

eG0001.97-003671930

DECISIONS OF THE ENLARGED BOARD OF APPEL

Decision of the Enlarged Board of Appeal dated 10 December 1999

G 1/97

(Translation)

Composition of the Board:

Chairman: P. Messerli
Members: J.-C. De Preter
J. Brinkhof
G. Davies
B. Jestaedt
P. Lançon
P. van den Berg

Party as of right: ETA SA Fabriques d'Ebauches

Intervening parties: Piranha Marketing GmbH

Junghans Uhren GmbH

Headword: Request with a view to revision/ETA

Article: 21, 23(1) and (3), 24, 106(1), 110(1), 111(1), 113, 114, 116, 121, 122, 125, 127 EPC

Rule: 10(2), 11, 65(1), 66(2), 67, 89, 90, 92(1) and (2) EPC

Article: 10 RPBA

Article: 11a, 11b RPEBA

Article: 23 RDR

Article: 31, 32, 62(5) TRIPs

Article: 31 (3) Vienna Convention on the Law of Treaties

Keyword: "Administrative or jurisdictional measures to be taken in response to requests based on the alleged violation of a fundamental procedural principle and aimed at the revision of a final decision taken by a board of appeal having the force of res judicata" - "Entry in the Register of European Patents"

Headnote

I. In the context of the European Patent Convention, the jurisdictional measure to be taken in response to requests based on the alleged violation of a fundamental procedural principle and aimed at the revision of a final decision of a board of appeal having the force of res judicata should be the refusal of the requests as inadmissible.

II. The decision on inadmissibility is to be issued by the board of appeal which took the decision forming the subject of the request for revision. The decision may be issued immediately and without further procedural formalities.

III. This jurisdictional measure applies only to requests directed against a decision of a board of appeal bearing a date after that of the present decision.

IV. If the Legal Division of the EPO is asked to decide on the entry in the Register of European Patents of a request directed against a decision of a board of appeal, it must refrain from ordering that the entry be made if the request, in whatever form, is based on the alleged violation of a fundamental procedural principle and aimed at the revision of a final decision of a board of appeal.

Summary of facts and submissions

I. Following an appeal lodged by the opponents, Board of Appeal 3.5.2 issued a decision dated 25 November 1991 revoking European patent No. 0 098 239 granted to ETA SA Fabriques d'Ebauches (T 456/90).

II. On 16 January 1992, ETA filed a number of requests before the boards of appeal, in particular an application for re-establishment of rights, a notice of appeal, a request based on Rule 89 EPC containing arguments similar to those put forward in the application for re-establishment of rights, and a request for further processing of the proceedings.

III. With regard to the application for re-establishment of rights, ETA argued that it had not filed amended claims in due time, despite having shown all due care required by the circumstances. In particular, since Board 3.5.2 had not made it clear, either during the appeal procedure or during the oral proceedings, that it was considering revoking the European patent, ETA's representative had remained unaware of the need to file amended claims. Moreover, on the day after the oral proceedings, which had ended with an announcement that the decision would be issued in writing, ETA had even stated in a letter that it was willing to amend the claims if the board considered this necessary.

Secondly, ETA argued that the right to a defence and the principle of good faith had been violated, since Board 3.5.2 had relied in its decision on fresh grounds for revoking the patent and, without prior warning, on a document which the opposition division had disregarded.

IV. In its statement of appeal, ETA argued that the decision to revoke had been taken by a board exercising the powers of the opposition division under Article 111(1) EPC and that its decision was therefore open to appeal.

V. On 31 July 1992, the chairman of Board 3.5.2, acting in that capacity and also as the person responsible for the board's administration, informed ETA in writing that its requests lacked any legal basis under the EPC and would therefore be refused. On 28 September 1992, the Vice-President DG 3 informed ETA in writing that no department could reconsider the final decision of Board 3.5.2, so there could be no question of reopening the appeal proceedings on the basis of a request for re-establishment of rights or of introducing a new appeal. The appeal fee and the fee for re-establishment of rights were reimbursed in October 1992.

VI. On 11 November 1992, ETA filed two requests with the Legal Division:

- one that the filing date of its application for re-establishment of rights, filed on 16 January 1992, be entered in the Register of European Patents;
- the other that the said Register be corrected by an entry showing that an appeal having suspensive effect had been filed on 16 January 1992.

VII. On 5 August 1994, following the decision of 7 February 1994 of the Legal Board of Appeal (hereinafter "Legal Board") concerning events which had occurred after the filing of the above-mentioned requests (J 2/93, OJ EPO 1995, 675), the Legal Division decided on the requests, stating that it had no powers to deal with them, since it could only deal with requests concerning entries in the Register of European Patents if such requests related to proceedings provided for under the EPC. The decision in T 456/90 was a decision of a final instance and had the force of res judicata and therefore led to the termination of all the proceedings provided for under the EPC for the patent in question.

VIII. In its decision of 28 February 1997 concerning ETA's appeal against the above ruling (J 3/95, OJ EPO 1997, 493), the Legal Board decided as follows:

"The following questions concerning an important point of law are referred to the Enlarged Board of Appeal:

1. In the context of the European Patent Convention, what administrative or jurisdictional measures should be taken in response to requests based on the alleged violation of a fundamental procedural principle and aimed at the revision of a decision taken by a board of appeal with the force of res judicata?
2. If necessary, should it be required that these be entered in the Register of European Patents?"

In point 3 of the reasons for its decision, the Legal Board stated that the purpose of

all the requests submitted by ETA following decision T 456/90, irrespective of how they had been defined, was to obtain a review of the decision and the suspension of its effects pending that review. From this, the Board concluded that the decision to be taken depended, firstly, on the reply to the question as to the action to be taken in response to such requests, and, secondly, on whether or not such actions were to form the subject of entries in the Register of European Patents.

Three possible courses of action were then considered, which are described in points 4 to 7, 8 and 9 respectively of the reasons for the decision.

Concerning the first consequence, ie reopening the appeal proceedings or entering a new appeal, the Board, referring to Articles 21(1) and 106(1) EPC, held that board of appeal decisions, concluding an appeal, were final and had the force of *res judicata*. Therefore, the court, whose decision had become final, could not review its decision again. All that generally remained was the possibility of correcting obvious mistakes of a purely material nature (see Rule 89 EPC). The legal effects of such a decision could no longer be suspended by an appeal, and it could not be challenged except by any special remedies which might be provided for this purpose in the law. The Board also emphasised the disadvantages which could arise from reopening a case or entering a new appeal: in particular, the risk of prolonging, out of all proportion, the procedure up to grant.

As for the second action taken by the Chairman of Technical Board 3.5.2 and by the Vice-President with responsibility for the boards of appeal, which constituted a purely administrative objection to admissibility, the Legal Board merely observed that this practice had been followed by the boards of appeal since they were first created and that it was strongly objected to by ETA.

Regarding the third issue, the special course of action through the courts, the Legal Board noted that the law provided such remedies in a number of contracting states and before the Court of Justice of the European Communities. The remedies, frequently referred to as special, were available against final decisions and generally did not have suspensive effect. Here, the Board pointed out that the EPC texts did

not provide for similar procedures.

In point 10 of the reasons for the decision, the Legal Board stated that the question as to the administrative or jurisdictional procedure to be adopted by the boards of appeal in response to requests such as those submitted in the case in point raised an important point of law, since neither the EPC nor the case law or procedural or administrative practices of the boards of appeal provided a clear answer.

Similarly, in the view of the Legal Board, the question arose as to whether or not the procedure to be adopted would have to be entered in the Register of European Patents.

