



WG-VD/3/2

English only

DATE: September 10, 2002

INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS
GENEVA

AD HOC WORKING GROUP ON VARIETY DENOMINATIONS

Third Meeting
Geneva, October 21, 2002

**DRAFT EXPLANATORY NOTES ON ARTICLE 20 OF THE 1991 ACT OF THE
UPOV CONVENTION CONCERNING VARIETY DENOMINATIONS**

Document prepared by the Office of the Union

Introduction

1. At its second meeting, the *ad hoc* Working Group on Variety Denominations (the Working Group) decided as part of its work plan (see paragraph 13 of the report of the meeting WG-VD/02/2 Rev. (Prov.) available at the following electronic address <http://www.upov.int/restrict/document.htm>) to draft an updated version of UPOV Recommendations on Variety Denominations (UPOV/INF/12 Rev.), in the form of "Explanatory Notes" clearly linked to the Convention.
2. The Annex to this document contains a first draft of the "Explanatory Notes on Article 20 of the 1991 Act of the UPOV Convention Concerning Variety Denominations." The Office of the Union has prepared this draft using existing Recommendations as far as possible, while eliminating any inconsistencies with the 1991 Act of the UPOV Convention and, as appropriate, they have been elaborated and clarified taking into account responses to the Questionnaire received from the Working Group. In particular, matters raised in paragraphs 3 to 13 of document WG-VD/02/01 have been included.
3. Discussions on this first draft will take place during the third meeting of the Working Group on October 21, 2002. A summary of the discussions concerning this draft will be reported orally to the Committee during the current session.

4. The Working Group is requested to consider the proposed draft “Explanatory Notes on Article 20 of the 1991 Act of the UPOV Convention Concerning Variety Denominations” included in the Annex to this document.

[Annex follows]

ANNEX

DRAFT EXPLANATORY NOTES ON ARTICLE 20 OF THE 1991 ACT OF THE
UPOV CONVENTION CONCERNING VARIETY DENOMINATIONS

Introduction

These explanatory notes are meant to assist in the understanding and application of the provisions of Article 20 of the 1991 Act, in case of doubt, the text of the Convention prevails. As the contents of Article 20 of the 1991 Act and Article 13 of the 1978 Act are similar, any relevant difference in terminology is indicated in a footnote of the corresponding Explanatory Note. Clarifications provided in these Explanatory Notes are helpful to understand provisions on variety denominations, independently of the Act to which a State or Intergovernmental Organization is bound.

The provisions of Article 20 of the 1991 Act of the UPOV Convention reflect the importance of harmonized variety denominations for the effective operation of the UPOV system. Unless the proposed denomination is unsuitable in a particular territory, the same denomination should be proposed and registered in all members of the Union.

Laws implementing the Convention should respect the wording and spirit of the Convention. Regulations, recommendations or guidelines at the national or regional level should not provide for contradictions with the Convention or a narrow interpretation of the terms of the Convention. As this could lead to the rejection of variety denominations that in direct application of the Convention could be permitted and therefore, would result in the unjustified creation of synonyms.

Article 20 of the 1991 Act of the UPOV Convention

Variety Denomination

(1) [*Designation of varieties by denominations; use of the denomination*] (a) The variety shall be designated by a denomination which will be its generic designation. (b) Each Contracting Party shall ensure that, subject to paragraph (4), no rights in the designation registered as the denomination of the variety shall hamper the free use of the denomination in connection with the variety, even after the expiration of the breeder's right.

Explanatory Notes – Article 20(1)

1.1. The obligation under the UPOV Convention to allow for the free use of the denomination in connection with the variety, even after the expiration of the breeder's right, requires coordination between different practices. This is of particular relevance if the applicant of the proposed variety denomination is also the holder of a trademark applicable to the same product. Difference should be made between the existence of other rights in the designation and the exercise of those rights. If the breeder is also the holder of other rights (e.g. trademark) in the designation proposed as variety denomination, it is important to inform him that he will not be able to invoke or assert his other rights in the designation for the uses provided in Article 20(7) of the 1991 Act, even after the expiration of the breeder's right. In conclusion, there is no impediment in the Convention to the use by the holder of his own trademark, or other rights, as a variety denomination or part thereof. It is not then necessary to request the breeder to surrender his trademark, or other rights, as a condition for the acceptance of the proposed variety denomination.

(2) [Characteristics of the denomination] The denomination must enable the variety to be identified. It may not consist solely of figures except where this is an established practice for designating varieties. It must not be liable to mislead or to cause confusion concerning the characteristics, value or identity of the variety or the identity of the breeder. In particular, it must be different from every denomination which designates, in the territory of any Contracting Party, an existing variety of the same plant species or of a closely related species.

