

Decision of the Legal Board of Appeal dated 1 August 2011

J 0021/09 - 3.1.01

(Translation)

Composition of the board:

Chairwoman: B. Günzel

Members: T. Bokor

K. Garnett

Applicant: Bauer Maschinen GmbH

Headword: Competence of the Legal Board of Appeal/BAUER MASCHINEN GMBH

Relevant legal provisions:

Article: 21(3)(a), (b) and (c), 106(2), 107, 108, 112(1)(a) EPC

Rule: 9(3), 44, 44(1), 62(1), 64(2), 71(3), 103(1) EPC

Article: 1(3), business distribution scheme of the technical boards of appeal

Keyword: "Competence of the Legal Board of Appeal" – "Further search fees not refunded" – "Referral to the Enlarged Board of Appeal"

Headnote:

The following point of law is referred to the Enlarged Board of Appeal:

Is a technical board of appeal or the Legal Board of Appeal competent to hear an appeal against an EPO examining division's decision – taken separately from its decision granting a patent or refusing the application – not to refund search fees under Rule 64(2) EPC?

Summary of facts and submissions

I. The present appeal, filed on 26 June 2009, is against the examining division's interlocutory decision dated 25 May 2009 refusing the applicant's request that further search fees be refunded.

II. The proceedings giving rise to the appeal concerned application 07001768.6, in respect of which the search report of 7 August 2007 raised an *a posteriori* lack-of-unity objection. The applicant (now appellant) was asked to pay four further search fees.

III. On 24 August 2007, the applicant paid them, but at the same time requested – giving reasons – that they be refunded.

IV. The extended European search report, including a provisional opinion on patentability (Rule 62(1) EPC), was notified to the applicant in a communication dated 6 February 2008 (EPO Form 1507N). The opinion noted that the five groups of inventions identified lacked unity.

V. In a letter dated 29 August 2008, in response to the opinion, the applicant filed amended claims and – giving detailed reasons – reiterated its request that the four further search fees be refunded.

VI. In a communication under Rule 71(3) EPC dated 16 February 2009 (EPO Form 2004), the examining division indicated that it intended to grant the patent.

VII. After a telephone conversation on 27 February 2009, the examining division issued a communication dated 5 March 2009 saying that two search fees would be refunded.

VIII. In a letter dated 24 March 2009, the applicant then requested an appealable decision concerning non-reimbursement of the other two.

IX. On 25 March 2009, the examining division issued the contested decision, maintaining its lack-of-unity objection in respect of the two further search fees (invention groups 2 and 4) – and indeed also in respect of invention groups 3 and 5, where however it regarded fee refunds as appropriate because not much search work had been involved.

X. The reason given in the contested decision was that, once original claim 1 was dropped as lacking novelty, the five groups of inventions did not form a single general inventive concept (Rule 44 EPC).

XI. The applicant appealed, asking for:

- (i) the decision to be set aside, and the two further search fees refunded,
- (ii) reimbursement of the appeal fee under Rule 103(1) EPC,
- (iii) oral proceedings (auxiliary request).

It also submitted detailed grounds of appeal.

XII. In a communication dated 11 August 2009 (EPO Form 3204), the appellant was notified of the case number of its appeal and informed that proceedings had been opened before Technical Board of Appeal 3.2.03.

XIII. In a further communication dated 11 March 2010, the appellant was informed that the appeal had been passed to the Legal Board of Appeal (Article 21(3)(c) EPC) and of its new case number.

XIV. In a communication dated 23 March 2011, the Legal Board expressed doubts about whether it was competent to hear appeals against decisions under Rule 64(2) EPC, even if – as in the present case – they were issued separately from the decision granting a patent or refusing the application. It said those doubts were due essentially to the reasons given in the contested decision. It also said it was considering a referral to the Enlarged Board of Appeal under Article 112(1)(a) EPC, and invited the appellant to comment.