IX. In its initial observations, dated 21 January 1998, ETA set out the following main arguments:

(a) Each route it had used corresponded to a procedure provided for by the EPC. Thus, under the rules governing applications for re-establishment of rights and requests under Rule 89 and Article 114 EPC, the technical board of appeal would be obliged to consider that the decision of 25 November 1991 was affected by a violation of a fundamental procedural principle, and accordingly to find this decision invalid and thereby restore the previous procedural situation. This was the same mechanism as re-establishment of rights, as confirmed by case law (see decision W 3/93, Reasons point 2.4).

In its appeal under Article 106 EPC, ETA asked the technical board of appeal to decide, firstly, on the admissibility and validity of its objection that the decision of 25 November 1991 was marred by a violation of a fundamental procedural principle. If the technical board considered the objection both admissible and valid, the decision would be set aside and the proceedings reopened for the consideration of substantive issues, as in the case of re-establishment of rights. The proceedings would also have to be reopened if the board considered the appeal inadmissible because it was directed against a decision of a board of appeal but nevertheless found that decision invalid because of the violation of a fundamental procedural

principle.

(b) The Legal Board noted that ETA's requests were all aimed at obtaining the suspension of the effects of the decision of 25 November 1991 pending its review. Under the EPC system, however, an application for re-establishment of rights has no suspensive effect. This being the case, such an effect is not sought by ETA.

The appeal itself does have a legal suspensive effect (Article 106(1) EPC). The effect persists until the board handling the case has decided whether the appeal is admissible, and, if so, whether it is well-founded (Rule 65 and Article 110(1) EPC). The consequence of the suspensive effect would be that the decision to revoke of 25 November 1991 never entered into force. ETA therefore requested that this legal position be correctly reflected in the Register of European Patents, which would mean deleting the mention of the revocation decision (and possibly adding, for the sake of clarity, the mention of the appeal filed against that decision). Therefore, while it is correct to point out that the purpose of the proceedings instituted by ETA was to have the revocation decision of 25 November 1991 declared invalid or to overturn the decision and ensure that the case was reopened, it is no less true that these proceedings are possible within the framework of the EPC. Although the Legal Board did not explicitly raise this issue in the reasons for its decision, ETA is of the opinion that setting aside a decision of an EPO board of appeal in view of a serious procedural error, or declaring the decision null and void for the same reason, is already possible *de lege lata*. The duty of the boards of appeal to apply general principles of law provides the legal basis for the review procedure.

(c) The Legal Board is correct in pointing out that Article 106(1) EPC does not specify that an appeal shall lie from decisions of the boards of appeal, but it then goes on to assert that the boards of appeal do not have the power to review their own decisions. However, Article 21(1) EPC, to which the Legal Board refers, does not exclude the possibility of a board of appeal reviewing one of its own decisions. This is not ruled out by any EPC provision.

On the contrary, in the case of an application for re-establishment of rights,

Article 122(4) EPC necessarily includes the power for boards of appeal to declare their own decisions invalid (see decision W 3/93 quoted above). Furthermore, Rule 65 EPC prescribes that any decision on the admissibility of an appeal under Article 106 EPC is within the competence of the board of appeal. Consequently, even an appeal against a decision of a board of appeal must be subject to such examination as to admissibility. The rationale for such examination still remains in a case such as the present one, where ETA maintains that the contested decision violates a fundamental procedural principle. In addition, ETA claims that the decision is, in essence, a decision of the first instance, since the board exercised the powers of the opposition division. Therefore, the decision is subject to appeal.

(d) While it is in the general interest that there should be an end to litigation, litigants also have an equally important and legitimate interest in the proper administration of justice and in upholding the fundamental procedural principles which apply today in any self-respecting legal system. One of these key principles is the right to be heard, which ETA considers to have been violated in the present case. According to this principle, expressly anchored in the EPC, the decisions of the EPO may only be based on grounds or evidence on which the parties concerned have had an opportunity to present their comments (Article 113(1) EPC), as confirmed by the consistent body of case law from the boards of appeal. The right to be heard applies to all departments of the EPO, including the boards of appeal as a second level of jurisdiction which does not enjoy any form of immunity in this respect.

According to ETA, it should rather be considered whether, under the EPC system, a case involving a substantial procedural violation is truly concluded, even if the decision is of the second instance. In this case the judge has not yet or not validly discharged his responsibility for hearing it, and the proceedings must be reopened. Therefore it is the duty of the EPO - or, to be more precise, of the authority referred to in paragraph 2 of Rule 10 EPC (ie the Presidium), exercising its powers under Rule 11 EPC - to define the rules of procedure which make it possible to determine whether an alleged violation of a fundamental procedural principle has occurred, and, if this is found to be the case, to reopen the proceedings in order to remedy the violation.

Looking at the decisions on the *res judicata* maxim cited by the Legal Board, it should be pointed out that in decisions T 79/89 and T 843/91, alleged procedural violations in connection with a previous decision issued by a board of appeal in the same case had in effect been examined.

Moreover, in T 167/93, it follows from a passage in point 2.7 of the Reasons that nothing in the EPC prevents a matter being considered a second time by a board of appeal, in this case as the result of an opposition filed after the patent examination procedure.

(e) Since the boards of appeal are the second and final judicial instance of the EPO, and are therefore the supreme guardians of the EPC, this situation constitutes a further argument in support of the power of EPO boards of appeal to re-examine their own decisions at the request of a party alleging the violation of a fundamental procedural principle. This is necessary to fill the gap created by the omission of a final appeal court (Cour de Cassation) from the European patent system.

(f) The Legal Board points to the possibility of special remedies for challenging final decisions. From a detailed study by the Swiss Institute of Comparative Law in Lausanne, consulted by ETA on the possible application of Article 125 EPC, and from the comparative table showing the main characteristics of the procedures identified by the Institute, it emerges that all the contracting states in the study - in particular, Belgium, France, Germany, Italy, the Netherlands, Spain, Switzerland and the United Kingdom - have some procedure for reviewing final and enforceable judicial decisions which are marred by serious procedural deficiencies. These can be violations of fundamental rules of judicial organisation or procedure, such as irregular composition of the tribunal, participation by unqualified judge or an unauthorised third party in the decision, failure to consider submissions made by the parties, etc. Alternatively, they can be flaws resulting from the disappearance of the basis for a decision: in particular, from the discovery of crucial evidence after the decision has been issued, or from the fact that the decision has been swayed by false evidence or testimony.

Furthermore, all the contracting states in the study have a procedure for the annulment of decisions of second-instance in civil or (except for Italy) administrative cases where a violation of fundamental procedural principles has occurred. Some contracting states (Germany, Spain and Switzerland) also offer special protection, in the form of a constitutional-type appeal, against decisions of final instance marred by violation of a basic right such as the right to be heard.

(g) The fundamental procedural principles at issue go beyond those enshrined in the EPC. The interpretation of the EPC by the boards of appeal or the Enlarged Board has repeatedly led to the amendment or clarification of its provisions. Furthermore, if the interpretation of the EPC does not yield a solution, the departments of the EPO must take into account the procedural principles generally recognised in the contracting states (Article 125 EPC).

The comparative analysis of the legislation of eight contracting states shows that, although the possibility of a review according to the continental model is generally limited to certain clearly defined cases, the formula for the power of annulment or the constitutional right of appeal is flexible and covers the violation of any fundamental procedural principle. Regarding the review of decisions, the amended Swiss law of 1991 even extends the scope for obtaining a review to any violation of the rules governing the right to a fair trial within the meaning of Article 6 of the European Convention on Human Rights (ECHR), while the review system in the United Kingdom makes it possible to challenge any procedural irregularity.

