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Aktenzeichen / Case Number / N° du recours : J 20/87

Anmeldenummer / Filing No / N° de la demande : 86 307 766.5

Veröffentlichungs-Nr. / Publication No / N° de la publication : ---

Bezeichnung der Erfindung: Conversion of cephalosporinhydrohalide salt to
Title of invention: alkali metal salt
Titre de l'invention :

Klassifikation / Classification / Classement : C07D501/36

ENTSCHEIDUNG / DECISION

vom / of / du 30 July 1987

Anmelder / Applicant / Demandeur : The Upjohn Company

Patentinhaber / Proprietor of the patent /
Titulaire du brevet :

Einsprechender / Opponent / Opposant :

Stichwort / Headword / Référence : Refund of search fee/UPJOHN

EPO / EPC / CBE Article 10 Rules Relating to Fees - Articles 111(1)
and 116(2) EPC

Kennwort / Keyword / Mot clé : Refund of search fee - Request for oral
proceedings (refused)

Leitsatz / Headnote / Sommaire

- I. There is nowhere any support for the idea that the EPO is entitled to exercise a general discretion based on equity in respect of refunding the fee for the European search report. The requirements set out in Article 10 of the Rules Relating to Fees have to be strictly applied.
- II. A Board of Appeal may refuse a request for oral proceedings made by an applicant in the course of an appeal against a decision of the Receiving Section where the Board does not consider such proceedings to be expedient and where it does not envisage refusing the European patent application (Article 116(2) EPC, applied, pursuant to Article 111(1) EPC).

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Boards of Appeal

Office européen
des brevets

Chambres de recours

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D E C I S I O N
of the Legal Board of Appeal
of 30 July 1987

Appellant : The Upjohn Company
301 Henrietta Street
Kalamazoo
Michigan 49001
USA

Representative : R.E. Perry
Gill Jennings & Every
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Decision under appeal : Decision of the Head of the Receiving Section
of the European Patent Office dated 16 January
1987.

Composition of the Board :

Chairman : P. Ford
Members : E. Persson
W. Moser

Summary of Facts and Submissions

- I. The present application, European patent application No. 86 307 766.5, was filed on 8 October 1986 designating, inter alia, Greece and Spain as the Contracting States in which protection for the invention in question was sought. The search fee was duly paid within the time limit prescribed by Article 78(2) EPC. No priority was claimed.
- II. In the application form it was stated that the present application corresponded to International patent application No. PCT/US 86/01635, filed on 31 July 1986, and that the search for this application was being conducted by the EPO. A partial refund of the search fee for the present application was requested.
- III. In a communication dated 17 November 1986, the Receiving Section informed the Applicant that neither the international search fee (for PCT/US 86/01635) nor the European search fee (for the present application) could be refunded in this case. In response to this communication, the Applicant agreed that no refund of the international search fee should be allowed but maintained his request for a partial refund of the European search fee, stating that he was basing his case on equity.
- IV. A decision of the Receiving Section was issued on 16 January 1987 rejecting the request for a partial refund of the European search fee. In the reasons for this decision it was stated, inter alia, that the criteria for the refund of the European search fee are defined in Article 10 of the Rules Relating to Fees, which Article does not leave room

for any discretion in favour of the Applicant, and that, in the present case, these criteria were not fully met since the present application did not claim priority from the earlier one, i.e. PCT/US 86/01635.

- V. The Applicant filed a Notice of Appeal on 16 March 1987 requesting that the decision of the Receiving Section be set aside and a partial refund of the European search fee be granted. Oral proceedings were requested. The appeal fee was paid in due time.
- VI. In his Statement of Grounds of Appeal, filed on 21 April 1987, the Appellant made, in essence, the following submissions:
- (a) The subject-matter of the present application is the same as that of International patent application No. PCT/US 86/01635, claiming priority from US patent application No. 764 877, filed on 31 July 1986 at the US Patent and Trademark Office as Receiving Office and searched by the International Searching Authority at The Hague. PCT/US 86/01635 entered the regional phase as of 12 April 1987, as European patent application No. 86 905 098.9 designating all the then available states. Spain and Greece could first be designated in a European patent application filed on or after 1 October 1986. Those two States were designated in the present application which was filed, without any priority claim, on 8 October 1986. The only essential difference between the specifications of the present application on the one hand and the earlier application on the other hand is that the former lacks compound per se claims, on account of the reservation under Article 167(2) made by both Greece and Spain. However, there is no subject-matter claimed in the

present application which is not claimed in the earlier application. Accordingly, all documents cited in the search report on the earlier application (as PCT/US 86/01635) are likely to be relevant to the present application, and there are no documents not cited against the earlier application which are likely to be relevant against the present application, with one exception. The single exception is that there may be documents irrelevant to the earlier application, because they were published on or after the claimed priority date of 12 August 1985, but are relevant to the present application because they were published before the filing date of the latter or are co-pending European applications having a priority date later than the earlier application but earlier than the present application. The time span of this exception is small by comparison with the time span of the search to be conducted against either the earlier or the present application (considered independently).

