

The Boards of Appeal at the EPO

The Boards of Appeal of the EPO have a vital role to play in the European patenting process

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This article introduces some legal and practical aspects of the appeal procedure before the Boards of Appeal (BoA) of the European Patent Office (EPO).

The BoA have a particular place in the EPO since they are independent: they are bound only by the European Patent Convention (EPC). In addition, they have their own rules of procedure. New Rules of Procedure of the BoA (RPBA) entered into force in 2003. They have led to greater efficiency and shorter appeal proceedings. The EPC2000, which will come into force at the latest in December 2007, does not significantly change the role of the BoA.

Over the last 10 years, the BoA have developed their own procedural rules which are very specific. Some of these are explained below, in particular with respect to the rights of the different parties in the same appeal procedure.

Very different principles apply to examination appeal (*ex parte*) proceedings and opposition appeal (*inter partes*) proceedings.

Decisions subject to appeal

Decisions by the Receiving Section, the Examining Divisions, the Opposition Divisions and the Legal Division at the EPO are subject to appeal. However, opinions by the Search Division on lack of unity, decisions by the President of the EPO and decisions by the BoA themselves are not subject to appeal.

The first main effect of an appeal is suspensive: the appealed decision does not come into force and does not have any legal effect until the BoA issues its decision.

There is no suspensive effect on national procedures; for example, on infringement actions based on a patent subject to appeal. In certain cases, however, a national judge will stay an infringement action until a final decision is issued by the BoA, but there is no obligation to do so, at least not in the United Kingdom, Germany and France.

Persons entitled to appeal

Any party to proceedings adversely affected by a decision may appeal. A party is adversely affected if its requests were not completely satisfied. Such party can be an applicant, a patentee or an opponent. A person having some economic link with a party to the proceedings is not entitled to appeal.

Let us consider the example of an opponent requesting the revocation of a patent in its entirety and the patentee requesting the rejection of the opposition. If the opposition division decides to maintain the patent in an amended form, none of the requests has been completely satisfied. Hence both parties may appeal.

These principles may seem to be obvious. However, a dramatic situation may occur when a patent is assigned to a transferee who has not registered the assignment at the EPO. Only the registered patentee or applicant may file an appeal and a late registration of a transfer does not retroactively validate an appeal.

Any other party to the same proceedings who has not filed an admissible appeal is party to the appeal as of right. However, a party as of right has weaker rights than the appellant filing an appeal, as it can not request "more" than that which it obtained before the first instance and it has no right

to continue an appeal procedure if the sole appellant should withdraw its appeal.

Filing a notice of appeal

A notice of appeal has to be filed within two months of the date of notification of the decision being appealed. It must contain a statement indicating, in particular, the extent to which an amendment or a cancellation of the decision is requested. Within four months after the date of the same notification, written statements specifying in detail the legal or factual reasons why the decision should be set aside have to be filed. A mere reference to previous submissions made during an opposition procedure is usually not considered sufficient.

Another principle is that an appeal should be within the same legal and factual framework as the opposition proceedings or should remain within the same legal and factual framework of the decision made in the first instance.

Incomplete notice of opposition or incomplete grounds of appeal will result in the appeal being considered as inadmissible. The question of admissibility may be raised at any stage of the appeal procedure, even during oral proceedings.

Filing an appeal is a very delicate matter; many decisions reject appeals just because they are inadmissible. Appellants should be aware that filing an appeal is not merely a formal matter, instead the action should be conducted with great care. Once a notice of appeal has been filed, the appellant should not wait until the end of the four-months period to prepare the written statements setting out the grounds for appeal.

The appellant should always consult a European patent attorney to draft the notice of appeal and the written statement: the initial "request" determines the extent of the proceedings

Amendments to granted patents

As a general rule, the EPO proceedings should be conducted expeditiously, in the interests of the public and of the parties. Such rules apply not only to examination and opposition proceedings, but also to the corresponding appeal proceedings.

This means that a patentee who has lost before an opposition division has the right to have rejected requests reconsidered by the BoA, but has no right to file new requests raising issues which the first instance did not look at (the role of an appeal is, in principle, limited to reviewing the appealed decision).

However, the BoA can, at their discretion,

accept amended claims at any stage of the appeal proceedings. They used to admit new requests in appeal proceedings: for example, when they were filed to overcome objections, or when late filings could be justified and when the new requests were *prima facie* admissible. However, the new RPBA specify conditions under which a late filed submission is admissible and these seem to be more restrictive than before.

New requests are refused when their filing is seen as an abuse of procedural rights.

Opposition appeal proceedings

Very delicate situations may occur in the course of opposition appeal proceedings.

In particular, a question was raised whether and to what extent a BoA could depart from the request formulated in the notice of appeal when deciding opposition appeal proceedings to the disadvantage of the appellant.

The Enlarged Board (G 9/92 and G 4/93) concluded that:

1. *If the patentee is sole appellant against an interlocutory decision maintaining his patent in amended form, neither the Board of Appeal nor the non-appealing opponent (as party to the proceedings as of right) can challenge maintenance of the patent as thus amended.*
2. *If the opponent is sole appellant against an interlocutory decision by an opposition division maintaining the patent in amended form, the patentee is primarily restricted in the appeal proceedings to defending the patent as thus maintained.*

If it is the intention of one party to obtain "more" or a "better result" than that which was obtained in the first instance, it should not rely on the fact that the other party has already filed an appeal, it should also file an appeal. In other words, a party as of right does not have the same rights as parties that have filed an admissible appeal. Instead, parties as of right are limited to defending the result obtained in the first instance.