(h) The EPC also contains a formul analogous to "violation of a fundamental procedural principle", ie the concept of substantial procedural violation in Rule 67. According to ETA, the fundamental procedural principles established in the EPC also include a guarantee of two levels of jurisdiction, both at the stage of examining the patent application and in the opposition procedure. On this point, there is an extensive body of board of appeal case law showing that the admission of an appeal has the consequence in principle of remittal to the department of first instance, so as to ensure that the parties' right of appeal is maintained. It is only in exceptional cases, particularly where the loss of an opportunity for review is not at odds with the

principle of equity or where the appellant has expressly waived the right to have the issue considered at two instances, that the board of appeal has exercised its option under Article 111(1) EPC to decide on the appeal itself ("Case Law of the Boards of Appeal of the European Patent Office", 1996, ch. 8, p. 342).

(i) As for the administrative practice to date of a finding of inadmissibility, there is no legal basis for this in the EPC, and it constitutes a serious anomaly in the functioning of the EPO. The boards of appeal must be independent in the exercise of their powers, and it is unacceptable for EPO staff to implement measures of an administrative nature which would prevent the boards from deciding on cases.

X. An order dated 13 July 1998 was issued, with a decision to allow the opponents in T 456/90 to participate as intervening parties in G 1/97. They were invited to present any comments within a period of two months.

The opponent Piranha Marketing GmbH has not stated its position, but the opponent Junghans Uhren GmbH filed comments in a letter dated 2 September 1998. While considering that final decisions of the boards of appeal should not in principle be open to challenge, the latter intervening party did not rule out the idea of being able to correct such decisions if they were affected by a serious procedural violation, as long as such a procedure did not have a suspensive effect.

XI. On 26 August 1998, the President of the EPO presented his comments in accordance with Article 11a of the Rules of Procedure of the Enlarged Board of Appeal.

His position can be summarised as follows:

(a) The EPC does not provide for any procedure for reviewing decisions of the boards of appeal (Article 106(1) EPC), which therefore become final as soon as they are issued. Only Rule 89 EPC can be applied, allowing the correction of linguistic errors, errors of transcription and obvious mistakes in decisions, but not the correction of legal errors.

(b) Secondly, the application of Article 125 EPC is ruled out. According to the "travaux préparatoires" and in particular the comments of K. Haertel dated 15 November 1961 ("Bemerkungen zu dem ersten Arbeitsentwurf eines Abkommens über ein europäisches Patentrecht, Artikel 155 bis 170", p. 48 ff), and having regard also to the wording of Article 125 EPC, this provision is designed solely to fill the lacunae in the procedures established by the EPC, ie the procedures for which the EPC already provides. The legislator did not in fact want to authorise the EPO to devise its own complementary procedural law. Moreover, the powers of the Presidium under Article 23(4) EPC do not extend to permitting the creation of an entirely new judicial remedy.

(c) Requests for the review of a final decision should therefore be dealt with via administrative measures undertaken by the Directorate-General responsible for the boards of appeal.

(d) As for the second question referred to the Enlarged Board, since decisions of the boards of appeal are not open to review and can therefore no longer be set aside it is not necessary to order that an entry be made in the Register of European Patents. Consequently, the only entries which may be made in the Register are those specified in Rule 92(1) EPC and in the Notice of the President of the EPO under Rule 92(2) EPC.

XII. The intervening party Junghans Uhren GmbH stated that it shared the President's view.

XIII. In its further observations, filed on 18 November 1998 in response to the President's comments, ETA set out the following arguments:

(a) The wording of Rule 89 EPC in no way prohibits the inclusion of a violation of the rules of procedure in the category of "obvious mistakes". In the case law of the boards of appeal, the term "mistake" has been interpreted with considerable latitude. In J 12/85 (Reasons point 3), it was admitted that inconsistencies in a decision to grant a patent could be a ground for filing a request for correction on the basis of

Rule 89 EPC (see also T 105/89, dated 30 October 1990, where it was conceded that Rule 89 EPC also allowed scope for correcting a serious formal deficiency (Reasons point 1.2). In T 770/95 of 15 September 1997, the board of appeal found that "Rule 89 EPC draws no distinction as to the source of mistakes or errors" (Reasons point 2.1). According to the latter decision, where a mistake is held to be obvious, any correction to remedy it is acceptable as long as the correction adheres to the provisions of the Convention (Reasons point 4). The board of appeal also emphasised that "a correction of a mistake restores matters to what was always their rightful state" (Reasons point 5).

(b) Regarding Article 125 EPC, the issue of creating a new procedure not provided for under the EPC does not arise, since the requests filed by ETA for consideration by the Technical Board of Appeal fall within the scope of procedures provided for under the EPC: ie an appeal (Article 106 and Rule 65 EPC), an application for re-establishment of rights (Article 122 EPC) requests for correction of mistakes (Rule 89 EPC) and reopening of the proceedings (based by ETA on Article 114 EPC). In this clearly defined context, EPO departments can rely on the principles referred to in Article 125 EPC.

It is therefore incorrect to claim that the question referred to the Enlarged Board is aimed at the creation, via Article 125 EPC, of remedies which do not exist in the EPC.

(c) Administrative bodies have no power to settle disputes of a jurisdictional nature between parties. Such disputes must be settled by the departments responsible for the procedures specified in Article 15 EPC (with the exception of the search divisions). Where the boards of appeal consider requests that fall within the scope of the procedures provided for under the EPC, they are obliged to render a decision, which does not exclude deciding that a request is inadmissible. The previous administrative practice also violates the principle of legitimate expectations (see G 5/88, OJ EPO 1991, pp. 137, 153) and the right to a fair trial enshrined in Article 6(1) ECHR.

(d) Regarding the issue of entries in the Register of European Patents, the Notice of the President of the EPO dated 22 January 1986 (OJ EPO 1986, p. 61) states that the date of receipt of an application for re-establishment of rights must be entered in the Register. This is precisely what ETA requested in its communication of 11 November 1992.

(e) ETA also invokes the principle, enshrined in Article 32 of the Agreement of 15 April 1994 on trade-related aspects of intellectual property rights (TRIPs), that two levels of jurisdiction must be available in revocation cases, and appends to its communication an article by B. Cronin entitled "Is the EPO Practice Compatible with Provisions of the TRIPs Agreement?" (EPI Information 3/1994). The company, like the article, disputes the compatibility of EPO practice with Article 32 TRIPs. This argument is also presented in a further communication from ETA.

XIV. In reply to the communication of the Enlarged Board of Appeal dated 22 February 1999 accompanying the invitation to oral proceedings on 11 May 1999, ETA filed a further set of comments, dated 12 April 1999, which, in so far as they contain new aspects, can be summarised as follows:

(a) If the Enlarged Board, in answer to the referral question on the revision of decisions, were of the opinion that a new procedure not provided for by the EPC should be established, then Article 125 EPC would also provide a sufficient legal basis for so doing, since this provision is designed to fill the procedural gaps in the EPC.

(b) Regarding the remedies available in the EPC contracting states, it should also be noted that the practice of the contracting states offers several examples of the creation, by purely judicial means, of procedures for remedying a serious procedural deficiency (Belgium, Italy, Switzerland, the United Kingdom). Regarding the concept of violation of a fundamental procedural principle, it is necessary to bear in mind the principles expressly prescribed by the EPC (eg in Articles 23(3), 110(2), 113(1) and (2) and 116, and in Rule 66(2) EPC), the principles set out in the case law of the boards of appeal and the principles generally recognised in the contracting states

within the meaning of Article 125 EPC.

