

# PVP system with branding strategy for strengthening production

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# 1. Agricultural and Food Industry in Japan



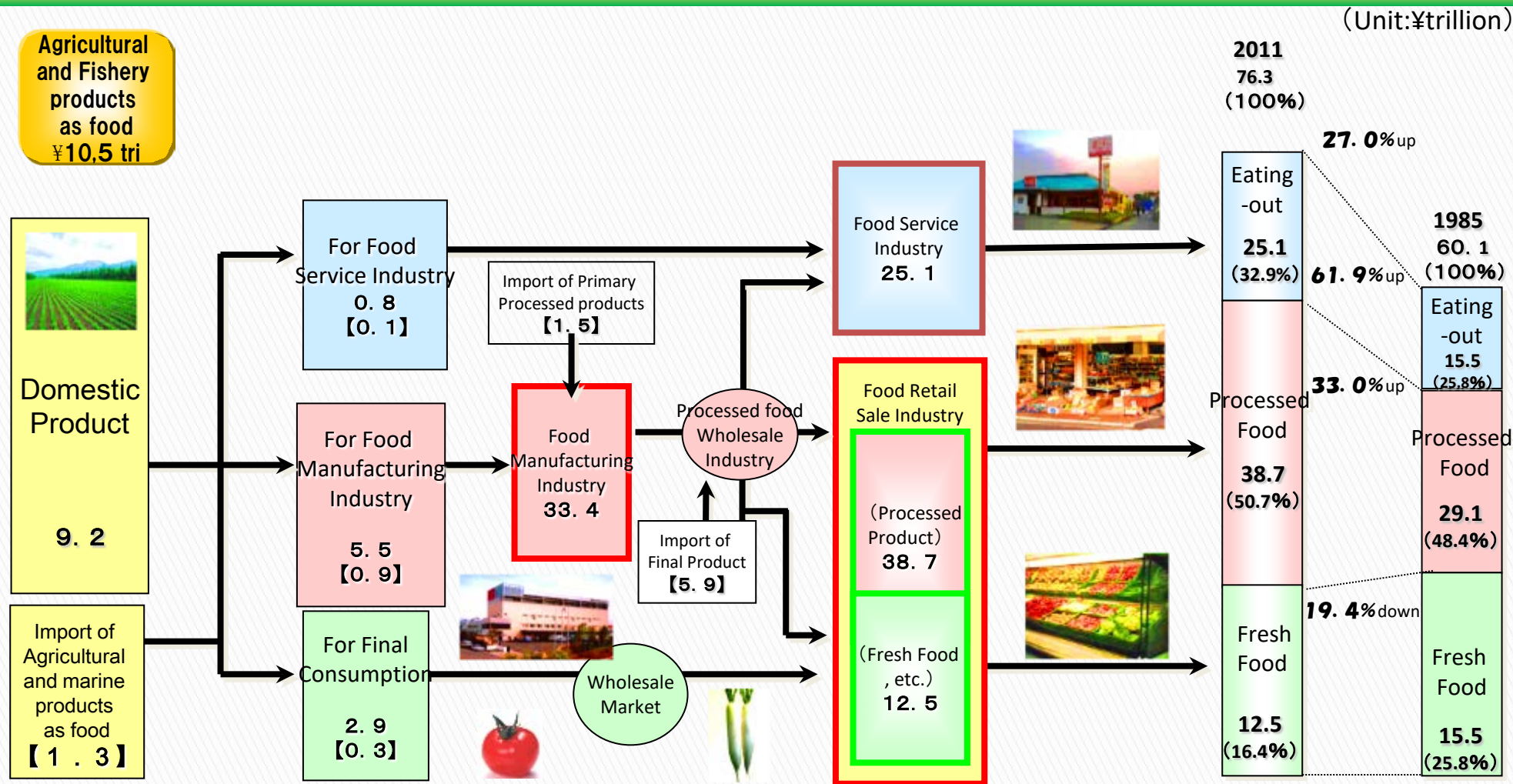
# Agriculture and Food industry in Japan

Main data of Agriculture, Forestry, Fisheries (AFF) and Food industry (2015)

	Items		Remarks
Production output	Gross Output (total)	1 001.58	¥trillion
	AFF & food industry	111.85	Share 11.2%
	Food related industry	95.43	Share 9.5%
	AFF production	12.20	Share 1.2%
	rice	1.50	
	vegetable	2.39	
	livestock	2.94	
Self-sufficiency rate	Food (calorie supply)	39	%
	Food (production value)	66	%
	Foliage	28	%
Trade	Import	8.55	¥trillion
	Export	0.75	¥trillion



# Agricultural products and food flow, and role of food industry



(source) MAFF estimates using "2011 Input-Output Tables" by MIAC, etc.

\*1: [ ] - Imported value

\*2: Milled grains, meats and chilled fish are classified as Final Consumption due to low processing.

\*3: Meal at hotels and hospitals are not classified as Eating-Out, but a part of which are classified as Fresh Food or Processed Food respectively, using only expense of food stuffs.

