

SPC Guiding Case No. 275: Jiangsu Jin [X] Seed Industry Technology Co., Ltd. v. Jiangsu Qin [X] Agricultural Industry Development Co., Ltd. (Infringement of New Plant Variety Rights)

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Unofficial English translation prepared for reference only. The official Chinese text prevails.

Discussed and adopted by the Judicial Committee of the Supreme People's Court; issued on February 28, 2026.

Keywords

Civil / infringement of new plant variety rights / sales act / infringing act / punitive damages

Holding

Where the alleged infringer organizes the purchase and sale of the allegedly infringing seeds and actually dominates and determines the specific transaction conditions such as the transaction price, transaction quantity, and time of performance, thereby acting as the organizer and decision-maker of the transaction, it may be found that the alleged infringer directly carried out the act of selling the allegedly infringing seeds.

Basic Facts

Jiangsu Jin [X] Seed Industry Technology Co., Ltd. ("Jin [X] Seed") alleged: Jin [X] Seed was the exclusive exploitation licensee of the rice new plant variety "Jingeng 818." Jiangsu Qin [X] Agricultural Industry Development Co., Ltd. ("Qin [X] Agricultural") recruited members and charged service fees, and, by posting "agricultural industry-chain information matching" messages in a members' WeChat group, sold "Jingeng 818" rice seeds in plain white-bag packaging to its members, thereby infringing the new plant variety right in issue. It accordingly requested an order that Qin [X] Agricultural cease the infringement and, with application of punitive damages, compensate for economic losses and reasonable rights-protection expenses totaling RMB 3 million (same currency hereinafter).

Qin [X] Agricultural argued in defense: it had not sold the allegedly infringing "Jingeng 818" rice seeds; it had merely provided information on self-retained seeds to both the seed supply and demand sides, and the supply and demand sides had transacted on their own.

The court found upon trial: a certain research institute in Tianjin was the variety-right holder of the rice new plant variety with variety-right number CNA20XXXXXX and named "Jingeng 818." In October 2017, the Tianjin research institute issued an Authorization Letter authorizing Jin [X] Seed to exploit the variety on an exclusive basis.

On May 21, 2019, an investigator commissioned by Jin [X] Seed inquired via WeChat about the price of "Jingeng 818" seeds with personnel of Qin [X] Agricultural, and the personnel replied that the plain white-bag "Jingeng 818" seeds were RMB 2 per jin. On May 25 of the same year, the investigator commissioned by Jin [X] Seed informed Qin [X] Agricultural's personnel via WeChat that they "hoped to sign the contract tomorrow" and inquired about the arrival time of seeds including 10,000 jin of "Jingeng 818" seeds, and Qin [X] Agricultural's personnel immediately promised that the demand could be met. On May 26 of the same year, Jin [X] Seed obtained, through notarization at a seed store in Suqian City, Jiangsu Province, one copy of a "United Farm Franchise Agreement" and one receipt. The party A under that agreement was Qin [X] Agricultural, and the party B was the investigator commissioned by Jin [X] Seed. The agreement stated: Party A had built a comprehensive agricultural industry-chain service platform, including one-stop planting services such as collective procurement of agricultural inputs, base services (plowing, planting, harvesting, spraying, fertilizing, drone plant protection, etc.), credit support (agricultural insurance, agricultural loans),

order-based agriculture, and grain banks, currently serving more than 2 million mu of cultivated land and more than 4,600 large farming households across the four provinces of Jiangsu, Shandong, Henan, and Anhui, with annual transactions exceeding RMB 200 million; in order to reduce production costs and increase economic returns, party B, by joining Qin [X] United Farm, would enjoy zero-margin collective procurement of agricultural inputs; party A was effectively party B's agricultural-input procurement department, purchasing high-quality and low-priced agricultural inputs globally and supplying them to party B at the collective-procurement price (ex-factory price), and party A promised to save party B RMB 30-50 per mu per year in agricultural-input expenses; party B, with an actual cultivated area of 470 mu, joined Qin [X] United Farm and enjoyed the zero-margin collective-procurement service for agricultural inputs, and bore a service fee of RMB 10 per mu per season (annual service fee of RMB 20 per mu), totaling RMB 4,700. On the day the agreement was signed, Jin [X] Seed's investigator paid Qin [X] Agricultural a franchise service fee of RMB 4,700 for one season, and Qin [X] Agricultural issued a receipt to Jin [X] Seed's investigator. Qin [X] Agricultural acknowledged that the store recorded in the notarial certificate was operated by it. On May 28 of the same year, Qin [X] Agricultural's personnel confirmed to Jin [X] Seed's investigator that the seed source for "Jingeng 818" had been contacted, and provided the mobile phone number of the so-called "supplier," Zhou [X]. On May 30 of the same year, Jin [X] Seed's investigator informed Qin [X] Agricultural's personnel via WeChat that they had contacted Zhou [X], and Qin [X] Agricultural's personnel replied with confirmation. On June 2 of the same year, Jin [X] Seed obtained, through notarization, 10,000 jin of the allegedly infringing seeds, delivered and paid for on a collection basis by a third party, with a receipt provided. The receipt recorded "Jia [X] Agricultural delivered rice seeds (Jingeng 818) 250 bags $\times$ 40 = 10,000 jin $\times$ 2 = 20,000.00 yuan," and also recorded the name and mobile phone number of Zhou [X].