(c) The fact that, for reasons concerned with the Agreement's transitional status, Article 32 of TRIPs may not apply to the present case would in no way prevent the review of the decision of the Technical Board of Appeal dated 25 November 1991, since ETA's requests are not based on that Article; instead, they are all based on the provisions of the EPC, its Implementing Regulations and the principles of law generally recognised in the EPC contracting states.

Nevertheless, the imperative character of Article 32 TRIPs, which establishes a fundamental requirement of patent law, is an argument in favour of applying this provision to all pending proceedings, not just to those initiated after 1 January 1995, the date upon which TRIPs entered into force.

While opinion is certainly divided on the issue of the direct impact of the provisions of the General Agreement on Tariffs and Trade (GATT), and now also of the TRIPs Agreement, no EPO body or department has ever claimed that Article 32 TRIPs could be ignored. On the contrary, the prevailing view up to now has been that the procedural provisions of the EPC are fully in keeping with Article 32 TRIPs, and that the latter does not require any amendment of EPO rules or practice concerning revocation. However, the rule laid down in Article 32 TRIPs is not observed in cases where a European patent is revoked for the first time by decision of a board of appeal exercising the powers of the opposition division and where this decision is also affected by a serious procedural deficiency.

On the other hand, assuming that Article 62(5) TRIPs applies to proceedings before the EPO, there would be no conflict with Article 32 TRIPs. Article 62(5) TRIPs clearly refers to decisions of administrative departments and moreover concerns procedures relating to all types of industrial property rights. By contrast, Article 32 TRIPs specifically concerns patents; the rule which it formulates is not only applicable to administrative decisions.

(d) Regarding the second question referred to the Enlarged Board of Appeal, the

entry in the Register of decisions on opposition is provided for in Rule 92(1)(r) EPC. If an appeal is filed against a decision by a board of appeal to revoke a patent, there is occasion to delete the mention of the decision to revoke or to include a mention of the filing of the appeal, pending a decision on the latter's admissibility.

Since the public has to be informed as quickly as possible of the legal position, the entry in the Register of European Patents must be made as soon as any request for review of a board of appeal decision is filed.

(e) The jurisdictional measures to be taken in response to ETA's requests should apply to any other similar request which may be pending. Indeed, it is generally accepted that any amendment of rules of procedure - at least if it operates in the plaintiff's favour - also applies to pending proceedings (see G 4/97). For proceedings which are definitely terminated, there is no need in principle to give retroactive effect to a change in case law.

XV. Several statements by third parties were filed under the terms of Article 11b of the Rules of Procedure of the Enlarged Board of Appeal.

XVI. At the oral proceedings, which the intervening parties did not attend, ETA mainly developed the arguments it had already submitted in writing.

It also referred to decision T 460/95, the decision issued on 17 December 1998 by the House of Lords in the Pinochet case, and a decision of the Swiss Federal Court (ATF 113 Ia 146) dated 18 March 1987. Regarding the requests made in connection with the first question, it argued that the decision of the Enlarged Board of Appeal should have at least an *ab initio* effect from the date of those requests for review which, like its own, were being actively prosecuted.

At the end of the oral proceedings, the Chairman of the Enlarged Board of Appeal announced that the decision would be issued in writing.

Reasons for the decision

1. In its decision of 28 February 1997, the Legal Board considered that, irrespective of how ETA had defined them, all its requests following decision T 456/90 of Technical Board of Appeal 3.5.2 were aimed at obtaining a review of the latter decision after it had become final. In its first referral question, the Legal Board described the requests as based on the alleged violation of a fundamental procedural principle.

On the basis of this description, the Legal Board posed the question of the action to be taken in response to such requests. To answer this question, the Enlarged Board of Appeal finds it necessary first to examine whether, in the context of the EPC, such requests, aimed at the revision of final decisions taken by the boards of appeal and based on the alleged violation of a fundamental procedural principle, may be validly submitted, since the action to be taken evidently differs according to whether the answer is yes or no.

2. First of all, it is necessary to consider whether such requests fall within the scope of the remedies provided for in the EPC and invoked by ETA.

(a) Regarding the appeal, Article 106(1) EPC gives it a suspensive effect. This effect prevents a decision from becoming final and is therefore limited to ordinary appeals, ie those against decisions which are not yet final (*Rosenberg/Schwab/Gottwald*, Zivilprozessrecht, 15th ed., pp. 800-801; *Habscheid*, Schweizerisches Zivilprozess- und Gerichtsorganisationsrecht, 2nd ed., No. 702; Droit pratique de la procédure civile, Dalloz Action, 1998, paragraph 5063). Since, as the Legal Board has correctly stated in its decision, decisions of the boards of appeal become final as soon as they are issued, there can be no possibility of appeal under Article 106 EPC against these decisions. This is confirmed, moreover, by Articles 21 and 106 EPC, which do not include the boards of appeal in the list - which must be regarded as exhaustive - of departments whose decisions are open to appeal.

On the basis of Article 111 EPC, ETA claims that a board of appeal revoking a patent for the first time is acting as a department of first instance, ie as an opposition division, which renders its decision appealable. However, this Article deals on the

one hand with the "correction" effect and on the other with what some authors call the "cassation" (setting aside) effect of an appeal (see *Habscheid*, *Droit judiciaire privé suisse*, 2nd ed. p. 473). In the first case, a board of appeal rules on the substance itself, but in the second, the board remits the case to the department of first instance for further prosecution. Article 111 EPC makes both possibilities available to the boards of appeal, as incidentally do the appeal provisions in several EPO contracting states (for example, in Switzerland, Article 64 of the Federal Law of Judicial Organisation, with the option of application for review to the Federal Court, and in the United Kingdom, Rule 7(5) R.S.C. Ord. 55). These effects concern only the options available to a board in the event of an appeal. In the case of the "correction" effect, the board's decision cannot be treated in the same way as a ruling of the first instance. In this context, ETA is mistaken in arguing that, according to a very substantial body of board of appeal case law, the admission of an appeal leads in principle to the remittal of the case to the first level of jurisdiction so as to maintain the parties' right of appeal. Under Article 111(1) EPC, it is up to the boards of appeal to decide on remittal, assessing each case on its merits, as follows from the examples quoted in "Case Law of the Boards of Appeal of the European Patent Office" (3rd ed. 1998, pp. 491-493). Under Article 10 of the Rules of Procedure of the Boards of Appeal, even where fundamental deficiencies are apparent in the proceedings at first instance, the boards of appeal may decide not to remit the case to the department of first instance if special reasons present themselves for so deciding. This power of discretion regarding remittal also applies where a board considers revoking a patent in response to an appeal by an opponent (see T 557/94, not published in OJ EPO, Reasons point 1.3, second paragraph, third sentence).

(b) ETA also filed an application for re-establishment of rights under Article 122 EPC. In ETA's view, this Article contains at least the basic mechanism for a request for review on the ground of violation of a fundamental procedural principle, since its application can result in a decision being set aside after it has been taken, as was decided in W 3/93 (OJ EPO 1994, 931).

However, Article 122 EPC offers no scope for the idea of a request for review as described by the Legal Board, since one of the essential conditions of that Article is

having been unable to observe a time limit vis-à-vis the EPO, ie a time limit laid down by the EPO or provided for in the Convention or its Implementing Regulations. A "virtual" time limit, as invoked by ETA in its application of 16 January 1992 for re-establishment of rights, is not sufficient. Even if a procedural deficiency had led to non-observance, as provided in Article 122 EPC, it would remain the case that all the requirements for an application for re-establishment of rights - in particular, failure to observe an actual time limit - have to be met. Therefore, an application of this kind cannot be a basis for filing an appeal against a decision of the boards of appeal on the ground of violation of a fundamental procedural principle.

