



European Union

Community Plant Variety Office

Case A 001/2004

COMMUNITY PLANT VARIETY OFFICE

Decision

Concerning the Appeal lodged by the Appellant

Keith E. Kirsten (Pty) Ltd., P.O. Box 1458, ZA-Johannesburg, 2055 Fourways
Representative: Mr J. Ardley, D. Young & Co, 21 New Fetter Lane, UK-London
EC4A 1 DA

Further party to the proceedings:
Community Plant Variety Office
Representative: Mr. B.P. Kiewiet, President

Relating to Community Plant Variety Right EU 5045 (File No 1997/1313)

Variety denomination:

Phasion

Species: *Canna L.*

On 16 December 2004, the Board of Appeal of the Community Plant Variety Office,
composed of G. Winkler (Chairman), P. van der Kooij and S. Borrini (Members),

gave the following decision:

The appeal is rejected

Facts

A Community Plant Variety Right (CPVR) was granted for the *Canna L.* variety with the denomination Phasion in Decision EU 5045 on 20 October 1999. The right was granted to Jan Harm Potgieter from South Africa, who was also named as the breeder in the application. The right was subsequently transferred to the South African company Keith E. Kirsten (Pty) Ltd.

A petition of nullity dated 23 July 2002 was submitted to the Office from Mr W.K. Hayward, residing in the U.K, claiming first, that the variety did not meet the novelty requirement, and secondly, that the variety did not meet the distinctness requirement, as it had been sold commercially in South Africa since 1970 under a number of names. As a consequence, it was submitted that the CPVR was null and void pursuant to Art 20 of Community Regulation No. 2100/94 (CR).

During the investigation by the Office, it was established that Mr Potgieter was not the breeder. However, it was claimed by the new holder that Mr Kirsten, the owner of the above-mentioned company, was the breeder and that he was, as a result, entitled to the CPVR.

In its Decision No A4 of 6 November 2003 the Office found that Mr Kirsten was not the breeder since he had not discovered the variety within the meaning of Art 11 CR. The Office came to its decision because of the fact that Mr Kirsten had made a specific statement before the High Court of South Africa at an earlier stage, with regard to his South African plant variety right in relation to Phasion. Mr Kirsten had stated there, that he had visited a certain Mr Kruger in South Africa in 1991, that Mr Kruger had shown him around his private garden and that this Mr Kruger had shown the Phasion plants to him. Because of this statement, and further because of the contents of UPOV Document C (Extr.) 19/2/ Rev of 19 April 2002, which deals with the notion of breeder and common knowledge, the Office did not find it necessary to analyse if the variety was novel and distinct at the time of the application and as a result annulled the CPVR.

On 11 November 2003 the Supreme Court of Appeal of South Africa decided that Mr Kirsten's South African plant variety right in relation to Phasion had to be terminated. The Supreme Court based its decision on the evidence given by Mr Kirsten in the High Court of South Africa, mentioned above.

Against the above-mentioned Decision No A4 of 6 November 2003 a Notice of Appeal was lodged with the Office, in accordance with Art 69 CR, on 6 January 2004 by Mr John Ardley, representative of the Appellant and holder of the CPVR Keith E. Kirsten (Pty) Ltd.

According to the written statement of grounds, the grounds for the appeal are that:

- the term "discover" has been interpreted too narrowly; that there are other definitions which cover the term, and which meet the requirements of Art 11 CR more appropriately;
- account should be taken of the Decision of the Board of Appeal in case 017/2002 which confirmed that acts similar to those referred to in this Decision did constitute "breeding" within the meaning of the Community Regulation;
- an incorrect interpretation has been made of the events that took place in the garden of Mr T. Kruger in 1991 in assuming that Mr Kruger had identified the variety as having commercial potential, when in fact it was Mr Kirsten;
- the contents of UPOV Document C (Extr.) 19/2/Rev have been wrongly understood as not applying to professional nurserymen, when no such distinction exists therein.

