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**Challenging granted Plant Variety Rights (PVRs)  
in the European Union and abroad**

IP Protection for Plant Innovation  
9<sup>th</sup> International Conference

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**Our common legal platform**  
**- Articles 21, 22 UPOV (1991 Act)**

- Legal purpose: General public interest to nullify/cancel an invalid right  
-> *ex officio* by the competent authority or upon request made by a third party
- Nullity: The competent authority must declare the breeder's right null and void, because it should not have been granted in the first place – *retroactive* effects
- Cancellation: The competent authority may cancel a breeder's right from a given date, if it was validly granted, but no longer complied with the requirements – only effect for the *future*

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## Scenarios before the CPVO

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### - Nullity - Grounds

- Article 20 (EC) No 2100/94 (Basic Regulation; BR) provides exhaustive list of grounds for nullity:
  - (a) Distinctness and novelty conditions are not complied with 'at the time of the Community plant variety right' (CPVR);
  - (b) Uniformity or stability conditions are not complied with at the time of the grant of the CPVR, in case of 'breeder testing';
  - (c) Lack of entitlement of holder.

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## Scenarios before the CPVO

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### - Nullity - Procedure I

#### Procedure:

- Initiated *ex officio* by CPVO or upon request by third party, proceedings may be opened when there are 'serious doubts' regarding the validity – Article 53a (EC) No 874/2009 (Proceedings Regulation; PR)
- Request must be accompanied by evidence and facts raising serious doubts – 'burden of proof' on petitioner
- Holder is informed and given 1 month to comment (extensible acc. to Art 70 PR)
- CPVO has to examine case of its own motion (Art 76 BR); may ask as many times as necessary for information, facts, and evidence; may take evidence (Art 78 BR)

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## Scenarios before the CPVO

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### - Nullity - Procedure II

- CPVO has to examine case of its own motion (Art 76 BR), and *“must examine carefully and impartially all the relevant particulars ... and gather all the factual and legal information necessary to exercise its discretion”* (‘principle of sound administration’; T-140/15) – This includes taking of evidence upon request by the parties (Art 78 BR)
- Oral proceedings must be held upon request of the parties.
- Decision shall be reasoned (Art 75 BR; T-177/16) and all parties must be given opportunity to present comments on the grounds/evidence on which the decision is based (Art 76 BR)
- Appeal to Appeal Board - Proceedings are similar
- Actions to General Court and to European Court of Justice (CJEU)

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## Scenarios before the CPVO

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### - Nullity V – Some figures

- Number of nullity petitions before the CPVO: 59
  - Decided cases: 24
    - Accepted: **7/24** (about 30%)
    - Refused: **17/24**
  - Withdrawn: 26\*
  - In progress: 9
- Length of the proceedings: up to 7 years
- Grounds: mostly lack of novelty/distinctness, few lack of entitlement

\* N.B.: Losing party bears costs of the proceedings.

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## Scenarios before the CPVO

### - Nullity VI - Typical Scenario

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#### Pinova case

- **EU Application** filed on 30.08.1995; based on grant of PVR in former German Democratic Republic (GDR) (Art 116(3) BR)
- **Grant** of EU 1298 on 15.10.1996 (expiry 1.10.22; Art 116(4) BR)
- **Nullity request** filed on 4.12.2014
  - > Variety has been disposed of to third parties before 1.09.1988 (grace period of Art 116(1) BR), i.e. > 26 years earlier
  - > evidence: various publications (internet, brochure, article)
- **CPVO**: Decision **NN 15** of 20.06.16 refusing request
- **BoA**: Appeal filed on 27.06.16, **A005/2016**, dismissed 16.08.17
- **GC**: Action filed 23.11.17, **T-765/17**, dismissed 11.04.19. Also rejected further facts/evidence newly submitted at that stage

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## Scenarios before the CPVO

### - Nullity VI - Typical Scenario

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- Not sufficient to support possibility that variety was disposed of to third parties, but actual sale should have been proven (e.g. invoices, delivery documents, etc.)
- **CJEU**: Appeal filed 11.06.19, **C-444/19P**, not admitted 16.09.19
  - New Procedure of preliminary admission, effective 1.05.19 (Art 58a of Rules of Procedure of CJEU)
  - ***An appeal shall be allowed to proceed, wholly or in part, in accordance with the detailed rules set out in the Rules of Procedure, where it raises an issue that is significant with respect to the unity, consistency or development of Union law.***
  - One instance less?
  - Ideally start challenging the grant of the relevant CPVR already one instance earlier, i.e. in the application procedure.

