

### Abstract

Applicants submitted an international application requesting a European patent (Euro-PCT application). A European application was subsequently submitted claiming priority of the Euro-PCT application. The fees for entry into the regional phase were not paid in time, and the PCT application was considered withdrawn. Applicants requested restitutio in integrum for the PCT application and that the European application be recognized as having performed certain procedural steps necessary for the PCT application to enter the regional phase. This was rejected by the Board on appeal.

## **EPO boards of appeal decisions**

**Date of decision 30 October 1991**

**Case number J 0042/89 - 3.1.1**

### **Summary of Facts and Submissions**

I. Euro-PCT application No. 86 903 828.1 (PCT/US 86/01061) -hereinafter called the 'PCT application' -was filed on 19 May 1986 with the United States Patent and Trademark Office as Receiving Office. In it, priorities were claimed from 20 May 1985 and 25 November 1985. On 4 December 1986, the PCT application was published together with the international search report.

On 14 January 1987, the Appellants filed European patent application No. 87 100 418.0 - hereinafter called the 'EP application'. Priority was claimed in this application from "USA - May 19, 1986 - PCT/US 86/01061".

II. On 17 February 1987, the Receiving Section of the European Patent Office informed the Appellants as regards the PCT application - on EPO forms 1201 and 1202 - through their American representative about the formal requirements as to representation and other steps to be taken in order to have the application examined. The texts of Articles 94 and 150 EPC were reproduced in full on form 1202.

III. On 24 March 1987, the Receiving Section issued a reminder (form 1217) that the national, search and designation fees for the PCT application had not been paid, together with the information that these fees could still be validly paid, at a surcharge (Rule 85a EPC). Finally, the Appellants were informed that non-payment within the prescribed extra time limit of two months after 20 February 1987 (Article 22 and Rule 85a EPC) would result in the application being deemed withdrawn. This reminder was sent to the applicant first named on the application.

IV. On 16 June 1987, the Receiving Section issued a notification (form 1205) pursuant to Rule 69(1) EPC to the first applicant, stating that, as the fees in question had not been paid in time, the PCT application was deemed to be withdrawn. The Appellants were invited to apply for a decision by the European Patent Office under Rule 69(2), through their European patent attorney, should they consider this finding inaccurate. No such request was made.

V. On 8 July 1987, the Receiving Section issued a notification (form 1218) to the first applicant by which the Appellants were informed that they could still request an examination, at a surcharge (Rule 85b EPC), within two months after 4 June 1987, and if not, that the application would be deemed to be withdrawn in accordance with Article 94(3) EPC. The Appellants were also informed about the prior notification under Rule 69(1).

VI. On 28 August 1987, the Receiving Section informed in a telephone conversation the office of the Appellants' European representative (as authorised for the EP application) about the EPO application being identical to that of the PCT application. On 31 August 1987, the European representative telephoned back, confirming that he was aware that the PCT application was considered withdrawn and that the proceedings should continue on the basis of the EPO application.

VII. On 3 June 1988, a request for restitutio in integrum was filed re the time limits for the request for examination and the payment of fees with regard to the PCT application. It was further requested that the EPO application be recognised as "a procedural step to be taken before the European Patent Office as designated Office for the international application PCT/US 86/01061". On 6 June 1988, a Monday, the fee for restitutio in integrum was paid.

VIII. On 23 September 1988, the Receiving Section issued a notification in which it summarised its provisional opinion as regards the requests made. It held that unambiguous procedural steps taken in the EPO application could not be deemed to have been taken for the purposes of the PCT application, and that the latter was deemed to be withdrawn, the loss of rights having been made final on 23 February 1987 (a Monday). The Receiving Section also noted that the request for restitutio in integrum appeared to have been submitted too late. The Appellants' representative was invited to file the necessary authorisation with regard to the PCT application and to state within three months whether or not the Appellants requested a decision. An authorisation was duly filed on 9 December 1988. On 18 January 1989, the Appellants filed a request for further processing in accordance with Article 121(1) EPC.