At a meeting on 9 March 2004 by the Committee of the Office that took the Decision with regard to the nullity of the CPVR, these grounds of appeal were studied with a view to decide whether the earlier Decision of 6 November 2003 should be rectified. In this meeting the Committee, however, did not enter into the above fourth ground of appeal explicitly. It concluded that it did not see any grounds to rectify its Decision and therefore remitted the case to the Board of Appeal.

On 15 November 2004 the Secretariat of the Board of Appeal received "Further representations" dated 12 November 2004 from Mr Ardley for its consideration. Finally, on 16 November 2004 the Board of Appeal received an affidavit, signed by the afore-mentioned Mr Potgieter.

Further Submission of the Appellant

In the "Further representations" referred to above the Appellant has put an emphasis on the meaning of the term "discover". In his opinion, the plant variety protection system envisages the possible existence of multiple discoverers. While the notion of "finding something unexpectedly" seems compatible with the notion of "discovery" in the Regulation, it seems unnecessary that the observer comes across the plant "in the course of search". According to the Appellant defining the term "discoverer" as "to be the first to find or observe" is wrong in relation to a system that envisages multiple discoverers.

The Appellant further states that the afore-mentioned Mr Kruger did not show or point out the plant to Mr Kirsten, but that Mr Kirsten came across it unaided and unexpectedly, evaluated its uniqueness and took steps to develop the variety so as to make it available to the general public. Indeed, in his affidavit, Mr Potgieter states that Mr Kirsten, when visiting Mr Kruger's private garden in February 1991, "spotted a small clump of what Mr Kirsten said was clearly a mutation(...) Mr Kruger was not previously aware of the mutation (...) Mr Kruger did not point out the clump concerned to Mr Kirsten. It was Mr Kirsten who noticed it and said he thought it might have commercial potential".

According to the Appellant, the substantial burden of proof must be satisfied by the Office before it can declare null and void a grant of protection. In reaching its decision, the Office speculated on matters on which it had no direct evidence, particularly the state of awareness of Mr Kruger concerning the existence of the Phasion plant in his garden.

Consequently, the Appellant applied for the reinstatement of the rights revoked by Decision No A4 of the Office dated 6 November 2003.

Submission of the Office

The Office agrees with the Appellant, that "discovery" does not necessarily imply a one time, one place event. Different persons could on different moments, on different spots, "discover" a variety. It further states that only discoveries followed up by development are relevant in the framework of plant variety rights legislation. However, the Office is of the opinion that all this does not mean that "discovery" has the same sense as "coming across". It also does not mean, that "discovery" is a mere subjective experience of the person who pretends to be a discoverer.

The Office further argues that its decision to declare null and void the CPVR with regard to *Canna Phasion* was, among other things, not only based on Mr Kirsten's own testimony in the High Court of South Africa, in which trial his South African plant variety right with regard to the same variety was under discussion, but also on the information provided with the Office in the hearing it organized on 1 October 2003. Moreover, the Office takes the view that it is beyond all likelihood that Mr Kruger did not know about the variety in his garden, and therefore it maintains its view that Mr Kruger not only knew about the variety but also showed it to Mr Kirsten. As a consequence, the information given between the Decision of 6 November 2003 and the hearing before the Board of Appeal of 16 December 2004 is new and should not be relied on.

As a result, the Office applied for the rejection of the appeal.

Grounds

The appeal is admissible but not well founded. Because the holder of the CPVR has stated that he was the discoverer of the variety *Canna L. Phasion*, with regard to this statement the burden of proof rests with him, and not with the Office, in particular in the case at issue, in which the CPVR was initially granted to the wrong person on the basis of wrong information supplied with the Office.

It is a general rule of procedural law, that he who claims a certain entitlement, e.g. to a plant breeder's right, must prove all conditions he has to comply with. Therefore, Appellant has to provide the Board of Appeal with the evidence (in other words: he has to convince the Board of the fact) that Mr Kirsten not only discovered but also developed Phasion, or that Mr Kruger discovered and Mr Kirsten developed Phasion (Article 11(2) CR), or that Mr Kirsten bred Phasion.

The Board of Appeal, taking into account all parts of the evidence presented in this case, is not convinced that Mr Kirsten or Mr Kruger has indeed "discovered" or that Mr Kirsten has bred the said variety, within the meaning of Article 11 CR.

