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Application No.: 81 201 022.1
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Title of invention: Apparatus and method for writing a signal information track on a disc
Classification: G11B 7/00

D E C I S I O N
of 5 May 1992

Proprietor of the patent: Discovision Associates
Opponent: N.V. Philip's Gloeilampenfabrieken

Headword: Appealable decision/Discovision
EPC Articles 19(2), 24
Keyword: "Suspected partiality of a member of an Opposition Division - ground of appeal?"

Headnote

1. Although Article 24 EPC applies only to members of the Boards of Appeal and of the Enlarged Board of Appeal, the requirement of impartiality applies in principle also to employees of the departments of the first instance of the EPO taking part in decision-making activities affecting the rights of any party.
2. There is no legal basis under the EPC for any separate appeal against an order of a Director of a department of the first instance such as an Opposition Division rejecting an objection to a member of the division on the ground of suspected partiality. However, the composition of the Opposition Division may be challenged on such a ground on appeal against the final decision of the division or against an interlocutory decision under Article 106(3) EPC allowing separate appeal.



Case Number : G 5/91

D E C I S I O N
of the Enlarged Board of Appeal
of 5 May 1992

Appellant :
(Proprietor of the patent)

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Respondent :
(Opponent)

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Referring Decision :

Interlocutory decision of the Technical Board of
Appeal 3.5.2 of 28 March 1991 in case T 261/88.

Composition of the Board :

Chairman : P. Gori

Members : E. Persson

F. Antony

O. Bossung

C. Payraudeau

R. Schulte

P. van den Berg

Summary of Facts and Submissions

- I. Against European patent No. 45117 (Apparatus and method for writing a signal information track on a disc), which was granted to Discovision Associates in 1985, N.V. Philips' Gloeilampenfabrieken filed an opposition on the ground of lack of inventive step.

- II. In the course of the opposition proceedings the Patentee questioned whether the primary examiner of the Opposition Division was the same person who, on behalf of the Opponent, had participated in the prosecution of a previous opposition to another European patent granted to the Patentee and requested that, if such was the case, the Opposition Division be reconstituted to consist only of people who had no previous connection with either of the parties to the present proceedings.

- III. In reply, the Director in DG2 responsible for the composition of the Opposition Division confirmed, by letter of 19 November 1987, that the primary examiner was a former employee of the Opponent and that he had represented this company many times in examination and opposition proceedings before the EPO. Having referred to Article 24 EPC concerning the members of the Boards of Appeal as being the "only case of exclusion or objection raised by the EPC", the Director stated that in examination and opposition proceedings at first instance one tried, where this was possible, to exclude examiners from cases from a firm where they had previously been employed. However, this could not always be done. As to the particular examiner in question, the Director explained that because of practical difficulties he could not be excluded from Examining or Opposition Divisions in the many cases where his former employer was Applicant or Opponent. The Director further assured that the examiner

would act objectively in the present case as well as in similar cases and finally stated that, anyway, the fact that any Examining or Opposition Division consists of three members was a safeguard for the parties to proceedings before the EPO.

- IV. On 23 February 1988, oral proceedings took place before the Opposition Division, the examiner objected to by the Patentee acting as primary examiner. At the end of the oral proceedings, the decision was announced that the patent was revoked. A written decision was issued on 19 April 1988.
- V. The Patentee appealed against this decision. In his statement of grounds of appeal, in addition to challenging the decision of the Opposition Division on substantial grounds, he submitted that there had been "undue and unfair (if inadvertent) bias in the conduct of the opposition proceedings", because of the participation of the primary examiner objected to. In support of this allegation it was stated, inter alia, that the previous involvement of the examiner objected to as representative of the Opponent in a number of cases against the Patentee, which concerned very closely related technology, would inevitably affect his approach to the present case in favour of the Opponent. The Patentee also contested the implication in the above letter of the Director in DG2 that "Article 24 EPC represents the only circumstances in which it would be improper for a member of the EPO to be involved in proceedings of a particular kind" as being "manifestly nonsense and contrary to natural justice". It was contended that there had been a substantial procedural violation and reimbursement of the appeal fee was requested. The Opponent filed no observations in reply to the statement of grounds of appeal.