- (b) Article 10 of the Fees Rules sets out certain circumstances in which an Applicant may expect to receive some refund of a search fee. The importance of Article 10 is that it recognises the equity of an applicant's position in avoiding the cost of two searches for the same subject-matter. If the applicant knows that he can obtain a refund, he will advise the EPO of the circumstances under which he feels he is entitled to that refund, and the EPO does not have to duplicate work. This is to the benefit of all parties.

- (c) The present application could have been filed with a claim to priority from PCT/US 86/01635. If that claim had been made, it appears that the search fee paid on the present application would have been refunded fully or in part under Article 10(1) of the Fees Rules. However, no priority claim was made because it would not have been effective; the subject-matter claimed in the present application was the subject-matter of US patent application 764 877 which was filed more than twelve months previously. Article 10 of the Fees Rules sets out certain circumstances in which common sense dictates that duplicated cost, and therefore duplicated work, should be avoided. However, it is not exclusive. Neither the EPC as a whole nor the Fees Rules suggest that Article 10 sets out the only circumstances in which a refund of the search fee may be applicable. The application for a search fee refund in the present case is not made under any interpretation of Article 10 of the Fees Rules as written, but it is made under the same principles as underlie Article 10.
- (d) In the present case, the Applicant has taken the trouble of notifying the EPO that they had already conducted (or were about to conduct) a search for the same subject-matter. When the present application is searched, the EPO can only benefit from the knowledge of the search on the earlier application. It is readily appreciated that the search of the present application must be conducted over a slightly longer time-scale than for the earlier application, but under a classification which has already been decided, and perhaps by the same Search Examiner. The Applicant appreciates that the search on the earlier application must be brought up to a later date, but then the Applicant seeks a partial refund, not a full refund of

the search fee. This is consistent with all the circumstances under which the EPO allows search fee refunds in circumstances under which Article 10(1) of the Fees Rules clearly applies.

Reasons for the Decision

1. The appeal complies with Articles 106 to 108 and Rule 64 EPC and is therefore admissible.
2. As to the request for oral proceedings, the Board considers that the Appellant has covered every conceivable aspect in favour of his case in his comprehensive Statement of Grounds, referred to under paragraph VI above. Furthermore, there are hardly any facts in this case which need to be clarified at oral proceedings in order to create a proper basis for the decision to be taken by the Board. In these circumstances, the Board, exercising the powers within the competence of the Receiving Section under Article 116(2) in conjunction with Article 111(1) EPC, takes the view that the appointing of oral proceedings would not be expedient. The request for such proceedings can, therefore, not be allowed.
3. The relevant provisions governing the possibilities of refunding the fee for the European search report are contained in Article 10 of the Rules Relating to Fees. Insofar as being of importance in the present case, it is stated in paragraph 1 of this Article that the search fee shall be refunded, fully or in part, if the European search report is based on an earlier search report already prepared by the European Patent Office on an application whose priority is claimed for the (actual) European patent

application. These provisions have been commented upon in Legal Advice No. 14/83 from the European Patent Office, published in the Official Journal EPO No. 5/83 (pages 189-198).

4. In the present case, it is obvious that the said requirement for claiming priority for the earlier application (PCT/US 86/01635) is not met. Nor is the Appellant, being fully aware of this, basing his request for a partial refund of the fee for the European search report on any interpretation of Article 10 of the Rules Relating to Fees but "on the same principles" as underlie this Article, that is to say on equity, submitting that neither the EPC as a whole nor the Rules Relating to Fees sets out the only circumstances in which a refund of the search fee may be applicable.
5. The Board is unable to accept this reasoning. There is nowhere any support for the idea that the EPO is entitled to exercise a general discretion based on equity in respect of refunding the fee for the European search report. In fact, the existence of such a discretionary power could lead to serious difficulties in practice, bearing in mind the very large number of applications before the EPO and the great variety of possible borderline cases to be considered individually on such a general basis.
6. Furthermore, it is to be noted that the requirement for claiming priority is in this context not to be regarded as a mere formality, but is based on the important fact that such a claim, being well founded, generally facilitates the establishing of the search report for the latter application on the basis of the search report drawn up in respect of an earlier application whose priority is claimed in the latter application, since there is no gap in time to

be covered by an additional search of the latter application. The argument submitted by the Appellant that the present application could have been filed with a claim to priority from PCT/US 86/01635 is not convincing. In this respect, the Board shares the view expressed in Legal Advice No. 14/83 (paragraph 8) that no rights can be derived from a priority that is merely claimed but is not legally valid.

7. Thus, in deciding on whether or not the Appellant is entitled to a refund of the fee for the European search report, the requirements set out in Article 10 of the Rules Relating to Fees have to be strictly applied. It follows from what has been said in paragraph 4 above that these requirements are not met in the present case. Consequently, the appeal has to be rejected.

Order

For these reasons, it is decided that:

1. The request for oral proceedings is refused.
2. The appeal is rejected.

The Registrar

The Chairman

J. Ruckerl

P. Ford