# Establishing the Food Value Chain (FVC)

## Connect the created value

### Production



### Manufacturing & Processing



### Distribution



### Consumption



Value

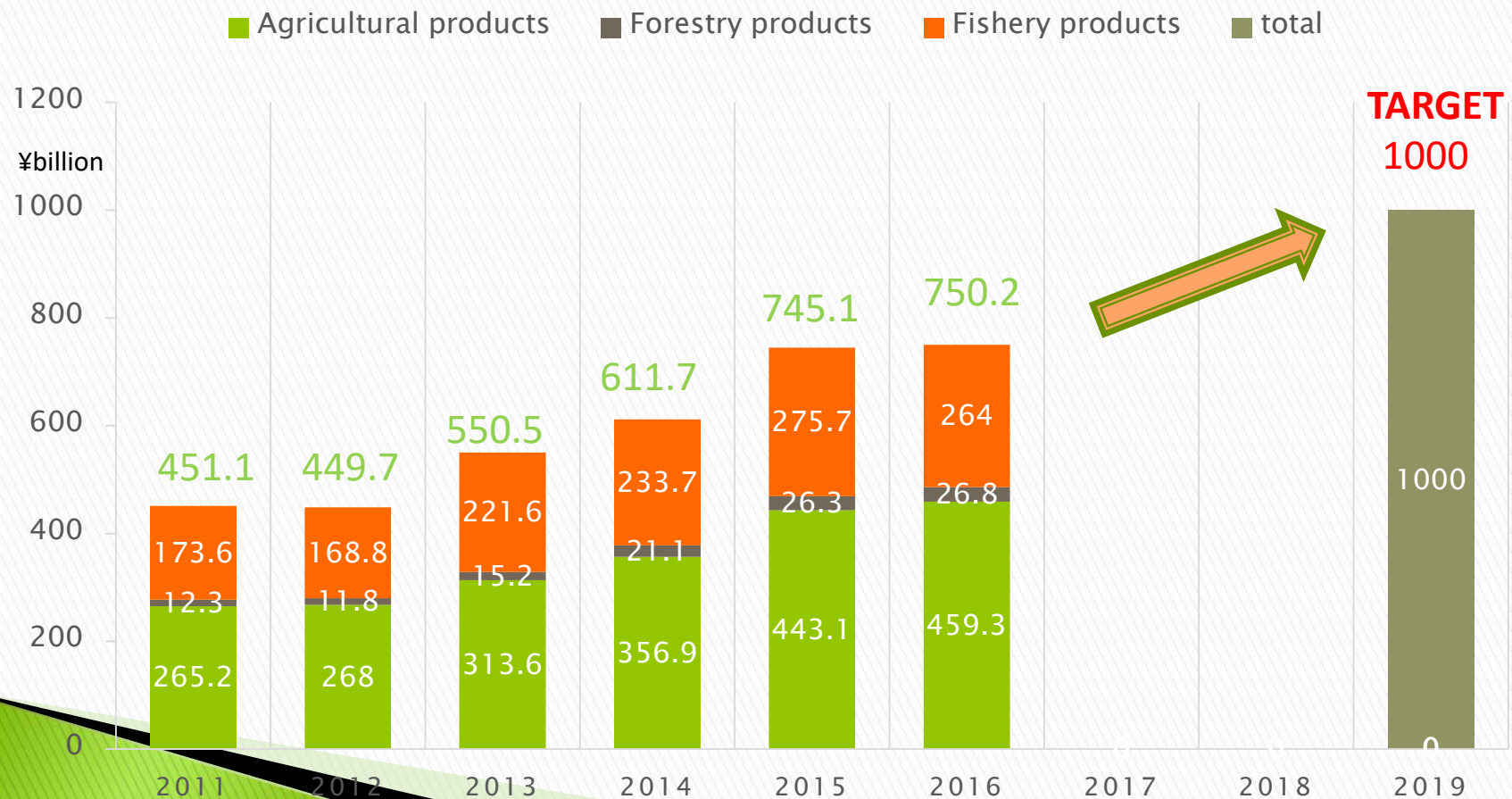
- Seeds and farming machines
- Agricultural infrastructure
- Chemical inputs

- Food manufacturing facilities

- Cold chains
- Cold distribution centers
- Wholesale
- Supermarkets, department stores