IX. The Appellants' requests for (a) recognition of the filing of the EP application as performance of acts for the purpose of procedure in the PCT application, (b) restitutio in integrum, (c) further processing, and (d) oral proceedings were all denied in the decision under appeal of 11 August 1989.

X. The Appellants submitted a notice of appeal on 16 September 1989 together with the appeal fee, followed on 9 December 1989 by a Statement of Grounds.

XI. The Appellants requests are that:

(1) the decision under appeal be set aside,

(2) the filing of European patent application No. 87 100 418.0 be recognised as procedural steps to be taken before the European Patent Office as designated Office for the International Application PCT/US 86/01061 (European patent application No. 86 903 828.1), and

(a) that the request for examination of the International Application PCT/US 86/01061 be recognised as filed in due time according to

- either Rule 85(b) EPC in the new version in connection with Article 2 of the decision of the Administrative Council of 8 December 1988 amending the Implementing Regulations to the European Patent Convention, which entered into force on 1 April 1989,

- or Rule 85(b) EPC in the old version in connection with restitutio in integrum into the time limit for filing this request.

(3) In the event that petitions (2) and (2)(a) cannot be complied with, that the procedural steps to be taken before the European Patent Office as designated Office for the International Application PCT/US 86/01061 be recognised as having been validly done and the request for examination validly filed,

- either in view of Rules 85(a) and (b) EPC in their new version in accordance with Article 2 of the decision of the Administrative Council,

- or in view of Rules 85(a) and (b) EPC in their old version in connection with restitutio in integrum.

(4) In the event that none of petitions (2), (2)(a) or (3) can be complied with, further processing in accordance with Article 121 EPC be allowed for application No. 86 903 828.1/US 86/01061.

(5) In the event that petitions (2) to (4) cannot be complied with, the following questions be referred to the Enlarged Board of Appeal:

(a) Is the filing of a European patent application with form 1001 to be considered as procedural steps to be taken before the European Patent Office as designated Office for an International Application, if the content of this European patent application is identical with the content of the International patent application received by the EPO from WIPO and if in the European patent application the priority of this International patent application is claimed?

(b) Is Article 2 of the decision of the Administrative Council of 8 December 1988 amending the Implementing Regulations to the European Patent Convention, which entered into force on 1 April 1989, applicable to a European patent application or a Euro-PCT Application for which the notice according to Rule 69(1) EPC has not been communicated validly before Article 2 entered into force?

XII. The Appellants were invited to comment on a number of issues raised in a communication issued by the Board with an invitation to oral proceedings. The Appellants did not respond to this communication. Oral proceedings were held on 14 May 1991, at the close of which it was announced: "The decision is reserved and will follow in writing". On 22 and 28 May 1991, the Appellants submitted further arguments in writing, requesting a communication from the Board, in order to enable them to submit supplementary statements.

XIII. The main arguments submitted by the Appellants in support of their requests are that the EPO was in possession of all the facts to understand that the EP application was intended as entry into the national phase of the PCT application, that the communications submitted in the PCT application were not validly effected, that Rule 85 EPC, valid as of 1 April 1989, is applicable because of the non-delivery of these communications, that in any case the request for re-establishment into the relevant time limits is allowable, and that, finally, further processing also is available to them because the relevant time limits were set in motion by the respective communications and thus not given by the EPC.

The submissions from the Appellants will be presented more fully under each issue to be discussed below.