The first ground of appeal mentioned above deals with the meaning of the word "discovered" in Article 11 CR. In the "Detailed comments", which accompany the written statement of grounds, much emphasis is put on the fact that this term has many different meanings, all of which can be found in English and in other, e.g. Dutch, dictionaries. Of course, in legal matters, one can try to find the meaning of a word by looking in a dictionary, and this can indeed be of help sometimes to solve certain problems of interpretation. However, in the opinion of the Board of Appeal one should always start by examining the legal history of the term in question and see if this enquiry provides one with an answer to the question.

In this respect, the Board of Appeal believes that it was not the intention of the "fathers" of the Convention (on which the Community Regulation is based) to use the term "discovered" in the meaning the Appellant would like to see. In the respective Records of the Conferences of UPOV on this point (1961, 1978 and 1991), this term has never been interpreted as meaning "to identify the variety as having commercial potential", in a context in which the variety concerned or plants belonging to that variety have been shown to someone by another person who already knew of the existence of that variety or plants before.

In the opinion of the Board of Appeal "discover" means that somebody comes across a variety either by search or by chance, being conscious of the fact that it is a new variety, which was unknown to him before and which in his opinion is unknown to other persons as well. In this context, the additional notion that the new variety may have commercial potential is not relevant. Thus, it is possible that one and the same variety is discovered by two or more persons independently, on different moments on the same spot, or on different spots. But also taking into account this broad view the Board has not been able to establish convincingly that Mr Kirsten or Mr Kruger discovered the variety Phasion.

The Board of Appeal is confronted with a number of contradictory statements. In the proceedings in the High Court of South Africa, referred to above, Mr Kirsten explicitly stated that Mr Kruger had shown the plant to him: "I wouldn't have come across it if he had not shown me around in his garden and shown me the plant". In the hearing,

organized by the Office on 1 October 2003, Mr Kirsten did not deny that he had made that statement in Court.

This statement does not provide the Board with a satisfactory answer to the question whether Mr Kruger discovered Phasion or whether he knew of the existence of the variety, which he pointed out to Mr Kirsten, for some time already, e.g. because he had received the plants from a third person and had planted them in his garden.

In reply to the question put to Mr Kirsten by the Board of Appeal why he was of the opinion that the above-mentioned statement in the High Court of South Africa was wrong, he has declared that he was inexperienced in court matters and that he was a bit confused by the questions of the judge put to him. However, this latter statement does not convince the Board. Mr Kirsten is a professional businessman, who is used to being confronted with all kinds of problems. Before the Board he certainly did not create the impression to be confused or to be shy. His statements were given at ease and they were accurate. With a view to the negative decision of the Supreme Court and with a view to the fact that Mr Kirsten has a special interest in the decision of the Board of Appeal, the Board is not convinced that Mr Kirsten's statement in these legal proceedings is true.

Further, another contradictory statement results from the fact that Mr Kirsten first declared that only two persons were present in Mr Kruger's garden, namely Mr Kruger and himself; this statement can still be found in the written grounds of appeal dated 26 February 2004. Mr Kruger died in 1993. As a result, according to Mr Kirsten there were no other persons left to bear witness to what happened in Mr Kruger's garden in February 1991. However, according to the above-mentioned "Further representations" dated 12 November 2004, Mr Potgieter was present at the time, as he pushed Mr Kruger in a wheelchair around his garden. Moreover, according to this document Mr Kirsten saw the plants first.

Mr Kirsten could not give a convincing explanation for the fact that on his behalf Mr Ardley first stated that only two persons were present in the garden of Mr Kruger, and that at a later stage, after the negative decision of the Supreme Court had been

published, also Mr Potgieter was present there. Therefore, there remains doubt as to whether Mr Kirsten's new statement is correct.

As a result, the Board of Appeal also doubts whether the affidavit in which Mr Potgieter confirmed the latter information can be relied upon. The contents of this affidavit are in contradiction with the statements by Mr Kirsten before the High Court of South Africa.

Mr Potgieter had already shown not to be completely reliable, when he claimed to be the breeder of the variety. It has been submitted that he was not aware of the precise meaning of the term breeder. However, in part 6 of the CPVO application form the questions related to the origin of the variety are clear, also to a layman, and Mr Potgieter should have been able to answer these questions correctly, which he didn't. Apart from this, the affidavit was printed on a piece of paper containing the letterhead of the company of Appellant, which does not contribute to its supposed independent status either.

Because the Board of Appeal is not convinced of Mr Kirsten being the discoverer of Phasion, the question whether he has developed the variety can remain unanswered, as in this context the breeder of a variety can only be a person who has discovered and developed it.

Further doubts as to the reliability of the contents of the aforementioned affidavit result from the following. It is without dispute that Mr Kruger was a professional nurseryman, who owned at least two nurseries and had written a number of botanical books. Therefore, the Board takes the view that it is very unlikely that Mr Kruger would not have been aware of the plants growing in his own private garden, and even more so because *Canna L. Phasion*, which is a mutation of *Canna Wyoming*, differs from Wyoming substantially in size and colour. Thus, Mr Kruger must have noticed the Phasion plant before he showed Mr Kirsten around his garden. Apart from this, once again the possibility cannot be ruled out completely that Phasion was not mutated in Mr Kruger's garden, but planted by him after he had bought or otherwise received the plant from someone else. In that case, also Mr Kruger was not the true discoverer of Phasion, but an until now unknown predecessor instead.

As a consequence, in this case a joint entitlement vested in Mr Kirsten and Mr Kruger (or his heirs, respectively) cannot be established pursuant to Article 11(2) CR. As the Board of Appeal is not convinced that one of them has discovered Phasion, the question whether Mr Kirsten has developed Phasion pursuant to Article 11(1) CR can also remain unanswered.

As a result of the above considerations the first and third ground of appeal are not well founded.

With regard to the second ground of appeal, the Appellant submits that the actions taken by Mr Kirsten in noticing a variety that had been growing in a private garden, realising its commercial potential, and the planting, selecting and growing on not only meet the requirements of discovering and developing the variety, but also the wider concept of "breeding" accepted by the Board of Appeal in 017/2002. Indeed, in that Decision the Board stated that the concept of "breeding" in Article 11 CR "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".

The Board of Appeal is of the opinion that the facts in case 017/2002 and in the present case are different. In the former case the holder of the CPVR not only had grown on seeds and made selections, he had also found a pure line, which met all requirements for protection. In the present case, the Appellant perhaps did some "planting, selecting and growing on", but this did not result into a new and distinct variety: from the file to this case it has become clear that the variety shown to Mr Kirsten by Mr Kruger and the protected *Canna Phasion* are one and the same variety. Moreover, during the meeting at the Office on 1 October 2003, Mr Kirsten has confirmed that he did not claim to have bred the variety but rather discovered and developed it.

Therefore, one cannot say that the Appellant has done anything in particular for the development of *Canna Phasion* "into a finished variety", to repeat the above-mentioned words of the Board of Appeal in case 017/2002.

Apart from this, it is not possible for a person to have bred a variety, if it has become clear already that he did not discover it in the first place, especially if there is no difference at all between the variety shown to him and the variety for which protection is sought.

As a result, the second ground of appeal is not well founded.

The fourth ground of appeal deals with UPOV Document C (Extr) 19/2/Rev. In the "Detailed comments" the Appellant notes that this Document was written three years after the application for *Canna Phasion* was accepted. However, in the opinion of the Board of Appeal this Document, by going into the history of the UPOV Convention (1957-1991) provides one with a clarification of terms such as "breeder" and "discoverer", but does not introduce something completely new in this respect. As far as the Office referred to this Document in its Decision No A4, it did not introduce a definition of the term "discover" other than the definition commonly used in UPOV circles on the date of the application.

Finally, the appellant has misinterpreted the remarks made by the Office in its Decision No A4, para. 65. The Office did not state that the above UPOV Document does not apply to professional nurserymen; it simply mentioned the professional by way of example, not to create a contradiction between professionals and amateurs.

As a result, also the fourth ground of appeal is not well founded.

Winkler

Van der Kooij