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D E C I S I O N
of 12 February 2004

Case Number: T 0808/03 - 3.5.2

Application Number: 00913148.3

Publication Number: 1127401

IPC: H02K 57/00

Language of the proceedings: EN

Title of invention:
Improved compact generator, light-emitting wheel having the same, and manufacturing method therefor

Applicant:
Teltek Co., Ltd., et al

Opponent:
-

Headword:
-

Relevant legal provisions:
EPC Art. 108, 109, 122, 125

Keyword:
"Decision by DG2 formalities officer granting restitutio in integrum for a late-filed notice of appeal - (ultra vires - null and void)"
"Due care - (no)"

Decisions cited:
T 0473/91, T 0949/94, T 0638/01, T 0317/89,T 0428/98

Catchword:
-

Europäisches Patentamt | European Patent Office | Office européen des brevets

Beschwerdekammern | Boards of Appeal | Chambres de recours

Case Number: T 0808/03 - 3.5.2

D E C I S I O N
of the Technical Board of Appeal 3.5.2
of 12 February 2004

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Decision under appeal: **Decision of the Examining Division of the European Patent Office posted 27 December 2002 refusing European application No. 00913148.3 pursuant to Article 97(1) EPC.**

Composition of the Board:

Chairman: W. J. L. Wheeler
Members: R. G. O'Connell
J. H. P. Willems

Summary of Facts and Submissions

I. This is an appeal against the refusal of European patent application 00 913 148.3. The decision of the examining division was posted on 27 December 2002 so that the term for filing an appeal expired on 6 March 2003.

II. On 6 May 2003 the applicant, now appellant, filed an application for re-establishment in the time limit for filing an appeal (*restitutio in integrum*), the application being accompanied by a notice of appeal and a statement of grounds of appeal together with a debit order for the appeal fee and the fee for re-establishment of rights.

III. The reason given for the inability to observe the time limit was an exceptional failure by a usually reliable clerk in the office of the instructing overseas representative causing the reporting letter and reminder of the European professional representative to be misread and the wrong date for action to be entered in the deadline database of the law firm. The error came to light when the patent engineer started work on the file on 31 March 2003. Evidence was supplied in the form of affidavits by the clerk concerned and a partner of the law firm.

IV. On 16 July 2003 a form letter (EPO Form 2014) was posted by EPO Directorate General 2 to the appellant applicant. It was headed "DECISION TO ALLOW THE REQUEST FOR RESTITUTIO IN INTEGRUM (ARTICLE 122(4) EPC)" and was worded:

"Your request for restitutio in integrum dated 06.05.03 is allowed, with the effect that the filing of a notice of appeal as well as the grounds and the payment of the relevant fee are considered to have been made in due time and with the correct amount (Articles 106, 107 and 108 EPC)"

V. By letter posted 7 August 2003 the appellant applicant was informed by the registry of the EPO Boards of Appeal that the appeal had been referred to Technical Board of Appeal 3.5.2.

VI. By letter posted 17 September 2003 the board summoned the appellant applicant to oral proceedings appointed for 12 February 2004 and in a communication annexed to the summons the board advised him that the purported decision of the department of first instance was *ultra vires* and voidable *ab initio*. The communication stated that the board would decide as a preliminary issue whether the application for re-establishment of rights met the requirements of Article 122 EPC as interpreted by the established jurisprudence of the EPO Boards of Appeal and that the oral proceedings would deal only with this issue.

