relating to the said plants or parts thereof when the latter have been put on the market in one of the said States by the breeder or with his express consent."

AIPH further requests that the extension of protection should not depend on or entail labelling or other marking of the product and that the Convention expressly provide that labelling be unnecessary and may not be imposed by the breeder upon the licensee.

Argumentation:

AIPPI: The aim of a new variety, in particular of ornamental plants, is a new shape, color or fragrance of the plant or flower. Extended protection should be made mandatory so as not to deprive the breeder of his reward by allowing imports of the product from countries where no protection exists.

The situation is comparable to process protection in the field of chemical patents, where it has been recognized that the final product of the process should also be protected. Rules to that effect are included in most national laws and were recently included into supra-national agreements.

If the minimum scope of protection is not extended, the national groups of AIPPI should by all available means seek to have protection extended under the national legislation to the final product, at least for ornamental plants.

ASSINSEL: It is not acceptable that a breeder be hampered in the exercise of his rights by the fact that his licensees have to face competition from a final product produced from propagating material for which no license has been paid.

The same situation may arise in the case of plants other than ornamentals (potatoes, peas, beans, etc.). As this is still theory, no proposal is made at the present time, but a formal proposal will be made, as expected, within five years' time.

It is believed that the argument of the Committee of Experts on the Interpretation and Revision of the Convention that changing the optional character of paragraph (4) in the case of ornamentals into an obligation might seriously jeopardize ratification of or accession to the revised text is not valid, as States not wishing to apply paragraph (4) as if it were an obligation, prove that they are not yet in a position to make an adequate form of protection available to breeders.

CIOPORA: It is regretted that the Committee of Experts on the Interpretation and Revision of the Convention did not believe it necessary to amend Article 5 of the present text, seemingly on the grounds that "extension" of the minimum protection provided for by paragraph (1) could jeopardize the ratification of or accession to the new text.

The "minimum" protection is in fact illusory and the problem is not only to "extend" the right but also to ensure that the minimum right can be normally exercised.

The sole economic purpose of many ornamental species is to produce cut flowers and what the breeder exploits, transfers or licenses, is the right to produce and sell cut flowers and not propagating material.

Cut flower commerce is international and production areas are shifting more and more from present UPOV member States to non-member States.

In the very first discussions on plant variety protection, the experts themselves recognized the necessity of protecting the "putting on the market" of cut flowers as such (see Recommendation No. 6 of the Final Act of the Conference held in Paris from May 7 to 11, 1957).

The last sentence of paragraph (1) has not achieved this aim since only propagation from organs that are situated on the plants or cut flowers is subject to protection, whereas it is the plants and the flowers as such that must be protected to allow the breeder:

(i) to efficiently monitor the planting of his variety in the UPOV member States and

(ii) to guarantee the right to undisturbed enjoyment of their rights by licensees, who are cut flower producers in UPOV member States, against imports of plants or cut flowers from non-member States.

The objection raised by several experts that protection of cut flowers may allow the breeder to receive a cascade of royalties at the various steps of marketing of his variety is totally unjustified since, even in the States where such protection exists, breeders receive their royalties once only. This objection could be countered by the proposed sentence: "However, the remuneration of such right may not ..." (see above), which is inspired by Article 32 of the Luxembourg Convention for the European Patent for the Common Market¹.

FIS: Technical developments may require protection of the final product also with respect to the horticultural and agricultural sector. No proposal is made for the time being.

15. Article 5(1) (Second Question: Recommendation on the Protection of Cut Flowers)

United States of America (Document RC/ad hoc/5, Annex, page 2)

It is believed that it would be appropriate for the Diplomatic Conference to recommend that member States take measures to protect cut flowers under their national laws. The Committee of Experts on the Interpretation and Revision of the Convention, at its September 1977 meeting, agreed on the desirability of a similar recommendation for the protection of plantlets. The two recommendations might be combined.

¹ Article 32 of the Convention for the European Patent for the Common Market reads as follows:

"Exhaustion of the rights conferred by the Community patent.

The rights conferred by a Community patent shall not extend to acts concerning a product covered by that patent which are done within the territories of the Contracting States after that product has been put on the market in one of these States by the proprietor of the patent or with his express consent, unless there are grounds which, under Community law, would justify the extension to such acts of the rights conferred by the patent.