Explanatory Notes – Article 20(2)

2.1 Provisions under Article 20(2) emphasize the “identification” role of the denomination. Bearing in mind that the main objective of the denomination is to identify the variety, enough flexibility should be given to incorporate evolving practices in designating varieties.

2.2 Article 20(2) of the 1991 Act also states that the denomination may not consist “solely of figures” except where this is an “established practice” for designating varieties. The expression “solely of figures” refers to variety denominations consisting of numbers only. As a matter of clarification, denominations containing both letters and figures are not subject to the “established practice” requirement.

2.3 In the case of denominations consisting “solely of figures” the following non-exhaustive elements may assist the authorities to understand what might be considered to be “established practice.”

- for varieties marketed within a limited circle of specialists, the established practice should be assessed bearing in mind the practice within the specialist circle (e.g. inbred lines);
- breeding methods (e.g. hybrids);
- accepted practices in particular crop sectors (e.g. ornamentals);
- market practices.

The Working Group is invited to propose other elements to assist in the understanding of the term “established practice.”

2.4 Article 20(2) indicates that the denomination must not be liable to “mislead or to cause confusion concerning the characteristics, value or identity of the variety or identity of the breeder”. In the analysis of this provision, only incorrect or confusing information will be relevant.

2.5 The following non-exhaustive list of types of denomination which might be liable to “mislead or to cause confusion concerning the characteristics, value or identity of the variety or identity of the breeder” would appear to be of help in harmonizing the acceptance of variety denominations. Members of the Union may refuse denominations if these consist or contains:

- designations that convey the impression that the variety has particular characteristics which in reality it does not have; (e.g. red flowers if the variety has blue flowers);

Explanatory Notes – Article 20(2) (continued)

- designations that refer to specific characteristics of the variety in such a way that the impression is created that only the variety possesses them, whereas in fact other varieties of the species in question also have or may have the same characteristics (*the Working Group is invited to give examples*);

- comparative and superlative designations (e.g. best);
- designations that convey the impression that the variety is derived from or related to another variety when that is not in fact the case (e.g. Charlotte10, Charlotte 11);
- a designation is not suitable as a variety denomination on the grounds of liability to mislead if there is a risk of giving rise to misconceptions concerning the identity of the breeder (e.g. a variety incorporating the name of a well known breeder or company).

2.6 Article 20(2) of the 1991 Act states that the denomination must be “different” from an existing variety of the same plant species or a closely related species¹. It is encouraged to enhance cooperation between authorities to harmonize decisions of what is considered to be “different”.

2.7 As a general recommendation a difference of one letter or number may not be considered different enough, exceptions to this recommendation could be made in cases where the difference of one letter or number provides for a clear visual (e.g. beginning of a word) or phonetic difference.²

2.8 A difference of one number in denominations consisting “solely of figures” could be considered different enough.

The Working Group is invited to clarify and give examples of what should be considered “different” (e.g. a denomination might be “similar” but still be considered “different.”).

2.9 For purposes of variety denominations and with no prejudice to ongoing discussions in the Administrative and Legal Committee on the existence of a variety in Article 7 of the 1991 Act, the term “existing variety” refers to a variety that is known, subject of registration and/or commercial exploitation. If it is no longer the case and the denomination has not acquired any particular significance through registration or marketing of the variety, an old variety denomination could be registered again. As a general indication, upon expiration of a 10 year period after registration or commercialization, it could be considered that the particular significance has disappeared. Under special circumstances, the 10 year period could be reduced (e.g. the variety was registered or commercialized for a short period) or amplified (e.g. famous variety).

¹ Article 13 of the 1978 Act refers to “botanical species or of a closely related species” the divergence in terminology does not contain any difference in substance.

² For example, English denominations “Clown” and “Crown” are not distinguishable in the Japanese and Korean transcription as Japanese and Korean do not distinguish “l” and “r.”

Another example, a Chinese denomination “Hao ma” (good horse) is clearly distinct from “Hao ma” (good mother) in Chinese. This is not the case in non Chinese-speaking countries where the four tones (Sisheng) are not differentiated. Thus if “Hao ma” (good horse) has been registered as denomination of an apple variety, the denomination “Hao Ma” (good mother) could not be used as denomination of another apple variety.

Explanatory Notes – Article 20(2) (continued)

2.10 For the purposes of the fourth sentence of Article 20(2) of the 1991 Act, all taxonomic units are considered closely related that belong to the same botanical genus or are contained in the same class in a list to be included as an Annex to these Explanatory Notes.³

2.11 It is recommended to use the UPOV-ROM as an efficient tool to check if, in the territory of any UPOV member, the proposed denomination is different from designations of existing varieties of the same plant species or of a closely related species.

