



ILP Vegetable

(International Licensing Platform Vegetable)

Presentation by Rob Keene, Enza Zaden



New global business association

Launched November 2014

To improve global access to and the use of plant breeding (normal) traits for vegetables

Discussion on patents on plant breeding traits...

for

Foster innovation, knowledge sharing and continued investment in R&D

against

Unnecessary due to IP protection (PBR), impede the work of breeders by preventing access to genetic materials, or after a delay and at high cost



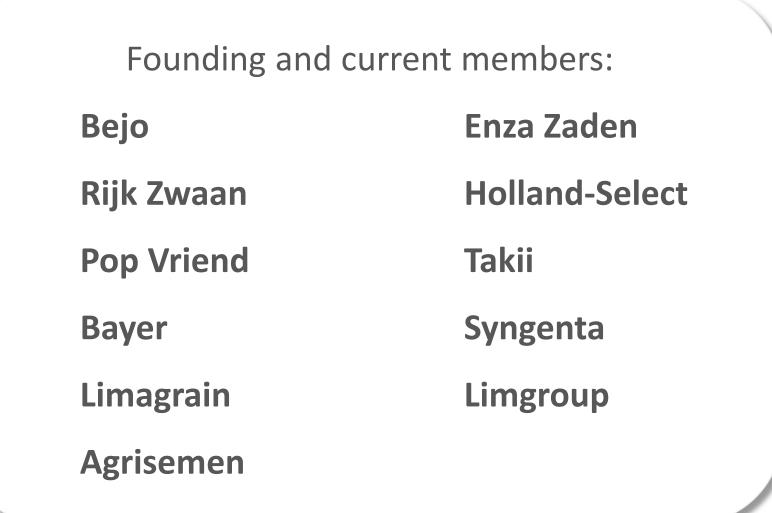


Highly relevant for breeding companies

developing new plant varieties and hence laying

the foundation for the world's future food supply







The aim is to provide plant breeders around the world with faster, more efficient and cost effective guaranteed access to crucial plant breeding (normal) traits that are currently covered by patent claims by *ILP Vegetable* members.



The *ILP Vegetable* provides a straightforward, easy way for vegetable breeders to license the traits they need

At a fair and reasonable cost

So they can bring new products to the market to meet the challenging new demands from growers and consumers alike



Under the agreement, the *ILP Vegetable* members will make all of their patents related to vegetable breeding (normal) traits accessible to their fellow members under the conditions of the *ILP Vegetable* agreement

The *ILP Vegetable* licensing system is a simple system and is transparent for all parties:

- An *ILP Vegetable* member wishing to take a license from a fellow member enters into negotiation
- If no agreement is reached after 3 month, an independent arbitrator is put on the case

ENZA ZADEN



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The innovative aspect of the system is the method of arbitration

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It uses the so-called

baseball arbitration model

'Each party shall submit to the arbitrator and exchange with the other, in accordance with a procedure to be established by the arbitrator, its best offer. The arbitrator shall be limited to awarding only one or the other of the two positions submitted...'



Arbitration is in the hands of an **Expert Committee** comprising 7 members including a chairman. The present **Expert Committee** is made up of 2 experts from the USA, 1 from the UK, 1 from Germany and 2 from The Netherlands, none of whom have any links with vegetable breeding



The **baseball arbitration** system forces both parties to adopt reasonable positions from the outset, any unreasonable position will by definition be rejected in favour of a more reasonable competing proposal

Once a license fee has been set by the arbitrators, the fee is communicated to all *ILP Vegetable* parties thus ensuring full transparency.

A condition of the agreement is the agreed license fee is also applicable to all other *ILP Vegetable* members (*Most Favored Nation (MFN) clause*)

Membership is open to <u>all</u> interested parties regardless of whether they own patents or not. For further information, interested parties should contact:

Mr. Chris van Winden, Managing Director (managing.director@ILP-vegetable.org)