ASSINSEL proposes that the third sentence be drafted as follows:

"The breeder's right shall extend to [ornamental] plants or parts thereof normally marketed for purposes other than propagation when they are used commercially as propagating material in the production of [ornamental] plants [or cut flowers]."

FIS proposes that the word "ornamental" be deleted, the proposed text being thus identical with the above except that the end would read: "in the production of plants or cut flowers."

Argumentation: Since the drafting of the Convention, new techniques have been developed which allow reproduction of asexually and sexually reproduced plants other than ornamentals by using "plants or parts thereof normally marketed for purposes other than propagation."

20. Article 5(1) (Seventh Question: Drafting)

South Africa (Document DC/6, Annex I, pages 1 and 2)

It is proposed that the first sentence be amended as follows:

"The effect of the protection of the right [granted to the breeder of a variety] is that the [his] prior authorisation of the breeder shall be required for the production ... of his [the] variety..."

Argumentation: Consequence of the proposed amendment of Article 1(1). In addition, the terminology of the Convention should be harmonized by the use of the term "protection of [a, the, his] right".¹

Office of the Union (Document RC/ad hoc/2, Annex I, page 1)

It is proposed that the words "of a variety" be deleted in the expression "the breeder of a variety" since Article 1(1) states that the word "breeder" applies to the "breeder of a new plant variety or his successor in title."

Office of the Union (Document RC/ad hoc/2, Annex I, page 1)

It is proposed that the word "vegetative" be inserted in the last sentence which would then read as follows: "The breeder's right shall extend to ornamental plants or parts thereof normally marketed for purposes other than propagation when they are used commercially as vegetative propagating material in the production of ornamental plants or cut flowers." This proposal does not affect the French text.

The Committee could also consider another solution, which would consist in leaving the English and German texts unchanged and in using the expression "matériel de reproduction ou de multiplication" in the French text. This would be a substantive amendment to the Convention.

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The same argumentation is put forward for the amendment of a number of other provisions of the Convention. It will not be restated in this document. (Note by the Office of the Union)

21. Article 5(3)

Office of the Union (Document RC/ad hoc/2, Annex I, page 2).

It is proposed that the word "initial" be deleted in the first sentence which would then read "Authorisation by the breeder will not be required either for the utilization of the variety as a [initial] source of variation for the purpose of creating other varieties ...". The reason is that the present text may be--and has already been--mistakenly interpreted to mean that it forbids, as in the case referred to in the second sentence, the repeated use of a protected variety for the creation of another variety (other than a hybrid variety).

This proposal has no effect either on the German text--which, for linguistic reasons, uses another, equivalent wording--or on the wording of Article 6(1)(a).

22. Article 5(4)

South Africa (Document DC/6, Annex I, page 2)

It is proposed that paragraph (4) be amended as follows:

"(4) Any member State of the Union may ... grant ... in respect of certain botanical genera or species, a more extensive protection of a right ... A member State of the Union which grants such a protection of a right may limit the benefit of it to the nationals of member States of the Union which grant an identical protection of a right ..."

Office of the Union (Document RC/ad hoc/2, Annex I, page 2)

It is proposed that the word "botanical" be deleted in the expression "botanical genera or species" since, by virtue of Article 2(3), the Convention is now expressly to allow the possibility of applying its provisions to part of a botanical genus or species only.

23. Article 6(1)(a)

ASSINSEL (Document DC/7, Annex III, page 9)

It is agreed with the new text of paragraph (1)(a) in which, among other things, the idea has been expressed that not all differences between a variety for which protection has been applied for and known varieties automatically lead to protection

24. Article 6(1)(b) (First Question: Disclosure)

CIOPORA (Document DC/7, Annex V, page 5)

It is considered necessary to make clear at which stage disclosure is to be assessed, taking account of the long period of premultiplication from the moment when the breeder releases propagating material to his licensees and that when the latter officially put the variety on the market.

It is recalled that, contrary to the field of industrial inventions where the sole view or simple description of the invention may suffice to give the public access to the invention, and thus to disclose the invention, a variety should be considered as disclosed only when propagating material itself has effectively been made accessible to the public with the consent of the breeder.