During the first-instance trial, upon an application by Jin [X] Seed, the Nanjing Intermediate People's Court of Jiangsu Province entrusted a certain Hangzhou branch center for new plant variety testing to identify the variety of the allegedly infringing seeds. The identification opinion was that the allegedly infringing seeds and the standard sample of the "Jingeng 818" rice seed were "extremely close varieties or the same variety."

Judgment

On January 22, 2021, the Nanjing Intermediate People's Court of Jiangsu Province rendered Civil Judgment (2020) Su 01 Min Chu No. 773: (1) Qin [X] Agricultural shall, from the date the judgment takes effect, immediately cease the acts infringing Jin [X] Seed's exclusive exploitation right in the "Jingeng 818" new plant variety; and (2) Qin [X] Agricultural shall, within 15 days from the date the judgment takes effect, compensate Jin [X] Seed for economic losses and reasonable rights-protection expenses totaling RMB 3 million. After the judgment was pronounced, Qin [X] Agricultural was dissatisfied and appealed to the Supreme People's Court. On August 25, 2021, the Supreme People's Court rendered Civil Judgment (2021) Zui Gao Fa Zhi Min Zhong No. 816: the appeal was dismissed and the original judgment affirmed.

Reasoning

The focal point of dispute in this case was whether Qin [X] Agricultural's acts infringed the "Jingeng 818" new plant variety right.

Generally speaking, where the buyer and the seller reach a consensus on the conditions of sale of the subject matter and the sales contract is lawfully concluded, this constitutes a sales act in the legal sense. In the transaction in issue, Qin [X] Agricultural posted seed supply information through a WeChat group; Jin [X] Seed's commissioned investigator learned from Qin [X] Agricultural that plain white-bag "Jingeng 818" was available for sale, and after signing the "United Farm Franchise Agreement" and making payment, Qin [X] Agricultural provided the so-called "supplier" information to Jin [X] Seed; and Jin [X] Seed obtained the allegedly infringing seeds as arranged by Qin [X] Agricultural. In the above transaction process, the quantity and approximate delivery time of the seeds were confirmed by Qin [X] Agricultural, and the price of the seeds was determined by Qin [X] Agricultural. Qin [X] Agricultural carried out the acts of posting specific sales information about the allegedly infringing seeds and negotiating and determining transaction conditions such

as the packaging method, price, quantity, and performance period of the seed purchase and sale, and the sales contract was lawfully concluded. Qin [X] Agricultural was the organizer and decision-maker of the transaction in the allegedly infringing seeds, and it could be found that it directly carried out the act of selling the allegedly infringing seeds, thereby infringing the "Jingeng 818" new plant variety right. The so-called signing of a franchise agreement and delivery by a third party were intended to conceal the fact that it directly carried out the sale of the allegedly infringing seeds.

Qin [X] Agricultural was a professional operator of seeds and agricultural inputs, and, knowing the infringing nature of selling the propagating material of an authorized variety without permission, still used plain white bags without the variety name to sell the allegedly infringing seeds; it organized the buyer and seller parties through information-network channels and used "information matching" to conceal the sales act; and it used the name of farmers selling surplus conventional seeds retained for self-use to conceal the substance of the infringement. It claimed to serve more than 2 million mu of cultivated land and more than 4,600 large grain-growing households across Jiangsu, Shandong, Henan, and Anhui, and, in combination with other evidence, it could be found that its infringement was wide-ranging and large in scale. Qin [X] Agricultural constituted intentional infringement with serious circumstances, and punitive damages should be applied.

Relevant Legal Provisions

Articles 28 and 37 of the Seed Law of the People's Republic of China (2021 Amendment) (the case applied Articles 28 and 37 of the Seed Law of the People's Republic of China, 2015 Revision).

Articles 4 and 12 of the Several Provisions (II) of the Supreme People's Court on Issues Concerning the Specific Application of Law in the Trial of Disputes over Infringement of New Plant Variety Rights (Fa Shi [2021] No. 14).

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