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**Datasheet for the decision
of 15 April 2008**

Case Number: J 0012/07 - 3.1.01

Application Number: 03762926.8

Publication Number: 1534388

IPC: A61N 5/06

Language of the proceedings: EN

Title of invention:
Shower device with tanning device

Applicant:
Sunshower B.V.

Opponent:

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Headword:
Refund of the fee for further processing/SUNSHOWER

Relevant legal provisions:

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Relevant legal provisions (EPC 1973):
EPC Art. 106, 107, 108, 120, 121, 122
EPC R. 64, 84

Keyword:
"Fee for further processing - Refund (no)"
"Extension of time limits"
"Reasons given after the time limit for the request has expired"

Decisions cited:
J 0010/07, J 0037/89, T 0079/99

Catchword:

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Case Number: J 0012/07 - 3.1.01

D E C I S I O N
of the Legal Board of Appeal 3.1.01
of 15 April 2008

Appellant: Sunshower B.V.
Rotterdamseweg 145
NL-2628 AL Delft (NL)

Representative: Land, Addick Adrianus Gosling
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Sweelinckplein 1
NL-2517 GK Den Haag (NL)

Decision under appeal: Decision of the Examining Division of the
European Patent Office of 26 February 2007.

Composition of the Board:

Chairman: M. B. Günzel
Members: A. Pignatelli
C. Brandt

Summary of Facts and Submissions

I. The appeal lies from the decision of the examining division dated 26 February 2007 rejecting the applicant's request for refund of the fee for further processing of Euro-PCT application no. 03 762 926.8. The notice of appeal was filed on 26 April 2007 and the appeal fee was paid the same day. The statement setting out the grounds of appeal was filed on 29 June 2007.

II. Euro-PCT application no. 03 762 926.8 entered the regional phase on 19 January 2005.

On 4 July 2005, the applicant was sent a communication pursuant to Article 96(2) EPC 1973, in which a time limit of four months was given for filing observations.

On 7 November 2005, the applicant requested a two-month extension of this time limit. The extension was allowed.

On 16 January 2006, the applicant requested a further extension of the time limit. The reason given by its representative for this request was that: "... the applicant is a start-up company which only very recently authorized me to draft and file a reply to the above communication."

On 27 January 2006, the request was rejected because the examining division found this reason inadequate.

As no answer to the communication dated 4 July 2005 had been received, the applicant was informed on 21 February 2006 that the examining division had noted a loss of rights under Rule 69(1) EPC 1973.

On 18 April 2006, the applicant filed a reply to the communication of 4 July 2005, a request for a decision on the loss of rights under Rule 69(2) EPC 1973 and a request for further processing under Article 121 EPC 1973. It also paid the appropriate fees. The reasons given for these requests were that a start-up company may have problems with the financial obligations entailed by a patent application and that this is a serious reason pursuant to the Guidelines (extension of time limits). Furthermore, it submitted that one of the two founders of the start-up company had only on 11 January 2006 reversed its decision to abandon the application.

In a communication dated 30 May 2006, the examining division explained to the applicant that it could only overcome the loss of rights by requesting further processing and that, if it considered the refusal of the request for extension unjust, it could request reimbursement of the fee for further processing. The examining division asked the applicant whether it wanted a decision on reimbursement of the fee for further processing.

On 30 June 2006, the applicant requested reimbursement of the fee for further processing. Concerning the reasons for this request, it referred to its submissions of 18 April 2006.

On 30 November 2006, the examining division sent a communication informing the applicant of its preliminary opinion. The applicant answered on 30 January 2007.

On 26 February 2007, the request for reimbursement of the fee for further processing was refused on the grounds that financial difficulties were not sufficiently substantiated in the request for extension of the time limit dated 16 January 2006. The applicant's status as a start-up company is not an exceptional circumstance and the fact that the applicant authorised the representative only a short time before the time limit expired constitutes a delay in the decision-making process on the applicant's part and is therefore an avoidable circumstance.

