

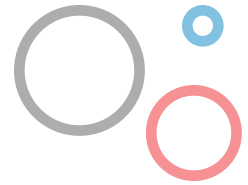
# SEED ROYALTIES: SEEING VALUE IN AN SVUA GERMINATION

SEPTEMBER 2019

Dear reader,  
Arrived in France. Met with  
members of the French seed  
association. They once had 6  
seed associations here, just  
like in Canada. Great to  
learn about how they merged  
into a single organization like  
we're trying to do with  
Seed Synergy. Hope you  
enjoy this issue!

—The Editor





# HOW THE FRENCH SEED INDUSTRY CAME TOGETHER

A decade ago, the French seed sector brought its six separate industry associations under one umbrella. The story has striking similarities to what is happening in Canada with the Seed Synergy project.

Marc Zienkiewicz



**ERIC DEVRON**

Director-General, SICASOV

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**RACHEL BLUMEL**

Director-General, UFS

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**LATER THIS YEAR,** France's seed association — known as UFS (Union Française des Semenciers) — will mark 10 years in existence. UFS was created when France brought its six separate seed associations together under one umbrella.

As Canada works to bring its own industry associations under a single umbrella (a project known as the Seed Synergy Collaboration Project), *Germination* spoke to two experts on the formation of UFS and lessons learned during its formation.

**Germination:** Why was UFS formed?

**Rachel Blumel (RB):** You must find common ground to be successful. Merging our industry offers us more opportunity to be understood by stakeholders and government.

**Eric Devron (ED):** We felt the need to speak with one voice and be listened to at the EU and international levels.

**Germination:** When UFS was formed, had the French seed industry tried this before or was it the first attempt?

**ED:** There were some initiatives 10 to 15 years before the creation of UFS, but they collapsed, and we didn't want to repeat that. It took two years to create UFS from the time discussions began to when it was formed — we were not in a hurry to do it. It was necessary to discuss and explain the ultimate goal of the process to our diverse stakeholders — there were about 150 French companies involved.

**Germination:** What were some challenges you faced?

**ED:** We had to effectively communicate what the benefit would be in having a single French seed association. We didn't expect people to be automatically convinced — we gave them time to think about it and to come around. There were people and companies frightened by the fact that everyone would be coming together. We took the time to talk to all of them and get them to see they had more in common than they had differences.

**Germination:** Looking back, does anything stand out that you feel really helped the process along?

**RB:** You need a good leader to manage the project. If they don't earn the trust of the stakeholders — or if the working group itself is not composed of people who trust one another — it doesn't work. You have to make clear to everyone that it's not about power. When you bring your industry together, no one is gaining or losing any power or influence. It's about making the whole industry more effective, and essentially giving everyone an equal voice.

**ED:** We were very careful in establishing the working group which oversaw the process. We chose people from different kinds of seed companies, all over the spectrum. We were very careful in doing this, as it was a sensitive matter. We hired a consultant and paid attention to choose the right one — that was important. Whenever we started questioning ourselves, the consultant helped get the process back on track and keep everyone focused. On a few occasions the consultant really helped the process stay above water and avoid collapse. But let's say that the strong will of the industry to benefit from a unified corporate home was the main fuel. ■

## A SNAPSHOT OF UFS

France's seed association — UFS (Union Française des Semenciers) — was founded in March 2009 and deals with seed industry and plant breeding promotion in France and worldwide. UFS gathers 135 French seed companies involved in plant breeding, seed production and seed marketing.

UFS gathers the companies that were previously members of six individual associations:

- AFSA (cereals & pulses)
- FFSFG (forage plants & turfgrass)
- FNPSF (vegetables & ornamentals)
- OLEOSEM (oilseeds)
- SEPROMA (maize)
- SPFG (sugar beets & chicory seeds)

UFS has been a member of the International Seed Federation and Euroseeds since 2009, as the former French federations used to be. It takes part in both boards and participates in the main committees and working groups.



# HOW FRENCH PLANT BREEDERS PROTECT THEMSELVES

For decades, France has had a seed royalty system for funding plant breeding innovation and creating value in the cereals sector which it continues to build on. As we work to create a value creation system of our own in Canada, *Germination* recently asked French officials the Who, What, Where, Why and How in regard to their own seed royalty system. Marc Zienkiewicz

## WHO

SICASOV is a cooperative of breeders who create plant varieties. The co-op's main mission is to manage the intellectual property rights entrusted to it. SICASOV is mandated to:

- Grant licences to collect royalties.
- Protect and defend rights holders.
- Ensure compliance with contracts and monitor licensee declarations.
- Provide legal monitoring and advice to its users.
- Raise awareness of research, varietal improvement, and intellectual property issues.



## WHY

The French seed levy system (as applies to certified seed) was created 50 years ago to ensure breeders received a return on their investments. The farm-saved seed levy is a newer creation (about 15 years old) implemented due to a decrease in certified seed use. As long as certified seed use in France remains relatively high (it currently sits at around 50% to 60%) the system works well and is viable. Cereal farmers understood from a very early stage their own interest in the system and its benefits, according to SICASOV director-general Eric Devron.

## WHAT

In France — just as in Canada — the creation of a cereal variety is a long and costly process. A return on investment is essential to ensure the sustainability of research. For this purpose, SICASOV protects breeders' rights through license agreements, which generate a remuneration in the form of royalties. The system applies to both farmers who use certified seed and those who divert grain to use as seed (commonly referred to as farm-saved seed).

## WHERE

SICASOV services are available to French and foreign breeders in all territories where their varieties are

protected. SICASOV manages most protected plant varieties — field crops, horticultural, fruit, forest, vegetable and floral species.

The system is split into two royalty/revenue streams:

- Certified seed royalty: A royalty of 80 Euros per tonne is applied to the purchase of certified seed.
- Farm-saved seed royalty: Farmers who do not use certified seed pay a royalty of 90 cents per tonne of grain delivered to the elevator. To ensure farmers do not pay twice when they use certified seeds, 5 Euros per ton of seeds is sent back to them at the end of the day (this ensures there is no "double-dipping").

## HOW

After verifying the licensee declarations, SICASOV invoices and collects the royalties due. They are then redistributed to the rights holders according to strict procedures. SICASOV provides users with a large amount of data necessary for the traceability and analysis of their activities. ■

WHERE  
ON THE  
WEB

For more info visit [sicasov.com](http://sicasov.com)