XIV. The table below lists relevant dates and time limits.

20.05.85 US Priority

19.05.86 Filing date of PCT Application US 86/01061  
04.12.86 Publication of PCT Application US 86/01061  
14.01.87 Filing date of EP application No. 87 100 418.0  
20.01.87 Expiry of time limit for payment of fees under the PCT  
17.02.87 Notification to US representative  
20.02.87 Expiry of 21 month limit under Rule 104(b)(1) EPC for payment of fees  
24.03.87 Reminder from the EPO of period of grace for payment of fees (possible extension of the above time limit by two months)  
20.04.87 End of period of grace for fees payment  
16.06.87 Communication from the EPO under Rule 69(1) EPC with regard to fees  
03.06.88 Filing of request for restitutio in integrum  
18.01.89 Request for further processing  
01.04.89 Entry into force of new Rule 85a EPC

## **Reasons for the Decision**

### 1. Admissibility and other procedural questions

#### 1.1 The appeal is admissible.

1.2 The Board has disregarded the submissions made in writing after the oral proceedings for the following reasons: During the appeal proceedings, the Appellants were given ample opportunity to present any facts, arguments or evidence they thought relevant. The announcement at the close of the oral proceedings that the decision was reserved and would follow in writing corresponds to the German expression "Die Entscheidung erfolgt schriftlich", meaning that the proceedings before the Board are definitely concluded. Any submissions filed thereafter are therefore in contravention of Article 114(1) EPC. As the decision by the Board is not based on any ground or evidence of which the Appellants were not already aware and had opportunity to comment upon before the proceedings were closed (Article 113 EPC), their right to a fair hearing has been safeguarded. For these reasons their submissions are disregarded and their request to be heard further is denied.

### 2. Background to the appeal - Issues raised by the appeal

2.1 Under the Patent Cooperation Treaty (PCT), no express request for entry into the national/regional phase is required. Instead, under Article 22 PCT, the applicant is required to file a copy of the application and to pay national, search and designation fees, as the case may be. Under the European Patent Convention (EPC), a copy is however not required. The fees are due within 20 months after

the filing of the international application or the earliest priority claimed therein. Under the EPC, Rule 104b(1), one extra month delay is allowed after expiry of the time period provided for by the PCT. A request for examination is required under Article 94(2) EPC. It is deemed not to have been filed until the examination fee has been paid. Under Article 150(2) EPC, the time limit for the request for examination shall not expire before the time limit according to Article 22 PCT expires, i.e. 20 months after the filing of the international application or the earliest priority claimed therein. The time limit for a request under Article 94(2) EPC with regard to PCT applications expires 6 months after the publication of the international application. The request for examination is deemed not to have been filed until the fee for examination has been paid.

2.2 The overall objective of the appeal is to establish the PCT application as still valid and pending before the EPO. Six issues are raised by the appeal:

- (1) the obligation to offer voluntary services (good faith),
- (2) the relevance of notifications,
- (3) the applicability of the 1.4.89 version of Rule 85 EPC,
- (4) the admissibility of the request for re-establishment,
- (5) the applicability of further processing, and
- (6) the application of Article 112 EPC.

The first question to be resolved is whether or not a loss of right occurred with regard to the requirement of payment of fees and/or request for examination (issues (1) to (3)). If this examination leads to the finding that a loss of right did occur, the second question to resolve is whether the PCT application can be restored by some extraordinary remedy (issues (4) to (5)). A referral of questions to the Enlarged Board (issue (6)) depends on the answer to the prior issues.

Below, each issue will be discussed separately, after a summary of the main submissions made for that issue by the Appellants. (For easy reference, see also the table in point XIV.)

### 3. Loss of rights

#### 3.1 Good faith

The Appellants have made the following further observations about the circumstances surrounding the EP application:

When the European representatives were instructed by the US representatives of the Appellants to file a European patent application they were informed about the US priorities from 1985 and the PCT application. The employee responsible for preparing the application thus knew that priorities from 1985 were involved. In the telephone conversations in August 1987, the Officer who informed about the parallel applications said that they were identical, which in fact they were not, since the PCT application expressly mentioned the 1985 priorities, whereas the EP application did not. This misled the representatives into believing that pursuance of the EP application would safeguard the interests of the Appellants.

