

Veröffentlichung im Amtsblatt	Ja/Nein
Publication in the Official Journal	Yes/No
Publication au Journal Officiel	Oui/Non

Aktenzeichen / Case Number / N° du recours : J 34/86

Anmeldenummer / Filing No / N° de la demande : 85 100 695.7 (cf. 80 900 579.6)

Veröffentlichungs-Nr. / Publication No / N° de la publication : - (cf. 25 053)

Bezeichnung der Erfindung: Fluidic oscillator

Title of invention:

Titre de l'invention :

Klassifikation / Classification / Classement : B05B 1/00

ENTSCHEIDUNG / DECISION

vom / of / du 15 March 1988

Anmelder / Applicant / Demandeur : Bowles Fluidics Corporation

Patentinhaber / Proprietor of the patent /
Titulaire du brevet :

Einsprechender / Opponent / Opposant :

Stichwort / Headword / Référence : Divisional application / Bowles

EPÜ / EPC / CBE Articles 72 and 76, Rule 25 (cf. Article 61, Rules 15
and 16)

Kennwort / Keyword / Mot clé : Divisional application based on an assignment
following Court proceedings in the USA

Leitsatz / Headnote / Sommaire



Case Number : J 34/86

D E C I S I O N
of the Legal Board of Appeal
of 15 March 1988

Appellant : Bowles Fluidics Corporation
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USA

Representative : Geissler, Bernhard
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Decision under appeal : Decision of the Receiving Section of
the European Patent Office dated
18 June 1986 according European
patent application No. 85 100 695.7
the filing date of 24 January 1985
(instead of, as requested, 7 March
1980).

Composition of the Board :

Chairman : P. Ford
Members : E. Persson
O. Bossung

Summary of Facts and Submissions

- I. On 7 March 1980 Mr Peter Bauer filed PCT application No. US80/00231 concerning a fluidic oscillator with resonant inertance and dynamic compliance circuit. Priority was claimed from US application No. 19250 filed on 9 March 1979 on the basis of which US patent No. 4 231 519 was issued on 4 November 1980. The said PCT application was subsequently converted to European patent application No. 80 900 579.6 containing 27 claims (Bauer's European application).
- II. In a lawsuit in the USA between Bowles Fluidics Corporation (Bowles) and Bauer, who is a former employee of that company, the Court of Special Appeals of Maryland, on 24 October 1984, confirmed a previous decision of 4 October 1983 of the Circuit Court for Montgomery County of Maryland according to which Bowles is the owner of all property rights in the invention defined by Claims 1, 2, 11, 12 and 13 of the US patent. Bauer was further ordered by the Court to assign all these rights to Bowles.
- III. In November 1984 Bowles reported to the EPO on the lawsuit between them and Bauer and requested, inter alia, with reference to Rule 13 EPC, that the proceedings for grant on Bauer's European application be stayed as a precautionary measure. In support of this request it was stated that Claims 1, 2, 14, 15 and 16 in this application as filed corresponded to Claims 1, 2, 11, 12 and 13 of the US patent which claims, according to the Court ruling, formed part of an invention belonging to Bowles.
- IV. Bauer, having been informed by the EPO of the request made to the Office by Bowles, contested in a letter filed on 23 January 1985 the requested stay of proceedings and

asked, inter alia, that the granting procedure be accelerated. At the same time, Bauer informed the EPO that he had appealed against the Court decision of 24 October 1984. However, he did not comment on Bowles' statement that certain claims in his European application as filed corresponded to certain claims in the US patent, although he had been particularly asked to do so in the communication sent to him by the EPO.

- V. On 24 January 1985 Bowles informed the EPO that they had the same day filed a new European patent application (Bowles' European application) in accordance with Article 61(b) and Rule 16(1) EPC in respect of the invention covered by Claims 1, 2, 14, 15 and 16 of Bauer's European application as filed. However, it was requested that a decision to grant a patent in Bauer's pending European application be withheld until a final decision was taken in respect of Bowles' European application.
- VI. Bowles' European application was accorded No. 85 100 695.7. In a communication dated 24 May 1984 the Receiving Section of the EPO informed Bowles, inter alia, that if they could not provide evidence establishing that the Court decision of 24 October 1984 (cf. paragraph II above) had become final (in the sense of Article 61(1) EPC), their European application could only be accorded the filing date of 24 January 1985 (cf. paragraph V above), since Articles 61(2) and 76(1) EPC were otherwise not applicable.
- VII. In response to this communication, Bowles, providing evidence in the form of a sworn statement by an American attorney, maintained their view that the Court decision of 24 October 1984 had become final on the actual date of filing of their European application, i.e. on 24 January 1985 (and that, consequently, this application should be

deemed to have been filed on the date of filing of Bauer's European application, i.e. on 7 March 1980, in accordance with the provisions under Articles 61(2) and 76(1) EPC). It appeared from further evidence provided by Bowles at a later stage of the proceedings that the Court of Appeals of Maryland, which is the highest Court of that State of the USA, by an order dated 25 February 1985 denied a petition by Bauer for a writ of certiorari to the Court of Special Appeals of Maryland in the case between him and Bowles and that no review of the case by the United States Supreme Court was ever requested.