VI. The appeal was allocated to the Technical Board of Appeal 3.5.2. That Board considered a number of procedural aspects of the alleged partiality of the examiner objected to, including the question of the legal character of the letter of the Director in DG2 rejecting the request for replacing this examiner and, in particular, the applicability of certain general principles of law to proceedings before an Opposition Division. It was concluded that the contentions made by the Patentee raised a basic question of law, as to whether or not the alleged partiality of a member of an Opposition Division could be the subject of a ground of appeal. In the Board's view the EPC itself does not provide a clear answer to this important point of law. The Board, therefore, decided to refer the following questions to the Enlarged Board of Appeal:

1. Following a decision of the Director of the directorate to which the Opposition Division administratively belongs, in reply to and overruling an objection by a party to opposition proceedings to a member of the Opposition Division appointed to decide upon a particular case, the objection being on the ground that the member is suspected of partiality, does an appeal lie to the Board of Appeal against such decision?
2. If the answer to question (1) is yes:
 - (a) In deciding the question of partiality, do the same considerations apply to a member of an Opposition Division as to a member of a Board of Appeal under Article 24 EPC?
 - (b) In the present case, what was the effective date of the decision from which the time limit for filing an appeal is to be calculated?

3. In the present case, do the Appellant's objections on the ground of an alleged partiality of a member of the Opposition Division constitute valid grounds of appeal?

VII. Having regard to Article 11a of the Rules of Procedure of the Enlarged Board of Appeal, the Board decided on 14 June 1991 to invite the President of the EPO to comment on the following questions of general interest in the present context:

1. Are there any internal instructions or otherwise any common practice within DG2 in respect of possible consideration to be given to examiners' previous activities as representatives or employees of parties to proceedings before the EPO?
- 2) Who is responsible for the constitution of the Examining Divisions and the Opposition Divisions in individual cases?
- 3) If a problem (of any kind) arises with regard to the participation in an individual case of a member of an Examining Division or an Opposition Division which has already been constituted, do the members of such a Division decide on what action should be taken or, if not, who is actually deciding on such a matter?

VIII. By letter dated 23 July 1991, the President of the EPO commented on the above questions. In particular the following points made are of interest in the present context.

The practice of DG2 is based on the Internal Instructions for Examination in DG2 and on the Handbook for Substantive Examiners. There are also some corresponding provisions in the Guidelines for Examination in the EPO.

The instructions given to examiners are based on the assumption that Article 24 EPC is not applicable to the first instance. That the provisions of Article 24 EPC concerning exclusion of and objection to members of Boards of Appeal find no equivalent for members of Examining or Opposition Divisions is intentional. From the preparatory documents for the EPC it is clear that the possibility of excluding or objecting to members of Examining and Opposition Divisions was considered. Such provisions were, however, eventually limited to members of Boards of Appeal on the basis of the distinction between judicial (appeal) and administrative (examination and opposition) procedures.

In substance the lack of a provision on exclusion and objection does not mean that the parties to proceedings before the EPO have to face decisions influenced by personal interest or partiality. This is made clear by Article 17 of the Service Regulations, according to which an examiner is required to inform the President of the EPO, if he had to decide on a case in the handling or outcome of which he has a personal interest such as to impair his independence. The directives given to examiners and their superiors are intended to avoid situations in which an examiner might be influenced by a personal interest. Without a study in detail it may be accepted as a general principle of law that nobody should decide a case in respect of which a party

concerned may have good reasons to assume partiality.

In exercising the discretion given to Directors when determining the composition of a Division, they have to take into account the following.

Since examiners have, on average, been recruited to the Office more recently than have members of the Boards of Appeal, the likelihood of an examiner being objected to because of his knowledge having been gained with a party whilst working in industry is relatively great. This is particularly so when a technical field is dominated by a small number of companies.

Examiners who have been recruited because of their specialist knowledge in such a field could find themselves unable to work in that field because of objections from the parties. The mere fact that an examiner has worked, before entering the EPO, for a competitor of a party in a specific case is not a sound reason to assume that the examiner is biased. In general an employee of the Office shall carry out his duties and conduct himself solely with the interests of the European Patent Organisation in mind (Article 14 of the Service Regulations). There is no basis for the general assumption that an examiner will act in favour of (or to the detriment of) his former employer. A party only has a legitimate reason to ask for a replacement where an examiner has shown by his conduct that the necessary impartiality is lacking. Otherwise it has to be assumed that employees of the Office take their obligations under the Service Regulations seriously.