25. Article 6(1)(b) (Second Question: Marketing of Varieties)

ASSINSEL (Document DC/7, Annex III, page 9)

It is proposed that the introductory phrase of the first sentence be amended as follows:

"(b) At the date on which the application for the protection ... is filed, propagation material of the variety

[(i) must not have been offered for sale ...]"

26. Article 6(1)(b) (Third Question: Grace Period)

France (Document RC/ad hoc/4, Annex)

It is feared that the introduction of a one year period of grace such as that existing under US legislation would constitute a source of difficulties and disputes. The following could be done:

(i) delete the expression "or where the law of that State so provides, must not for longer than one year" in Article 6(1)(b)(i);

(ii) in order to help breeders and to allow them to test their varieties commercially abroad, extend the period of absolute priority provided for by Article 12 to two years;

(iii) introduce a new Article in the final provisions allowing States which have instituted the period of grace before the revised Act of the Convention is signed, to maintain it.

Sweden (Document DC/6, Annex V, page 1)

The period of grace is not very much favored, but will not be opposed since the possibility of providing for a period of grace must be offered to some States envisaging becoming party to the Convention.

AIPH (Document DC/7, Annex I, page 2)

The principle of a period of grace up to one year is accepted.

CIOPORA (Document DC/7, Annex V, page 5)

It is proposed that the one-year period in question be called "exemption period" ("délai de franchise") rather than "grace period" ("délai de grâce").

27. Article 6(1)(b) (Fourth Question: Six-year Period)

Sweden (Document DC/6, Annex V, pages 1 and 2)

The extension to six years is not considered desirable but will not be opposed since the extension is proposed only for groups of plants which are usually slow-growing.

AIPH (Document DC/7, Annex I, page 2)

The extension is considered desirable.

28. Article 6(1)(b) (Fifth Question: Trials Not Affecting Right to Protection)

AIPH (Document DC/7, Annex I, page 2)

It is proposed that the second sentence be amended as follows:

"Trials of the variety which do not involve offering it for sale [or marketing], other than for purposes of consumer testing, shall not affect the rights to protection."

United States of America (Document RC/ad hoc/5, Annex, page 3)

The sentence in paragraph (1)(b) "Trials of the variety ... right to protection." implies that a trial involving an offer for sale or sale, even as a necessary incident of the trial, might affect the breeder's right to protection. Such an interpretation contradicts the Committee of Experts' conclusion in the observations on this Article (document IRC/VI/2) that each member State can and, in fact, must decide for itself the dividing line between experimental use and commercialization. Some resolution of this contradiction seems needed.

29. Article 6(1)(b) (Sixth Question: Acquisition of Notoriety by Variety)

ASSINSEL (Document DC/7, Annex III, page 9)

It is proposed that the third sentence be amended as follows:

"The fact that the variety has become a matter of common knowledge in ways other than through offering for sale or marketing with the agreement of the breeder shall also not affect the right of the breeder to protection."

30. Article 6(1) (Seventh Question: Drafting)

South Africa (Document DC/6, Annex I, page 2)

It is proposed that the words "of a right" be added after "protection" wherever the latter appears, that is in the introduction to paragraph (1) and in paragraph (1)(b), introductory phrase of the first sentence, second sentence and third sentence; the same amendment should be made in paragraph (2) (twice).

Office of the Union (Document RC/ad hoc/2, Annex I, page 1)

It is proposed that the words "of a variety" be deleted, in the introductory phrase of paragraph (1), in the expression "the breeder of a variety" since Article 1(1) states that the word "breeder" applies to the "breeder of a new plant variety or his successor in title."

Office of the Union (Document RC/ad hoc/2, Annex I, page 2)

It is proposed that the first word "a" be deleted in paragraph (1)(a), in the expression "or a precise description in a publication," since all the other factors by reference to which common knowledge may be established are enumerated without the indefinite article. The "a" could in fact be misleading, giving the impression that the term "precise description" was governed by the word "inclusion in." This proposal affects neither the French nor the German texts.

Office of the Union (Document RC/ad hoc/2, Annex I, page 2)

It is proposed that the Committee examine whether the reference to "vines, forest trees, fruit trees and ornamental trees, including their rootstocks" could not be simplified to read "vine and trees, including their rootstocks." First, the enumeration--which is obviously meant to include all kinds of trees--does not introduce any legal precision into the text and is therefore superfluous. Second, the enumeration could be incomplete and thus create legal insecurity with respect to plants that are trees without being forest trees, fruit trees or ornamental trees in the traditional sense. Finally, the suggested amendment would simplify the proposed text.

