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**D E C I S I O N**  
**of 22 February 2000**

**Case Number:** J 0013/99 - 3.1.1

**Application Number:** 94919056.5

**Publication Number:** 0702641

**IPC:** B63H 23/34

**Language of the proceedings:** EN

**Title of invention:**

Method and device for continuous monitoring and alignment of the propeller shaft of a ship

**Applicant:**

RUBIN, Anders

**Opponent:**

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**Headword:**

Re-establishment of rights/RUBIN

**Relevant legal provisions:**

EPC Art. 86(3), 96(3), 121, 122(1)-(3)

**Keyword:**

"Cause of non-compliance"

**Decisions cited:**

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**Catchword:**

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Case Number: J 0013/99 - 3.1.1

**D E C I S I O N**  
**of the Legal Board of Appeal 3.1.1**  
**of 22 February 2000**

**Appellant:** RUBIN, Anders  
P1 4630  
S-262 94 Angelholm (SE)

**Representative:** Akerman, Marten Lennart  
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**Decision under appeal:** Decision of the Examining Division of the  
European Patent Office posted 20 November 1998  
refusing the applicant's requests for  
re-establishment of rights.

**Composition of the Board:**

**Chairman:** J.-C. Saisset  
**Members:** R. T. Menapace  
W. Moser

## Summary of Facts and Submissions

- I. In respect of the European patent application No. 94 919 056.5, on 10 February 1997, the examining division issued a communication pursuant to Article 96(2) and Rule 51(2) EPC in which a period for reply of four months was set. On the cover sheet of the communication (EPO Form 2001) it was indicated that said period is computed in accordance with Rules 78(3) and 83(2) and (4) EPC; and, furthermore, that failure to comply with this invitation in due time will result in the application being deemed to be withdrawn (Article 96(3) EPC).
- II. As no response had been received by the EPO at the expiry of the above time limit on Friday 20 June 1997, the communication under Rule 69(1) EPC noting the loss of rights was dispatched on 18 July 1997.
- III. On 5 August 1997 the notice drawing attention to Article 86(2) EPC concerning the payment of the renewal fee for the fourth year which had fallen due on 30 June 1997 was sent, as it was done with the previous communications, to the then representative of the appellant (applicant).
- IV. On 24 April 1998, a request for re-establishment of rights "in view of the Communication pursuant Article 96(2) and Rule 51(2) EPC dated 10 February 1997" together with a response to the said communication was filed on behalf of the appellant by a new representative. One fee for re-establishment of rights was paid on 18 May 1998 together with the renewal fee and the additional fee for the fourth year.

- V. In the communication of 13 July 1998 the responsible formalities officer took the view that the request for restitutio in integrum was inadmissible because of failure to comply with the time limit under Article 122(2) EPC and failure to complete the omitted act, i.e. the request for further processing [sic] and drew attention to a second loss of rights resulting from the late payment of the renewal fee for the fourth year.
- VI. By letter received on 7 September 1998, the appellant questioned the need for requesting both further processing and restitutio, but made the request for further processing nevertheless and paid the fee for it. As to the late payment of the renewal fee for the fourth year he submitted that the request for restitutio was of course also directed to the ensuing "second loss of right".
- VII. The decision under appeal dated 20 November 1998 can be summarized as follows:

The request for re-establishment of rights regarding "the time limit for filing a request for further processing", received on 24 April 1998, was rejected on the ground that the request for re-establishment of rights had been filed long after expiry of the two-month time limit pursuant to Article 122(2) EPC, which has to be calculated from the date of receipt of the communication dated 18 July 1997 by the appellant's former representative. The same is true for the completion of the omitted act, i.e. the request for further processing. Furthermore, the request could not be allowed because a second loss of rights had occurred, namely the one pursuant to Article 86(3) EPC.

The request for re-establishment of rights regarding the time limit for payment of the renewal and additional fee for the fourth year (Article 86(3) EPC) is not deemed to have been filed because the prescribed fee for such a request has not been paid.

VIII. Subsequent to the notice of appeal received on 15 January 1999 together with the payment of the appeal fee, a written statement setting out the grounds of appeal was filed on 10 March 1999.

IX. According to the appellant's submissions the following facts and circumstances were underlying the request for re-establishment of rights:

Shortly after receipt of the Examining Division's communication dated 10 February 1997, the appellant discussed it with his then representative. It was agreed to modify the claims and to pursue the matter further. Subsequently, the appellant received a debit note dated 25 April 1997 from his representative which referred to an "advance payment for response to communication". The applicant put that note aside, because he felt that he had already paid all what was necessary for the application under consideration, or because he confused it with another of the several applications the representative was handling for him at that time; apparently, he then forgot about it.