XV. In a letter dated 17 May 2011, the appellant said it shared the board's view of the legal position, and endorsed the proposed referral to the Enlarged Board. It added that unity-of-invention appraisals under Rule 44(1) EPC meant assessing the "special technical features ... determining the contribution made to the prior art by each claimed invention as a whole". That was indubitably a technical matter.

XVI. The appellant also suggested that the Enlarged Board further clarify – in the appellant's interests and those of applicants generally – the applicability of a *posteriori* non-unity objections. It did not however propose any specific question for referral.

XVII. Lastly, the appellant said it was not insisting on oral proceedings if they were confined to the question of referral to the Enlarged Board, but maintained its request for them if they addressed substantive issues.

Reasons for the decision

1. The examining division issued the contested decision as a separately appealable interlocutory decision (Article 106(2) EPC). The appellant is adversely affected by it (Article 107 EPC). The appeal was filed in due time and form (Article 108 EPC). It is therefore admissible.

Competence of the Legal Board of Appeal

2. It is a generally recognised principle of proceedings conducted under the rule of law that appeal instances must examine their own competence *ex officio* and at each stage of the procedure.

3. It is not immediately obvious to the board whether it or a technical board should be competent to review the only question decided in the present case, namely a refusal to refund further search fees. The board therefore considers it expedient to examine its own competence.

4. The contested decision does not actually cite the EPC provisions applicable, but there seems no doubt that procedurally it is essentially based on Rule 64(2) EPC.

5. A decision taken under Rule 64(2) EPC as worded is not in itself a decision to refuse or grant a European patent application within the meaning of Article 21(3)(a) EPC. In view of the applicant's right of amendment alone, a search-fee refund

decision is not necessarily connected with the actual grant or refusal decision. On that basis, the default provision of Article 21(3)(c) EPC would apply, namely that the Legal Board is competent to hear appeals against such decisions.

6. Looking however at the whole appeal system under the EPC, and especially the role of the boards' technically qualified members (laid down in Article 21 EPC) in cases in which technical matters must be decided, the board is not sure that this would be the right outcome. There seems no doubt that normally – as in the present case – decisions under Rule 64(2) EPC involve a technical issue, namely the unity of the claimed invention(s). As the appellant points out, the unity criteria in Rule 44(1) EPC as worded clearly relate to the features' technical content, which presupposes that the body taking the decision on unity must consider the technical issues in detail and with technical expertise.

7. The technical boards of appeal possess the necessary expertise to handle any given technical field. The very wording of the law makes clear the important role of the technically qualified members (under Article 21 EPC, boards are composed of two or three technical members but only one or two legal ones). Nor can it be denied that the legislator clearly intended cases involving technical issues to be decided by boards with a majority of technical members. This intention is a recurrent theme throughout the *travaux préparatoires* for the EPC 1973 – as also is the intention that the Legal Board under Article 21(3)(c) EPC should deal only with cases involving exclusively legal issues (see e.g. doc. 4344/IV/63, proceedings of the 8th meeting of the Patents Working Party, 22 April to 3 May 1963 in Brussels, pages 67-75, and the document by Kurt Haertel it cites, i.e. working draft No. 2821/IV/63 of 9 April 1963: proposals for the implementation of Articles 31-65, pages 9-11).

8. Separate decisions under Rule 64(2) EPC are probably issued relatively seldom, and appealed even less often. They are not only taken by the examining division, but also expressly "during the examination of the European patent application". True, the reason for that wording was the legislator's deliberate decision that unity – and hence any refund of further search fees – should be decided not during the search but only later, during examination proceedings, and not by the International Patent Institute in The Hague (at that time still envisaged as the search agency, later becoming the

EPO's search department) but by the examining division in examination proceedings (see doc. IV/4860/61-D, reports on proceedings, page 29). But this also shows that the legislator intended any decisions about search-fee refunds to be taken not separately but as part of the main examination proceedings ending with the decision to grant or refuse the application.