31. Article 6(1) (Eighth Question: Application at National Level)

United States of America (Document RC/ad hoc/5, Annex, pages 2 and 3)

It is understood that the UPOV Council has determined that the Patent and Trademark Office may apply the provisions of Sections 102 and 103 of the patent laws under Article 34A(2), in lieu of the requirements of paragraphs (1)(a) and (b). It is further understood and agreed that the Plant Variety Protection Office cannot utilize this Article. In administering a breeders' rights law, this Office is expected to judge novelty by the standards of paragraphs (1)(a) and (b).

The Department of Agriculture acknowledges that Section 42 of the Plant Variety Protection Act does not include the four-year bar to protection required by paragraph (1)(b)(ii). At various UPOV meetings, this Department has agreed to pursue a minor amendment to Section 42 establishing a four-year bar. It regards such an amendment as being in the best interests of the US seed trade, and foresees no opposition to its enactment.

The Plant Variety Protection Office will utilize the grace period of Article 6, although this Article does not contemplate the barring of legal rights because of prior use or knowledge of the variety. According to the Department of Agriculture, however, these grounds for barring protection are really not applicable to the seed trade. Aside from testing, the trade does not publicize new varieties except in connection with marketing. Accordingly, the Department of Agriculture will pursue an amendment to the Plant Variety Protection Act limiting the benefits of its grace period to the offering for sale or selling of a new variety.

32. Article 7 (First Question: Cooperation in Examination)

CIOPORA (Document DC/7, Annex V, pages 5 and 6)

The following system could be imagined:

(i) The application of the provisions of the Convention to a given species would be mandatory, after a period of eight years, for all member States if one of them has set up examination facilities for the said species (see paragraph 12 above);

(ii) If several member States have set up examination facilities for a given species, each member State would be obliged to accept, for the purpose of its own procedures, the examination performed in such facilities, whether they are located on its own territory or outside.

Argumentation: The preliminary examination presently hampers both the accession of many States to the Convention of 1961 and the extension, in the member States, of protection to a greater number of species. The examination is still too costly for breeders and limits the number of varieties for which applications for protection are filed. These difficulties could be remedied by the above proposed system.

Reference is also made to some international agreements, notably the European Patent Convention of October 5, 1973, and the Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure, of April 28, 1977.

33. Article 7 (Second Question: Provisional Protection)

France (Document RC/ad hoc/4, Annex)

It is proposed that paragraph (3) be amended as follows:

"(3) During the period between the filing of the application for protection and the decision thereon, each [any] member State of the Union shall [may] take measures to protect the breeder against wrongful acts by third parties."

Argumentation: It is considered indispensable that the variety be protected, at least on a provisional basis, during the period contemplated in the paragraph at issue.

ASSINSEL (Document DC/7, Annex III, page 10)

It is proposed that a recommendation be issued inviting member States to adopt a system of provisional protection along the lines of the [French] system.

34. Article 7 (Third Question: Drafting)

South Africa (Document DC/6, Annex I, page 2)

It is proposed that the words "of a right" be added after "protection" in paragraphs (1) and (3). In addition, it is proposed that the words "the right of" be added after the word "protect" in paragraph (3).

"(3) Member States of the Union shall ensure that protected material is not unreasonably withheld by the breeder or unreasonable conditions are applied to its widespread distribution."

Argumentation: "Widespread distribution" should not be impeded by unreasonable demands by a breeder on a grower, whether these be of a financial, legal or practical nature or whether they relate to propagating material or the final product.

ASSINSEL (Document DC/7, Annex III, page 10)

It is considered that the words "in order to ensure the widespread distribution of the variety" should be deleted in paragraph (2).

Argumentation: In all cases in which the free exercise of the exclusive right is restricted for reasons of public interest, the breeder should be entitled to receive equitable remuneration.

40. Article 10 (First Question: Interpretation)

United States of America (Document RC/ad hoc/5, Annex, page 4)

At various UPOV meetings, United States delegations have expressed concern about the limited nature of Article 10. It does not take into account the fact that patent rights may be qualified or nullified in the United States to remedy a violation of the antitrust laws. The same is undoubtedly true of certificates of plant protection, although this question has never been litigated.

