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**Datasheet for the decision
of 16 June 2011**

Case Number: J 0012/10 - 3.1.01

Application Number: 06750213.8

Publication Number: 1874319

IPC: A61K 31/56

Language of the proceedings: EN

Title of invention:

Formulations of quaternary ammonium neuromuscular blocking agents

Patentee:

Lyotropic Therapeutics, Inc.

Headword:

Re-establishment of rights/LYOTROPIC THERAPEUTICS, INC.

Relevant legal provisions:

EPC Art. 122
EPC R. 112(1), 126(2)

Relevant legal provisions (EPC 1973):

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Keyword:

"Re-establishment of rights for paying the renewal fee (no)"

Decisions cited:

J 0007/82, J 0011/06, J 0027/90, J 0004/07, T 0428/98,
T 1063/03

Catchword:

-



Case Number: J 0012/10 - 3.1.01

D E C I S I O N
of the Legal Board of Appeal 3.1.01
of 16 June 2011

Appellant: Lyotropic Therapeutics, Inc.
10487 Lakeridge Parkway, Suite 400
Ashland, VA 23005 (US)

Representative: Kröncke, Rolf
Gramm, Lins & Partner
Patent- und Rechtsanwaltssozietät GbR
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D-30173 Hannover (DE)

Decision under appeal: Decision of the Receiving Section of the
European Patent Office of 9 November 2009
rejecting a request for re-establishment of
rights.

Composition of the Board:

Chairman: B. Günzel
Members: E. Lachacinski
C. Heath

Summary of Facts and Submissions

I. The appeal is directed against the decision of the Receiving Section dated 9 November 2009 rejecting the request of the applicant (hereafter "the appellant") for re-establishment of rights under Article 122 EPC in relation to the payment of the renewal fee for the third year in respect of Euro-PCT application N° 06750213.8 and stated that the application was deemed withdrawn as of 10 December 2008.

II. The renewal fee for the third year fell due on 30 April 2008. On 4 June 2008, the Receiving Section sent the appellant a notice in the usual form drawing attention to the fact that the renewal fee had not been paid and that the payment of that fee, together with the additional fee, could still be validly effected within six calendar months following the due date. However, the EPO had received no payment by the expiry of that period.

With a communication pursuant to Rule 112(1) EPC dated and received on 10 December 2008, the Receiving Section informed the appellant that, because the renewal fee for the third year and the additional fee had not been paid within the time limit stipulated in Rule 51(2) EPC, the application was deemed withdrawn under Article 86(1) EPC.

III. By letter dated and received on 19 February 2009, the representative on behalf of the appellant filed a request for re-establishment of rights under Article 122 EPC. He paid the renewal fee for the third year, the additional fee and the fee for re-

- establishment of rights on the same date. In this request, the appellant stated that responsibility for the payment of the renewal fee had been delegated to the US attorney handling the case. Furthermore, the renewal fees were paid annually by a U.S. service company, Computer Packages Inc. (CPI).
- IV. In a communication dated 11 June 2009, the Receiving Section informed the appellant that his submissions were not sufficient to assess the request for re-establishment of rights on the merits. At any rate, as the communication under Rule 112(1) EPC was received by the representative on 10 December 2008, this was to be considered the date of removal of the cause of non-compliance.
- V. In his response received on 10 August 2010, the appellant maintained that the responsibility for payment of the renewal fee fell on the US attorneys and the annuity service CPI. The appellant argued that he had exercised all due care by delegating this responsibility to persons that professionally dealt with the payment of annuities. He added that the removal of the cause of non compliance occurred on 9 January 2009 when the European representative was informed by the new US attorney that the case had been transferred to him rather than when the European representative received the notice of loss of rights from the EPO.
- VI. By decision of 9 November 2009, the Receiving Section rejected the request for re-establishment of rights on the grounds that the appellant had failed to show that all due care had been taken to comply with the time