The same applies to requests for further processing under Article 121 EPC.

(c) ETA has also claimed that a request for review was possible under Rule 89 EPC, on the basis that a violation of fundamental procedural principles constitutes an obvious mistake. Here, it should be noted that a legal error, no matter whether it concerns substantive or procedural aspects, cannot be corrected under the Rule cited. The decisions cited by ETA in this connection are not relevant (see T 105/89 dated 30 October 1990 (not published in OJ EPO) concerning a case where the order of the decision contradicted the reasons; T 770/95 dated 15 September 1997 (not published in OJ EPO) concerning the correction - by replacing erroneous technical terms which to the skilled person had no meaning in the specific context - of the text of a patent granted by a previous decision, of which the text was held to form a part). These two examples illustrate what must be taken as the meaning of the "inconsistencies" which may be corrected under Rule 89 EPC, as decided in J 12/85 (OJ EPO 1986, 155), also cited by ETA.

(d) Regarding ETA's request, also filed on 16 January 1992, for "resumption of the proceedings" on the basis of Article 114(1) EPC, it is clear that this Article, which merely sets out the principle of examination by the EPO of its own motion, cannot be considered as a possible basis for requests such as those described by the Legal Board in its first question.

(e) In support of its argument that requests for review fall within the scope of the

existing arrangements under the EPC, ETA claims that the legislator initially intended to set up a European Patents Court with responsibility, in particular, for considering cases of violation of fundamental procedural rules. The Enlarged Board of Appeal does not share this view. Neither from the EPC nor from the “travaux préparatoires” is it possible to infer that, following the abandonment of the idea of a European patents court, requests for review based on the alleged violation of fundamental procedural rules fall within the scope of the existing arrangements. On the contrary: since the legislator, having abandoned the idea of a European court, finally decided to set up the Enlarged Board of Appeal intending it to suffice as a regulatory body, it is inconceivable that he should have intended to mitigate the situation by giving the boards of appeal the same power as that which would have been exercised by that higher instance.

ETA is also mistaken in claiming that a board of appeal, having issued a final decision, has not yet discharged its responsibility for hearing the case if the decision in question is affected by a violation of a fundamental procedural principle. In fact, by settling a dispute, the board is relieved of jurisdiction for the case brought before it.

T 460/95 (OJ EPO 1998, 587, Reasons point 2), cited by ETA in this connection, concerns a decision which was merely interlocutory and in which only a single question of admissibility had been considered.

ETA has also pointed out that some arguments regarding procedural deficiencies, contesting a previous remittal decision, had indeed been considered by some boards of appeal.

Regarding T 79/89 (OJ EPO 1992, 283) and the two decisions in T 843/91 (OJ EPO 1994, 818 and 832) quoted by ETA in this connection, it should first be noted, however, that these arguments had been raised in the context of a new admissible appeal.

Moreover, although in the ex parte case T 79/89 the board of appeal examined the

appellant's objections regarding the violation of his right to be heard during the previous appeal proceedings, the examination would appear to have been superfluous, not only because the board saw the objections as clearly unfounded (Reasons point 2.3), but also in view of its explanation that they would have been rejected even if they had been filed in due time, ie before the board issued its previous decision (Reasons point 4.2).

As for the inter partes case T 843/91, following an objection to the three members of the board of appeal who had participated in the previous remittal decision, the board in a different composition issued an interlocutory decision in which it was clearly bound to consider the reasons for the objection, including that arising from the violation of the right to be heard in the previous appeal proceedings. The request raising the objection having been rejected, the board quite rightly incorporated the reasoning from the interlocutory decision in its final decision. Moreover, in the first decision in T 843/91 (Reasons point 6), the board pointed out that a decision of a board of appeal can only be contested where this is expressly provided for under statute, and that there are no provisions in the European Patent Convention allowing an appeal to be filed against such a decision. The second decision in T 843/91 followed the same line (Reasons point 4).

In T 167/93 (OJ EPO 1997, 229), which ETA also cites, it was merely decided that in opposition or opposition appeal proceedings, the relevant department is not bound by a decision of a board of appeal on appeal from an examining division.

These decisions, issued in specific circumstances, do not therefore allow the conclusion to be drawn that case law has admitted the possibility of challenging decisions of the boards of appeal on the ground of violation of a fundamental procedural principle.

(f) From the above, it follows that the remedies cited by ETA do not offer a sufficient basis for the valid filing of requests as described by the Legal Board, ie requests based on the alleged violation of a fundamental procedural principle and aimed at the review of a final decision. Nor does the Enlarged Board of Appeal see any

remedy expressly provided for in the EPC which could serve as a basis for such requests. A comment by a third party refers to Rule 90 EPC, regarding a case where a decision would have been issued by a board of appeal although there was a reason for suspending the proceedings. However, this is a very specific case, which, as ETA correctly observes, did not involve a violation of a fundamental procedural principle but rather an irregularity arising from a circumstance extraneous to the proceedings and with no bearing on the subject of the first question raised by the Legal Board.

The conclusion is therefore inescapable that the texts of the EPC do not provide for requests of the kind described by the Legal Board.

3. In point 9 of the Reasons for its decision of 28 February 1997, the Legal Board mentions special remedies, available under the law of a number of countries, which make it possible to challenge final judgments on grounds of irregularity, eg violation of a fundamental procedural principle. ETA also refers to these special means of appeal in its submissions. In this connection it has submitted a study by the Swiss Institute of Comparative Law, surveying the situation in eight EPC contracting states, on the legal means available to challenge judicial decisions on grounds of serious procedural deficiencies. The study shows that the eight states in question all have some special arrangement of this kind, which is probably also the case in most of the other contracting states. In view of this, since the EPC does not contain any such remedies, the question arises whether they could not be introduced on the basis of Article 125 EPC. This possibility would seem to have been raised by the Legal Board with the words "In the context of the EPC", since the Article in question is clearly part of the EPC.

(a) Article 125 EPC, headed "Reference to general principles", provides as follows: "In the absence of procedural provisions in this Convention, the European Patent Office shall take into account the principles of procedural law generally recognised in the Contracting States." Although ETA's principal objective is to ensure the application of Article 125 EPC to currently pending proceedings, and indeed to its own requests, it also maintains that this Article provides a sufficient basis for

creating a special means of appeal, since this provision was designed to fill the gaps in the EPC.

Regarding the interpretation of this Article, it should first be noted that it does not refer to the absence of a procedure but only to that of a procedural provision. Secondly, there is no question of taking procedures into account, but only the procedural "principles" generally recognised in the contracting states.

The creation of a special means of appeal, similar to the arrangements which exist in the contracting states, extends far beyond the application of a general procedural principle - eg the principle of equal rights for the parties - in order to remedy the absence of a specific procedural provision. Instead of introducing a principle, this would in fact establish a new procedural institution, ie a new remedy in the broad sense of the term. In view of this, it would not suffice to say that board of appeal decisions can be challenged on the basis of procedural irregularities. It would also be necessary to define which irregularities should be taken into account and to specify the practical arrangements for a remedy in the wider sense, regarding matters such as the instance to which jurisdiction is assigned, the time limits to be observed, the protection of third-party rights, the payment of fees, etc.

The "travaux préparatoires" referred to by the President of the EPO (see point XI(b) supra), show that the legislator's principal concern was with the necessarily incomplete character of the Implementing Regulations (page 48). Certainly, the issue of lacunae in the Convention (page 50 in fine, page 51, line 6) is also raised, but the words "ergänzendes Verfahrensrecht" (supplementary procedural law) in lines 17 and 23 of page 50 and the reference to general procedural principles in the first paragraph on page 51 underline the purely complementary character of the intended procedural law.