- Restaurants

# Expansion target of the export value of AFF and Foods

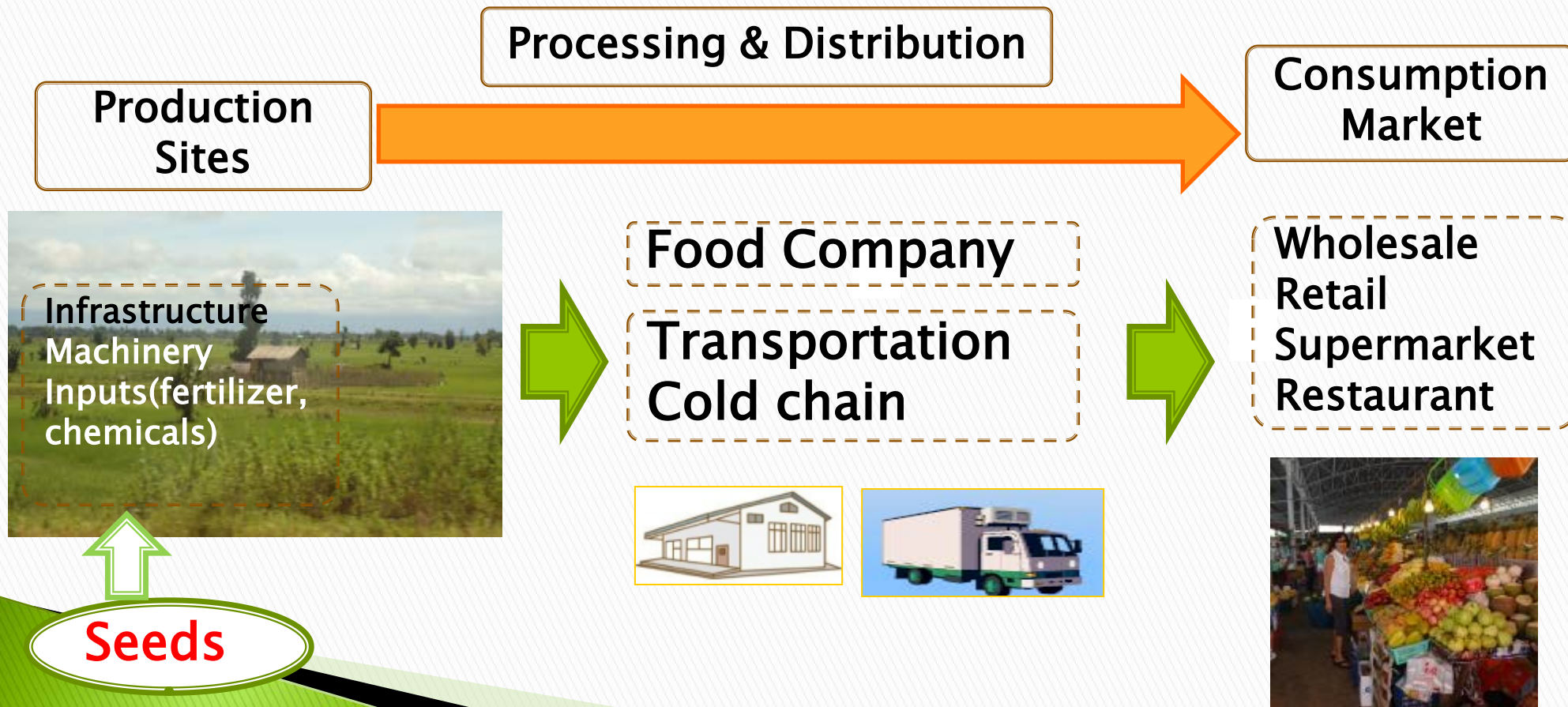


## 2. Seed industry in Japan



# Seeds in the Food Value Chain

Seeds are at the upstream of the Food Value Chain.  
High quality seeds are essential to start expected production.  
Without qualified seeds, effective and efficient food value chain cannot be implemented.





# Registered new variety and Seeds industry

## 1. Application and registration (last three fiscal years)

application: 941(2015), 979(2014), 1027(2013)

registration: 891(2015), 890(2014), 830(2013)

## 2. Seed industry

Japan Seed Trade Association(JASTA) has more than 1000 members include retail stores.

- two big companies, Sakata seed corporation, Takii & company
- about 60 breeding companies
- about 10 companies have overseas branches
- Trade of seed and seedling in 2015
  - Export: 37.9 billion yen (360 million US\$)
  - Import: 15.5 billion yen (150 million US\$)

# 3. Plant variety Protection



# History of PVP System in Japan

## The UPOV Convention

**1961 Adopted**

(Entry into force in 1968)

**1972 Amendment**

**1978 Amendment**

(Entry into force in 1981)

**1991 Amendment**

(Entry into force in 1998)



## JAPAN

**1978 “Plant Variety Protection and Seed Act”**

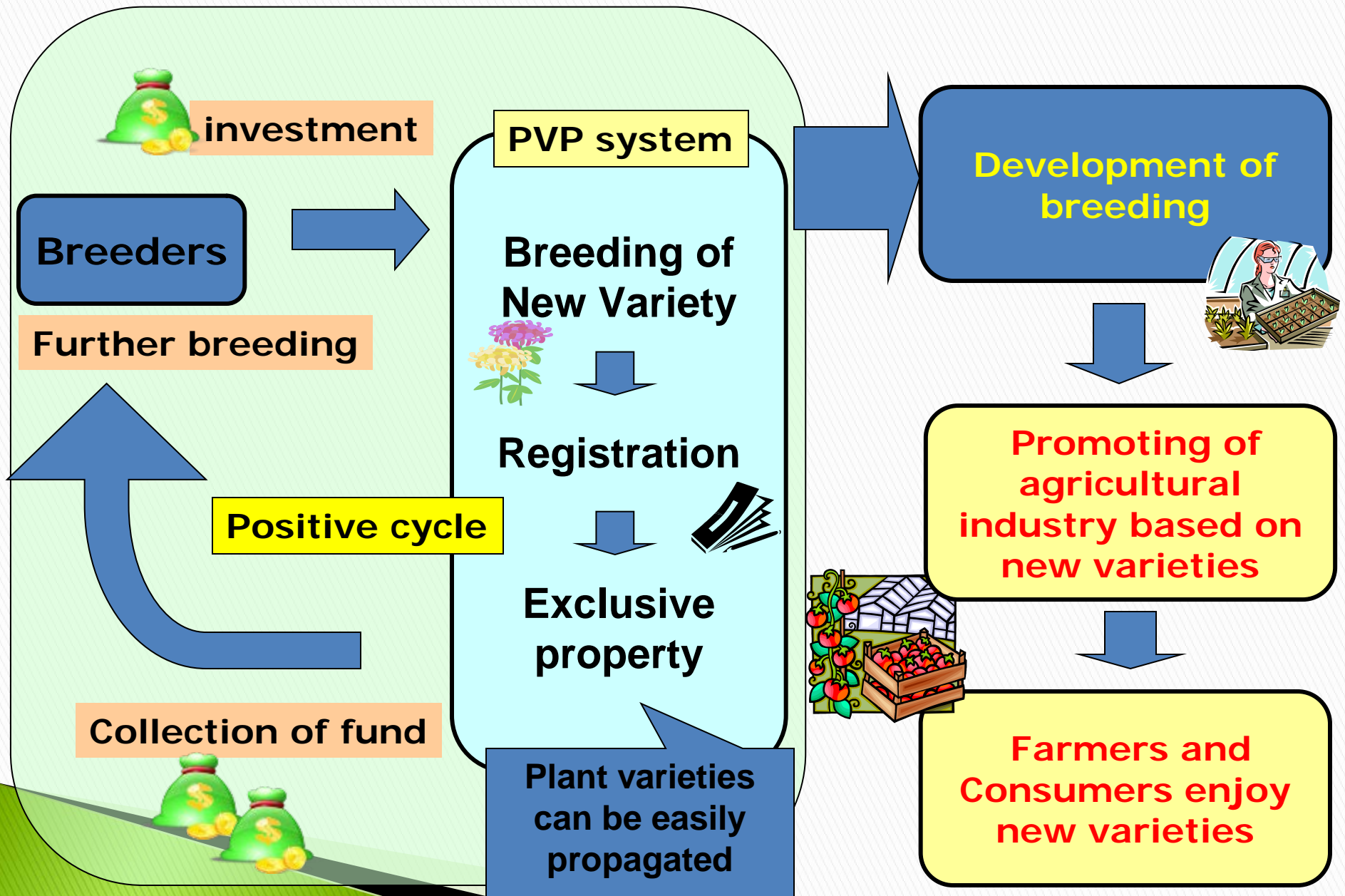
**1982 Accession to the 1978 UPOV Convention**