Furthermore, no reasons given in the letter of 18 April 2006 can be taken into account because the reasons for an extension must be submitted before the time limit expires. The request for extension of the time limit was therefore correctly refused.

III. The appellant requested that the decision under appeal be set aside and the fee for further processing reimbursed. The appellant also requested oral proceedings if it was intended that the appeal be rejected.

IV. The appellant argued essentially as follows:
In its letter of 16 January 2006, it requested a further extension of the time limit because the applicant was a start-up company and had only a very short time before the time limit expired authorised the representative to file a reply to the communication from the examining division. Start-up companies faced substantial uncertainties, very much more so indeed than established companies. Often these circumstances

were unavoidable. This was therefore a special case and an extension should have been granted.

Moreover, it considered that the reasons put forward in the letter of 18 April 2006 were only a further elaboration of those submitted in the request for an extension of the time limit on 16 January 2006. The examining division should have understood the reasons right from the start.

V. On 7 December 2007, the appellant was summoned to oral proceedings on 15 April 2008. In a communication annexed to the summons, the board gave its preliminary opinion on the case.

VI. On 14 April 2008, the appellant announced that it would not take part in the oral proceedings the next day, which were held in its absence.

Reasons for the decision

In the text of this decision, articles and rules of the EPC cited without any further reference are from the version of the EPC which entered into force on 13 December 2007 (EPC 2000), whereas articles and rules followed by "1973" are from the earlier version.

1. Admissibility of the appeal

Since all the time limits for complying with the conditions for filing an appeal had expired before EPC 2000 entered into force, the earlier version of the EPC has to be applied in order to decide on the

admissibility of the appeal (see also J 10/07 of 31 March 2008, point 1 of the reasons).

The appeal complies with Articles 106 to 108 EPC 1973 and Rule 64 EPC 1973 and is therefore admissible.

2. *Allowability of the appeal*

The appeal is not allowable because the request for reimbursement of the fee for further processing was correctly refused by the examining division.

The examining division was unable to reimburse the fee for further processing because it found it had correctly exercised its discretionary power in refusing the second request for an extension of the time limit filed on 16 January 2006, after the time limit had already been extended once, to a period of six months in total, in the decision of 27 January 2006.

2.1 The legal basis for the decision of 27 January 2006 was at that time Rule 84 EPC 1973.

The fact that the present decision of the board is being issued after the entry into force of the new version of the EPC does not allow the new Rule 132 EPC to be applied in the examination of the decision taken at that time.

According to Article 2, first sentence, of the decision of the Administrative Council of 7 December 2006 amending the Implementing Regulations to the European Patent Convention 2000 (OJ EPO special edition No. 1/2007, 89), the Implementing Regulations to EPC

2000 "... shall apply to all ...decisions of departments of the European Patent Office ..., in so far as the foregoing are subject to the provisions of the EPC 2000." This means that a rule of the Implementing Regulations to EPC 2000 only applies when the article that the rule has to implement applies to a decision issued by a department of the European Patent Office (see J 10/07, point 1.3 of the reasons).

The decision under appeal is based on the application of provisions governing time limits. These provisions are set out in Article 120 EPC. Rule 132 EPC implements Article 120 EPC and therefore only applies if Article 120 EPC applies to the decision under appeal.

According to Article 1 point 1 of the decision of the Administrative Council of 28 June 2001 on the transitional provisions under Article 7 of the Act revising the European Patent Convention of 29 November 2000, Article 120 applies to European patent applications pending at the time of its entry into force and to European patents granted at that time.

On 13 December 2007, the application in the present case was still pending. However, the time limits for which an extension had been requested and the time limits for filing the request for extension had all expired at that time, so that the legal effects of the law then applicable, i.e. that the application was deemed to be withdrawn under Article 96(3) EPC 1973 for failure to reply to the examining division's communication, had already been produced.