It is understood that this apparent conflict between Article 10 and the anti-trust jurisprudence is resolved by reliance on Article 9. Article 9 permits, if not requires, breeders' rights to be restricted in the public interest. Violations of the antitrust laws obviously affect the public interest, and any remedy provided for this purpose will not violate Article 10. This understanding of the relationship between Articles 9 and 10 and the antitrust laws is nowhere recorded, however.

41. Article 10 (Second Question: Drafting)

United States of America (Document RC/ad hoc/5, Annex, page 5)

In the English version, paragraph (2) may be read as authorizing a competent authority to demand propagating material and for the breeder to forfeit his right if this demand is not met. Reading the paragraph this way makes its relationship to paragraph (3) very confusing.

Could paragraph (2) be changed to make clear that it has nothing to do with the variety maintenance measures of paragraph (3)? One way of doing this is by changing the words "is no longer in a position to provide the competent authority with" in paragraph 2 to "no longer possesses."

South Africa (Document DC/6, Annex I, page 3)

It is proposed that the words "the protection of a" be added before "right" in all paragraphs.

Office of the Union (Document RC/ad hoc/2, Annex I, page 3)

It is proposed that the expression "the right of the breeder shall become forfeit" be used in paragraph (2) instead of "the breeder shall forfeit his right" in order to harmonize the wording of paragraphs (2), (3) and (4). This proposal affects neither the French nor the German texts.

Office of the Union (Document RC/ad hoc/6)

It is proposed that the last word of paragraph (2) in the German text ("erlangen") be replaced by "erzeugen."

42. Article 10 (Third Question: Application at National Level)

United States of America (Document RC/ad hoc/5, Annex, page 4)

It is agreed with the principle of paragraph (2) that breeders' rights should not continue in a variety which the breeder is no longer able to reproduce. This provision, as it is understood, imposes a burden of proof on the breeder in litigation over the validity of his right. This burden of proof may not be imposed by the US plant patent law. Users of the plant patent system have pointed out, however, that their legal rights and the system itself might be strengthened if retention of a sample of propagating material were required. In comparison, the law on micro-biological inventions requires the retention and public availability of the micro-organism relied upon by the patentee.

It is not believed there would be any serious objection to an appropriate amendment of the US plant patent law. Such an amendment could provide that a plant patent owner would forfeit his right to protection if he refuses or is unable to provide a sample of the protected variety to a court considering patent validity or to an authorized government office.

43. Article 11 (First Question: Interpretation)

United States of America (Document RC/ad hoc/5, Annex, page 5)

This Article accords the breeder of a new variety the right to decide in which UPOV member State he will first apply for breeders' rights. Sections 184 to 186 of the US patent laws, however, require the breeder to obtain a license if he first applies for legal protection in a foreign State. These Sections are based on the Government's need to control the transmittal abroad of any information possibly affecting national security.

The same considerations also arise under the Paris Convention. Although the Paris Convention does not include a specific provision authorizing a national of a member State to apply for a patent first in another member State, its right of priority provisions have always been understood as implicit authorization to do so. A national of a member State filing his first application in another member State may claim the right of priority in his own State on the basis of the first application. It is also understood that the right to file a patent application abroad under the Paris Convention, even without a public interest provision equivalent to UPOV Article 9, may be qualified or prevented for national security reasons. Therefore, Sections 184 to 186 of the patent laws are considered consistent with Article 11 for the same reason that these Sections are consistent with the Paris Convention.

It has been informally agreed, as is understood, that the Patent and Trade-mark Office may continue to apply the terms and conditions of the Paris Convention to nationals of Paris Convention member States seeking the right of priority here. The Plant Variety Protection Office will apply Article 12 of the UPOV Convention. An appropriate recording of this understanding is needed.

50. Article 13 (First Question: Terminology)

CIOPORA (Document DC/7, Annex V, page 7)

It is proposed that the word "denomination" be replaced by "designation" in the text of the Convention.

Argumentation: Many breeders already have the established practice of using figures for designating their varieties (see the proposed new Article 36A).

