



European Union

Community Plant Variety Office

Case A 017/2002

DECISION

concerning the Appeal lodged by the appellant

SAKATA SEED CORPORATION

Representative: P. Cousin, advocate, 8 rue de l'Odéon, 75006 Paris, France,

other parties to the proceedings:

SVS HOLLAND BV

Representative: N. W. Mulder, advocate, Postbus 75258, 1070 AG Amsterdam,
The Netherlands,

holder of the CPVR EU 9931,

and

COMMUNITY PLANT VARIETY OFFICE

Representative: B. Kiewiet, President

Relating to Community plant variety right EU 9331

Variety denomination: **BR9**

Species: *Brassica oleracea* L. convar. *botrytis* (L.) Alef. var. *cymosa* Duch.

On 3 April 2003, the Board of Appeal of the Community Plant Variety Office, composed of G. Winkler (Chairman), T. Millett and J. Ardley (Members), gave the following decision:

The appeal is rejected

Facts

On 11 February 1999, SVS Holland B.V. (hereinafter: SVS) filed an application for a Community plant variety right with the Community Plant Variety Office (hereinafter: CPVO) for the broccoli variety BR9.

In the application form the original breeder was stated to be Barry Farrara, an employee of Seminis Vegetable Seeds, California, USA, who signed an assignment of entitlement to Community plant variety rights in favour of SVS on 5 February 1999.

At point 9 (b) of the application form it was stated that: "The variety BR9 is one of the parents of the hybrid 'Lord'. Initial sale: June 1994. From country: Spain".

In the technical questionnaire completed on 5 February 1999 in connection with the said application, SVS stated at point 7 that the closest varieties were those denominated Cruiser and Greenbelt.

The CPVO requested a technical examination from the Raad voor het Kwekersrecht at Wageningen, The Netherlands. After the candidate variety BR9 in 2000 and 2001 had been tested, the examination report, dated 14 December 2001, concluded that it met the criteria of distinctness, uniformity and stability. The test for distinctness has shown that BR9 was clearly distinguishable from the two reference varieties Greenbelt and Senshi. So, on 6 May 2002, the CPVO granted a Community plant variety right to SVS in respect of the variety BR9 by its decision No EU 9331.

On 28 June 2002, Sakata Seed Corporation, Japan (hereinafter: Sakata), lodged an appeal before the CPVO pursuant to Art. 67 ff. of Council Regulation (EC) No 2100/94 of 27 July 1994 on Community plant variety rights (hereinafter: CR) seeking the annulment of the decision.

SVS submitted a statement of defence by a letter dated 3 September 2002. The CPVO submitted written observations on 21 March 2003. All three parties took part in oral proceedings before the Board of Appeal on 3 April 2003.

Submissions of Sakata

Sakata states that the ground of its appeal is that the Community plant variety right in question was granted to a person who did not fulfil the conditions laid down by Art. 11 (1) CR as to entitlement to such rights.

In that respect, Sakata alleges that, contrary to what was stated in the application form, Barry Farrara was not the person who bred, or discovered and developed, the variety BR9 in question and therefore does not qualify as the breeder or the assignor for the purposes of Art. 11 (1) CR.

In reality the variety in question consists of a line, bred by Sakata, which is one of the parental lines of a variety of broccoli listed in the European Union Common Catalogue of Vegetable Varieties on 16 May 1991 under the denomination Marathon.

Sakata avers that in 1986, in the context of an exchange of hybrids, its subsidiary, Sakata Seed America Inc. (hereinafter: Sakata America) conveyed bags of seeds of its hybrids Marathon and Greenbelt to Asgrow Seed Company (hereinafter: Asgrow), a company which was purchased by SVS in 1994 and later became Seminis Vegetable Seeds. After sowing those seeds, Asgrow identified plants which were not hybrids but pure lines. Asgrow crossed these pure lines, in particular a pure parental line of Marathon and a pure parental line of Greenbelt and obtained a hybrid variety (later named Legacy) bearing a strong similarity to Marathon. These facts are admitted in a

letter dated 4 August 1994 from J. C. Sorensen, then the general manager of Asgrow, to Dr. G. Whiteaker of Sakata America.

With reference to the breeder's notes annexed to SVS's defence, Sakata further alleges that the seeds of Greenbelt given to Asgrow under the exchange programme contained, along with the hybrid seeds, up to 5 % of self-pollinated seeds, which are seeds of the female parent line of the hybrid. It alleges that Asgrow noticed small seeds typical of inbred or self-pollinated lines, sowed them, checked that they were pure inbreds - bred by Sakata -, and named them BR9. In Sakata's view, this does not entitle SVS to be regarded as the breeder within the meaning of Art. 11 (1) CR and to hold the CPVR for BR9.

