Abbreviated Minutes

Crop Variety Release and Distribution Committee
Minutes, May 30, 2001, Special Meeting
202F Kottman Hall

Members Present: Ray Miller (committee chair), John Armstrong, Jim Beuerlein, Jack Debolt, Anne Dorrance, Ron Fioritto, Pat Lipps, Stephen Myers, Rich Pratt, Robin Rasor, Steve St. Martin, Joe Scheerens, Bernie Steyer. Also present at Wooster via phone hook-up for a portion of the meeting: Dick Cooper, Bill Ravlin (representing OARDC director).

Guests present: Mr. David Allen (Assistant Vice President, Office of Technology Partnerships), Mr. Bryce Nelson (Technology Licensing Associate).

Dr. Miller called the meeting to order at 11:00 AM. The first item of business was the presentation of a certificate of appreciation to Ms. Rasor. The committee wished Ms. Rasor the best in her new position at the University of Michigan.

Ms. Rasor reported that the Ohio Bicentennial logo (discussed at the Feb. 14 meeting in connection with the proposed special variety release to commemorate the bicentennial) is being handled by the OSU trademark office.

The remainder of the meeting was devoted to discussion and action on the proposal by Areco Semillas for rights to OARDC soybean varieties in Argentina.

Dr. Miller called the committee’s attention to the Guidelines for Granting Exclusive Rights to Market OSU-OARDC Crop Varieties Nationally and Internationally, on pages 14-15 of the new edition of OARDC Special Circular 178. The committee members had also received in the mail copies of correspondence between Areco Semillas and Ms. Rasor and copies of the letter prepared by Ms. Rasor and sent by the attorney to S.R.L., the company producing Ohio FG1 illegally in Argentina, along with the company’s response.

There was a brief discussion of the extent of OSU’s rights in Argentina. Argentina is a signatory to the UPOV convention on international plant breeders’ rights, but that document does not provide details on the degree to which a U.S. Plant Variety Protection certificate is recognized in Argentina. It is too late to apply for an Argentinian PVP on Ohio FG1.

The Areco Semillas proposal was then considered.

Dr. Miller led the committee through a compilation of pros and cons to the proposal, recording them on the blackboard.

Pros:
1. International agreements are easier if handled through a single company as an exclusive.
2. Royalties and recognition would benefit OSU and the breeding program.
3. Areco Semillas would be responsible for enforcing OSU’s rights in Argentina
4. A portion of the royalty could be used in support of promotion of new varieties.
5. An exclusive agreement would be easier for OSU with respect to transaction costs.

Cons:
1. OSU has very limited ability to enforce the agreement.
2. Production of food-grade soybeans in Argentina would have a negative impact on Ohio’s export market.
3. There might be a negative impact on the Ohio Soybean Council’s support of the breeding program.
4. Royalties might be impossible to collect.

After significant discussion, a motion was made that an exclusive license be offered to Areco Semillas for use of Ohio FG1 in Argentina, in accordance with the proposal, and that Areco Semillas be informed of the crop illegally produced by S.R.L. The motion passed on secret ballot vote.

The amount of royalty to be proposed was next discussed. After discussion, it was agreed to base the royalty on the amount of seed either used by Areco Semillas or sold by them, with a single rate to cover both situations. Alternatives of a royalty based on grain produced or area planted were considered but rejected. Dr. Dorrance made a motion to propose a rate of $3.50 per 50-pound unit (to be converted to rate per kilogram). Mr. Debolt seconded this, and the motion passed by ballot.

A final action was the approval of the committee’s minutes by voice vote for the meeting of February 14, 2001.