(3) [Registration of the denomination] The denomination of the variety shall be submitted by the breeder to the authority. If it is found that the denomination does not satisfy the requirements of paragraph (2), the authority shall refuse to register it and shall require the breeder to propose another denomination within a prescribed period. The denomination shall be registered by the authority at the same time as the breeder's right is granted.

Explanatory Notes – Article 20(3)

3.1 If the authority referred to in Article 30(1)(ii) of the 1991 Act (hereinafter referred to as “the authority”) has found no grounds for refusal under Article 20(2) and knows of no grounds for refusal under Article 20(4) the proposed denomination will be published and communicated to the authorities of the other members of the Union.

3.2 In the event of prior rights (Article 20(4)) or other grounds for refusal, any interested person may file an objection to the registration. The authorities of the other members of the Union may submit observations.

3.3 Objections and observations should be communicated to the applicant to reply and, if applicable, to submit a new proposal. Failure to submit a proposal within the prescribed period should entail the rejection of the application. If the denomination has been registered despite of the existence of a reason for refusal (e.g. prior right) the authority shall inform the holder of the breeder's right of the intended cancellation and request to propose a new denomination. If the variety is no longer protected, but exploitation continues, the breeder is still obliged to propose a new denomination.

3.4 The examination of the proposed denomination and of the variety are two procedures that normally run in parallel. The denomination shall be registered at the same time as the breeder's right is granted.

³ At present, former Annex I related to Recommendation 9 “List of Classes for Variety Denomination Purposes,” is under consideration by the Working Group. Once the revision is finalized, the List will become Annex I to these Explanatory Notes.

(4) [Prior rights of third persons] Prior rights of third persons shall not be affected. If, by reason of a prior right, the use of the denomination of a variety is forbidden to a person who, in accordance with the provisions of paragraph (7), is obliged to use it, the authority shall require the breeder to submit another denomination for the variety.

Explanatory Notes – Article 20(4)

4.1 The mere existence of a prior right identical or similar to the denomination or part of the denomination will not in all cases forbid the use of the denomination as provided in Article 20(7). With the exception of obvious cases where the authority may reject the proposed denomination *ex officio*, the majority of cases of existence of prior rights may appear as a result of objections or observations. In examining objections and observations and deciding on the suitability of the proposed denomination, the following considerations could assist the authorities:

- if the trademark and proposed denomination are identical and both applied to the same goods, then the proposed denomination is unsuitable. If the trademark and proposed denomination are similar, assessment on likelihood of confusion should be made. In case of doubt, the authority should inform the applicant and parties involved may reach an agreement or obtain a Court decision;

- if the proposed denomination is identical to a well-known mark, then it is unsuitable, even if the denomination of the variety applies to different goods;⁴

- prior rights in the designations could also be asserted in relation to trade names⁵ and names of a famous person, similar recommendations to the ones provided for trademarks are also applicable here;

- names and abbreviations of intergovernmental organizations which are excluded by international conventions from use as trademarks or parts of trademarks are not suitable as variety denominations;⁶

- prior rights concerning appellations of origin and geographical indications (e.g. Champagne) may exist via legislation and or registration procedures;⁷

- in certain cases, geographical names (e.g. names of cities or States) could also be protected, there is no general rule applicable, assessment should be done based on the probatory material presented on a case by case basis.

⁴ Well-known marks are protected by the Convention for the Protection of Industrial Property (Article 6*bis* of the Paris Convention) and the Agreement on Trade-Related Aspects of Intellectual Property Rights (Article 16.2 of the TRIPS Agreement).

⁵ Article 8 of the Paris Convention.

⁶ This recommendation includes names and abbreviations notified pursuant to Article 6*ter* of the Paris Convention.

⁷ Articles 22 to 24 of the TRIPS Agreement and the Lisbon Agreement for the Protection of Appellations of Origin and Their International Registration.

Explanatory Notes – Article 20(4) (continued)

- In cases of mere similarity or small likelihood of association by users, waivers granted by prior right holders could be a suitable solution. The authority may advise the applicant to seek the consent of the prior right holder to the use of the designation for variety denominations purposes.

(5) [Same denomination in all Contracting Parties] A variety must be submitted to all Contracting Parties under the same denomination. The authority of each Contracting Party shall register the denomination so submitted, unless it considers the denomination unsuitable within its territory. In the latter case, it shall require the breeder to submit another denomination.