The then representative concluded from the fact that his debit note remained unpaid that the appellant no longer wished to continue the application and informed him by letter of 12 June 1997 that in the absence of said payment he had not responded to the communication of the Examining Division, that the application had

lapsed on 10 June 1997 and that he considered this case closed. The closure of the file was confirmed to the appellant when he telephoned to his then representative a few days later (but before the actual expiry on 20 June 1997).

The representative's letter of 12 June 1997 led the appellant to believe not only that the application was already deemed to be withdrawn, but also that this state was definitive. During that period the appellant was under severe strain because of his father's serious illness which ended with his death in September 1997. The appellant's understandable preoccupation with his father's illness may have affected his ability to connect the debit note with the outstanding reply to the communication of the EPO and prevented him from raising this issue during the telephone conversation in June 1997. Consequently, the then representative believed that the appellant had agreed to his decision to close the file and, therefore, did not forward to the appellant the communication pursuant to Rule 69(1) EPC of 18 July 1997.

When it was suggested to the appellant that his application might not be lost, he immediately contacted the EPO by phone on 3 April 1998 and was told that a legal remedy could be available in certain circumstances. He then entrusted a new representative to pursue the matter.

- X. As to the removal of the cause of non-compliance, the appellant argued that he no longer had a representative after 12 June 1997, his former representative having closed his file on that date. Thus, the responsibility to observe the time limit expiring on 20 June 1997 was

exclusively with him alone. Since the communication noting the loss of rights of 18 July 1997 was not forwarded to him, he was not informed of the loss of rights effective as of 20 June 1997, nor of the possible remedies available under Article 121 and Rule 69(2) EPC until his phone call to the EPO on 3 April 1998, which was thus the date of the removal of the cause of non-compliance within the meaning of Article 122(2) EPC. As regards the late payment of the renewal fee for the fourth year, the request for re-establishment of rights of 24 April 1998 implicitly included also such a request in respect of that renewal fee; at any event, the EPO was in a position and obliged under the principle of good faith to warn the appellant if a separate request for re-establishment had been necessary.

XI. Furthermore, it was argued that it was a widespread and reasonable practice of representatives not to take into regard vis-à-vis clients the ten-day notification period. Anyway, this had no bearing in the present case where the same situation would have ensued, if the representative had sent the letter of 12 June 1997 ten days later.

As to the content of the telephone conversation between the appellant and its former representative, which took place after 12 June 1997 but before 20 June 1997, no precise and reliable information was available. So it could be that the former representative had fully and correctly informed the appellant at that occasion; nor could it be excluded that he told the appellant to be ready to continue the case only on condition that he paid him.

XII. Oral proceedings were held on 22 February 2000, at the end of which the decision was announced. It is based on the following requests:

to set aside the decision of 20 November 1998 and

- main request:

re-establishment of rights regarding the non-observance of the time limit for responding to the communication of 10 February 1997 and of the time limit for payment of the renewal fee or alternatively, of the renewal fee plus additional fee for the fourth year, or

- auxiliary request:

re-establishment of rights regarding the non-observance of the time limit for further processing following failure to reply to the communication of 10 February 1997 and for payment of the renewal fee or alternatively, of the renewal fee plus additional fee for the fourth year.

### **Reasons for the Decision**

1. The appeal is admissible.

#### *The requests*

2. Nothing in the wording of the request for re-establishment of rights received on 14 May 1998 and the accompanying submissions supports the understanding that it was directed against something other than the loss of rights resulting from the non-observance of the



four-month time limit for replying to the communication of the examining division dated 10 February 1997. Whilst it is true that in the given situation the appellant could have sought to overcome the ensuing loss of rights by requesting, alternatively or additionally, restitutio in integrum in respect of the time limit for requesting further processing under Article 121 EPC, in the present case the appellant's true and unambiguous intention when filing the original request was to avail himself only of the first alternative. Thus, the communication of the EPO of 13 July 1998 was wrong and confusing, in that it misinterpreted the appellant's request and suggested that only the second alternative was available.

3. In view of the content of the aforementioned communication and the appellant's reply to it, it cannot be concluded, neither in fact nor in law, that by filing the request for further processing the appellant had withdrawn or in any way given up his original request, in particular by changing it into a request for re-establishment of rights concerning the time limit for further processing. Rather, the request for further processing was an attempt to overcome a deficiency which had been wrongly pointed out in the communication of the EPO of 13 July 1998. As a consequence, the first request, namely for re-establishment of rights regarding the non-observance of the time limit of four months for responding to the communication of 10 February 1997 (which expired on 20 June 1997) was still valid when the decision under appeal was taken and it is implicitly covered by the decision under appeal in the sense that it was not

allowed. The relevant request of the appellant (first part of the main request) is thus also to be dealt with in the present appeal proceedings.

