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AIPH, CIOPORA and Union Fleurs call for reason and fairness regarding payments of royalties in 2020

Growers and breeders of ornamental plants and flowers are being called upon to show fairness and understanding as the time comes for growers to pay their royalty payments to breeders.

International industry organisations, AIPH (International Association of Horticultural Producers), CIOPORA (International Community of Breeders of Asexually Reproduced Horticultural Plants) and Union Fleurs are united in a call to growers and breeders to recognise the extreme financial challenges both groups are facing and to recognise that royalty payments are imperative for the sustainability of ornamentals breeding and for stimulating the innovation we need as we recover from the crisis.

Some growers, especially of cut flowers, saw huge sales losses in some markets as the retail supply chain shut down in response to rules imposed worldwide to control the COVID-19 pandemic. Many flower growers had to destroy flowers, for which a royalty payment was due, and businesses throughout the chain have suffered and are working hard to recover. In contrast, some growers have had a good year, and in some countries, ornamentals sales have remained strong. Several breeders, particularly those of cut-flower varieties, suffered from a complete stoppage of royalty payments by growers in the peak time of the crisis, and still, a significant amount of royalties remains open.

President of the Association of Colombian Flower Exporters (Asocolflores), Augusto Solano, commenting on the situation said “The industry in Colombia has faced a very difficult season with some growers having to destroy flowers. And there are much higher transport costs for flowers that are sold. We recognise the importance of paying royalties to maintain a strong supply of plant material, but we also call on breeders to recognise the unique challenges faced by growers this year”.

Secretary General of CIOPORA, Edgar Krieger, said “It is concerning that breeders are often the last to be paid within a crop production cycle, because like any supplier they will suffer if contracts are not honoured. Breeders want to maintain good relationships with their customers, whether they are large or small growers, but they depend on the payment of their royalties for the continuation of their businesses”.
Secretary General of AIPH, Tim Briercliffe, said “Some growers have had to bear the costs of extreme losses this year and many are facing significant financial challenges. It is clear that growers will rely on a sympathetic and understanding approach from their suppliers to keep them going through this difficult year.”

Secretary General of Union Fleurs, Sylvie Mamias, said “All players in the global floriculture supply chain need to recognise the challenges that the COVID-19 pandemic has created in the industry. By working together to reach mutually acceptable business arrangements, the industry will be well placed to move forward to better times.”

In conclusion, AIPH, CIOPORA and Union Fleurs recognise the exceptional circumstances of this year, bringing challenges to both links in the supply chain. The organisations urge an attitude of increased understanding and fairness from both sides to ensure the rebuilding of a strong ornamentals supply chain for the future.

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International Association of Horticultural Producers (AIPH)
Since 1948, AIPH has united horticultural producers in an international community that thrives to this day. Much has changed in that time. Technologies advanced, cities rose from the ground, and we have become more connected than ever. As a result, our essential bond with nature has been weakened. AIPH strives to reignite and uphold an appreciation of plants that we believe is a basic human instinct. We support the work of grower associations globally and together we champion a prosperous industry, growing plants that enhance lives, advance societies, and sustain our planet, for this generation and the next.

CIOPORA
CIOPORA is the International Association of Breeders of Asexually Reproduced Horticultural Varieties. Breeders of such varieties account for two-thirds of all Plant Variety Right (PVR) titles in the world. For more than 50 years, CIOPORA has been representing these breeders in all matters of Intellectual Property (IP) Protection, aiming to foster an environment in which the innovation of these breeders can flourish. The main priority of CIOPORA is the constant development and enhancement of systems of Intellectual Property Protection for plant innovation. CIOPORA enjoys the observer status at the Administrative Council of CPVO and the International Union for the Protection of New Varieties of Plants (UPOV). CIOPORA unites breeders of all asexually reproduced horticultural plants with a broad portfolio of species and varieties on the market. CIOPORA is a member-based, non-profit organisation with currently 125 members from over 20 countries on five continents.

UNION FLEURS
Union Fleurs was founded in 1959 in Brussels as an international umbrella organisation for national associations and companies active in the floricultural trade. Its main purpose is to represent and promote the interests of traders of cut flowers, cut foliage and pot plants. Union Fleurs has nowadays members in 20 countries worldwide, gathering over 3,000 companies involved in the import, export, wholesale and distribution of cut flowers and pot plants. Membership accounts for 80% of the total value of worldwide trade of cut flowers and pot plants. All the major players in the floricultural trade are represented in the organisation.