

Maximising benefits by combining protection measures

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18 **Plant variety rights and patents often take centre stage in debates on plant breeding and intellectual property rights, but what about trademark rights? How can trademarks be used to the advantage of breeders, as a tool to maximise returns from the investments incurred?**

• **A symbiosis between plant variety rights and trademark rights** may represent a reinforced form of intellectual property protection, so it is interesting for breeders to master the key features of both. Offering some key notions in this regard is precisely the aim of this article.

Distinction

The basic distinction between trademarks and plant variety denominations is that, whereas the essential function of a trademark is the indication of a commercial origin ('origin function'), the essential function of a plant variety denomination is the designation of a generic product ('generic-designation function'). The origin function of a trademark consists of guaranteeing that the goods or services that bear it originate from a specific undertaking. A trademark distinguishes goods or services from a particular undertaking from those of other undertakings, and a trademark rights' titleholder is entitled to prevent other traders from using signs that are likely to cause confusion with his/hers. In addition, trademark rights are capable of performing other functions. Such functions may also be performed by plant variety denominations, but do so in a different manner, so it is worth exploring these divergences in the context of the marketing of plant-related products.

Quality-Assurance function: Trademarks used with varieties serve to guarantee that said varieties meet certain quality specifications, such as specific market-differentiation attributes (e.g.: colour, size, flavour).

Plant variety denomination

Every plant variety to be protected by plant variety rights must be designated by a unique generic designation: the plant variety denomination. The plant variety denomination can be in the form of a code or of a fancy name and serves the public interest by enabling the specific identification of a variety by consumers and its distinction from other varieties.

The use of the plant variety denomination is mandatory for anyone commercialising variety constituents of a protected variety, this requirement applies even after the expiration of the breeder's right in that variety (a plant variety right extends to 20-30 years, depending on the applicable law). In essence, the plant variety denomination is born with a given plant variety right but outlives the latter and is associated with the existence of the variety itself.

Likewise, plant variety denominations can play a role of quality assurance, since quality is attributed to the variety that is identified by means of its denomination. This role rather consists in indicating 'true-to-type' varieties in sales, enabling consumers, such as seed propagators or growers, to be assured that the variety constituents that they are purchasing correspond to the specific plant variety they are looking for.

Advertising function: A trademark can be used for promotional purposes, with a view to persuading consumers. For instance, plant varieties addressed at premium consumer markets are often sold under a trademark. Where a variety enjoys widespread reputation, the plant variety denomination may also play an important advertising role. In general, however, it is only varieties with an already established consumer association that are likely to be presented with greater visibility of the plant variety denomination.

Investment function: Any long-term investment in a trademark eventually falls back on its titleholder. As for plant variety rights' titleholders, these may not draw such a strong direct commercial benefit from the consumers' association with a given plant variety denomination, at least not in the long run, since plant variety rights have an expiration date, and since plant variety denominations must be freely used by anyone.