*Cause of non-compliance*

4. Pursuant to Article 122(2) EPC, one precondition for allowing a request for re-establishment of rights is that it has been filed within two months from the removal of the cause of non-compliance. Therefore and also in view of Article 122(1) EPC ("unable to observe the time limit" despite all due care having been taken) the party concerned must submit facts and evidence (Article 122(3) EPC) which enable the competent body to establish with reasonable certainty what the actual cause of non-compliance was.
  
5. In the circumstances of the case the last relevant event preceding the non-observance, and thus the critical one, was the telephone conversation between the appellant and his then representative a few days before expiration of the time limit for replying on 20 June 1997. Events prior to that conversation, whilst possibly influencing its subject, were not directly causal for the non-observance of the time limit, because it was the result of that last conversation that the appellant eventually accepted the closure of his file by the then representative as the latter had announced in his letter of 12 June 1997, which had prompted the appellant to contact the representative again in this matter. From that moment on the appellant knew definitely that no reply would be filed and that nothing would be done against the ensuing loss of rights. This is tantamount to the appellant's decision to abandon the application.

6. The appellant has not stated and even less proven what the precise subject of the last conversation was, what information and arguments were put forward by the then representative at that occasion and what was the actual reason for the appellant's decision not to pursue the application. It might be that there still was a relevant error on the part of the appellant, be it because of the wrong expiration date stated in the then representative's letter of 12 June 1997 and/or the appellant's preoccupation with his father's illness. However, it could at least with the same likelihood be assumed that all relevant issues were clarified during that conversation, and that the reason for not continuing the application was simply that no agreement could be reached on the payment of the then representative's fees. This admittedly possible alternative would imply that the appellant was not prevented by an error or by any other circumstances beyond his control from filing the response in time; rather, that it was his free decision not to do so and that he was thus not unable to observe the time limit within the meaning of Article 122(1) EPC.

7. This means that the grounds and facts submitted (Article 122(3) EPC) are not sufficient for establishing what actually was the cause of non-compliance in the present case. Thus, the appellant has not shown that he was unable to observe the time limit for filing the reply to the Examining Division's communication dated 10 February 1997 within the applicable time limit and that the request for re-establishment of rights has been filed within the two-month time limit provided for in Article 122(2) EPC. These two preconditions not having been fulfilled, the request for re-establishment of rights in respect of

the aforementioned time limit cannot be allowed, without it being necessary to examine the further requirements, in particular the taking of all due care required by the circumstances (Article 122(1) EPC).

*Further processing*

8. The request for re-establishment of rights regarding the time limit for further processing was filed by letter received on 7 September 1998 following the communication of the EPO of 13 July 1998, which misinterpreted the appellant's true request as filed on 24 April 1998. It is clear from the wording of the original request, and it has been confirmed in the above-mentioned letter, that the appellant saw no need to file such an additional request.
9. It cannot be allowed because, as to the cause of non-compliance and its removal, the same considerations as set out under points 5 to 7, above, apply. In addition, this request was filed more than two months after the first request for re-establishment of rights and thus in any event after expiry of the time limit prescribed in Article 122(2) EPC.

*Renewal fee for the fourth year*

10. As the deemed withdrawal pursuant to Article 96(3) EPC took effect on 21 June 1997, the application was no longer pending when the time limit for the payment of the renewal fee for the fourth year would have expired. Therefore, there is no need to examine that further request for re-establishment of rights.

*Refund of fees*

11. The payment of the second fee for re-establishment of rights was expressly made for the request regarding further processing - and thus clearly not for re-establishment of rights in respect of the renewal fee for the fourth year. It has been paid in order to overcome an objection which the EPO should reasonably not have raised in the given circumstances. Under the principle of the protection of legitimate expectations (see decisions reported in Case Law of the Boards of Appeal, 3rd edition, chapter VI.A) it is equitable to reimburse to the appellant the second fee for re-establishment of rights. The further fees paid for the present application on or after the date on which the deemed withdrawal took effect - with the exception of the first fee for re-establishment of rights and the appeal fee - have to be refunded because they have been paid without legal basis.

**Order**

**For these reasons it is decided that:**

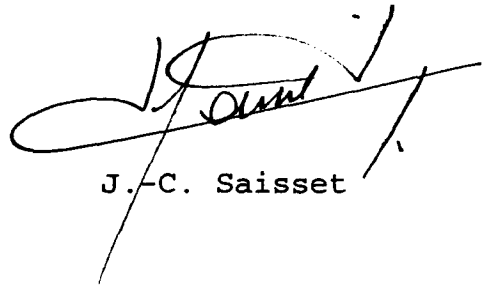
1. The appeal is dismissed.
  
2. All fees paid for the present application after 20 June 1997, except the fee for re-establishment of rights paid on 18 May 1998 and the appeal fee, have to be refunded.

The Registrar:



M. Beer

The Chairman:



J.-C. Saisset