limit for payment of the renewal fee for the third year. The Receiving Section held that it was the responsibility of the applicant to monitor time limits. Further, the removal of the cause of non-compliance was a question of fact that normally occurred on the date the responsible person (i.e. the applicant/proprietor or his representative) was made aware of the fact that a time limit had not been observed. In the absence of circumstances to the contrary, a communication under Rule 112(1) EPC to the professional representative qualified under Article 134 EPC and duly appointed in accordance with Article 133(2) EPC removed the cause of non-compliance. That also applied when parties instructed the (European) professional representative via their (national) patent attorney. The appointment of an independent service firm for the payment of renewal fees did not constitute any such circumstances to the contrary. The fact that the fee was paid by a third party did not make that person a party to the proceedings to which the payment related. The representative remained responsible for the application notwithstanding the fact that the applicant made use of a payment service. The decision thus concluded that the date of 10 December 2008 should be regarded as the date of removal of the cause of non-compliance, since at that date the European representative for this application was made aware of the fact that the time limit for paying the third year renewal fee and additional fee had expired without payment having been received.

VII. A notice of appeal against the decision was filed on 11 January 2010. The appeal fee was paid on the same day. The statement setting out the grounds of appeal

was filed on 18 March 2010. The facts and arguments relied on in the statement of grounds of appeal can be summarised as follows:

- Decision J 27/90 did not categorically rule that the appointment of an independent service for payment of renewal fees could never constitute "circumstances to the contrary", as the removal of the cause of non-compliance was a matter of fact which had to be determined according to the individual circumstances of each case.

- The appellant's representative received the notice of loss of rights pursuant to Rule 112(1) EPC on 10 December 2008. However, as he was not entitled to manage the payment of the annual fees, no term was put into his diary and the payment was not supervised by him. He was not in a position to identify why payment of the renewal fee had not been made. The removal of the cause of non-compliance only occurred when the US Attorney recognized that the fee payment was unintentionally missed and when both the old and the new US attorneys received the letter of 9 January 2009. The US attorney who was the responsible person for affecting the annuities had taken all due care as required by the circumstances within the two months limit pursuant to Rule 136(1) EPC.

VIII. With the summons to oral proceedings, the Board sent the appellant a communication under Article 15(1) of the Rules of procedure of the Boards of Appeal (RPBA, Supplement to OJ EPO 1/2010, p 39 et seq.) setting out

the provisional view of the Board. In this communication, the Board observed that the request for re-establishment of rights appeared not to be admissible, since the submissions filed within the time limit for filing the request did not satisfy the requirements under Rule 136(1) EPC.

- IX. By fax of 14 April 2011, the representative of the appellant informed the Board of his intention not to attend the oral proceedings. He requested a decision on the state at file.

Reasons for the Decision

1. According to established jurisprudence (Case Law of the Boards of Appeal of the European Patent Office, 6th edition 2010, page 496), when a time limit has been missed, the removal of the cause of non-compliance occurs on the date on which the person responsible for the application is made aware of the fact that the time limit has not been observed. The decisive factor here is when the person concerned ought to have noticed the error if he had taken all due care.

The representative has conceded that he received the notification of the loss of rights pursuant to Rule 112(1) EPC on 10 December 2008 (see pages 1 and 2 of the request dated 19 February 2009 and page 4, paragraph 4, of the grounds of appeal).

Receipt of notification under Rule 112(1) EPC is relevant to the question of when the cause of non-compliance with a time limit is removed. The

significant date is that on which notification was actually received by a person responsible for the application (see J 07/82 dated 23 July 1982, points 3 and 4 of the reasons).

According to the established jurisprudence, no further ten days under Rule 126 EPC will be added to this two months period. (T 428/98, OJ EPO 2001, 494 and T 1063/03 dated 16 December 2004, point 2 of the reasons). The European representative no longer appears to dispute that.

2. The European representative has submitted that he did not consider himself responsible for the administration of renewal-fees. According to the representative, the US attorney handling the case was responsible for this matter. Furthermore, the renewal fees were paid annually by a service company, Computer Packages Inc. (CPI). Therefore, when notified of the loss of rights, he as the European representative was not aware that the time limit for paying the third renewal fee plus surcharge had been unintentionally missed.