**1998 Full-Amendment on “Plant Variety Protection and Seed Act”**

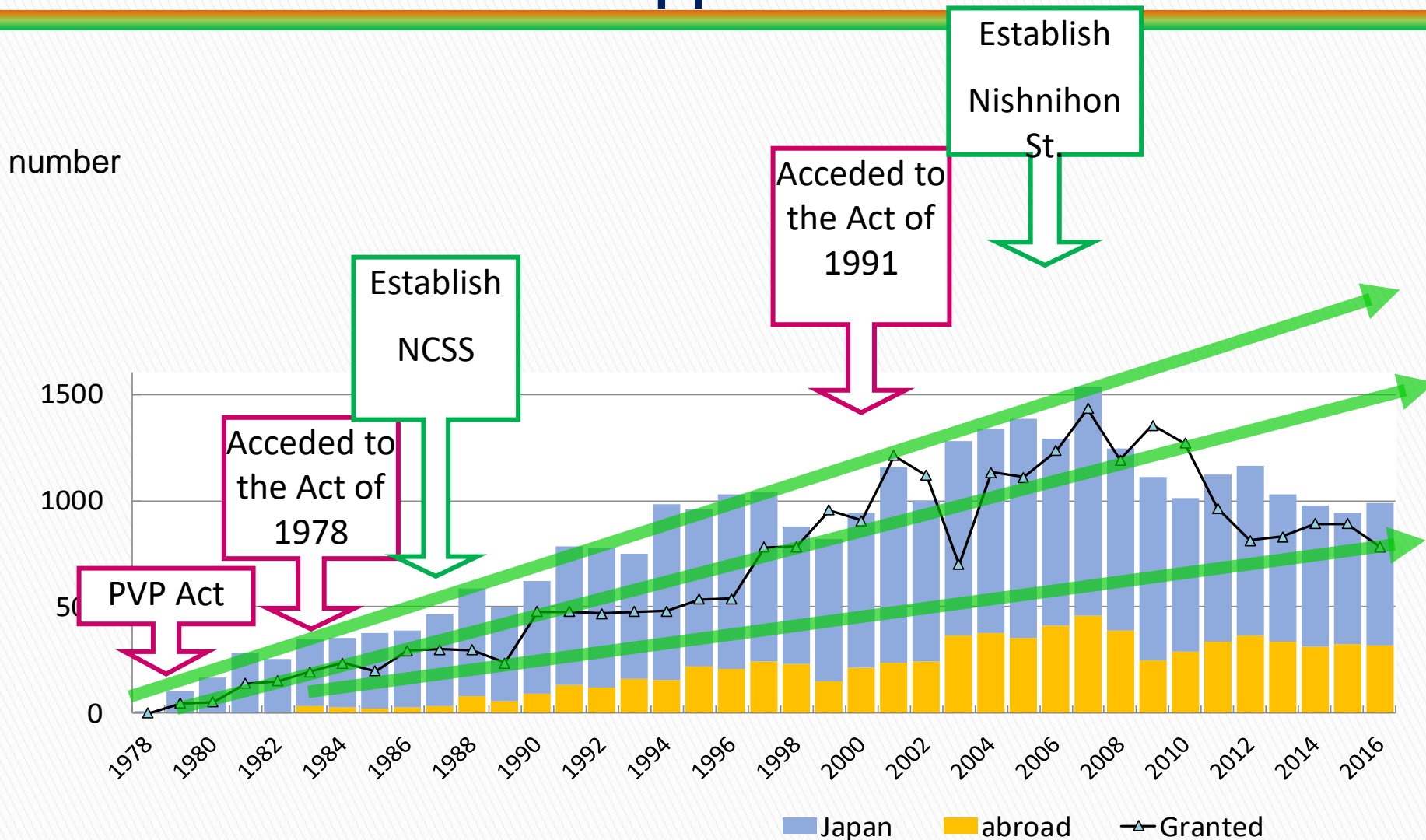
**Authorization of “Breeder’s right”**

**Accession to the 1991 UPOV Convention**

# Significance of PVP System



# Trend of Applications



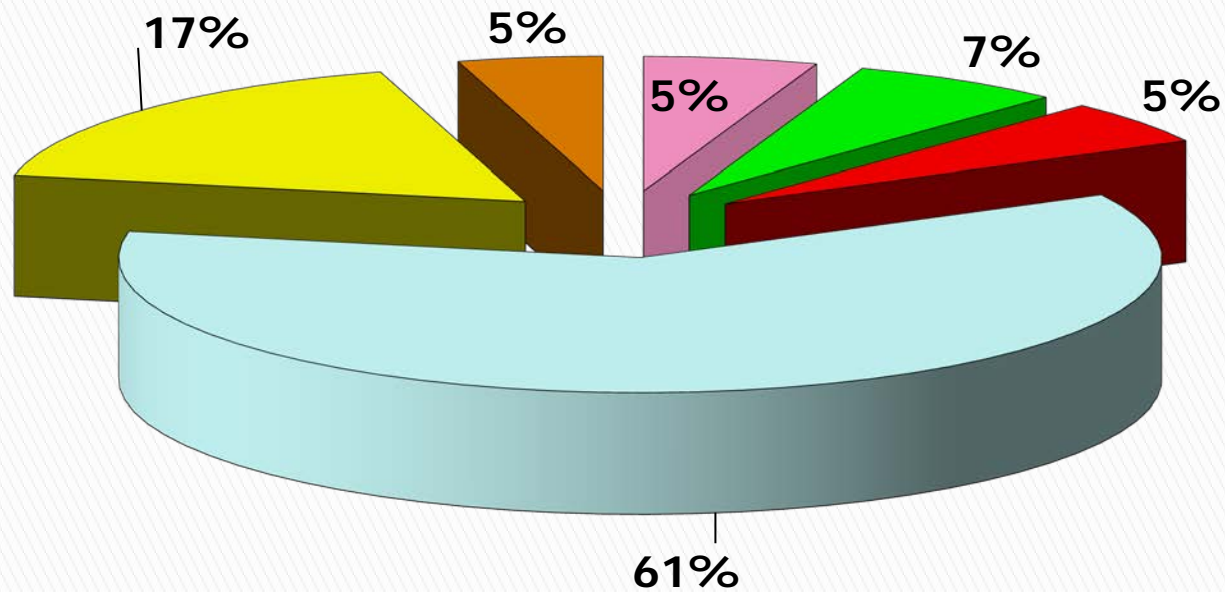
(2015FY)