The Appellants argue essentially as follows:

Under Rule 49.4. PCT no national form is required for the acts to be taken for the entry into the national phase. Therefore, there was no formality to prevent the EPO from recognising that the request for priority in the EP application with regard to the PCT application claimed must be wrong. A Formalities Officer did also discover that the applications were parallel and that something must be amiss. Since the EPO had the PCT application in its files, it could have easily established the dates of the two earliest priorities from the title page thereof. In that situation the Officer should have told the Appellants the correct steps to take. The EPO should also have recognise the EP application as being in fact the acts necessary for entry into the national phase of the PCT application under Article 22 PCT.

Since the Appellants were misled by the information given, they are entitled to rely upon it, with the effect that the entry into the national phase must be considered to have validly taken place.

The Legal Board of Appeal initially makes the following observations.

Although the EPO tries to render voluntary services to applicants whenever it is in a position to do so, applicants are not entitled to expect them (J 1/89, OJ EPO 1990, No. 6). Only where such service has in fact been rendered is an applicant entitled to rely upon its content, to the effect that if it caused acts to the detriment of the proper processing of the application, such acts become null and void.

Secondly, a basic principle for the workings of the EPO is that applicants must file requests. Without proper requests processing must as a rule come to a halt.

Thirdly, taking into account the necessarily formal approach of the examination by the Receiving Section (as foreseen by the EPC in the interest of applicants) not much room is left for individual initiatives. Rather, this formalised procedure is designed to prohibit such initiatives, in order to safeguard another basic principle, the rule of law or equal treatment under the law. It is also to be noted that the formal examination must not intrude upon the examination as to substance, for which the Examining Division of the EPO is the competent body of the first instance.

To this must finally be added the risk of ensuing disruption of proper procedures, if it were incumbent upon Officers to question requests made by applicants or to assume errors on their part as to the content and effect of the applicable law.

Given the above, a violation of good faith in the present case presupposes that misleading information had been sent out about the PCT application, so as to prevent the Appellants from paying the fees in time. This has not been contended by the Appellants, nor is the Board able to find any such errors. Their US representative was informed by the International Bureau of WIPO as well as the EPO about the requirements for the entry into the national phase of the PCT application (in December 1986 and February 1987, respectively) . The notification issued on 17 February 1987 was perfectly clear and in line with the EPC, and sent to the first applicant named in the application in accordance with Rule 100 EPC.

If the processing Officer should have realised that something was wrong because of the 1985 priorities, so could the Appellants, had they looked into their own files. They were actually in a better position to establish this, given that separate applications are likely to be processed by different Officers, as happened in this case. What in fact they require from the EPO is that the Officer in charge of the PCT application should have checked if any later application had been filed that could relate to the first one. Moreover, this should have been done at a time when the parallelism was not yet possible to establish, i.e. during January and February of 1987 (the time limit for entry into the national phase running out toward the end of February). The Officer who, in August 1987, did spot the discrepancies was the one in charge of the EP application, which is understandable, since he would be the one able to ascertain that there had been an earlier, parallel application.

Because the dates of the priorities were not checked by the Appellants, their intention to have the EP application prosecuted persisted however, an intention not to be questioned by the European Patent Office. The fact that they had a

system with split files is an internal matter for them, which cannot exonerate them from their general duty to consult them in full.

It seems that the error with regard to the facts (the priority dates) was compounded by an error in law (the requirements under the PCT and EPC). According to long established principles of law, an error regarding the proper meaning of the law is however not excusable.

The Board therefore concludes that the principle of good faith was not violated by the EPO and that a recognition of the EP application as requested by the Appellants was not possible. Consequently a loss of rights occurred as from 20 February 1987 (cf. J 4/86, OJ EPO 1988, 119, according to which a loss of rights ensues directly after expiry of the original time limit, and not after lapse of the period of grace).

**3.2 Validly effected communications** The Appellants claim that the communications issued in the PCT application regarding late payment of fees and request for examination were not valid, because they had not been delivered to their European representatives. Therefore, the applicable time limits for payment and request for examination have not yet lapsed.