VII. The appellant applicant argued essentially as follows:

The decision impugned in the board's communication was made by a DG2 formalities officer acting for the examining division. The latter was legally empowered under Article 122(4) EPC and Article 109(1) EPC to grant *restitutio in integrum* in relation to a late-filed appeal, at least in the context of considering whether the appeal is admissible for the purposes of

interlocutory revision. The use of the word "competent" in Article 122(4) EPC in contradistinction to "responsible for" in Article 21(1) EPC signalled the legislative intent to derogate from the strict principle of devolutive legal remedy as expressed in the general provisions of Article 110(1) EPC and Rule 65(1) EPC. Visser, EPC Article 122(4) EPC, confirms this *a contrario* with reference to J 22/86 OJ EPO 1987, 280, while Benkard/Schäfers, Article 122 EPC, comment 63, last sentence, demurs from the claim to exclusive jurisdiction for the appellate instance in relation to *restitutio in integrum* for a late-filed appeal asserted in T 473/91 OJ EPO 1993, 630. Similarly the EPO Guidelines for examination, E VIII 2.2.7, in both the October 2001 and December 2003 versions, continue to provide that: "The department which took the contested decision will have to consider re-establishment of rights in respect of an unobserved time-limit for appeal when the conditions for granting interlocutory revision are fulfilled ….within the three-month time limit…".

In the present case the representative of the applicant, now appellant, had been led to believe in response to a telephone inquiry that the examining division was minded to rectify its decision pursuant to Article 109(1) EPC provided it could be completed within the three-month time limit. This was therefore an exceptional case where the conditions empowering the formalities officer prevailed when the decision was taken although subsequent events, viz inability of the examining division to complete the act of rectification on time, made it necessary to refer the appeal to the appellate instance. Under these exceptional

circumstances the decision of the formalities officer should stand.

Furthermore the principle of legitimate expectations should act to prevent this ostensibly correct decision issued in July 2003 from now being declared null and void, some eight months later, to the surprise and detriment of the applicant; the fact that it was *ultra vires* - if indeed it was a fact - was not obvious on the face of the document. The patent applicant and potential purchasers of shares in the applicant company had been led to believe that they had a prospect of obtaining a valuable commercial patent monopoly justifying additional investment and share purchase respectively. In addition, the applicant had relied on the ostensible authority of the DG2 formalities officer in issuing the decision now impugned by the board to file a divisional application, albeit the application number and other filing details were unfortunately not to hand during the oral proceedings. The obligation of the EPO to protect parties who have taken procedural steps in reliance on decisions made or advice given with ostensible authority by the EPO was established jurisprudence of the EPO Boards of Appeal; cf T 160/92, OJ EPO 1995, 35, T 343/95 of 17 November 1997, not published in OJ EPO, and T 428/98, OJ EPO 2001, 494 where even oral communications were regarded as binding on the office.

It was also a principle of procedural law in at least Germany and the United Kingdom - two states representing together more than half the applications originating within contracting states of the EPC - that once a right had been re-established the party could

not subsequently be deprived of it. Given that a lacuna existed in the EPC in relation to this procedural right, Article 125 EPC should be applied to prevent such a re-establishment of rights from being voided or revoked.

On the issue of 'due care' the evidence showed that a normally reliable clerk C in the office of the overseas instructing representatives made an exceptional mistake when they recorded the deadline for filing the notice of appeal as 28 April 2003 instead of 28 February 2003 as indicated on the reporting letter. The patent engineer E who received the file relied on the term tag set by clerk C. When a reminder in the form of a copy of the original reporting letter was received the clerk C treated it as a reminder of the assumed deadline of 28 April 2003. The error was detected by patent engineer E on 31 March 2003.

It was admitted that clerk C was subject only to spot check control; there was no completely independent system of checking. It was however less than reasonable that the EPO should expect a higher standard in terms of check and control than it implements itself. As far as the appellant applicant was informed the EPO did not operate dual independent systems of control for all its operations.

VIII. The appellant applicant requested that:

(a) the purported decision of the department of first instance to grant *restitutio in integrum* be declared valid (main request);

(b) the case be remitted to the department of first instance to perfect its purported decision to grant *restitutio in integrum* by granting interlocutory revision (first auxiliary request);

(c) the board of appeal grant *restitutio in integrum* in respect of the time limit for filing the notice of appeal and paying the appeal fee (second auxiliary request).