This leads to the conclusion that Article 125 EPC merely provides a means of supplementing existing procedures in case a lacuna becomes apparent in an EPC provision. This also follows from the case law of the boards of appeal: inter alia - to cite only some of the decisions referring explicitly to Article 125 EPC - from the

decision in T 905/90 (OJ EPO 1994, 306, Reasons point 5) regarding the principle of good faith, from T 669/90 (OJ EPO 1992, 739, Reasons points 2.3 and 2.4) concerning the right to a fair hearing, and T 73/88 (OJ EPO 1992, 557, Reasons point 1.2) concerning the principle of equal rights of all parties.

Regarding G 1/86 (OJ EPO 1987, 447), where it was decided that an appellant as opponent may have his rights re-established under Article 122 EPC if he has failed to observe the time limit for filing the statement of grounds for appeal, ETA is mistaken in considering that new proceedings were commenced. In fact, this decision is anchored within the framework of Article 122 EPC and is based essentially on the Enlarged Board of Appeal's finding that neither the "travaux préparatoires" relating to the Convention, nor the legal background to Article 122 EPC stood in the way of opponents' relying on this Article during valid appeal proceedings. The Enlarged Board's finding was supported, furthermore, by the general principle that all parties to proceedings before a court must be accorded the same procedural rights. By interpreting Article 122 EPC, the Enlarged Board was not instituting new proceedings.

(b) In a codified legal system such as the EPC, the judge cannot simply decide, as the need arises, to substitute himself for the legislator, who remains the primary source of law. He may certainly find occasion to fill lacunae in the law, in particular where situations arise for which the legislator has omitted to provide. He may even contribute to the development of the law, beyond the filling of lacunae. In principle, however, statute law should provide him with reference points, even if these are incomplete (see *Palandt/Heinrichs*, Bürgerliches Gesetzbuch, 58th ed., Introduction, Nos. 46-49). As indicated above (see point 2 supra), in this particular case the legislator wanted to set up a European Patents Court, with jurisdiction for procedural irregularities. However, this idea was abandoned in favour of the Enlarged Board of Appeal in its present form, which is not authorised to consider cases of violation of fundamental rules of procedure. To "correct" this situation by creating a special remedy on the basis of Article 125 EPC would therefore go against the intent of the legislator, which intent has not subsequently been amended by agreement or practice within the meaning of Article 31(3) of the Vienna Convention on the Law of

Treaties, concluded on 23 May 1969.

In the contracting states, the special arrangements for challenging judicial decisions on grounds of irregularity are, in the vast majority of cases, established by statute. In some cases, admittedly, the arrangements have been created by purely judicial means. However, for example in ATF 118 II 199, cited by ETA, the Swiss Federal Supreme Court decided that the review provisions of Article 137 of the Federal Law of Judicial Organisation should apply by analogy to arbitration awards (see also ATF 115 Ib 55). In a previous decision, also cited by ETA, the same court allowed the review of a decision for which there was no express legal basis, referring to Article 4 of the Swiss Constitution (ATF 113 Ia 46). Here, too, however, the court referred to the grounds for review provided in Article 66 of the Federal Law on Administrative Procedure and Article 137 of the Federal Law of Judicial Organisation.

By contrast, this possibility of proceeding by analogy is lacking under the EPC, which contains no analogous provision, with the exception of Article 23 of the Regulation on discipline for professional representatives, but this has a strictly specialised application and is not part of the EPC's rules of procedure in the proper sense. In a further case cited by ETA, from the United Kingdom, the House of Lords ruled that it could review one of its own decisions, although there was no express legislative basis for such a re-hearing (decision dated 17 December 1998 "In re Pinochet", [1999], 1 All ER, 577, see p. 585, j). This was possible on the basis of what the House of Lords called its "inherent jurisdiction". It should be noted that this decision was handed down in a country where judicial decisions, as a source of law, carry greater weight than in countries which have a statute-based legal system of the type also exemplified by the EPC (see *Bergel*, *Méthodes du droit, Théorie générale du droit*, 2nd ed., No. 50).

The absence of any possibility of proceeding by analogy in the context of the EPC also means that the Enlarged Board of Appeal would have to decide on all the practical aspects of any special review procedure which it established. First, it would have to define the cases of violation of fundamental procedural principles which

could lead to the annulment of a decision of the boards of appeal. National solutions would not be particularly helpful, since they differ very widely; as the study by the Swiss Institute of Comparative Law submitted by ETA shows, the grounds on which decisions can be annulled range from the discovery of new facts to any breach of rules of procedure. This also illustrates the eminently political nature of this choice, the aim being to strike a just balance between, on the one hand, the concern to avoid upholding decisions marred by serious procedural deficiencies, and on the other, the requirement for legal certainty and the need for an end to all litigation within a reasonable interval. A proper legislative procedure would offer a more favourable context for making this choice.

Regarding the further practical issues, such as the department to which jurisdiction is assigned and the time limits to be observed, it should be noted that procedural law is a formal law which must allow parties seeking redress to be fully informed about the conditions for taking action. For this purpose, too, the legislative route is clearly more appropriate than the purely judicial approach.

(c) Attention is also drawn to the importance of the fact that, in the event of revocation of a patent by a final decision of a board of appeal, third parties can confidently use the subject-matter of the revoked patent from the date upon which the mention of the revocation is entered in the Register of European Patents, without fear of any injunction to stop the use or action to obtain payment of damages. The legislator has explicitly provided this in connection with re-establishment of rights (Article 122(6) EPC), and for a review procedure, it would seem indispensable that there be an analogous provision, which only the EPC contracting states could introduce.

The "travaux préparatoires" concerning Rule 89 EPC also show that the legislator was particularly concerned with the protection of third parties. This is evident from the history of Rule 89, which emerged from a draft version of Article 159(a) (see BR/49 d/70, page 9) incorporated in the draft Implementing Regulations of April 1972 under Article 91(1) (see BR/185 d/72) which deals with the correction of procedural errors as long as this does not adversely affect the interests of, *inter alia*,

third parties. Finally, it was decided that Rule 89 EPC should be limited to its present, narrow wording, which rules out any possibility of such adverse effect.

(d) For the above reasons, the Enlarged Board of Appeal concludes that Article 125 EPC cannot serve as a basis for creating a special remedy as mentioned by the Legal Board and as it exists in the contracting states and which would make it possible to challenge final decisions of the boards of appeal on the basis of the alleged violation of a fundamental procedural principle.

4. The task therefore remains of considering the solution advocated by ETA throughout the proceedings, ie the application of Article 125 EPC to the remedies provided for under the EPC, so as to permit, within the scope of these remedies, an appeal against a final decision of the boards of appeal on the basis of violation of a fundamental procedural principle.

Certainly, such an application of Article 125 EPC would not be formally inconsistent with the argument that this Article was designed to supplement the existing procedures (see point 3 supra). However, supplementing the existing remedies in this way would effectively give them a new purpose, for which they were not designed and which, as far as appeals against final decisions are concerned, falls within the category of special remedies, ie exceptional means of appeal, existing in the contracting states. To graft this additional purpose onto the existing remedies under the EPC, which have their own specific field of application and form a coherent system, would entirely eliminate the distinctions between these remedies. This is evident from the fact that, according to ETA's reasoning, the EPC would offer at least four remedies (those invoked by ETA on 16 January 1992 in its requests to Technical Board of Appeal 3.5.2), which the appellant could use at will to challenge a final decision of a board of appeal on the basis of violation of a fundamental procedural principle. Such a situation would not only go far beyond the existing provisions in the contracting states; it would also create serious uncertainty, eg with regard to the time limits for filing such requests, which at present vary from one remedy to another (see the time limits for appeal under Article 108 and the filing of applications for re-establishment of rights under Article 122(2) EPC). Such

uncertainties are incompatible with procedural law.