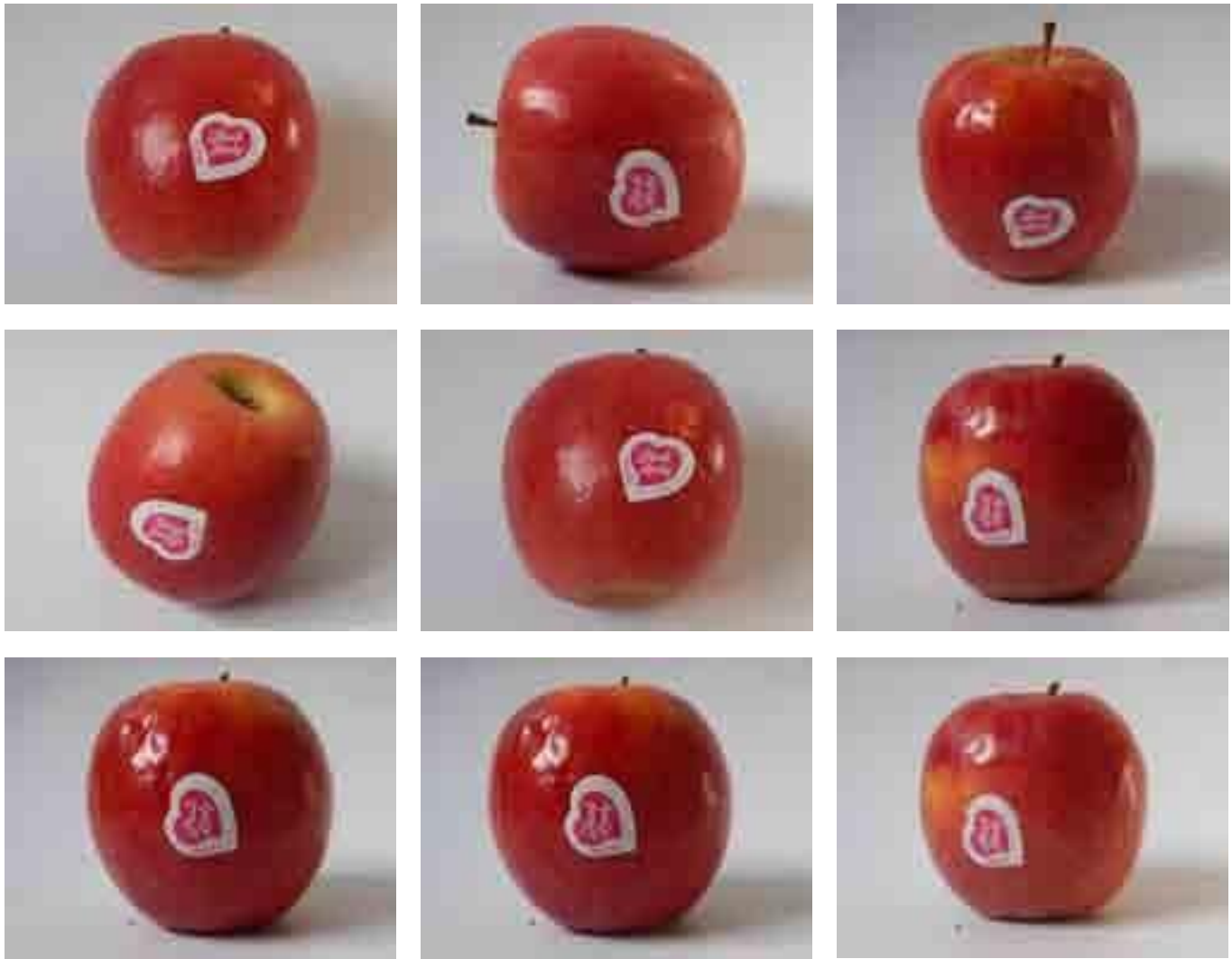
Identification

The legal compatibility between plant variety denominations and trademarks is proclaimed in Article 20(8)

UPOV Convention: where a variety is marketed, it is permitted to associate a trademark with a registered plant variety denomination, as long as the latter remains easily recognisable. To this end, trademarks cannot be placed within demarcating quotation marks, and should ideally be accompanied by the notice ®. This is to avoid confusion with plant variety denominations, which are usually reproduced within single quotation marks and should be preceded by the indication 'Variety' or 'Var.'.

In practice, plant variety denominations are especially relevant to seed propaga-

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The trademark Pink Lady® is registered in more than 80 countries and used to market several apple varieties, including 'Cripps Pink', 'Sekzie', 'Rosy Glow', 'Ruby Pink' or 'Lady in Red'. The trademark is primarily used as guarantee that the apples sold under it meet a set of quality specifications concerning sugar content, firmness, and colour.

tors and growers, yet they are rarely visible to the end consumer at the point of sale. What is more, consumers are often unaware of the intrinsic difference between trademarked names, trademarks and plant variety denominations on product packaging. It is thus to be regretted that no 'official universal notice' such as that for copyrights (©) or for trademarks (™ and ®) exists for plant variety rights.

Dr. P. van der Kooij (in an article published in E.I.P.R.) proposed the introduction, preferably at international level, of a notice indicating that a plant variety is protected by plant variety rights. Such a notice could have the character of an 'official recommendation' (e.g.: by UPOV) and its use be promoted by plant variety rights' offices and plant breeding organisations. The author fully supports this initiative and goes further by suggesting that said notice could consist of a circle-figure embracing a simplified fancy seedling. A sign exclusively devoted to registered plant variety rights would certainly enhance the market visibility of plant variety denominations and reduce potential conflicts of perception with trademarks on the part of users.

Problematic aspects

In view of the fact that plant variety rights are limited

in duration, whereas the life of a trademark right can be perpetuated endlessly, a breeder may feel tempted, upon the expiration of his/her plant variety right, to apply for a trademark identical or highly similar to the plant variety denomination associated with said expired plant variety right, in order to 'artificially' expand via the trademark rights system the monopoly acquired with the plant variety right.

However, resorting to this practice should be avoided. First, the exclusive monopoly granted by a plant variety right is designed to be confined to a given period, and this restriction should not be circumvented.

Precisely to prevent this from happening, at EU level, a specific absolute ground for refusal of the registration of 'EU trademarks consisting of, or reproducing in their essential elements, an earlier registered plant variety denomination' has been foreseen with Article 7(1)(m) of Regulation 2017/1001 on the European Union trademark.