Reasons for the Decision

1. *Jurisdiction*

1.1 The purported decision to grant *restitutio in integrum* in relation to the filing of the notice of appeal was made by a formalities officer acting on behalf of the examining division pursuant to Rule 9(3) EPC and the Notice of the Vice-President of Directorate-General 2 dated 28 April 1989 (OJ EPO 1999, 504). Item 11 of this notice entrusts formalities officers with "Decisions as to applications under Article 122(4) EPC, where the application can be dealt with without further taking of evidence under Rule 72 EPC", while the latter subarticle, which vests jurisdiction for deciding on applications for *restitutio in integrum,* provides that: "The department competent to decide on the omitted act shall decide on the application." Here the omitted act is the filing of a notice of appeal and the department competent to decide whether an appeal is admissible and thus *inter alia* whether a notice of appeal meets the requirements of the EPC is the EPO Board of Appeal (Rule 65(1) EPC); cf T 949/94 of 24 March 1995, not

published in OJ EPO, at point A.1 and T 473/91 OJ EPO 1993, 630.

1.2 This competence in relation to admissibility of an appeal is, however, subject to an exception, since Article 109(1) EPC empowers the department of first instance in *ex parte* proceedings to set aside its own decision if it considers an appeal to be "admissible and well-founded". This is not full jurisdiction to decide whether an appeal is admissible; there is no power to decide that an appeal is not admissible, nor is there power to decide that an appeal is admissible but not well founded. There is only the limited power to set aside ***uno actu*** an own decision if the appeal is considered admissible **and** well founded.

1.3 Thus even if it were considered - *arguendo* and contrary to the reasoned conclusion in T 473/91, which the present board finds persuasive - that the examining division acting under the limited jurisdiction over admissibility vested in it by Article 109(1) EPC qualified as "the department competent to decide on" the due filing of a notice of appeal within the meaning of Article 122(4) EPC, this power would not be susceptible of being split and partially entrusted to a formalities officer for "decision" pursuant to item 11 of the notice of the Vice-President of DG2 referred to above.

1.4 The present case is an example of the mischief which can result by attempting to operate such a scheme. Here the formalities officer purported to decide that the appeal met the formal requirements for admissibility set out in Articles 106, 107 and 108 EPC independently

and in advance of the substantive consideration of the appeal by the examining division under Article 109(1) EPC - apparently implicitly anticipating that the latter would set aside its own decision so as to retrospectively sanction the action of the formalities officer. In the event this did not happen and the appeal was referred to the board of appeal pursuant to Article 109(2) EPC.

1.5 The appellant applicant accepts that the formalities officer was not empowered to grant *restitutio in integrum* in relation to the filing of a notice of appeal outside the context of the granting of interlocutory revision pursuant to Article 109(1) EPC and that the purported decision is accordingly voidable by the board. He argues, however, invoking the principle of legitimate expectations that the impugned decision should not be so voided, since the appellant applicant was entitled to rely on the ostensible authority of the formalities officer.

1.6 The board is not persuaded by this argument, if only because no evidence has been submitted that any act of reliance was performed during the interval between the receipt of the purported decision of the formalities officer posted 16 July 2003 and the communication posted 7 August 2003 from the registry of the board of appeal to the effect that the appeal had been referred to Technical Board of Appeal. Oral proceedings were interrupted to allow the appellant applicant time to furnish details of a divisional application alleged to have been filed, but he was unable to do so.

1.7 The appellant applicant has also adduced the additional and alternative argument that the formalities officer should be regarded as having been empowered by Article 109(1) EPC, since at the time the latter took the impugned decision it had been - according to informal contact the appellant applicant had had with the examining division - the intention of the division to grant interlocutory revision, this intention having then been frustrated by the imminent expiry of the three months term allowed by Article 109(2) EPC. The board cannot give any credence to such unsubstantiated allegations, not least having regard to the fact that the examining division is prohibited by the subarticle from recording in the public file any comments on the merits of an appeal unless and until interlocutory revision is granted. It is therefore inappropriate for the appellant applicant to seek to glean information from the division during this phase of the procedure and it would be inequitable for it to derive any right or advantage from such informal contact.