Explanatory Notes – Article 20(5)

5.1 This provision reflects the importance of harmonized decisions for the effective operation of the UPOV variety denominations system. The general rule is to register the same denomination previously submitted in another UPOV member and only exceptionally, if it is “unsuitable within its territory,” to reject the proposed denomination and ask the breeder to submit a different denomination. Unfortunately, this will entail the creation of synonyms.

5.2 The interpretation of “unsuitable within its territory” is particularly critical in this respect, with some members of the Union considering that a variety denomination may be unsuitable if it is difficult to pronounce. Furthermore, an already registered denomination, might be considered to be unsuitable in another member with a different alphabet, in particular considering the difficulty in transliterating roman-script-based names into other scripts (e.g. Japanese).

5.3 As indicated above, what kind of denomination is considered by a member of the Union to be “unsuitable within its territory” might be influenced by wider factors. Bearing in mind that a certain degree of flexibility would be appropriate in certain cases, the following non-exhaustive list may assist in deciding what is unsuitable. A proposed denomination should be denied if:

- does not conform provisions in Article 20(2) and (4);
- is not suitable for the identification of the variety, in particular owing to lack of distinctiveness or to linguistic unsuitability;
- is contrary to public policy;
- consists exclusively of signs or indications that may serve, in the plant varieties and seeds sector, to designate kind, quality and quantity.

The Working Group is requested to indicate if other elements should be included in this list.

(6) [*Information among the authorities of Contracting Parties*] The authority of a Contracting Party shall ensure that the authorities of all the other Contracting Parties are informed of matters concerning variety denominations, in particular the submission, registration and cancellation of denominations. Any authority may address its observations, if any, on the registration of a denomination to the authority which communicated that denomination.

Explanatory Notes – Article 20(6)

6.1 Provisions of Article 20(6) of the 1991 Act indicate the importance of cooperation and exchange of information among UPOV authorities. The authority should take into account all observations made by the authorities of other members when deciding on the suitability of a proposed denomination.

6.2 This obligation, of informing authorities on matters concerning variety denominations, has relied on the mechanism of exchange of official gazettes published by members of the Union in accordance with Article 30(1)(iii) of the 1991 Act. However, the development of information technologies now offers more advanced means to exchange data. This has allowed the development of the UPOV-ROM, which is now recommended as the most effective and efficient way of complying with obligations under Article 20(6).

6.3 If the observations made by the authorities refer to an obstacle to approval that according to the Convention applies to all members, the authority should reject the proposed denomination. If the observation refers to a circumstance that is an obstacle to approval only in the member whose authority has transmitted the observation (e.g. prior trademark right), the authority should inform the applicant accordingly, requesting, if possible, to file another variety denomination.

6.4 It is recommended that a communication with the final decision be addressed to the authority that has transmitted an observation. As far as possible the authorities concerned should endeavor to reach agreement.

6.5 It is encouraged to send information on variety denominations to authorities dealing with the protection of other rights (e.g. Intellectual Property Offices). Variety denominations already registered could exclude future registration of trademarks applicable to the same goods, unless the breeder is also the trademark applicant.

(7) [Obligation to use the denomination] Any person who, within the territory of one of the Contracting Parties, offers for sale or markets propagating material of a variety protected within the said territory shall be obliged to use the denomination of that variety, even after the expiration of the breeder's right in that variety, except where, in accordance with the provisions of paragraph (4), prior rights prevent such use.

Explanatory Notes – Article 20(7)

7.1 This provision is self-explanatory. If it is found that prior rights of third parties prevent the use of the registered variety denomination, the authority shall cancel the denomination. This could take place at the initiative of the authority, the breeder, an interested party, or as a result of a Court decision prohibiting the use of the denomination in connection with the variety. This situation could arise during the protection period or after the expiration of the breeder's right. In both cases, the authority should request the breeder to submit another denomination.

7.2 As indicated in the explanation of Article 20(1)(b), the breeder shall not assert his/her rights (e.g. trademark) in the denomination to prevent the uses provided for in Article 20(7), even after the expiration of the breeder's right.

(8) [Indications used in association with denominations] When a variety is offered for sale or marketed, it shall be permitted to associate a trademark, trade name or other similar indication with a registered variety denomination. If such an indication is so associated, the denomination must nevertheless be easily recognizable.

Explanatory Notes – Article 20(8)

8.1 This provision is self-explanatory. Associations with trademarks and trade names are possible, in those cases, it is recommended that designations show clearly enough their status as variety denominations. Current practices indicate that trademarks and trade names elements are sometimes fully or partially incorporated in the variety denomination itself (see Explanatory Note on Article 20(1)).

[End of Annex and of document]