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## Scenarios before the CPVO

### - Objection procedure

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- **Any** person may file written objections to the grant of a CPVR (Art 59 BR)
  - After publication of the application and before grant (with respect to a proposed denomination <3 months as of publication of the application)
  - Objector shall be **party** to the proceedings and may appeal the decision to refuse the objection
  - Grounds:
    - lack of novelty and DUS, or (full) entitlement
    - Impediment to proposed denomination
  - Advantages: e.g. allows the objector's variety to be grown side-by-side with the applicant's variety (lack of D)

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## Scenarios before the CPVO

### - Cancellation - Grounds

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- The CPVO shall, on its own motion or upon request, cancel a CPVR with effect in future, if (Article 21 (BR):
  - (1) **the variety is no longer uniform or stable**
  - (2) the holder, after being requested to do so within a time limit specified by the CPVO,
    - (a) - (d) ...[e.g. non payment of annual fee]

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## Scenarios before the CPVO

### - Cancellation – Some figures

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- Number of cancellation requests before the CPVO: 4
  - Decided cases: 4
    - Accepted: 0/4 (success rate 0%)
    - Refused: 4/4
- Length of the proceedings: up to >12 years

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## Scenarios before the CPVO

### - Cancellation – Cases NC 1 - NC 3

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- **Lemon Symphony:** request filed 26.10.04 for lack of stability, technical verification acc. to Art 64-65 BR confirming stability, CPVO refusal on 26.09.07. BoA dismissed appeal A006/007. GC set aside A006/007 for procedural grounds (T-133/08). A006/2007-RENV was dismissed on 2.09.2016.
- **Seimora:** request filed on 3.11.04 for lack of uniformity, technical verification confirmed uniformity - CPVO refusal on 21.09.09. BoA dismissed appeal A003/2010. GC followed BoA (T-425/15 of 4.05.2017, par. 74-90).
- **Blondie:** request filed on 04.04.12 for lack of stability, evidence to vague - no technical verification ordered, refusal on 23.09.13.

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## Scenarios before the CPVO

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### - Cancellation – Case NC 4 – Royal Braeburn I

- **Grant** of EU 11960 for ‘Royal Braeburn’ (RB) in 2003
- In 2012-2013 CPVO relied on RB to reject candidate variety ‘Braeburn 78’ (B78) for lack of distinctness (Appeal A001/2015)
- **Cancellation Request** on 21.04.2016 by applicant of B78 on that ground that RB was no longer stable/uniform since 2012-2013
- Evidence:
  - Photographs submitted by CPVO in the A001/2015 case
  - A declaration by a renowned pomologist to the effect that in his expert view the fruits of RB on said photos do not show the striation required by its plant variety description.
- **CPVO**: decision NC 4 of 21.11.2016 rejected request without informing petitioner of communication with testing station as to whether RB still conforms with its variety description (Art 75 BR)

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## Scenarios before the CPVO

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### - Cancellation – Case NC 4 – Royal Braeburn II

- **Appeal** filed on 23.01.2017. Further evidence included:
  - a witness declaration with pictures of fruits of RB harvested from trees obtained from the holder of RB and cultivated at the internationally recognized research center at Laimburg, South Tyrol
  - a second expert declaration concluding that from the pomologist point of view said pictures demonstrate that RB does not show the characteristic striation and therefore is no longer uniform/stable
- **Requests** included hearing of the witness and the expert and an inspection of fruits of RB harvested in 2017 and stored until at least January 2018

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## Scenarios before the CPVO

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### - Cancellation – Case NC 4 – Royal Braeburn III

Evidence/facts relied on by petitioner to raise ‘serious doubts’:

- Expert testimony:
  - The photographs from fruits of RB harvested in both Angers and Laimburg are sufficient to tell that they do not exhibit the required striation
  - The fruits harvested at Laimburg are representative, as Laimburg unlike Angers is an environment in which the red color develops well, but not as intense as in Angers, so the stripes can be better observed at Laimburg
  - In his expert view this evidence is reliable, and raises serious doubts that RB is not stable in a typical apple environment.