In DG2 cases have arisen in which a representative has requested that an examiner should be removed from the Examining Division due to alleged partiality. In at least one case the Director responsible changed the Examining Division, against the wishes of the examiner concerned, whilst in at least one other case the Director responsible refused any change.

According to the above Internal Instructions and the Handbook, it is normally, by way of delegation of the power given to the President of the EPO under Article 10(2)(a) and (i) EPC, the Director of the Directorate responsible for the technical field concerned who selects the members of Examining Divisions and Opposition Divisions, subject in the latter case to the approval of the Opposition Division itself to the proposed primary examiner in accordance with Article 19(2) EPC. In this case, the Chairman of the Opposition Division is also instructed to check the composition in view of the requirement of the same provision, that not more than one member may have taken part in the proceedings for grant and that he may not be the Chairman.

- IX. The parties to the appeal proceedings were invited to submit observations on the comments made by the President of the EPO.

The Patentee (Appellant) filed such observations on 21 September 1991 in which he maintained his principle position and further submitted, inter alia, the following:

As to the reference made by the President to Article 17 of the Service Regulations, this provision cannot in any sense protect a party to the

proceedings, if an examiner is unintentionally partial. It is precisely this situation which arises in the present case. No allegation has been made that the examiner was intentionally biased in his dealings with the Opposition. The sole case advanced is that, because of his previous involvement with the Opponent, he was unwittingly subject to the prejudices current with the patent department of the Opponent, and therefore may have been biased unintentionally.

The Patentee does not dispute that Article 24 EPC applies only to the Boards of Appeal, and not to bodies of first instance. It is "nonsense" however to suggest that because Article 24 EPC does not itself apply to such bodies, a Director in DG2 has "carte blanche" to appoint members who are "manifestly biased". Such an interpretation is clearly contrary to natural justice. It is submitted that the right of a party of any proceedings to be heard by an impartial tribunal does not depend solely upon the provisions of Article 24 EPC.

In a complex case such as the one with which the present appeal is concerned, the case must be looked at in the light of its particular facts. The examiner objected to was not merely a former employee of a competitor of the Patentee. He had been a senior member of the patent department of the Opponent and had acted for that Opponent against the Patentee on European oppositions on very closely related technology. In inter partes proceedings of this kind, it is more important than ever that all involved in deciding the case should not only be impartial, but should be seen to be impartial.

The Opponent (Respondent) submitted no observations.

Reasons for the Decision

1. Although the questions referred to the Enlarged Board of Appeal in the present case are directly related only to proceedings before an Opposition Division, the problems involved are of a general character having a bearing also on the activities of other departments of the first instance of the EPO charged with the procedure, e.g. the Examining Divisions (cf. Article 15 EPC). However, obviously opposition proceedings, characterised by opposite parties taking contrary views on matters to be decided by an Opposition Division in favour of the one and against the other party, are bound to be more exposed to such problems than other proceedings before the first instance.

2. It is clear and also accepted by the Appellant in the case pending before the referring Board, that the provisions of Article 24 EPC on exclusion and objection do apply only to members of the Boards of Appeal and of the Enlarged Board of Appeal and not to employees of the departments of the first instance of the EPO, including the Opposition Divisions. As submitted by the President of the EPO, this distinction is intentional. Thus, it appears from the minutes of the 5th Meeting of the Inter-Governmental Conference for the Setting up of a European System for the Grant of Patents (BR/168 e/72 eld/KM/gc, page 55), that the Conference rejected a proposal by one organisation that "the procedure (emphasis added) of exclusion and objection should be extended to all departments of the European Patent office", the reason for this being that "Only the Boards of Appeal and the Enlarged Board of

Appeal have, in fact, the similarity with courts of law which warrants such a provision".