VIII. In the decision under appeal, the Receiving Section declared that Bowles' European application was not deemed to have been filed on the date of filing of Bauer's European application, i.e. on 7 March 1980, but only on 24 January 1985 (i.e. on the actual date of filing). The main reason for the decision was that, in the view of the Receiving Section, there was no "final" decision in the sense of Article 61(1) EPC until 25 February 1985, when the Court of Appeals of Maryland denied the petition by Bauer for a writ of certiorari, and that, since Bowles' European application had been filed before that date, it was not to be regarded as a new European patent application under Article 61 EPC. It was left open in the decision, inter alia, whether action under Article 61 EPC can, in any circumstances, be legally based on a decision by a Court of a State which is not subject to the provisions of the Protocol on Recognition of 5 October 1973, provisions which form an integral part of the EPC according to Article 164(1) EPC. It appears, furthermore, from the decision that Bauer's European application in the meantime had led to the grant of European patent 25 053, the actual decision to grant having been taken on 28 February 1985 (published in the EP Bulletin 85/17 on 24 April 1985). This patent contains only seven claims.

IX. Bowles appealed against the decision of the Receiving Section in due time and form requesting, initially, that their European application (under Article 61 EPC) be accorded the filing and priority dates of Bauer's European application. The grounds for the appeal focussed very much on the fundamental legal issues of recognition of a decision taken by an American Court for the purpose of action under Article 61 EPC and the interpretation of the term "final" in Article 61(1) EPC. However, at oral proceedings on 28 September 1987 Bowles made a new request, maintaining the initial request only as an alternative, to the effect that the case be remitted to the Receiving Section with the instruction to treat their European application as a divisional application of Bauer's European application. This new main request was based on the fact that, on 12 March 1985, Bauer had assigned to Bowles all rights in the invention defined by Claims 1, 2, 11, 12 and 13 of the US patent corresponding, as previously stated (cf. paragraph III above), to Claims 1, 2, 14, 15 and 16 of Bauer's European application as filed and also to the same claims in Bowles' European application. These claims disclosed in Bowles' view the basic invention belonging to Bowles, i.e. a fluidic oscillator without moving parts, while the other claims referred to improvements of this invention made by Bauer in respect of which he was entitled to seek patent protection. However, if Bowles did not obtain the filing and priority dates of Bauer's European application, that application as filed would obviously be prior art against Bowles' European application irrespective of the fact that Bauer, at a later stage of the grant procedure before the EPO, had limited the scope of protection and abandoned the claims directed to the basic invention belonging to Bowles.

- X. In these circumstances, the Board considered it appropriate to give Bauer an opportunity to comment upon the situation and accordingly invited his representative to do so in a communication of 13 October 1987. Having inspected the file of Bowles' European application, Bauer's representative, in a letter filed on 12 February 1988, drew the attention of the Board to the fact that Bauer's assignment did not include any priority rights. It was submitted that it is necessary to make a sharp distinction between rights in patent claims on the one hand and priority rights on the other. Standard forms of assignment of invention used in the USA distinguished them. There was no comment in the letter on Bowles' submission that Bauer had abandoned certain claims directed to Bowles' basic invention in his European application as filed. Bowles' representative commented, in a letter filed on 2 March 1988, that there was no reason why the assignment did not include priority rights; it was not normal in assignments of the present type to specify particularly that priority rights were assigned. The standard forms of assignment referred to by Bauer's representative were irrelevant.

Reasons for the Decision

1. The appeal is admissible.
2. Bowles' main request as presented at the oral proceedings, that is to say that their European application actually filed on 24 January 1985 be treated as a divisional application of Bauer's European application filed on 7 March 1980, has to be considered in the light of the

provisions contained in Article 76 and Rule 25 EPC and with regard also to the applicable Guidelines for Examination in the EPO (C-VI, 9). However, as appears clearly from the Summary of Facts and Submissions, this is a very special case falling outside the standard procedure provided for in respect of divisional applications.

3. Firstly, a divisional application under Article 76 EPC is normally supposed to be filed by the applicant of the earlier application. However, a divisional application may, in the Board's view, also be filed by another person on the basis of an assignment as provided for in Article 72 EPC requiring the signature of the parties to the contract.
4. The assignment by Bauer of 12 March 1985 on which Bowles are basing their main request assigns to Bowles "all rights" in the invention defined in Claims 1, 2, 11, 12 and 13 of Bauer's US patent 4 231 519 and covers "any divisional applications in any countries". Bauer's signature on the assignment has been duly certified by a Notary Public. However, from a formal point of view this assignment does not comply with the requirements of Article 72 EPC. It does not constitute such a voluntary contract between two parties as is foreseen in Article 72 EPC but is in fact a unilateral transfer by Bauer as ordered by the Court in the lawsuit in the USA between Bowles and Bauer. It may be that Bauer executed this assignment only because he was ordered so to do. The question therefore arises whether the use of this assignment as a legal basis for a divisional application does not, in the circumstances of the present case, imply an enforcement of the ruling of the US Court, which presupposes that such a ruling is, in principle, to be recognised by the EPO.