On 31 August 1999, Sakata America obtained United States patent No 5, 945, 582 in relation to an inbred broccoli line designated BC-403. The application was filed on 3 September 1997. Sakata asserts that the line thus designated is the line for which SVS has obtained a Community plant variety right in the present case. It follows that SVS is not entitled to a Community plant variety right in relation to the variety BR9, because that is a pure line bred by Sakata.

Sakata claims

the annulment of the Community plant variety right

Submissions of SVS

SVS asserts undisputedly that the variety Marathon is not protected by any national or Community plant variety right.

SVS affirms that in 1986 Asgrow came, as a result of an exchange programme of hybrids, into lawful possession of seed samples of the hybrids Marathon and Greenbelt. Asgrow planted these seeds in its breeding nursery and made observations and selections in accordance with normal breeding practices. Selected plants were taken

into the greenhouse for selfing and crossing. As part of this breeding programme Asgrow also selected atypical plants from Marathon and Greenbelt. Subsequently, Asgrow entered the selfed and crossed progenies into their hybrid development programme for continued observation and evaluation.

Asgrow was entitled to use the seed samples of the hybrids Marathon and Greenbelt in that manner, as no oral commitments or promises had been made nor any agreements been signed between the parties limiting the use of those seed samples.

The parents of the variety BR9 were not only derived in a legal manner, but also in a manner which was commonly practiced by Brassica breeders in the nineteen eighties and nineties, and even nowadays.

Asgrow subsequently bred the new line BR9 which was selected out of the dozens of generated hybrids and which was a cross of the Marathon inbred and the Greenbelt inbred. Therefore it is not true that BR9 is a parent line of Greenbelt rather than Marathon.

SVS asserts that the hybrid Marathon is distinct from the hybrid later named Legacy (also known as Lord). To this effect SVS cites the letter of 4 August 1994 and submits a memorandum dated 15 April 1992, containing the results of an isozyme analysis, and memoranda dated 1994 and 1995, containing the results of electrophoresis and RAPD analyses.

SVS concludes that the material put forward by Sakata cannot justify the conclusion that Sakata, and not SVS, is in fact the person who bred, or discovered and developed, the variety BR9 for the purposes of Art. 11 (1) CR. The statements and reports put forward by Sakata are refuted and superseded by the reports and analysis submitted by SVS which prove that SVS is the breeder of BR9.

As regards the US patent granted to Sakata America for the variety BC-403, SVS submits that Sakata merely asserts, without proving, that the inbred broccoli line BC-403 describes or designates the variety BR9. Moreover, the patent specifications and the claims described therein, do not prove that BC-403 describes or designates BR9. The patent, which is only valid within the territory of the United States of America, does not

prove that Sakata, and not SVS, is in fact the person who bred, or discovered and developed, the variety BR9 for the purposes of Art. 11 (1) CR.

SVS claims

the dismissal of the appeal

Submissions of the CPVO

The CPVO submits information on two points of fact: First, Sakata applied for a Community plant variety right for the varieties Marathon and Greenbelt on 21 August 1995. In the applications it was stated that the first commercialization of Marathon was made in the USA in September 1987 and in the EU in May 1991. The first commercialization of Greenbelt was made in the USA in October 1982 and in the UK in May 1991. The CPVO informed Sakata that the novelty criterion was not fulfilled for either variety. Sakata never paid the application fees, and the applications were deemed to have been abandoned.

Secondly, Sakata applied for a Community plant variety right for the broccoli variety BC-403 on 18 April 2002. The application documents state that this variety is one of the parents of Marathon. Technical examination of BC-403 is commencing in The Netherlands in 2003.

As regards the procedure leading to the grant of the contested right, the CPVO states that it was not aware, at the time when it took the decision, that Sakata aspired to be the legitimate breeder of variety BR9 and was holder of the US patent. Therefore, the CPVO was justified in considering that SVS was the legitimate breeder.

In the view of the CPVO, Sakata provides no conclusive evidence that the material provided by Sakata America to Asgrow under their exchange programme was the same as the variety BR9 but merely tries to deduce this from the facts that Lord is similar to Marathon and that BR9 is derived from both those varieties. The CPVO contests that

deduction on the basis that BR9 was judged distinct from Marathon in the report established by the Raad voor het Kwekersrecht on 14 December 2001.

As regards Sakata's statement that its variety BC-403 is the same as the variety BR9, the CPVO asserts that that statement is not sufficient to conclude that Sakata is the breeder of BR9 within the meaning of Art. 11 (1) CR.