Applying the new version of Article 120 EPC to expired time limits would imply that this article had retroactive effect. However, it was not explicitly envisaged in Article 1 point 1 of the decision of the Administrative Council of 28 June 2001 on the transitional provisions under Article 7 of the Act revising the European Patent Convention of 29 November 2000 that Article 120 EPC should have retroactive effect. On the contrary, Article 1 point 5 of that decision, which says that Articles 121 and 122 EPC apply only in cases where the time limits have not expired on the entry into force of EPC 2000, shows that the legislator did not intend to apply the new provisions retroactively (see J 10/07, point 1.2 of the reasons).

By analogy, the new version of Article 120 EPC can only apply to time limits which have not yet expired.

In this case, Article 120 EPC 1973 and Rule 84 EPC 1973 still apply.

- 2.2 Rule 84, second sentence, EPC 1973 gives discretionary power to departments of the EPO deciding on a request for extension of a time limit or granting a further extension in certain special cases.

The Guidelines for Examination, E-VIII, 1.6, and the Notice of the Vice-President Directorate-General 2 of the EPO dated 28 February 1989, OJ EPO 1989, 180 give further guidance on the criteria to be applied when the discretionary power has to be exercised by the department of first instance in accordance with Rule 84, second sentence, EPC 1973.

These texts state that a request for an extension exceeding six months should be allowed only exceptionally, when the reasons given are sufficient to show convincingly that a reply in the period previously laid down would not be possible. Foreseeable or avoidable circumstances should not be accepted as sufficiently exceptional. This narrow definition of acceptable grounds for further extensions of time limits beyond a total period of six months appears to the board to be fully justified, taking account as it does of the general principle that delays are to be avoided wherever possible in the overall interest of expeditious proceedings and that the more extensions a party seeks, or the longer the time sought for any one extension, the more important it is to provide reasons (see T 79/99 of 3 December 1999, point 2.1 of the reasons).

- 2.3 The decision under appeal correctly ruled that the right criteria had been applied in the decision refusing an extension of the time limit.

The existence of exceptional circumstances was not sufficiently substantiated within the time limits whose extension was requested.

The request, filed within the time limits, contained the mere statement that the client was a start-up company which had only very recently authorised the representative to draft and file a reply to the communication.

The applicant's status as a start-up company is not an exceptional circumstance. In the request filed within the time limits, the applicant did not give any reasons for the fact that it had authorised the representative only a short time before the expiry of the time limit. Thus, in the decision under appeal, it was correctly regarded as no more than a delay in the applicant's decision-making process and therefore an avoidable circumstance.

- 2.4 Reasons given after the time limit for the request has expired cannot be considered.

The appeal is based essentially on the fact that the department of first instance should have accepted the reasons given in the appellant's letter of 18 April 2006 filed months after the refusal of the time-limit extension in reply to the examining division's communication noting a loss of rights under Rule 69(1) EPC.

Whether an extension of a time limit may be granted or ought to be refused can only be decided on the basis of the reasons put forward by the applicant at the time when the department of first instance makes its decision.

If these reasons do not justify a further extension of the time limit, the department of first instance has exercised its discretion properly and taken a correct decision by refusing the request.

Reasons given after the extension has been refused cannot be considered, and in subsequent appeal

proceedings the board has no power to set aside the decision of the department of first instance and instead to exercise its own discretion in the light of reasons given at a later time.

In the present case, the request for extension was based on the late authorisation of the appellant's representative as a result of the appellant's being a start-up company. That reasoning does not in any way suggest that the late authorisation was due to financial difficulties rather than a lack of experience on the part of the appellant in patent matters.

Furthermore, even though the letter states the reasons referred to above, it still does not explain what specific circumstances prevented the company from dealing with the case. A mere general reference to financial difficulties is not sufficient.

The examining division was therefore right to refuse reimbursement of the fee for further processing.

Hence, the appeal is not allowable.

Order

For these reasons it is decided that:

The appeal is dismissed.

The Registrar:

The Chairman:

S. Fabiani

B. Günzel