5. ETA also argues that the rule laid down in Article 32 TRIPs is not observed in cases where the revocation of a European patent occurs for the first time by decision of a board of appeal. Even though TRIPs did not enter into force until 1 January 1995, ie well after ETA initiated proceedings to obtain a judicial review, the company still maintains that the imperative character of Article 32 TRIPs, which establishes a fundamental requirement of patent law, is an argument in favour of applying this provision to all pending proceedings, not just to those initiated after 1 January 1995.

(a) Since the decision of Board of Appeal 3.5.2 was issued more than three years before TRIPs entered into force, and since ETA challenged the decision within the next two months, there are strong doubts about the application of TRIPs to the present case. Nevertheless, this question can ultimately remain open, as can that of the direct effect of TRIPs, which has been contested (see the judgment of the UK High Court of Justice dated 20 December 1996 in the case of *Lenzing AG's European Patent (UK)*, [1997] R.P.C., 245, see p. 267 f), and the issue of its application in the context of the EPC, since the EPO is not a party to TRIPs. Even if it were necessary to answer these three questions in the affirmative, the Enlarged Board of Appeal concludes that the revocation of a European patent for the first time by decision of a board of appeal, with no possibility of subsequent challenge, does not contravene TRIPs.

(b) In addition to Article 32 TRIPs, it is necessary to look at a further TRIPs provision, ie Article 62(5). The latter provides that final administrative decisions in procedures concerning the acquisition or maintenance of intellectual property rights and, where a Member's law provides for such procedures, administrative revocation and inter partes procedures such as opposition, revocation and cancellation, shall be subject to review by a judicial or quasi-judicial authority.

(c) The wording of this provision covers precisely the situation now obtaining under the EPC and in the present context. An administrative decision of an EPO opposition

division maintaining a patent is open to review, in the present case on the basis of an appeal, by a judicial or quasi-judicial authority, in the present case a board of appeal. It should be noted that boards of appeal may be seen as having the status of judicial authorities, since they embody all the features of such an authority: in their decisions, the members of the boards are not bound by any instructions and are obliged to comply only with the provisions of the EPC (Article 23(3) EPC); they are appointed for a fixed term, during which they may not be removed from office except if there are serious grounds for so doing (Article 23(1) EPC); the EPC contains provisions for safeguarding the impartiality of board members (Article 24 EPC); the boards always include at least one legally qualified member (Article 21 EPC); they have their own rules of procedure; and finally, they issue written decisions containing a statement of reasons (Rule 66(2) EPC). Regarding the judicial nature of the boards of appeal, reference is also made to the House of Lords' decision of 26 October 1995 in *Merrel Dow v. Norton*, [1996] R.P.C. 76, see p. 82, and to the decision quoted above (see point 5(a) *supra*) of the United Kingdom High Court of Justice dated 20 December 1996, p. 274 f. Even if the status of a judicial authority were to be contested, it would be clear that, in the light of the foregoing, the boards of appeal constitute at least a quasi-judicial authority as referred to in Article 62(5) TRIPs.

(d) If the wording of Article 62(5) TRIPs does indeed cover the situation governed by the EPC, it also becomes necessary to examine its relationship to Article 32 TRIPs, which provides succinctly that an opportunity for judicial review of any decision to revoke or forfeit a patent shall be available. In ETA's view, Article 62(5) TRIPs would not conflict with Article 32 TRIPs. The company points out that the very clear text of Article 62(5) TRIPs deals with decisions of administrative departments and moreover concerns procedures relating to all forms of industrial property rights, whereas Article 32 TRIPs specifically concerns patents and lays down a rule which does not apply only to administrative decisions.

ETA's argument is not persuasive. In fact, the application of the principle *lex specialis derogat legi generali* leads to the opposite conclusion. Article 32 appears in Part II of TRIPs, which deals with standards concerning the availability, scope and

use of intellectual property rights. This Part does not contain rules of procedure concerning the acquisition of patent rights. Instead, it comprises provisions concerning the exercise of rights conferred by a patent, together with certain rules on substantive patent law. By contrast, Part IV of TRIPs, containing Article 62 as its sole provision, deals with the acquisition and maintenance of intellectual property rights, and the procedural rule laid down in Article 62(5) TRIPs has to be situated precisely in the context of the acquisition of such rights, which include patent rights. For the purpose of applying the principle of special law, this aspect is therefore much more specific than the element based on the fact that Article 32 TRIPs only concerns patents and that Article 62 TRIPs also deals with other types of intellectual property rights.

Regarding the argument that Article 62(5) TRIPs refers to administrative decisions only, whereas Article 32 concerns all decisions, including those of a judicial nature, it seems inconceivable, given that Article 62(5) is so specific, that there was any aim of grafting a subsequent review procedure (via Article 32) onto the one already provided for.

Contrary to the argument advanced in the article by *von Morzé/Van Zant*, "The European Patent System and GATT TRIPs, Article 32", I.P.Q. 1998, p. 117 ff, quoted by ETA, the legislative history of TRIPs does not contradict this interpretation. Article 32 TRIPs directly follows Article 31, which limits the conditions for the grant of compulsory licences more strictly than Article 5A of the Convention for the Protection of Industrial Property (Paris Convention); furthermore, the terms "forfeiture" and "revocation", which appear in Article 5A(3) of the latter Convention, are used in both the title and the text of Article 32 TRIPs. This would seem to reflect the concern of the TRIPs negotiators from Switzerland, the European Commission and the USA to limit the grounds for the revocation of patents under Article 5A of the Paris Convention and to establish, for such cases, a possibility of judicial review (*op. cit.*, p. 124). Subsequently, after the developing countries had voiced strong opposition to the strict limitation of grounds for revocation, the direct reference to the latter was dropped, leaving only the mention of judicial review (*op. cit.*, p. 124). Even accepting *von Morzé and Van Zant's* contention (p. 124 f) that the outcome of the

legislative history of Article 32 TRIPs shows that the TRIPs legislator intended to go beyond the scope of Article 5A of the Paris Convention, there is nothing to imply that he wished to make any kind of arrangement for the revocation of patents before the end of the grant procedure. In particular, there is no indication that he wanted to amend the detailed and comprehensive solution in Article 62(5) TRIPs concerning the procedure for the acquisition of industrial property rights.

(e) There can be no doubt that inter partes opposition and appeal proceedings form part of the procedure for the grant of European patents, even if those proceedings take place after the patent is granted. The choice between opposition and appeal proceedings before grant, as in the previous system of countries such as Switzerland and Germany, or after grant, was discussed at length when the EPC was drafted. The latter option was eventually agreed upon, in order not to prolong the interval between the filing and grant, but such proceedings have nevertheless remained an integral part of the grant procedure as a whole. Moreover, even if the drafters of the EPC had opted for the pre-grant opposition system, the issue of the application of Article 32 TRIPs would not arise, since, in the absence of a granted patent, its revocation or forfeiture could not be the subject of decisions in any such proceedings. This constitutes a further argument in support of the conclusion that, as far as the grant of patents is concerned, only Article 62(5) TRIPs is to be taken into account, since it would appear inadmissible to make the application of Article 32 TRIPs dependent on the choice between opposition before or after grant - a choice which, in the context of the EPC, was made for reasons which have nothing whatever to do with the present case.