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## Scenarios before the CPVO

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### - Cancellation – Case NC 4 – Royal Braeburn IV

- As to the second inspection carried out on 13 March 2018, as the reference varieties acc. to the Guidelines mature earlier than RB, the actual fruits cannot be compared side-by-side. Therefore, photographs are required as controls. However, no such controls were available at the inspection.
- Moreover, the picking was not according to the guidelines and proper methodology
- Therefore, in his expert view the inspection was too late and the fruit samples are to be considered as *“manipulated”*. He recommended to repeat the assessment

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## Scenarios before the CPVO

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### - Cancellation – Case NC 4 – Royal Braeburn V

- Burden of proof
  - The Appellant had submitted evidence in acc. with Art 78 CR/2100 (various photographs, and supporting declarations, and testimony) which was considered as sound and serious by a recognized pomologist
  - The CPVO/BoA relied on statements/opinions of its staff which it found trustworthy, even though it was not supported by any documentation which could be verified by any third party. For example, the Board stated:

*“According to experiences of the GEVES examiners and the former Rapporteur Mr [...] the light conditions under which the **photographs** are taken influence the visibility of the striation very much. ... The Board therefore comes to the conclusion, that the striation could only be observed in a reliable way from the **living plant material.**” (emphasis added)*

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## Scenarios before the CPVO

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### - Cancellation – Case NC 4 – Royal Braeburn VI

- Suitability of testing stations
  - The protection by a PVR is valid throughout the EU. It follows that the essential characteristics - which are the prerequisite for granting the title - should also be exhibited throughout the EU.
  - According to expert testimony, the striation of RB should better be observed at the Research Center at Laimburg, because the conditions at Angers are too extreme (meanwhile acknowledged by CPVO)
  - The Board declared that because of the ‘genotype-environment interaction’ *“DUS data and results at different locations can never be used to support distinctness [?] decisions”, (emphasis added)*

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## Scenarios before the CPVO

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### - Cancellation – Case NC 4 – Royal Braeburn VII

- *Assuming* the Board were correct in concluding that
  - photographs could not be used, but only visual inspection of living material is reliable, and
  - reliable data to raise serious doubts could only be produced under the same conditions (same 'official location (Angers), same conditions, same trees)

**the Petitioner would factually have been prevented from corroborating its cancellation request**, when the Board did neither grant its requests for an additional testing, nor to appoint another independent 'court expert' in case the petitioner's expert was not found reliable.

For a full analysis of this case: <http://bit.ly/challengePVR>

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## Scenarios before the CPVO

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### - Lessons to learn...

- Likelihood of success:
  - Lack of Distinctness > Lack of Entitlement > Lack of Uniformity/Stability or Novelty**
- For the petitioner, nullity/cancellation cases are typically challenging and costly, in particular since the CPVO/BoA may (fiercely) defend validity (see T-140/15)
  - Before filing request for nullity: make all reasonable investigations and develop a master plan
    - raise all reasonable grounds and support them
    - take into account high hurdle for proof of lack of novelty and the burden of proof on the part of the petitioner
- Monitor competitor's applications, and consider to file Objection at least to test the your evidence

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## Argentina

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- A PVR shall be considered invalid, if the variety is
  - not clearly distinguishable or novel (cf. Art 10.1 UPOV ,78)
  - not uniform and stable (section 35. b Regulatory Decree)
  - No case law available
- Additionally, third parties are entitled to file oppositions after publication on the grounds of lack of novelty, distinctness, and/or entitlement
  - No cases within the last 3 years; success rate very low

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## Brazil

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The Brazilian PVR Office (ex officio) and any 'lawfully interested party' may initiate nullity/cancellation proceedings:

- A PVR shall be considered null and void, if the variety is i.a.
  - not distinct or novel (cf. Art 43, 44 of BR PVR law )
  - > no case within the last 5 years
- A PVR shall be cancelled, if the variety is i.a.
  - not uniform and stable (cf. Art 22, 42, BR PVR law)
  - > no case within the last 5 years (85 cancellations *ex officio*, mainly for non-payment of annuities)
- Additionally, third parties or the breeder himself are entitled to file oppositions within a 90-day time period counted from the publication date. The third party or the breeder should be identified in the opposition and demonstrates its interest.

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## United States – Plant Variety Protection Act Certificates

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### PVPA Certificates

- In addition to sexually reproduced and tuber propagated varieties, asexually reproduced varieties will also be able to be the subject matter for such certificates possibly as early as **December 20, 2019**
- Pre-grant and post-grant oppositions while the application is pending for a period not to exceed 5 years following the issuance of a certificate on the ground of lack of entitlement.
- Post-grant cancellation of PVPA certificate (7 USC § 2501a):
  - Any person may, within 5 years after the issuance of a PVPA certificate, notify the Office of facts which may have a bearing on the protectability; reexamination may follow.

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