Second, if such a trademark right were to be allowed registration, third parties would be prevented from selling the plant material under the controverted trademark. They would indeed find themselves forced to introduce another trademark for the same variety or to enter into negotiations with the trademark right

<i>Functions</i>	<i>Trademark</i>	<i>Plant variety denomination</i>
Indication of commercial origin	Yes	No
Generic designation of product	No	Yes
Quality assurance	Yes (for meeting quality specifications, e.g.: colour or firmness of variety)	Yes (for indicating true-to-type varieties in sales)
Advertising	Yes (performed effectively)	Yes (for commercially successful or well-reputed varieties)
Investment	Yes (titleholder draws direct benefit)	Yes (weaker in terms of drawing commercial benefits)

The alternatives for breeders: plant variety rights, trademark rights, or both*

	<i>Plant Variety rights Only</i>	<i>Trademark rights Only</i>	<i>Plant Variety & Trademark rights</i>
Plant Sector Concerned	Applies to the vast majority of plant and plant-derived products	Applies to varieties for which the breeders' rights have expired, but are still actively promoted in the market, as well as to varieties in the ornamental sector	Applies to agricultural seeds, a small proportion of fresh produce and ornamentals
Use of the Right	The breeder is able to control the propagation of seeds and plant materials	The breeder is able to control the sale of plant products, which are differentiated and sold using the trademark	The breeder can control both the propagation and sale of the new variety, as well as quality standards
Market Targeted	Mass market rather than niche market	Usually niche or premium markets	Usually niche or premium markets

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titleholder in order to come to a licence agreement. What is more, a trademark right could be (mis)used to scare away non-licensees lacking IP knowledge from freely propagating variety constituents from a formerly protected plant variety, even when this is legally allowable once the concerned plant variety right expires.

Another problematic aspect of which breeders should be wary is that of 'trademark genericism'. This situation concerns those terms that might have been registered as valid trademark rights but over time have become generally accepted in the relevant trade as common designation for the product in relation to which they were registered. The paradox

underlying genericism is that it is often the result of a successful brand.

In addition, when commercialising a specific variety, the risk may arise that a plant variety denomination which is in the form of a code or 'nonsensical' name and is fixed in tags next to trademarks consisting in fanciful and easy-to-remember designations, may result in the trademark becoming the generic designation for the variety in the mind of the targeted consumer.

To avoid falling prey to trademark genericism, trademark right titleholders should proactively monitor the marketplace and take action, where appropriate, to ensure that no operator jeopardizes the distinctiveness of their signs. For example, titleholders should

A stylized seedling notice affixed to packages could indicate that a variety is protected by a plant variety right



Trademark rights

- A trademark can be defined as a distinctive sign enabling the identification of the products or services with which it appears as originating from a unique source. The intangible value of a trademark thus lies in the consumer's association of the brand with the goods and/or services in relation to which it is used. Trademarks can enjoy legal industrial property protection, which can be attained at national, regional or international level, in conformity with the legal principle of territoriality. Signs eligible for protection may consist of words or designs, letters, numbers, colours, the shape or packaging of goods, or even sounds. In applying for a trademark, applicants must indicate the goods and/or services in relation to which they wish to register their trademark, in accordance with the International 'Nice Classification System'. Registered trademark rights can then be renewed and perpetuated endlessly.

assure that their trademarks do not appear in dictionaries as generic names, set clear trademark usage protocols when concluding licenses on trademark rights, and oppose variations in the use/display of the trademark.

Strategies for breeders

Breeders are encouraged to make use of an 'overarching trademark' for promoting a range of varieties sharing similar characteristics (e.g.: appearance, flowering times, resistance). This generates a number of benefits:

- the trademark is coupled with a special feature, rather than with a single product, and the risk of trademark-genericism is thereby minimised;
- the reputation gained with the trademark is extended to several plant varieties;
- the trademark can be used limitlessly to promote new improved varieties; and
- flexibility is gained in the promotion of a range of early, mid, and late-season varieties under a single trademark, to keep up with supplies of varieties recognised by consumers as sharing the common traits.

The big question that remains is: when should plant breeders avail themselves simultaneously of both plant variety and trademark protection? In practice, this decision largely depends on the competitiveness of the plant segment, the life cycle of the variety, the number of years a breeder has within which to make the necessary return on investment, and the geographies of interest.

Regarding the agricultural, fruit and vegetable industrial segments, these are characterised by

mid- to long variety development cycles, where plant variety rights represent an essential tool to recoup the long-term investment. As to the ornamental segment, variety development cycles are significantly shorter. The cut-flower market is particularly competitive, where breeders estimate that they generally have over three years to make the return on investment. Rapid introduction of products into the market is crucial to create high volumes of demand, so breeders here often opt for monetising their creation via trademark rights, as such are generally awarded quite promptly. As to the geographies of interest, trademark protection should be sought in those territories to where varieties are shipped and sold. Moreover, concluding territorial licenses or using tailor-made trademark rights adapted to the local language and cultural habits in the targeted territories can prove advantageous for the marketing of varieties on a global scale. In conclusion, a solid understanding of the catalogue of intellectual property rights that breeders have at their disposal is desirable, so that they can take advantage of same to the fullest extent, where the weight of trademark rights should be duly considered in marketing strategies. 🌱