51. Article 13 (Second Question: Purpose of the Denomination)

CIOPORA (Document DC/7, Annex V, page 7)

It is proposed that paragraph (1) be amended as follows:

"(1) A variety shall be referenced by [given/designated by] a designation [denomination]."

Argumentation: Many breeders already have the established practice of using figures for designating their varieties (see the proposed new Article 36A).

52. Article 13 (Third Question: Denominations Consisting Solely of Figures)

CIOPORA (Document DC/7, Annex V, page 7)

It is proposed that the second subparagraph of paragraph (2) be deleted with the consequence that it would not be necessary to add the proposed new Article 36A¹.

Argumentation: Many breeders already have the established practice of using figures for designating their varieties (see proposed new Article 36A).

FIS (Document DC/7, Annex IV, page 9)

It is proposed that the restriction be abolished that a variety denomination may not consist solely of figures.

¹ It seems that "in particular, it may not consist solely of figures" should also--or alone--be deleted.

Argumentation: Some of the present variety denominations are much more difficult to remember than a figure. Besides, the Convention allows the use of a trade name added to the variety denomination. A combination of a figure and a trade name is much less confusing for the consumer than two names.

53. Article 13 (Fourth Question: Relationship Between Variety Denominations and Trade Marks)

ASSINSEL (Document DC/7, Annex III, page 11)

It is considered that there is no need for the many provisions on variety denominations and trade marks in the Convention. A simple paragraph stating that the breeder must submit a variety denomination, which may not be misleading or confusing, would suffice. It might perhaps be useful to add a paragraph on the lines of the present paragraph (6) in order to avoid identical (and therefore misleading or confusing) variety denominations in member States.

CIOPORA (Document DC/7, Annex V, pages 7 and 8)

It is suggested that the proposed paragraph (4)(a) (in document DC/4) be either deleted or replaced by the first part of paragraph (3) in the present text reading as follows:

"The breeder may not submit as the denomination of a variety either a designation in respect of which he enjoys the protection, in a member State of the Union, accorded to trade marks, and which applies to products which are identical or similar within the meaning of trade mark law, or a designation liable to cause confusion with such a mark."

Argumentation: Denominations and trade marks have a completely different purpose.

The deposit in a non-member State of a "trade mark" which is identical to a variety denomination in a member State is useless since, pursuant to trade mark law, such designation could not be registered as a trade mark, as it is the generic and necessary appellation of the variety.

The proposed paragraph (4)(a) perpetuates the confusion between denomination and trade marks which the other provisions as proposed in document DC/4 precisely, and with good reason, want to eliminate.

Canada (Document DC/6, Annex III)

The imposition of obligations in the field of trade marks is undesirable and the proposed changes in Article 13 as outlined in document DC/3 are not supported, as the purpose of the Convention is to "ensure to the breeder ... a right."

The proposed changes in Article 13 outlined in document DC/4 are supported.

AIPH (Document DC/7, Annex I, page 2)

The new wording of Article 13(4)¹ is considered an improvement but the deletion of any reference to trade marks and the corresponding amendment of the Guidelines on Variety Denominations would be preferable.

¹ Apparently as appearing in document DC/3.

Canada (Document DC/6, Annex III)

Alternative 3 ("in any member State of the Union") is preferred in both instances and the omission of the reference to trade marks is supported.

58. Article 13 (Ninth Question: Simultaneous Use of the Variety Denomination and Another Sign)

Bangladesh (Document DC/8, Annex I)

Omission of the words in square brackets appearing in paragraph (9) in document DC/4 is not preferred.

Canada (Document DC/6, Annex III)

It is strongly urged that the second sentence of paragraph (9) in document DC/4, which is in square brackets ("If such an indication is added, the denomination must be easily recognizable"), be included.

AIPPI (Document DC/7, Annex II, page 4)

It is proposed that the first words in square brackets of paragraph (9) in document DC/4 ("When a variety is offered for sale or marketed") be maintained and that the second sentence thereof be deleted.

CIOPORA (Document DC/7, Annex V, page 9)

It is proposed that the second sentence of paragraph (9) in document DC/4 be deleted.

Sri Lanka (Document DC/8, Annex II)

Article 13 (as appearing in document DC/4) is acceptable with the words in square brackets deleted.

59. Article 13 (Tenth Question: Drafting)

Office of the Union (Document RC/ad hoc/2, Annex I, page 3)

It is proposed that the title be amended to read "Variety Denomination." This proposal affects neither the French nor the German text.