1.8 By the same token, the argument that this unsubstantiated allegation of a frustrated intention of the examining division should constitute a reason for remittal to the department of first instance for interlocutory revision is misconceived. The latter has a conventionary obligation to consider the admissibility and well-foundedness of an *ex parte* appeal. If such consideration has not led to a positive result within the conventionary limit of 3 months the case is referred without comment to the board of appeal. The board has no power to order reconsideration, but, on the other hand, even if it had grounds for believing that the appeal had not been considered at all, the

board would not be obliged to remit the case for consideration; the obligation of the department of first instance to consider is not mirrored by a right for the appellant to first instance consideration; cf decision T 638/01 of 12 September 2001, not published in the OJ EPO, at points 5.1 and 5.2.

1.9 Neither is the board persuaded by the appellant applicant's submission invoking Article 125 EPC to the effect that the board should treat a decision on *restitutio in integrum* as *res judicata* since this is alleged to be the legal position at least in the UK and Germany. No evidence was presented to substantiate this submission, in particular no evidence that this would be the case in any contracting state for *ultra vires* decisions such as the present. In the judgement of the board this equitable aspect of the situation is fully dealt with by the established jurisprudence of the boards of appeal in relation to the principle of legitimate expectations which was taken account of at 1.6 above.

1.10 The appellant applicant cited T 317/89 of 10 July 1991, not published in OJ EPO, point IV of the facts and submissions, as a precedent for a board of appeal recognising the competence of the formalities officer in DG2 to grant restitutio in integrum in relation to a late-filed notice of appeal in a case where interlocutory revision was not granted although, according to the board, it clearly should have been. However, it is not clear to the present board why the board in the cited decision tacitly acquiesced in the department of first instance's assertion of jurisdiction and, for the reasons given at points 1.1

to 1.9 above, this board respectfully declines to follow an unreasoned precedent.

2. *Restitutio in integrum*

2.1 The request for restitutio in integrum is admissible.

2.2 Due care

2.2.1 The appellant applicant admits that the system for monitoring time limits operated in the office of the instructing overseas representative did not meet the standard of 'due care' laid down in the established jurisprudence of the EPO Boards of Appeal as explicitly confirmed in T 428/98, OJ EPO 2001, 494, in particular there was no independent cross-check. He submits that it was unreasonable for the EPO Boards of Appeal to require a higher standard in this respect than the EPO (in the appellant applicant's opinion) operated itself in observing and monitoring time limits. In the judgement of the board, this argument is devoid of merit as it appeals to a notion of ethical symmetry which is inapplicable in the context of Article 122(1) EPC. This subarticle relates only to the 'due care' to be exercised by an applicant or proprietor in observing a time limit vis-à-vis the EPO. Although it is a general legal concept, 'due care' has always to be interpreted in relation to the particular provision in which the term occurs as is underscored in the subarticle by the words "required by the circumstances".

However, even on the lower standard of 'an isolated mistake by a usually reliable person' the present request for *restitutio in integrum* would fall to be refused since, according to the evidence, in the system as operated the only practical possibility for correcting the first mistake in processing the original reporting letter, viz an appropriate reaction to the reminder letter, was also missed as a result of a second mistake by the same person in the processing of the latter. 'Due care' would require a reminder to be given close attention as a possible signal that a deadline is in danger of not being met.

Order

For these reasons it is decided that:

1. The purported decision of the department of first instance to allow the request for *restitutio in integrum* is declared null and void.

2. The request to remit the case to the department of first instance for interlocutory revision (first auxiliary request) is refused.

3. The application for *restitutio in integrum* (second auxiliary request) is refused.

4. The appeal is deemed not to have been filed.

5. The appeal fee shall be reimbursed.

The Registrar: The Chairman:

D. Sauter W. J. L. Wheeler