(f) For these reasons, Article 62(5) TRIPs takes precedence over Article 32 TRIPs in matters relating to the grant of European patents; neither the EPC nor the practice established under its authority contravenes the latter Article.

6. In view of the foregoing, the answer to the question whether, in the context of the EPC, requests may be validly submitted which are aimed at the revision of a final decision of a board of appeal and based on the alleged violation of a fundamental procedural principle, is no.

The Board therefore turns to the next question, regarding the possible administrative or jurisdictional measures to be taken in response to such requests. Clearly, the reply in the negative concerning such requests is not a sufficient answer to this question, since such requests may nevertheless be submitted (on the basis of an appeal available under the EPC or under some fantasy designation, eg "action for annulment" or "final appeal").

As the Legal Board has stated, the measures taken in the present case, refusing the requests dated 16 January 1992 as inadmissible, may be considered purely administrative. This practice was established as a response to requests of the same type submitted to the boards of appeal ever since they came into being. Contrary to what ETA has said, the practice is not wholly unjustified, bearing in mind the Enlarged Board's conclusion in the present decision regarding the validity of the filing of these requests. Nevertheless, requests which have been submitted by a party to the case that led to a final decision of a board of appeal, and which are aimed at overturning that decision, must be considered to be addressed to the board in question as the responsible judicial body. The principle of jurisdictional measures therefore appears to correspond more closely than the principle of administrative measures to general procedural principles. Since these requests, as described by the Legal Board, cannot be validly submitted, the appropriate measure to be taken in response to them is to refuse them as inadmissible. Moreover, this solution complies more closely with the logic of Rule 65(1) EPC, cited by ETA. However, the inadmissibility is of a very particular kind, since the situation is that of a remedy (in the broad sense) which is non-existent.

The responsibility for hearing such requests lies with the board of appeal which took the contested decision, not with any other board or with the Enlarged Board of Appeal, which, under the EPC system, is not an appeal court. Requests of this kind addressed to other instances must therefore be forwarded to the board of appeal. It is not necessary, furthermore, that the board's composition remain the same as that in which it took the contested decision.

Obviously, the jurisdictional measure only applies if the request, in whatever form,

corresponds to the Legal Board's description: ie it must be a request aimed at the revision of a final decision taken by a board of appeal. If this aim is not clearly apparent (eg in the case of a letter in which a party merely expresses dissatisfaction without asking for the decision to be set aside), the measures to be taken, if any, will remain purely administrative. The delimitation of such cases will be a matter for individual decision.

Regarding the procedure to be followed for applying jurisdictional measures in response to requests as described by the Legal Board, the question arises of whether all the EPC rules governing normal proceedings before the boards of appeal must be applied; this concerns in particular the right of other parties to comment on the requests, the observation of minimum time limits or the right to request oral proceedings. Since the requests in question cannot be validly filed and must eventually be refused as inadmissible because they are based on a remedy (in the broad sense) which is non-existent, it seems evident that such an application would prolong the proceedings in a way that would be difficult to reconcile with the requirement for legal certainty. For this reason, the board concerned will be able to consider a request aimed at the revision of its own decision immediately and without any further procedural formalities. If it finds that the request is of the type described by the Legal Board in the question submitted to the Enlarged Board of Appeal, it will issue the decision concerning inadmissibility immediately.

7. The jurisdictional measure to be taken in response to requests of the type referred to by the Legal Board puts an end to the previous practice of relying on administrative measures. It is therefore necessary to consider exactly when this change is to come into operation.

Since requests of the type referred to cannot be validly filed and must therefore be declared inadmissible, the application of the jurisdictional measure to past cases is not justified. There would be no point at all in replacing the previous administrative measure refusing the request as inadmissible by a jurisdictional measure with the same effect. The mere fact that, after an administrative decision concerning inadmissibility, a party has sought by various means to obtain a review, as in the

present case, does not in any way warrant making an exception in its favour. On the other hand, in the unlikely case of a request which was in principle admissible having been refused by an administrative measure concerning inadmissibility, any retrospective application of the jurisdictional measure is opposed by the interest of other parties and third parties in ensuring that a past final decision is not challenged (see, in this context, the decision in G 9/93, OJ EPO 1994, 891, Reasons point 6.1). Accordingly, a jurisdictional measure should apply only to requests directed against a decision of a board of appeal bearing a date after that of the present decision.

8. The only remaining issue is the Legal Board's second question concerning the entry in the Register of European Patents of requests of the type described by the Legal Board and the procedure to be followed in such cases.

From the foregoing, it follows that these requests cannot be validly filed, since they are not provided for under the EPC. Therefore, the entry of these requests, or of the procedure leading to refusal on the ground of admissibility, cannot be considered on the basis of Article 127 EPC and Rule 92(1) EPC. Nor would there be any justification for an arrangement under Rule 92(2) EPC enabling the President of the EPO to decide that such entries should be made, since these would concern requests, and procedures relating to them, which were bound to fail.

Therefore, if the Legal Division of the EPO is asked to decide on the entry of such a request in the Register of European Patents, it must refrain from ordering that the entry be made if the request, in whatever form, is in fact based on the alleged violation of a fundamental procedural principle and aimed at the revision of a final decision of a board of appeal. The task of the Legal Division will be made easier where the request for revision has already been the subject of a decision concerning inadmissibility issued by a board of appeal in an accelerated procedure (see point 6 *supra*).

9. Although the Enlarged Board of Appeal has concluded that, within the context of the EPC, requests based on the alleged violation of a fundamental procedural principle cannot be validly filed, and in particular that a special remedy cannot be

created by judicial means on the basis of Article 125 EPC, it nevertheless wishes to emphasise that while, on the one hand, legal certainty and the principle that all litigation must end within a reasonable interval are essential elements in any jurisdictional system, a flagrant violation of a fundamental procedural principle is inimical, on the other hand, to the very idea of justice and does serious harm to the image of the judicial bodies concerned. This would be the case, for example, if it transpired that a decision had been crucially influenced by an illicit or even criminal act such as forging documents or giving false oral evidence. The legislator is therefore invited to provide for a possibility of reviewing final decisions of the boards of appeal in specific, clearly defined cases where a serious violation of a fundamental procedural principle has occurred. The legislator should not only define what these cases are but also establish the necessary arrangements for dealing with them, including measures to protect third parties. In view of the fundamental nature of such a remedy, and of the fact that, in the European patent system, the basis for remedial procedures (in the broad sense) is dealt with in the EPC, this possibility of obtaining a review should be provided for, at least as far as its basic principles are concerned, in the Convention itself.

Order

For these reasons it is decided that:

The points of law referred to the Enlarged Board of Appeal are answered as follows:

1. In the context of the European Patent Convention, the jurisdictional measure to be taken in response to requests based on the alleged violation of a fundamental procedural principle and aimed at the revision of a final decision taken by a board of appeal having the force of *res judicata* should be the refusal of the requests as inadmissible.
2. The decision on inadmissibility is to be issued by the board of appeal which took the decision forming the subject of the request for revision. The decision may be issued immediately and without further procedural formalities.

3. This jurisdictional measure applies only to requests directed against a decision of a board of appeal bearing a date after that of the present decision.

4. If the Legal Division of the EPO is asked to decide on the entry in the Register of European Patents of a request directed against a decision of a board of appeal, it must refrain from ordering that the entry be made if the request, in whatever form, is based on the alleged violation of a fundamental procedural principle and aimed at the revision of a final decision of a board of appeal.