The Board observes that, given that a loss of rights occurs as a matter of law (point 3.1), the question whether or not the communications from the EPO were validly served or not is irrelevant for the outcome of the appeal. The communication under Rule 69(1) EPC of 16 June 1987 served only to give the applicants a possibility to question the legality of the finding, but could not alter the date at which the loss of right ensued.

**3.3 The applicability of different versions of Rule 85 EPC** On 1 April 1989, a new version of Rule 85 EPC entered into force. Essentially, the new version allows the valid payment of fees for the entry into the national phase of PCT applications within one month from notification of a communication pointing out such a deficiency (85a) and for the request for examination (85b), provided in both instances that a surcharge is paid. Under a separate Article 2 of the decision of 8 December 1988 amending the Implementing Regulations to the European Patent Convention by the Administrative Council (OJ EPO 1987,1), the new Rule 85 EPC shall apply to all cases in which the establishment of loss of rights has not yet become final on the date of entry into force of the decision (i.e. on 1.4.89).

The Appellants argue that, because they were not validly served with the communication under Rule 69(1) EPC with regard to the loss of rights as a result of failure to pay the required fees, this loss of right has not yet become final. As

a result, the transitional provision of Article 2 of the 1988 decision applies, making the new Rule 85 EPC applicable.

However, the loss of rights occurred as from 20 February 1987, i.e. before 1 April 1989. Consequently, Article 2 does not apply and the old version of Rule 85a EPC applies to the case at hand. Under this Rule, as indicated in the communication of 24 March 1987, the period of grace elapsed on 20 April 1987 (with regard to the fees). By that date no such payment had been made.

3.4 The result of the examination of the issues under 3.1, 3.2, and 3.3 above is then that the loss of rights with regard to the PCT application occurred as from 20 February 1987. There is thus no need to examine whether a loss of rights occurred also with regard to the missing request for examination.

#### 4. Restitutio in integrum

On this point the Appellants argue essentially as follows:

The cause of the failure to recognise that the applicants had suffered damage from the lapse of the PCT application was only removed on 31 May 1988, when the file was studied in full. The request for restitutio was filed on 3 June 1988, within the prescribed time limit.

The Board finds that, as the loss of rights occurred as from 20 February 1987, the request for re-establishment was filed out of the one year time limit under Article 122(2) EPC.

Therefore, this request is not admissible.

5. Further processing The Appellants claim that further processing is available to them, because the time limits under the new Rule 85 EPC are tantamount to setting a time limit under Article 121(1), by the fact that the date for issuing the notifications will decide each time period in question.

The Board does not agree to this reasoning. Firstly, the new Rule 85a EPC does not apply in this case (point 3.3 above). Secondly, Article 121 EPC does not cover any time limit already given in the EPC or its Implementing Regulations or other statutes to be observed by the EPO (cf. Singer, *Europäisches Patentübereinkommen*, 1989, page 537(f) and 554). The expression "a time limit set by the European Patent Office" could only be interpreted to mean those time limits whose length are decided by the Officer in charge. The interpretation of the Appellants would make practically any time limit fall under Article 121 EPC, since the start and end points of a given time limit would always change in

accordance with the date at which a communication was issued. This cannot have been intended.

The request for further processing is thus not allowable.

6. Referral of questions to the Enlarged Board of Appeal Article 112 allows a referral of a question to the Enlarged Board in order to ensure the uniform application of the law, or if an important point of law arises. Since the Board was in a position to arrive at a conclusion by direct application of the EPC, other relevant provisions and proven principles of law without departing from the constant case-law of the Board of Appeal (point 3 above), there is no need to refer the first question to the Enlarged Board (cf. J 5/81, OJ EPO 1982, 155; and T 219/83, OJ EPO 1986, 211).

Regarding the second proposed question, the Board notes that it is no longer relevant, since it is established that the loss of rights occurred as a matter of law. Consequently, the new version of Rule 85a EPC does not apply. Referral of the second question to the Enlarged Board of Appeal is therefore also denied.

## **ORDER**

For these reasons, it is ordered that:

The appeal is dismissed.

Case law reports: CLBA 1996