3. However, the fact that the special provisions of Article 24 EPC do not apply to employees of the departments of the first instance of the EPO does not justify the conclusion, that such employees are exempt from the requirement of impartiality. Even if a very strict observance of this requirement is particularly important in proceedings before the Boards of Appeal and the Enlarged Board of Appeal in view of their judicial functions at supreme level within the European system of patent law, it must, as recognised by the President of the EPO, be considered as a general principle of law that nobody should decide a case in respect of which a party may have good reasons to assume partiality. The basic requirement of impartiality therefore applies also to employees of the departments of the first instance of the EPO taking part in decision-making activities affecting the rights of any party. However, it is to be noted that Article 24(1) EPC contains some specific provisions aimed at safeguarding the impartiality and objectivity of members of the Boards of Appeal and of the Enlarged Board of Appeal, there being no equivalent provisions in respect of employees of the departments of the first instance. For example, while no member of a Board of Appeal may take part in an appeal if he has participated in the decision under appeal, it is clearly foreseen under Article 19(2) EPC that one member of an Opposition Division may have taken part in the proceedings for grant of the patent to which the opposition relates. Thus, there is under the EPC in respect of employees of the departments of the first instance a certain flexibility which does not exist in respect of members of the Boards of Appeal and of the Enlarged Board of Appeal, the basic requirement of impartiality nevertheless being in principle the same.

4. As to the procedure in case of an objection being raised against an employee of a department of the first instance such as an Opposition Division on the basis of suspected partiality, it appears from the comments made by the President of the EPO, that according to the present practice such an objection made before the first instance is considered and decided upon by the Director of the department concerned. That was also what happened in the case pending before the referring Board. In respect of opposition proceedings there may be arguments in favour of letting the Opposition Division itself consider and decide upon such matters by means of an interlocutory decision allowing separate appeal. This would have the advantage of making it possible to have this procedural matter settled before a decision on the substance is taken. However, the present practice cannot be held to be illegal in view of the administrative character of the first instance departments being subject to internal instructions by the President under Article 10(2)(a) EPC. It may be added, that although Article 24 EPC is only applicable to appeal proceedings, it seems to be justified to apply the principles underlying the provisions of Article 24(3), second and third sentences EPC to the effect, that an objection on the ground of suspected partiality before the first instance may be disregarded, if it has not been raised immediately after the party concerned has become aware of the reason for the objection or if being based on nationality. Otherwise, the system could be open to abuse. In the particular case pending before the referring Board, there would seem to be no problem in this respect.
5. There is no legal basis under the EPC for any separate appeal against an order of a Director of a department of the first instance such as an Opposition Division rejecting an objection to a member of the division on the

ground of suspected partiality. However, the composition of the Opposition Division may be challenged on such a ground on appeal against the final decision of the division or against any interlocutory decision under Article 106(3) EPC allowing separate appeal. If not all the members of an Opposition Division should have fulfilled the requirement of impartiality, there has occurred a procedural violation as to the composition of the Opposition Division, normally rendering the decision void. It lies clearly within the competence of the Boards of Appeal to consider and decide on whether the requirements concerning the composition of an Opposition Division have been fulfilled. This is also being done in practice (cf. e.g. the decision in case T 251/88 of 14 November 1989, where two of the members of the Opposition Division had taken part in the proceedings for grant of the patent to which the opposition related, and Article 10 of the Rules of Procedure of the Boards of Appeal). Such consideration may take place of the Boards' own motion or at the request of a party to the appeal proceedings.

6. The question whether or not an objection to a member of an Opposition Division on the ground of suspected partiality is to be considered justified can only be decided upon in the light of the particular circumstances of each individual case. As recognised in the referring decision (see paragraph 5 of the reasons for the decision), such considerations involve factual questions of degree rather than points of law and are therefore not to be dealt with by the Enlarged Board of Appeal in the present context.

Order

For these reasons, it is decided that:

The questions referred to the Enlarged Board of Appeal in the present case are to be answered as follows:

1. Although Article 24 EPC applies only to members of the Boards of Appeal and of the Enlarged Board of Appeal, the requirement of impartiality applies in principle also to employees of the departments of the first instance of the EPO taking part in decision-making activities affecting the rights of any party.

2. There is no legal basis under the EPC for any separate appeal against an order of a Director of a department of the first instance such as an Opposition Division rejecting an objection to a member of the division on the ground of suspected partiality. However, the composition of the Opposition Division may be challenged on such a ground on appeal against the final decision of the division or against any interlocutory decision under Article 106(3) EPC allowing separate appeal.

The Registrar:

The Chairman:


J. Rückerl


P. Gori