5. The Board, having considered this question, takes the view that it has to be answered in the negative. First, it is to be noted that even if action under Article 61 EPC can only be taken on the basis of a decision by a Court of a Contracting State to the EPC, which question can be left open in the present context, this does not mean that legal proceedings in a State which is not a Contracting Party to the EPC would under no circumstances be of any importance for the purpose of applying other provisions of the EPC. Such an approach would seem to be too narrow and could be detrimental to the legitimate interests of applicants making use of the EPC. This question has to be considered in the light of the particular circumstances of each individual case. In the particular case of a divisional application it is further to be noted that any successful prosecution of such an application depends on limitation of the scope of protection originally sought for by deleting some subject-matter covered by the earlier application as filed. If this has been done, as submitted by Bowles in the present case and in fact not contested by Bauer, without any indication by the applicant of the earlier application that he is still claiming protection for the subject-matter deleted, it would seem to go too far and to be too formalistic not to accept an assignment by him as a basis for a divisional application by the assignee in respect of the subject-matter left free by the assignor, even if the assignment is not formally in full conformity with Article 72 EPC and may ultimately have been issued following Court proceedings in a State which is not a Contracting Party to the EPC. There is, after all, a significant difference between this situation and the situation covered by Article 61 EPC. In the latter case, a third party may "take over" an earlier application, as a whole or in part, even against the explicit will of the first applicant, while in the former situation, corresponding to the present case, the first

applicant has accepted that he is not entitled to obtain patent protection for all subject-matter covered by his application as filed. Thus, the Board has arrived at the conclusion that the assignment by Bauer of 12 March 1985 may, in principle, serve as a basis for the application by Bowles of 24 January 1985 being considered as a divisional application of Bauer's European application, the said assignment being regarded as a subsequent confirmation of Bowles' right to the invention referred to in the assignment and covered by Bowles' application.

6. The Board is unable to follow the reasoning in the letter by Bauer's representative referred to in paragraph X above. In the Board's view the assignment by Bauer, referring to "all rights" in the invention in question, does clearly cover also relevant priority rights arising from US patent 4 231 519. If this were not so, the assignment could be deprived of all substance, which would be a wholly unreasonable and unrealistic interpretation.

7. Even if, in accordance with the above considerations, Bowles' European application can, in principle, be accepted as a divisional application under Article 76 EPC, it remains to be considered whether the filing of this application was justified within the meaning of Rule 25(1)(a) EPC, taking into account that it was filed at a very late stage of the grant procedure, in fact only about one month before the decision to grant Bauer's European patent was taken (cf. paragraph VIII above). According to the Guidelines for Examination (C-VI, 9.3), a divisional application shall not be allowed if filed when a Communication under Rule 51(4) EPC has already been sent out, as in the present case. As pointed out by another Board in case T 92/85 (OJ EPO 1986, 352), this general rule may, however, be departed from in exceptional cases, and in the Board's view there would seem to be good

reasons for considering the circumstances in the present case as exceptional. Furthermore, in view of these exceptional circumstances, the Board does not consider that the fact that Bauer, when he cancelled certain claims in his European application, did not state that this deletion was without prejudice to the filing of a divisional application, should necessarily lead to the refusal of Bowles' subsequent divisional application (cf. J 15/85, OJ EPO, 1986, 395).

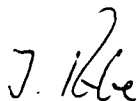
8. However, according to Rule 25 EPC, the Examining Division is in the first instance competent to decide on the issues dealt with under paragraph 7 above. Since the decision under appeal was taken by the Receiving Section and directed only to the question whether Bowles' European application could be accepted under Article 61 EPC, the Board may, having regard to the provisions of Article 111(1) EPC, not presently exercise the power within the competence of the Examining Division just referred to. The Board is, in the present situation, therefore obliged to remit the case to the Receiving Section, which will have to refer the matter to the Examining Division, which will then have to decide on the issues dealt with in paragraph 7 above. Apart from this formal reason for referring the case to the Examining Division, there is a need for an examination by this department of the substantive correspondence between Bowles' application and the alleged limitation of Bauer's European application in the course of the proceedings before the EPO.
9. In these circumstances, there is obviously no need to deal with Bowles' alternative request concerning their application under Article 61 EPC.

Order

For these reasons, it is decided that:

1. The decision under appeal is set aside.
2. The case is remitted to the Receiving Section with the instruction to refer European patent application No. 85 100 695.7 to the Examining Division for deciding whether the filing of this application as a divisional application of European patent application No. 80 900 579.6 is justified as required by Rule 25(1)(a) EPC.

The Registrar:



The Chairman:

