



By : **Maarten Leune** - Director R.A.I. cv

Location - University Ljubljana

Date - January 23, 2015

Agenda

- RAI History
- Strategic position RAI
- RAI organization
- Main services RAI
- Authorized propagation
- Situation Slovenia/Croatia
- Slovenia 2015

RAI History

- RAI = founded in 1984

Maarten Leune - Managing Director/share holder

Education - Agriculture + Economics

Experience - Royal Sluis - 8 years - Product Manager Vegetable seeds
- CBA - 11 years - Director Chrysanthemum Breeding
- RAI - since 2001 =>

- RAI - started in 1984 with Chrysanthemum
- expanded to other species of cut-flowers and pot-plants.
- Now:
 - Cutflowers
 - Potplants
 - Bedding plants
 - Perennials
 - Bulbs/tubers
 - Fruit/berries
 - Vegetables

Strategic Position RAI

- Service to breeders in the exploitation of their genetics and IP
- IP => PBR + Plant Patent, Utility Patent, Trademarks, etc.
- No sales, no distribution, no promotion, no technical advice
- No exclusivity to any breeder, crop/specie, area or service
- Operating independently
- Aiming for fair competition in the business

Royalty Administration International®

- **R.A.I. Europe** - Main Office - 's-Gravenzande - The Netherlands
Territory: - Europe, Asia, Africa, Pacific (Austr/NZ)
Activities: - Management + Financial Administration
- Worldwide PBR and Patent applications
- **R.A.I. North America** - Office in Fort Myers - U.S.A.
- **R.A.I. Latin America** - Office in Bogota - Colombia
- **R.A.I. Japan** - Office in Tokyo - Japan

Activities of each office in territory:

- Issuing License agreements + Exhibits
- Collection report forms + invoicing + collection royalty
- Controlling visits
- Monitoring infringements

- **Additional Agents**

Territory: f.e. Slovenia/Croatia, Brazil, South Africa, South Korea, Taiwan,
Activities: - Control visits in Territory
 - Support for PVR applications

- **RAI Figures**

Staff	28
Breeders	250
Species	± 225
Licensees	2.500
Report forms/year	± 6.000
Visits per year	± 6.000
Discovered Infringements	many
Legal actions/year	few
PBR appl. per year	600 - 700

Representing ± 250 Breeders from all over the world and making ± 6,000 visits yearly for individual Breeders or joined campaigns.

Species

- Chrysanthemum (cut)
- Chrysanthemum (pot)
- Kalanchoë
- Hydrangea
- Bedding Plants
- Perennials
- Amaryllis
- Carnations
- Calluna (Heather)
- Cranberries
- Vegetables

Breeders

- Dekker, Deliflor, Floritec
- Syngenta, Gediflora, Joluplant,
- Jepsen, AB Breeding
- HBA, Santho
- Ball, Syngenta, Selecta, Suntory, InnovaPlant
- Blooms of Bressingham
- Van Nieuwkerk, Amaryl
- Hilverda Kooij, Selecta
- Kramer
- Rutgers Univ.
-

Main Services of R.A.I.

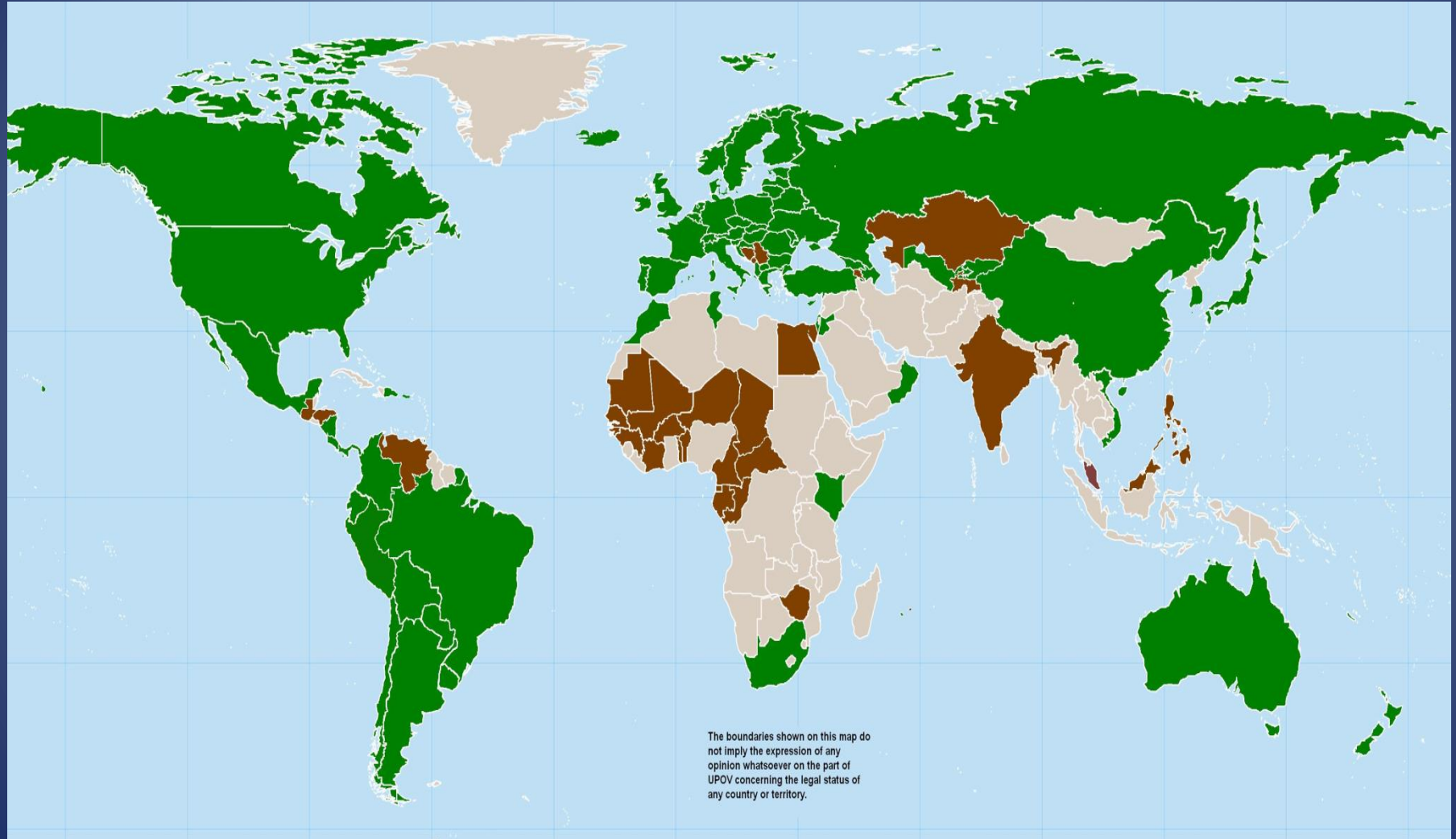
1. General info UPOV + Slovenia
2. Plant Variety Rights + Plant Patent applications
3. License agreements
4. Royalty collection
5. Controlling
6. Consultancy for Breeders
7. Support to the licensee and grower

1. General info + Slovenia

- UPOV = International Convention for the Protection of New Varieties of Plants
- The basis of the system for protection, licensing and royalty collection
- Started in 1961
- 2014 => 72 UPOV countries
- Slovenia:
 - Member of UPOV since July 29, 1999
 - Accepted the 1991 act (= the latest and strongest)
 - EU member since May 1, 2004
 - Same PBR + royalty conditions as other EU countries
 - Same licensing obligations and consequences

Members of UPOV (green)

Initiating States & organizations (brown)



MEMBERS OF THE INTERNATIONAL UNION FOR THE PROTECTION OF NEW VARIETIES OF PLANTS

International Convention for the Protection of New Varieties of Plants* UPOV Convention (1961), as revised at Geneva (1972, 1978 and 1991)

Status on July 8, 2011

State/Organization	Date on which State/Organization became member of UPOV	Number of contribution units	Latest Act ¹ of the Convention to which State/Organization is party and date on which State/Organization became party to that Act	
Albania	October 15, 2005	0.2	1991 Act.....	October 15, 2005
Argentina	December 25, 1994	0.5	1978 Act.....	December 25, 1994
Australia	March 1, 1989	1.0	1991 Act.....	January 20, 2000
Austria	July 14, 1994	0.75	1991 Act.....	July 1, 2004
Azerbaijan	December 9, 2004	0.2	1991 Act.....	December 9, 2004
Belarus.....	January 5, 2003	0.2	1991 Act.....	January 5, 2003
Belgium ²	December 5, 1976	1.5	1961/1972 Act.....	December 5, 1976
Bolivia (Plurinational State of)	May 21, 1999	0.2	1978 Act.....	May 21, 1999
Brazil	May 23, 1999	0.25	1978 Act.....	May 23, 1999
Bulgaria	April 24, 1998	0.2	1991 Act.....	April 24, 1998
Canada	March 4, 1991	1.0	1978 Act.....	March 4, 1991
Chile	January 5, 1996	0.2	1978 Act.....	January 5, 1996
China	April 23, 1999	0.5	1978 Act ³	April 23, 1999
Colombia	September 13, 1996	0.2	1978 Act.....	September 13, 1996
Costa Rica.....	January 12, 2009	0.2	1991 Act.....	January 12, 2009
Croatia	September 1, 2001	0.2	1991 Act.....	September 1, 2001
Czech Republic.....	January 1, 1993	0.5	1991 Act.....	November 24, 2002
Denmark ⁴	October 6, 1968	0.5	1991 Act.....	April 24, 1998
Dominican Republic.....	June 16, 2007	0.2	1991 Act.....	June 16, 2007

International Convention for the Protection of New Varieties of Plants*
UPOV Convention (1961), as revised at Geneva (1972, 1978 and 1991)

Status on June 10, 2014

State/Organization	Date on which State/Organization became member of UPOV	Number of contribution units	Latest Act ¹ of the Convention to which State/Organization is party and date on which State/Organization became party to that Act
African Intellectual Property			
Organization	July 10, 2014	0.2	1991 Act July 10, 2014
Albania	October 15, 2005	0.2	1991 Act October 15, 2005
Argentina	December 25, 1994	0.5	1978 Act December 25, 1994
Latvia	August 30, 2002	0.2	1991 Act August 30, 2002
Lithuania	December 10, 2003	0.2	1991 Act December 10, 2003
Mexico	August 9, 1997	0.75	1978 Act August 9, 1997
Morocco	October 8, 2006	0.2	1991 Act October 8, 2006
Netherlands	August 10, 1968	3.0	1991 Act ⁵ April 24, 1998
New Zealand	November 8, 1981	1.0	1978 Act November 8, 1981
Nicaragua	September 6, 2001	0.2	1978 Act September 6, 2001
Norway	September 13, 1993	1.0	1978 Act September 13, 1993
Oman	November 22, 2009	1.0	1991 Act November 22, 2009
Panama	May 23, 1999	0.2	1991 Act November 22, 2012
Paraguay	February 8, 1997	0.2	1978 Act February 8, 1997
Peru	August 8, 2011	0.2	1991 Act August 8, 2011
Poland	November 11, 1989	0.5	1991 Act August 15, 2003
Portugal	October 14, 1995	0.2	1978 Act October 14, 1995
Republic of Korea	January 7, 2002	1.5	1991 Act January 7, 2002
Republic of Moldova	October 28, 1998	0.2	1991 Act October 28, 1998
Romania	March 16, 2001	0.2	1991 Act March 16, 2001
Russian Federation	April 24, 1998	0.5	1991 Act April 24, 1998
Serbia	January 5, 2013	0.2	1991 Act January 5, 2013
Singapore	July 30, 2004	0.2	1991 Act July 30, 2004
Slovakia	January 1, 1993	0.5	1991 Act June 12, 2009
Slovenia	July 29, 1999	0.2	1991 Act July 29, 1999
South Africa	November 6, 1977	1.0	1978 Act November 8, 1981
Spain	May 18, 1980	2.0	1991 Act July 18, 2007
Sweden	December 17, 1971	1.5	1991 Act April 24, 1998
Switzerland	July 10, 1977	1.5	1991 Act September 1, 2008

2. Plant Breeders Rights applications

RAI does the Plant Breeders Rights (PBR) applications for several breeders

- 600 – 700 applications / year
- In 30 different countries
- RAI is the breeders representative for PBR issues
- Application administration - Pictures, Botanical descriptions, Technical Questionnaires, etc.
- Communication with authorities
- Maintaining granted rights by paying annual fees for about 5.500 titles
- Charging breeder a standard fee per application

3. License agreements

- Exclusive – non exclusive
- Specific strategy or clauses per:
specie, plant type, breeder, country, ...
- Specific restrictions per Licensee
- Exhibits per licensee

Agreements for:

- Testing
- Propagators
- Self-propagators
- Finished product growers
- Trading companies
- Non-Propagation

4. Royalty collection

- Royalty payment per plant, pot, m², etc.
- Licensee reports #'s to RAI
- Invoicing to licensees and non-licensees
- Collection of royalty (€/US\$/¥, etc)
- Pay out of royalties to Breeder
- Accounting report per variety, licensee, etc.

Control



5. Controlling

- On-site visits to licensees + non-licensees to check propagated quantities
- Checking for illegal production: Wholesale Markets, Auctions, Exhibitions and Trade Fairs, Garden Centers, Internet, Catalogues, Brochures, etc.
- Visits to companies where illegal production is expected
- Solve the infringement during the visit, or
- Assist in case of Account controls, Confiscation, Legal Inspection, Court Cases, Mediation, etc.

RAI Europe:

- **30 years** experience in Ornamentals
- 5 controlling persons active in EU:
 - living in NL, Germany, Italy, Poland, Slovenia
- Speak their languages + live close to the main production areas
- Several controlling trips/year
- Authorised by breeder:
 - to control on propagation in the market
 - to collect the propagation reports
 - to invoice and collect the royalty
 - distribute the royalty to the breeder
 - to solve infringements
- Aiming for a good cooperation between breeder - grower
- Without cooperation we are forced to use legal actions, official inspections, confiscations, destructions, etc.
(See also RAI website: www.rai-worldwide.com)



Consequences for infringers



- Options are:
- Full royalty payment of underreported amounts
- Double royalty + penalty
- Destroying of all illegal mother plants + production
- Compensation of all infringement costs; juridical, lawyer, identification research, agent, etc.
- Restricting license agreement (variety, limits, territory) or immediate termination of license agreement
- Contractual penalty (Max. €50.000,-- per infringement)
- Publication of infringement in magazines
- In case of seizure no delivery of product
- Image damage of infringer
- In some countries be sent to prison

6. Consultancy for Breeders

- Breeder's strategies for PBR's and Plant Patents
- Testing partners
- Possible licensing systems
- Royalty level
- New licensees
- Consultation with legal firms around the world.

7. Support to the licensee and grower

- Information about license conditions and possibilities
- Answering questions and give explanations
- Supporting them to be compliant to the license
- Honest competition between market players

Authorized Propagation

Types of propagation contracts / license agreements:

1. License for propagation and selling of cuttings

- Breeder decides who gets a license and under which conditions
- Large quantity mother plants produces millions of cuttings/year
- Several production locations in other continents
- Several crops, several breeders and many varieties
- F.e. – Selecta, Florensis, Padana, Psenner, Cohen, etc.
- Many breeders work with RAI as their licensing agent

2. License for Self propagation - propagation of cuttings for own use only

- Breeder decides who gets a license and under which conditions
- Propagation with motherplants on location
- License + exhibit needs to be signed before the season starts
- Reporting of propagated amount on time
- Royalty payment on time
- No cutting sales allowed !!
- Several breeders work with RAI as their licensing agent

3. Secondary propagation by the grower:

- Grower buys yearly new cuttings and takes tip-cuttings to multiply for end product use;
 - like Pelargonium, bed & bedding plants, Multiflora, ...
 - no motherplants
 - also requires yearly an upfront signed license !!!
- Propagation without a license is not allowed !!**
- RAI controls for several breeders by visiting growers checking delivered amount of cuttings with ⇔ the amount of cuttings used by the grower
- Grower reports the number of propagated cuttings to RAI
- RAI invoices and collects the royalty for the breeder(s)
- RAI pay out to breeder(s) + propagation information
- Royalty charge, penalty, etc. = different per crop and/or breeder.



the International Organisation for the Ornamental Plants Industry

Parallel Boulevard 214d
2202 HT NOORDWIJK

T. +31 (0) 71 3649101
F. +31 (0) 71 3649102

info@fleuroselect.com
www.fleuroselect.com

V vednost

Policing13/14_let1401

Noordwijk, 21. februar 2014

Boj proti nezakonitemu razmnoževanju potaknjencev

Spoštovani,

Predstavnik Royalty Administration International, ki se mudi na obisku Vaših prostorov in Vam prinaša to pismo, zastopa spodaj navedene člane Fleuroselecta. Ti člani (podjetja) so preko Fleuroselecta pooblastili Royalty Administration International za izvrševanje nadzora nad razmnoževanjem sort, ki so zaščitene z uradnimi pravicami žlahtniteljev rastlin. Zakonito razmnoževanje je možno le z dovoljenjem družbe, ki je lastnik pravic za te sorte.

Fleuroselect Vas obvešča, da so dogovorjene kazni za nezakonito razmnoževanje zakonito zavarovanih sort za sezono 2012/13 naslednje:

Prvo kaznivo dejanje: licenčnina + denarna kazen 0,10€ na potaknjene

Drugo kaznivo dejanje: licenčnina + denarna kazen 0,20€ na potaknjene

Fleuroselect se Vam v imenu svojih članov zahvaljuje za sodelovanje.

S spoštovanjem,
Fleuroselect

Nils Klemm

Henk Dresselhuys

Predsednik Fleuroselecta

Direktor Enot za zaščito

Člani Fleuroselecta, ki podpirajo akcijo izvrševanja nadzora:

Beekenkamp
Dalina
Fides
Florensis
HilverdaKooij
Moerheim
PLA
Sakata
Selecta Klemm
Sunny
Syngenta Flowers
Syngenta FloriPro Services
Volmary

Account no.: 66.38.11.937
Bank: ING Bank, Katwijk ZH, NL
IBAN no.: NL71 INGB 0663 8119 37
BIC code: INGBNL2A
V.A.T.: NL 008841743B01
Chamber of Commerce: 40409594

Situation for Slovenia - 1

RAI controls since 2004 for secondary propagation:

- Pelargonium, Beddingplants/Fleuroselect, Chrys-Multiflora
- Yearly visiting growers during Spring and Summer

1. Propagation is only allowed **with** a signed license agreement:

- Pelargonium - Propagation declaration + report form
 - 1 x royalty
- RAI
 - works for 8 individual breeders.
 - visits licensees to check the propagated amount
 - collects reports + sends royalty invoices
 - collects €
 - reporting + pay out to breeder

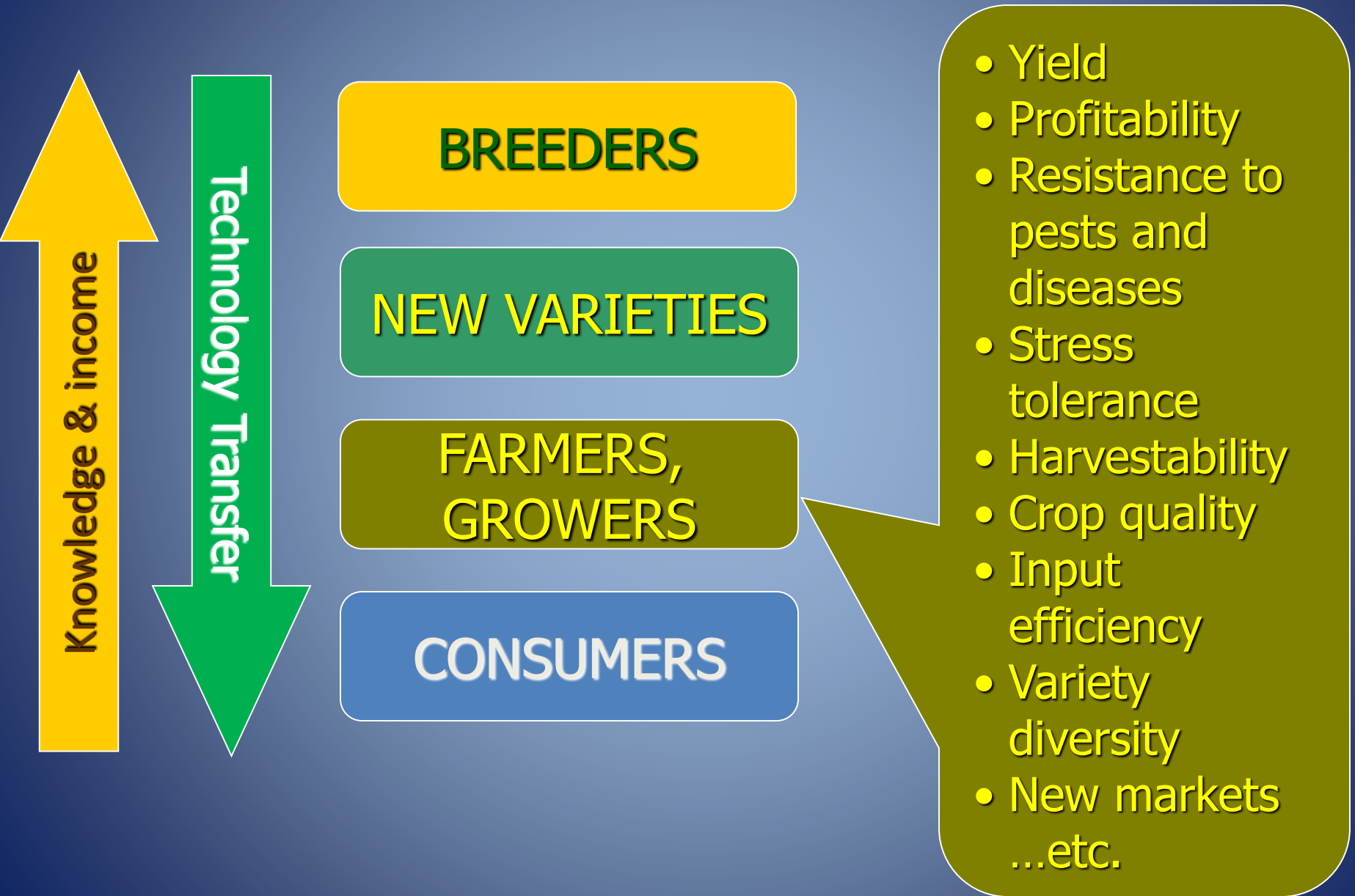
Situation for Slovenia - 2

2. Propagation **without** a license ==> **Is not allowed**

Controlling on secondary/illegal propagation

- Bedding plants
 - RAI
 - Authorized by Fleuroselect => for several breeders
 - Controlling + collection
 - Propagated amount => 1 x royalty + € 0,10 penalty
 - Reports + pays to Fleuroselect => individual breeder
- Chrysanthemums - Multiflora
 - RAI
 - Authorized by several chrysanthemum breeders
 - Controlling + collection
 - Propagated amount - 2 x royalty
 - Reports + pays to individual breeder
- Non-cooperative growers =>
 - Report to the breeders
 - Possible destroying propagated plantmaterial
 - Legal actions

Importance of Plant Breeding



Breeders < == > Growers

- Plant breeding takes time and is expensive
- Growers benefit from this R & D
- Fair to collect royalty on the use of the varieties
- Breeders and growers need to cooperate to create a good market for all parties

Thank you for the attention.



Worldwide watching your rights

www.rai-worldwide.com