At the hearing, the CPVO stated that it would have compared BR9 with the US-patented BC-403 if it had known of the latter's existence, which it only discovered in the course of the present proceedings. In the forthcoming tests, the version of BC-403 for which Community protection is sought will be compared with the US-patented BC-403 and with BR9. When the CPVO obtains the results of those tests, it will take a decision as to whether to cancel the Community plant variety right for BR9 officially.

The CPVO claims

the dismissal of the appeal

Grounds

The appeal is admissible pursuant to Art. 67 (1), 62, 68 CR but not well founded, because the appellant could not provide evidence for its statement that SVS is not entitled to hold the CPVR for BR9.

(For the purpose of examining the substance of this appeal, it is assumed that Asgrow, Seminis and SVS, on the one hand, and Sakata and Sakata America, on the other hand, can claim the same rights.)

It is common ground between Sakata and SVS that Asgrow came lawfully into possession of seed samples of the hybrids Marathon and Greenbelt from Sakata in 1986 as a result of an exchange programme of hybrids, and no agreement between the parties limited the use of those seed samples. Neither Marathon nor Greenbelt were protected by any plant variety right.

Sakata has failed to discharge the burden of proving

- 1) that it, not SVS, bred BR9 and
- 2) that the activities carried out by SVS in relation to the bags of seeds were not breeding within the meaning of Art. 11 (1) CR.

ad 1):

Sakata's statement that BR9 is the female parent of Greenbelt and the male parent of Marathon is not proven and would not affect the entitlement of SVS to hold the contested right, as BR9 was judged distinct from Marathon. Sakata's allegation is not proved by the US patent granted for BC-403, as neither the claims nor the description establish that it is the same variety as BR9. In the absence of proof the granting of a US patent on BC-403 does not show that the patent-holder of BC-403 bred BR9.

Sakata's attempt to prove that BR9 is a parent of Marathon by showing similarity between Marathon and Legacy/Lord, allegedly both derived from BR9, is futile as whilst it may provide only indirect indications that BR9 is a parent of Marathon, there is no conclusive evidence to this effect.

On the contrary, SVS submitted conclusive evidence that, genetically, BR9 cannot be a parent of Marathon. SVS described in detail its breeding process without any contradictions which could cast doubt on its allegations. Both Sakata and SVS refer to the letter of 4 August 1994 which is not inconsistent with SVS's statement that BR9 was bred by SVS.

Sakata's contention that Asgrow selected certain small seeds as likely parent-line seeds before even planting them is based on a misreading of the breeding notes headed "seeded 16 September 1986". Although hand-written, the relevant part of those notes clearly reads: "small heads" not "small seeds".

ad 2):

SVS bred within the meaning of Art. 11 (1) CR. It provides: "The person who bred, or discovered and developed the variety, or his successor in title, both – the person and his successor – referred to hereinafter as 'the breeder', shall be entitled to the Community plant variety right."

The concept of "breeding" in that provision does not necessarily imply inventing something totally new but includes the planting, selection and growing on of pre-existing material and its development into a finished variety. Asgrow was lawfully in possession of the seed samples in question and Sakata had imposed no restrictions on the use of those samples. From the seed samples in question Asgrow carried out a number of normal breeding practices which included planting, growing, selecting atypical plants, testing the efficiency of the self-incompatibility system and ensuring that the variety was homozygous. Sakata was not able to refute that SVS carried out these activities. The breeding notes whose misreading is referred to above also show relations to a growing trial. By carrying out those practices, Asgrow "bred" the variety BR9 within the meaning of Art. 11(1) CR. The fact that the breeding process started out from material supplied by Sakata is irrelevant. Asgrow is thus regarded the lawful "breeder" for purposes of entitlement to the Community plant variety right.

As there is no evidence to support the allegation of Sakata, that SVS only put seeds into the soil, waited for the result and called it BR9, it can be left undecided as to whether this would be "breeding" in the sense of Art. 11 (1) CR, as well as whether the above mentioned activities would also constitute "discovering and developing" the variety, i.e. the alternative definition of a breeder within Art. 11(1) CR.

As the present decision relates only to the question of whether SVS is the breeder for purposes of Art. 11 (1) CR, it has no influence on the power of the CPVO to declare the CPVR of BR9 null and void under the conditions of Art. 20 CR. Such a declaration of nullity could be taken into consideration by the CPVO if it is subsequently established that BR9 is not clearly distinct from BC-403 and if BC-403 was a matter of common knowledge on the date of the application in respect of BR9.

As the losing party to appeal proceedings, Sakata shall bear the costs incurred by SVS as well as all costs incurred by SVS essential to the proceedings, including travel and subsistence and the remuneration of an advocate, within the limits of the scales set for each category of costs under the conditions laid down in the implementing rules pursuant to Art. 144 CR (Art. 85 (1) CR).

Gabriele Winkler

Timothy Millett