9. Nor does the legislator ever seem to have envisaged that decisions under Rule 64(2) EPC (Rule 46(2) EPC 1973) would be taken separately. The present board at least is unaware of any sources to the contrary, and the sole reference to Rule 64(2) EPC in the Guidelines for Examination (Part A, Chapter XI, 10.2.2, 2007 edition, or the updated online version at [http://documents.epo.org/projects/babylon/eponet.nsf/0/7FFC755AD943703DC12576F00054CACC/\\$File/guidelines_2010_complete_en.pdf](http://documents.epo.org/projects/babylon/eponet.nsf/0/7FFC755AD943703DC12576F00054CACC/$File/guidelines_2010_complete_en.pdf)) is silent on the matter.

10. Although the decision on refunding a further search fee is not necessarily dependent on the fate of the application, and is not a question to be settled prior to the grant or refusal decision, nonetheless it is of course normally closely linked to the technical issues in examination proceedings, given that search-fee refund requests derive from lack-of-unity objections raised in examination proceedings and challenged or overcome by the applicant. If an examining division decides not to refund further search fees, that normally means it still believes that its non-unity objection was justified. This suggests that the search-fee refund decision is ancillary to the main issue in examination proceedings, namely the substantive decision on the application.

11. That remains true even if the two issues are dealt with in formally separate independent decisions, whether on practical grounds (e.g. as a result of the various steps to be taken by the granting authority subsequent to its decision on grant) or because of the point in time when the applicant requests the refund. On that basis, it could be argued that even if two formally separate decisions are taken – one on the main issue in examination proceedings, the other on an ancillary issue – the board competent to review the ancillary issue is the same as the one competent to review the main issue, namely a technical board under Article 21(3)(a) or (b) EPC, and more

specifically the board dealing with the particular technical field of the application concerned.

12. In a nutshell, then, the decision under Rule 64(2) EPC could be regarded as an "*ex lege* ancillary issue" to the grant or refusal decision.

13. In contrast, in those cases for which a board composed as per Article 21(3)(c) EPC is indisputably competent, the legal issues can normally be addressed independently of any technical assessment of the subject-matter of the application.

14. The case law on the present competence issue is both sparse and to some extent divided. This board is aware of four decisions in which the question has arisen. In T 94/91 of 9 September 1991 and T 390/91 of 14 May 1992, the technical boards did not discuss the matter, and tacitly assumed that they were competent. Later decisions J 24/96 of 27 April 2001 (OJ EPO 2001, 434, Reasons 2) and T 1382/08 of 30 March 2009 (Reasons 1.1) discussed it in detail and concluded that, according to Article 21(3)(c) EPC, the Legal Board was clearly responsible. However, in T 1382/08 (above) the technical board ultimately took the view that it was in fact competent, because the decision not to refund the search fee was only ancillary to the main one refusing the application (Reasons 1.2 to 1.4).

15. The present board's provisional position is that it would be arbitrary for the competence of the technical and legal boards to vary depending on whether the examining division decided on the application (refusal or grant) and the search-fee refund in a single decision (only as an ancillary decision, with the technical board competent) or in two formally separate ones. The department of first instance would then also be able, for example, to determine the composition of the review body (see also G 2/90, OJ EPO 1992, 10, Reasons 2).

16. In G 3/03 (OJ EPO 2005, 344) the Enlarged Board decided that a technical board, not the Legal Board, was competent to deal with a request, forwarded to the boards in isolation after interlocutory revision, for reimbursement of the appeal fee, on the grounds that, because the request was ancillary to the former appeal, competence to decide on it lay with the board which would have been competent under Article 21

EPC to deal with the substantive issues of the appeal if no interlocutory revision had been granted (Reasons 4 and 5).

17. The circumstances of the present case do not seem much different. Just as an appeal-fee reimbursement can be requested only if an appeal has been filed, so a search-fee refund can be requested only if a non-unity objection has been raised in the examination procedure. In both cases, the issues underlying the filing of an appeal (or refusal or grant of a patent) and those underlying the request for reimbursement of the appeal fee (or for a search-fee refund) are not necessarily the same. And in both cases, the fee-refund decision presupposes main proceedings that are already over, which would seem to imply its "ancillary" nature.