Patentability requirements under examination

The Enlarged BoA has established that only the grounds for opposition already cited at the opposition stage can be considered on appeal. New ones can be introduced only with the consent of the patentee, whose power of veto is applied regardless of the relevance of the new grounds.

In other important decisions (G 1/95 and G 7/95), the Enlarged BoA explained

that “a fresh ground for opposition” means a new legal basis for objecting to maintenance of the patent which was neither raised and substantiated in the notice of opposition nor introduced into the proceedings by the opposition division.

Opposition appeal proceedings are very specific and should be planned with great care. In addition, a party to an opposition appeal procedure will not have the same rights, depending upon its status of appellant or of party as of right.

Examination appeal proceedings

The situation is completely different in examination appeal proceedings: the above principles, applicable to *inter partes* proceedings, do not apply to *ex parte* proceedings.

The Enlarged BoA has ruled that where the examining division refuses an application, the BoA has the power to examine whether the application or the invention to which it related meets the requirements of the EPC. This also holds for requirements the division has not considered in the examination proceedings or regards as fulfilled. In such circumstances, the BoA should, where appropriate, decide either to rule on the case itself or send it back to the examining division. This follows from the fact that an *ex parte* review is not contentious by nature.

Accelerated processing

Parties with a legitimate interest may ask the BoA to deal with their appeals rapidly. The BoA can speed up an appeal as far as the procedural regulations allow.

Requests for accelerated processing must be submitted to the competent BoA either at the beginning of or during proceedings. They should contain reasons for the urgency together with relevant documents; no particular form is required.

By way of example, the following circumstances could justify an appeal being dealt with particularly rapidly:

- Infringement proceedings have been brought or are envisaged.
- Decision of potential licensees of the patent in suit hinges upon the outcome of the appeal proceedings.
- An opposition which is to be given accelerated processing has been made the subject of an appeal.

Appeal proceedings and infringement

An alleged infringer may, subject to specific conditions, intervene in opposition proceedings. Intervention during appeal

proceedings is also admissible. An intervening party can raise any of the grounds for opposition under Article 100 EPC. An intervention is dependent, however, on the extent to which opposition or appeal proceedings are still pending. Should a patentee sue or threaten a third party for infringement before the end of the nine-months period for filing an opposition, the alleged infringer will certainly file an opposition.

What is the influence of such an opposition and of a possible subsequent appeal on the infringement action? The situation differs from state to state. Let us take the example of UK and France.

In UK, the judge usually considers that staying is the preferred option; however, the decisive question is whether staying the procedure would cause any injustice. Several factors are considered, including the delays which are considered a feature of the EPO opposition and subsequent appeal procedures, and the means available to the parties for fighting their case.

In *General Hospital Corporation's European Patent*, a revocation action in the UK was running parallel to opposition proceedings and infringement proceedings in other countries. A stay was granted by the Patent Court because of the injustice to the patentee if the UK proceedings went ahead (the patentee having shown that it could not afford the costs of both proceedings, so being placed in the position of having to surrender the patent if no stay had been granted).

In *Kimberly-Clark v Procter & Gamble*, the judge decided in a similar situation not to stay the infringement action, considering that this would write into the UK proceedings the delays which are a feature of EPO oppositions.

In France there is no provision obliging a French judge to stay the infringement action in such a case. As a general trend, however, the French judge decides to stay the infringement action and to wait for a final decision by the EPO with respect to “a fair administration of justice” (TGI Paris – *Bonzel and Schneider Europe AG v Carbo France* – 18th April 1991; TGI Paris – *Pall Corporation v Flot, Cuno Europe and Cuno Inc* – 16th April 1989).

In some other cases the French judge has not felt that it was necessary to wait for the final decision by the EPO (TGI Paris – *Henlopen Manufacturing Co Inc v Lab Payot, Sofadis, Geka France and Georg Karl Brush GmbH*, 10th July 1991).

Decisions by the Boards of Appeal

The BoA may hand down a final decision in a

case or may send it back to the first instance department which originally issued the appealed decision.

Remittance to the first instance occurs, in particular, when a new piece of prior art is cited in the course of the appeal proceedings, which the BoA decides to take into consideration; or because of a substantial procedural error made by the first instance; or because of substantial amendments made by the appellant.

The first instance department to which the case is remitted is bound by the reasons or findings that support the BoA's decision or that are essential to that decision. The binding effect is only for the case remitted to the first instance, not for any other case and not for any other instance. For example, if a BoA issues a decision cancelling a former decision of an examining division regarding inventive step, an opposition division is not bound by this.

There is, in principle, no binding effect on national procedures. For example, according to the 10th Civil Senate of the German Federal Court of Justice, comments made in the grounds for a decision in an EPO opposition or in a subsequent appeal procedure are considered as expert opinions which must be taken into account, no more and no less.

Enlarged Board of Appeal

The Enlarged BoA is not a third degree of jurisdiction. Its job is to ensure uniform application of the law, or it decides or gives opinions when an important point of law arises.

According to Article 112 EPC, it is responsible for: deciding points of law referred to it by BoA; or for giving opinions on points of law referred to it by the President of the EPO when two BoA have given different decisions on that question.

According to new Article 112a of EPC 2000, the Enlarged BoA will also be responsible for deciding on petitions for review of decisions of the BoA. Such petitions may, in particular, be filed on grounds such as a fundamental violation of the right to be heard or any fundamental procedural defect.