Application(Total) : 941 (100%)

// (from abroad): 372(40%)

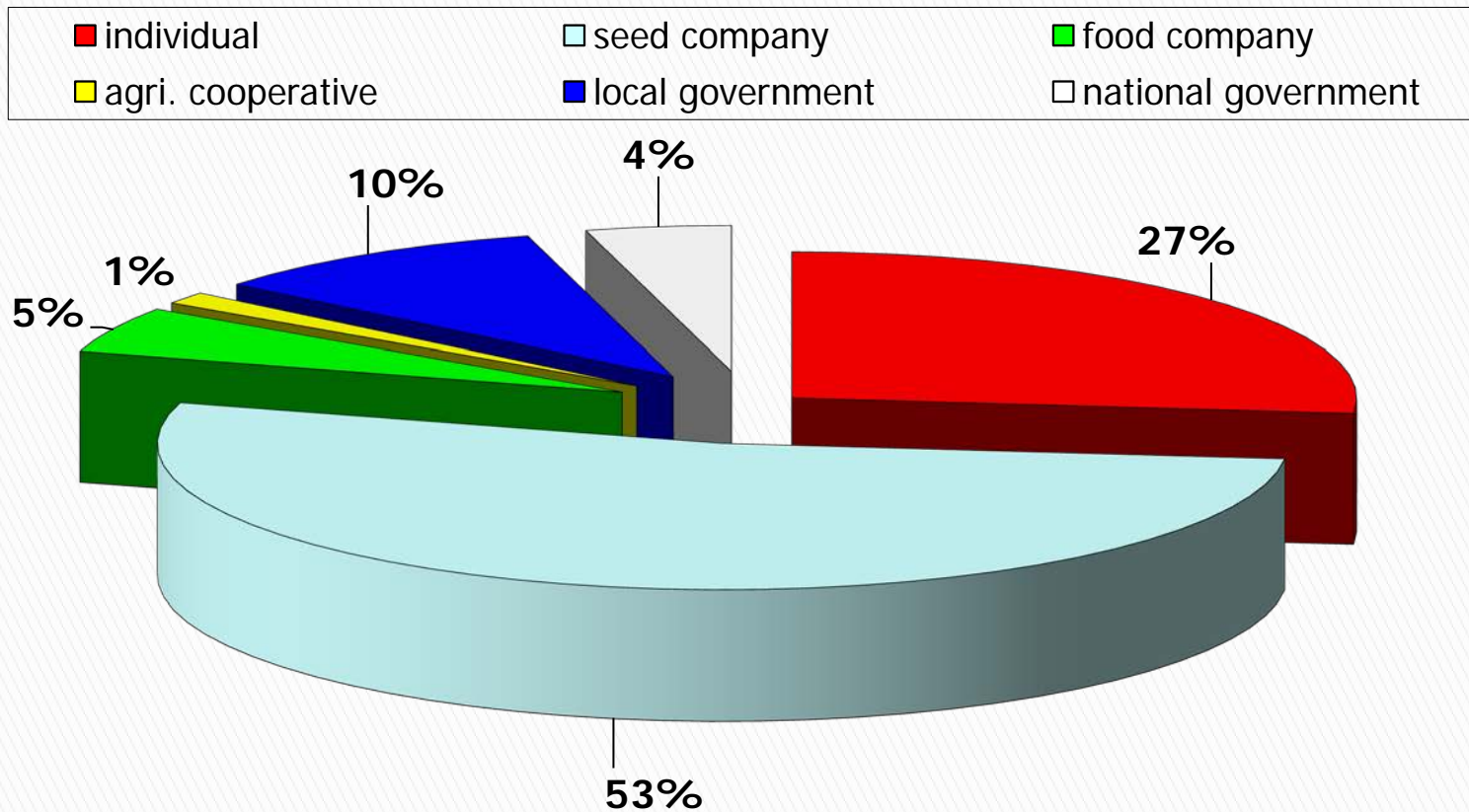
# Granted PBRs by Crop

Total Number: 25,166 (~Mar. 31, 2016)