18. For these reasons, the present board has reservations about following the interpretation in J 24/96 (above) that the Legal Board is competent.

19. True, in G 2/90 (OJ EPO 1992, 10, Reasons 3.2 and 3.4) the Enlarged Board ruled that the Legal Board (not a technical one) was competent if the decision had been taken by an examining division consisting of fewer than four members and concerned matters other than the refusal of a European patent application or the grant of a European patent. It added that it was quite inadmissible to interpret an unambiguous legal provision (in the case in point, concerning the exclusive competence of a technical board) as being invested with some other meaning merely because other conceivable arrangements might offer certain advantages.

20. However, the G 2/90 referral concerned a revocation decision issued by the opposition division's formalities officer (for non-payment of the fee for maintaining the patent in amended form). The Enlarged Board first pointed out (Reasons 3.2) that the Legal Board was competent for appeals against certain examining division decisions but not against similar decisions taken by opposition divisions. It then noted (Reasons 3.6) that under Rule 9(3) EPC formalities officers could be entrusted only with duties involving no legal difficulties, so there was no reason why the Legal Board should be competent to hear any ensuing appeal. In other words, the Enlarged Board did indeed consider whether the board hearing the case possessed the necessary expertise.

21. The reason why a technical board always includes at least one legally qualified member is indeed precisely to ensure that expertise on legal matters is always available. So the Enlarged Board did not need to point out that every technical board has the requisite legal expertise expected of a court, and that the competence rules are hence designed to ensure sound adjudication of all matters, including legal ones.

22. Things would be different if the Legal Board, made up of lawyers only, were to decide on the soundness of lack-of-unity objections in connection with search-fee refund requests. Such decisions can involve extremely complex technical matters in any area of technology. Unlike the Legal Board (assuming it were competent), every technical board is responsible for specific technical fields and has technical members specially qualified in them. To be sure of taking the right decision, the Legal Board might even be obliged in extreme cases to consult external experts. National jurisdictions do use this system for appraisal of the technical facts, but by and large it would seem quite disproportionate to what is at stake in such appeals.

23. In view of the above comments – including those about the legislator's intentions on search fees – it seems possible that there might be a gap in the law as regards competence for appeals against isolated examining-division decisions refusing search-fee refunds. Perhaps, when drafting Article 21 EPC on the boards' composition, the legislator failed to foresee such cases because the duties of the search division (which requests payment of further search fees) do not actually include issuing appealable decisions.

24. In the present board's view, the decisions cited above give rise to undesirable legal uncertainty. Clarification of a board's competence is also a point of law of fundamental importance. Clear and unambiguous rules on the competence of a judicial body responsible for reviewing decisions are fundamental requirements for both due process and the efficient functioning of any judicial review system (J 12/01, OJ EPO 2003, 431, Reasons 4). Moreover, on several occasions the Enlarged Board has accepted referrals about the competence of boards of appeal. Hence the present board's decision to refer to the Enlarged Board, under Article 112(1)(a) EPC, the point of law set out in its "order" below.

25. The further questions mentioned in the appellant's response to the board's communication as liable to arise in the appeal proceedings are neither clearly formulated nor relevant for the competence issue. The question about the requirements for raising *a posteriori* lack-of-unity objections is closely connected to what the appeal is actually about, namely whether or not the technical relationship between the groups of inventions is sufficiently close. If the Enlarged Board were to rule that the Legal Board has no competence for appeals like the present one, the Legal Board would be precluded from answering any question relating to their substance. For that reason alone, the conditions for referral of these further questions are not currently fulfilled, in that the board would not require an answer to the referral to take its decision (Article 112(1)(a), first sentence, EPC).

Order

For these reasons it is decided that:

The following point of law is referred to the Enlarged Board of Appeal:

Is a technical board of appeal or the Legal Board of Appeal competent to hear an appeal against an EPO examining division's decision – taken separately from its decision granting a patent or refusing the application – not to refund search fees under Rule 64(2) EPC?