The representative adds that he was informed by the US attorney by letter dated 9 January 2009 that the proceedings were now being managed by a new US attorney (Annexes 5 and 6), and that by letter dated 12 January 2009, he advised both the old and the new US attorneys of the notice of loss of rights dated 10 December 2008.

The representative concludes that 12 January 2009 was the date when the new US attorney discovered the error and that the request for re-establishment of rights should therefore be admissible.

The Board does not agree with these arguments.

3. It is established jurisprudence of the boards of appeal that a European representative, once appointed - and even if the renewal fees are paid by someone else - remains otherwise fully responsible for the application, and that this includes a continuing obligation to monitor time limits, send reminders to the applicant, etc.

In the decision J 4/07 of 7 July 2008, point 4.1 of the reasons, the board noted that even if renewal fees are paid by someone else (e.g. a US attorney, a service company or even by the applicant himself), the appointed professional representative remains responsible for the proceedings before the EPO and has to take the necessary steps to ensure payment, if intended. This includes a reliable monitoring system and reminders to the applicant (see also J 11/06 of 18 April 2007, point 8 of the reasons).

Nothing else can be derived from decision J 27/90 (OJ EPO 1993, 422) and especially from point 2.3, paragraphs 6 and 7 of the reasons, where it is stated that using an external agency to pay renewal fees does not constitute "circumstances to the contrary" which would affect the date of removal of the cause of non-compliance, and that the European representative remains responsible for the application.

Hence, in the present case, the date of the removal of the cause of the non-compliance is the date on which the European representative, taking all due care, would

have noticed that the time limit had inadvertently been missed.

There is no evidence on file to indicate timely actions taken by the European representative in order to ensure that the renewal fee for the third year, plus surcharge were actually paid, or that an error was subsequently discovered.

Shortcomings on the part of third parties do not affect the date on which the European representative could have become aware of the non-payment of the fee.

The representative has acknowledged that he did not monitor the time limit for paying the renewal fee, and accordingly sent no reminder to the appellant's US representative before expiry of the time limit for payment of the renewal fee plus surcharge. Had he done so, he could have established even before the expiry of that time limit that the appellant intended to pay the renewal fee. Upon receipt of the noting of loss of rights on 10 December 2008, the representative should have known that something had gone wrong and that payment had been unintentionally missed.

Furthermore, even if the representative did not positively know that the appellant intended to pay the renewal fee, upon receipt of the noting of loss of rights it would have been his duty to immediately inform the US patent attorney so as to ascertain whether non-payment had occurred inadvertently, or whether the appellant actually intended to let the application lapse. The European representative has not filed any evidence for his initial submission that he

informed the US representative "immediately" after receipt of the noting of loss of rights. Instead, he has filed evidence - at a later stage - showing that he waited for more than one month before forwarding the loss of rights communication to the appellant's US representative on 12 January 2009.

4. For these reasons, the Board takes the view that the cause of non-compliance was removed on the date the European representative actually received the communication under Rule 112(1) EPC pointing out that the renewal fee for the third year plus surcharge had not been paid in time and that a loss of rights had thus ensued.

This was also the European representative's opinion in the request filed on 19 February 2009.

It is apparent from the wording of paragraph 2 on page 2 and of paragraph 1 on page 3 of the request for re-establishment of 19 February 2009 that the representative's reasons for regarding the request as having been filed in time on that day was his - mistaken - belief that the ten-day arrangement under Rule 126(2) EPC applied when calculating the date of removal of the cause of non-compliance.

5. Hence, the Board is of the opinion that the Receiving Section was correct in rejecting the request for re-establishment of rights as inadmissible. The appeal must therefore be dismissed.

Order

For these reasons it is decided that:

The appeal is dismissed.

The Registrar:

The Chairwoman:

C. Eickhoff

B. Günzel