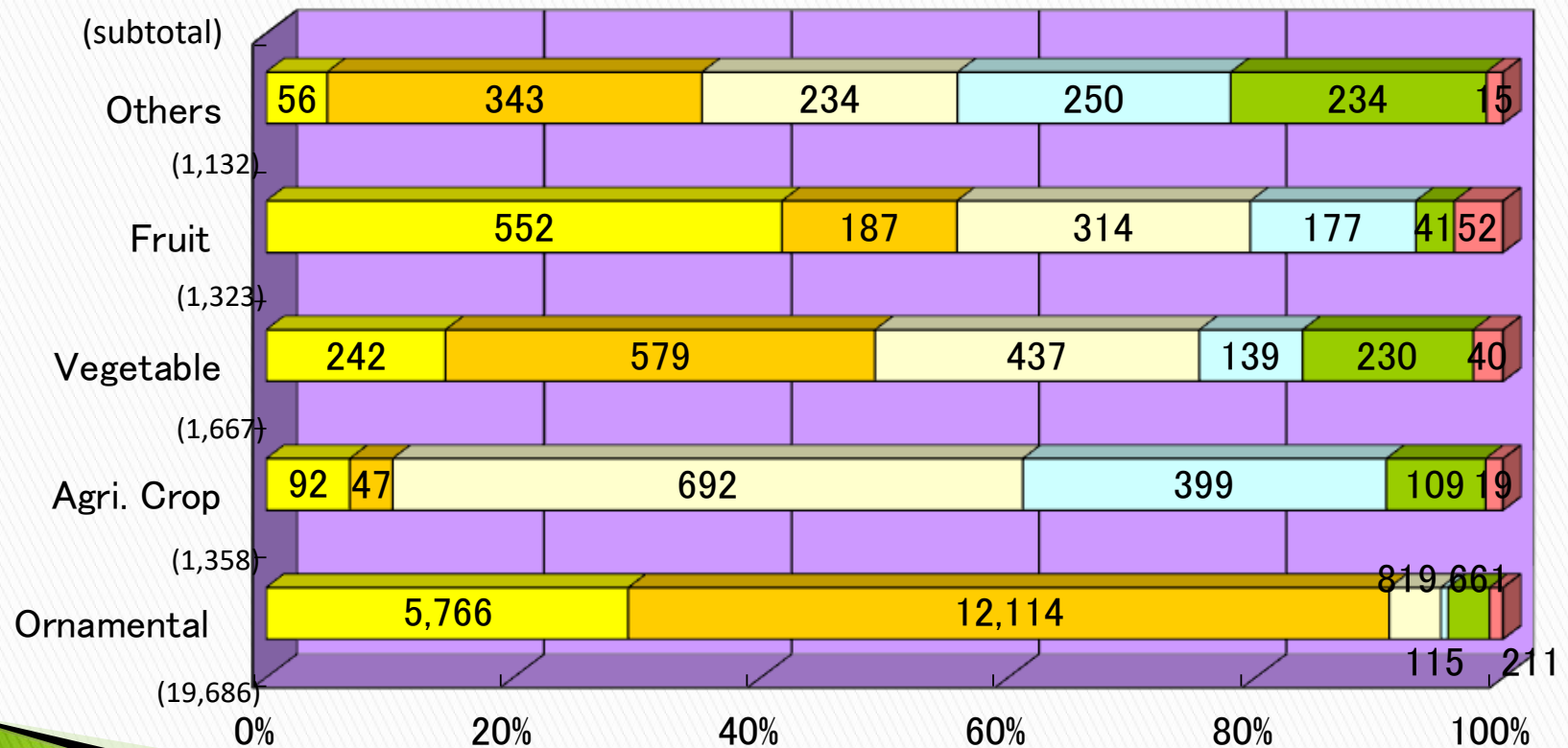
# Granted PBRs by Type of Breeder

Total Number: 25,166 (~Mar. 31, 2016)



# Granted PBRs by Crop and Type of Breeder

Total Number: 25,166 (~Mar. 31, 2016)





# 4. Promoting a new variety with comprehensive strategy



# Promotion of high quality rice as a new brand

つや姫 : TSUYAHIME: New rice variety granted in 2011

Under the comprehensive branding strategy organized by Yamagata Prefecture

- ◆ Securing high quality
  - Limited farmers, cultivation area and methods, severe standard for shipping
- ◆ Advertising strategy
  - Nationwide TV promotion film, Newspaper AD, Registered trademark of package design
- ◆ Sales promotion
  - Top sales by the Governor, PR by “Tsuyahime lady” at events, tasting events

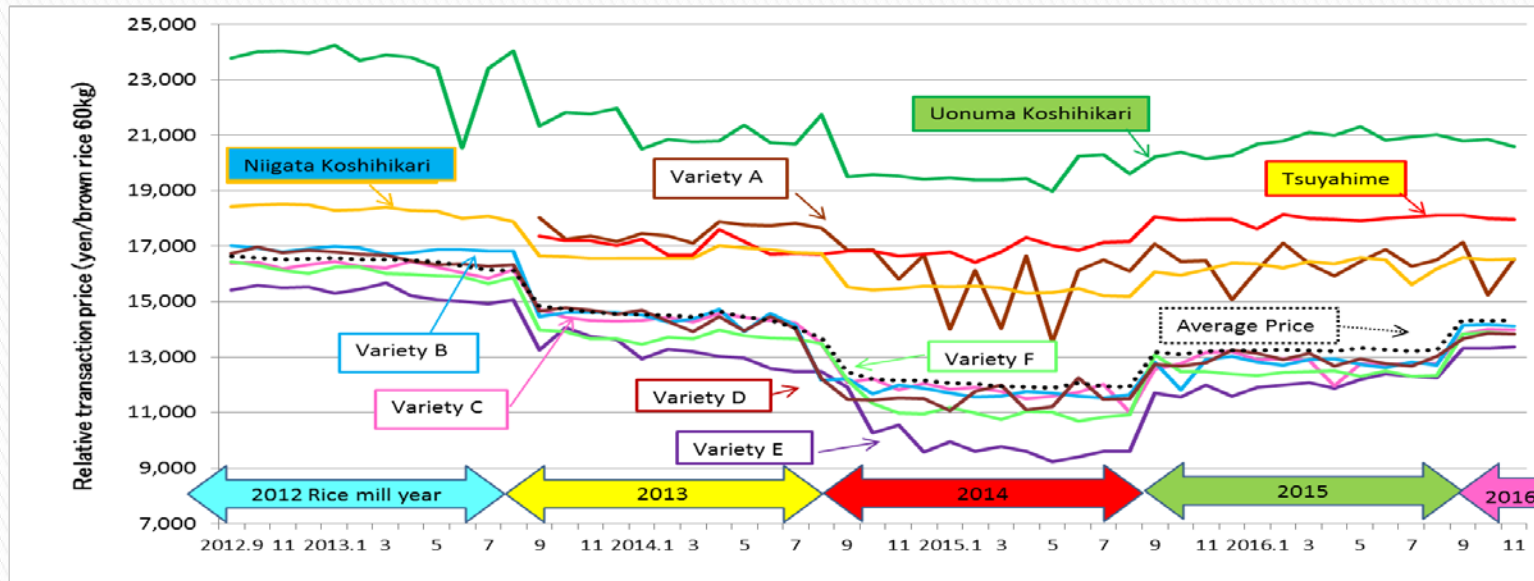
High appreciation from market and consumers