Office of the Union (Document RC/ad hoc/2, Annex I, page 3)

It is proposed that paragraph (1) be amended as follows:

"(1) The [A] variety shall be designated by a denomination."

Argumentation: Whereas the present wording could--and even logically should--be interpreted as being applicable to any variety, irrespective of whether the Convention is applied to it or not, the text amended as proposed would clearly refer to the varieties to which the Convention is applied.

Office of the Union (Document RC/ad hoc 2, Annex I, page 3)

Since it is made clear by paragraph (1) that a variety that is the subject of an application for protection--or in respect of which protection has been granted--is designated by a denomination and that the whole of Article 13 is applicable to such a variety, it is no longer necessary to use the expression "of the variety" and similar expressions after the word "denomination." For the simplifications which are therefore possible, see Annex II of document RC/ad hoc/2.

Office of the Union (Document RC/ad hoc/2, Annex I, page 4)

It is proposed that the second sentence of paragraph (5) be amended as follows:

"The competent authority for the issue of the title of protection in each member State of the Union shall register the denomination so submitted, unless it establishes the unsuitability of that denomination [considers that denomination unsuitable] in that State."

Argumentation: The main amendment consists in replacing the word "considers" by "establishes," which at least in this text, seems to be a better translation of the French "constate." This proposal affects neither the French nor the German text.

South Africa (Document DC/6, Annex I, pages 3 and 4)

It is proposed that paragraph (7) as appearing in document DC/4 be amended as follows:

"(7) Any person who, in a member State of the Union, offers for sale or markets reproductive or vegetative propagating material of a variety [protected] in respect of which protection of a right is enjoyed in that State shall be obliged to use the denomination of that variety, even after the expiration of the protection of the right in respect of that variety..."

ASSINSEL (Document DC/7, Annex III, page 11)

It is considered that paragraph (8)(b) (in document DC/4) should immediately follow paragraph (1), as it is necessary to first answer the question of the nature of variety denominations (names) before anything can be said about trade marks.

Office of the Union (Document RC/ad hoc/2, Annex I, page 4)

It is proposed that the second sentence of paragraph (9) (in document DC/3) be amended as follows:

"Consequently... no person may ... apply for the registration of or obtain protection as a trade mark for, a designation [denomination] identical to or liable to cause confusion with such denomination!..."

Argumentation: The same terminology would be used as in paragraph (4). This proposal does not affect the German text.

¹ That is, the denomination of the variety.

Argumentation: See paragraph 20 above. Reference to the forms of protection of rights should be specific in order to eliminate any possibility of other forms of protection than those referred to in Article 2(1) being read into this paragraph.

Office of the Union (Document RC/ad hoc/2, Annex I, page 4)

It is proposed that the words "of the Union" be deleted in paragraph (1) in the expression "the Secretary-General of the Union" since this detail is not added in other Articles.

73. Article 36 (Article 39 in document DC/5)

ASSINSEL (Document DC/7, Annex III, page 12)

If the proposal described in paragraph 53 were accepted, this Article would become superfluous.

If it is decided to base the new text of Article 13 on the proposal in document DC/4, it is proposed that the second part of the first sentence of paragraph (1) be amended as follows:

"... he may either renounce the protection in respect of the trade mark in that State or submit a new denomination."

74. Article 36A (Article 40 in document DC/5)

Canada (Document DC/6, Annex III)

As far as Canada is concerned, the proposed new Article 36A is unnecessary.

ASSINSEL (Document DC/7, Annex III, page 12)

If the proposal described in paragraph 53 were accepted, this Article would become superfluous, which is considered in the interest of the Convention.

Office of the Union (Document RC/ad hoc/2, Annex I, page 4)

It is proposed that the title be amended as follows:

"Exceptional Rules for the Use of Variety Denominations Consisting Solely of Figures."

This proposal does not affect the German text.

75. Article 40(4) (Article 44(4) in document DC/5)

South Africa (Document DC/6, Annex I, page 7)

It is proposed that paragraph (4) be amended as follows:

"(4) The denunciation shall not affect any protection of rights acquired in a variety by reason of this Convention prior to the date on which the denunciation becomes effective."

[End of document]