Expansion of Production



# Result of the promotion

- Secure price position equal to or better than Niigata Koshihikari



- Cultivation area and distribution volume increase about 3 times

cultivation area 2,500ha(2010) → 8,807ha(2016)

growers 2,520 unit(2010) → 5,320unit(2016)

distribution inspection amount

12,267t(2010) → 35,949t(2016)

- However, nationwide awareness is still on progress  
Production share 0.8% (Koshihikari 36.1%)

# Result of the promotion

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## Lesson learned from the promotion

- In order to establish a price position and raise awareness until it is nominated from consumers, it is necessary that Prefecture continues to undertake branding.

# Infringement proceedings

- In Apr. 2012, an official of Yamagata prefecture found that seeds of Tsuyahime had been sold through a webpage of an individual. The finder informed Yamagata Prefectural Police Department (YPPD) of the fact.
- After investigation, it became obvious that the suspect had germinated commercially-available brown rice of Tsuyahime and harvested its rice seeds, and sold them to three persons through the webpage from Nov. 2011 to Feb. 2012.
- In July 2012, YPPD arrested the suspect on suspicion of violating the PVP and Seed Act.
- In Oct. 2012, the Yamagata District Court gave a sentence of one and half years' imprisonment with a three years' stay of execution, and a fine of 500,000 yen (the prosecution's demands: one and half years' imprisonment and a fine of 500,000 yen)

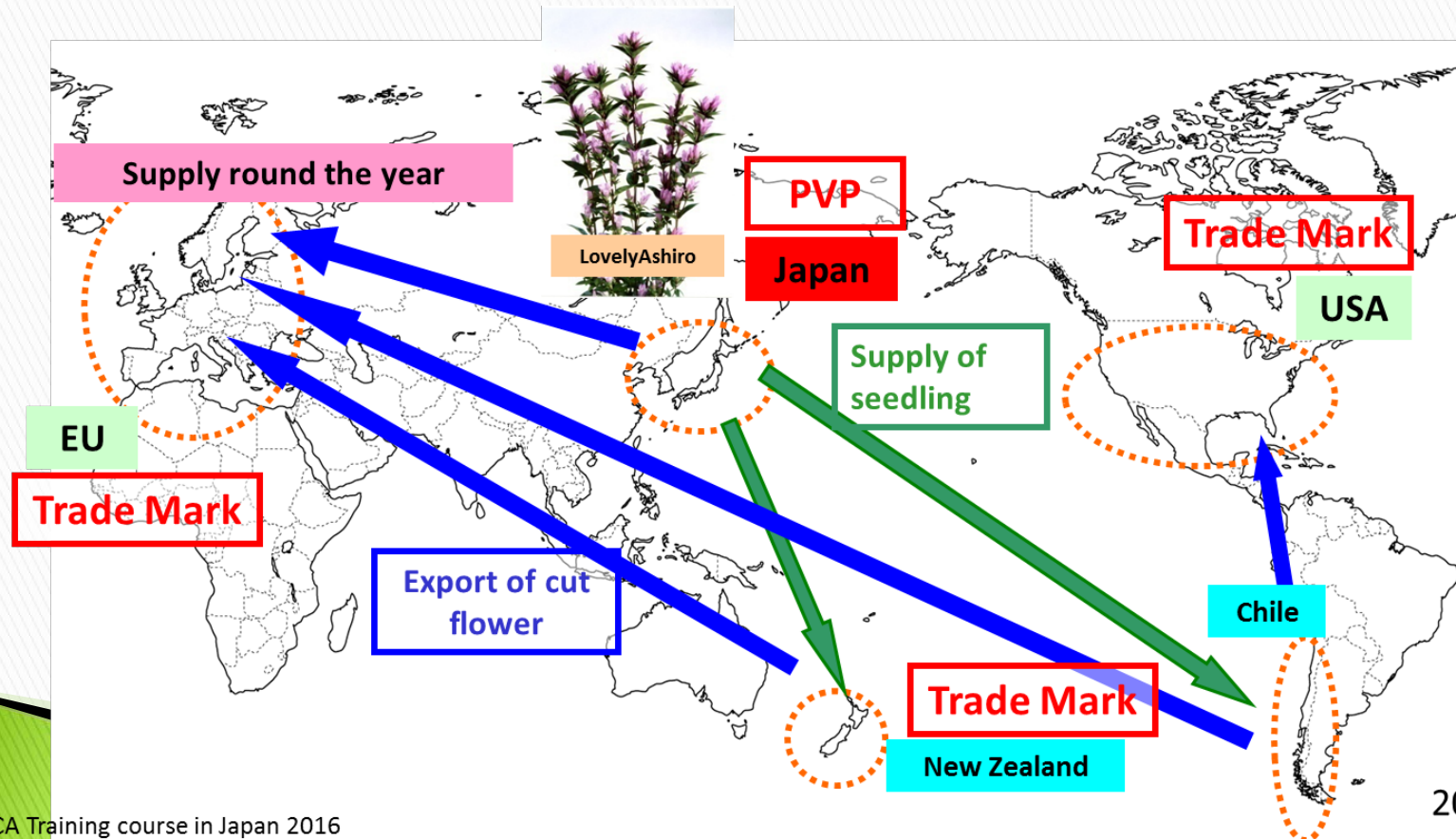
# 4. Establishing a brand under cooperation with foreign producers



# Utilizing protected PBR in worldwide

## 安代りんどう:ASHIRO RINDO (Gentian)

- PBR and Trade Mark are granted in some third countries as well as in Japan
- Producers not only export their flowers but also supply seedlings some producers in Southern hemisphere by exclusive use contract with royalty.
- ASHIRO gentian is now shipped to EU and USA round the year.



# Varieties and trademark

## ➤ Registered Varieties of “Ashiro Rindo” (Ashiro Gentian)

Ashiro no Aki (1996)

Merhen Ashiro (1999) **E**

Lovely Ashiro (2002) **E,N,C**

Ashiro no Hatsuaki (2007)

Ashiro 2007-1 (2009)

Ashiro 2008-1 (2010)

Ashiro 2012-1 (2014)

Ashiro 2012-3 (2015)

**E: EU, N: NZ, C: CI, U: US**

Ashiro no Natsu (1999)

Shine Blue Ashiro (1999) **E**

Ashiro no Hitomi (2007)

Cristal Ashiro (2008)

Ashiro 2007-2 (2009)

Ashiro 2010-1 (2012)

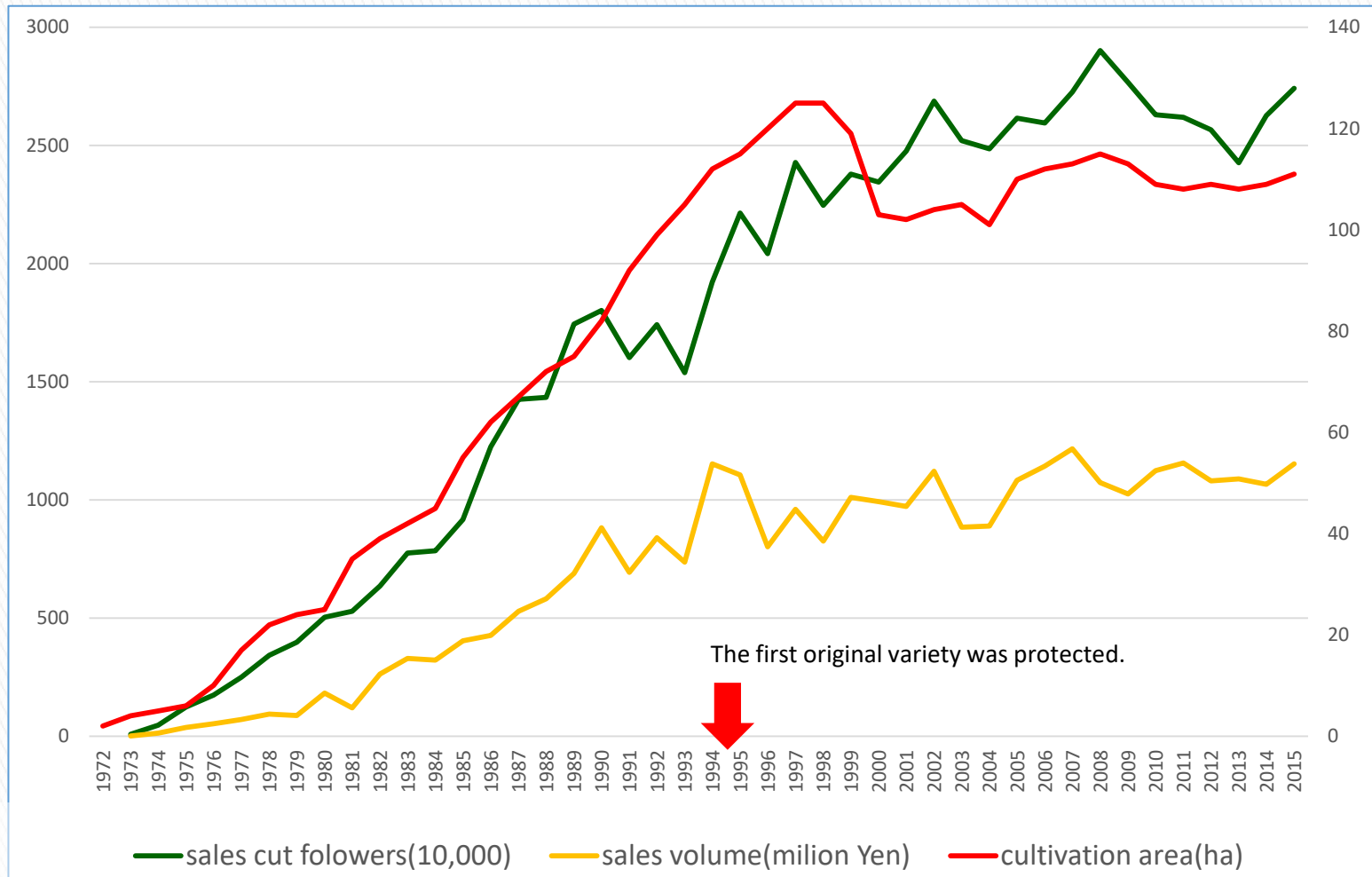
Ashiro 2012-2 (2014)

RI0405128 (2015) **E,N,U**

➤ Trademark “Ashiro Rindo” registration in Japan and overseas (**JP, CN, EU, NZ, US**)



# Result of the activity



- ✓ Achieved 30 billion yen from the start of production in 1972
- ✓ Achievement of 1 billion yen of year production amount last 10 years

# 5. Conclusion

- PVP system can be basic tool for branding to ensure high quality under proper management, however itself might not be enough alone.
- Combination of other IP tool including patent or trademark can be considered for more efficient way.
- International strategy including protection and cooperation of target country should be considered.
- Continuous effort by breeders for promoting and maintaining “brand” is essential



# Thank you for your attention

MAFF's mission is to hand down “**food**” as the basis of human life and a secure “**environment**” to future generations.

We make our utmost efforts to always directly address people's expectations and propose and implement visionary policies.

## MAFF

Ministry of Agriculture, Forestry and Fisheries , JAPAN

