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**Datasheet for the decision
of 6 December 2023**

Case Number: T 2915/19 - 3.5.04

Application Number: 13193435.8

Publication Number: 2733953

IPC: H04N21/234, G11B27/034

Language of the proceedings: EN

Title of invention:
Content compression system

Applicant:
Sky Italia S.R.L.

Headword:

Relevant legal provisions:

EPC R. 111(2), 103(1)(a)
EPC Art. 111(1), 113(1)
RPBA 2020 Art. 11

Keyword:

Appealed decision - sufficiently reasoned (no)

Remittal - fundamental deficiency in first-instance proceedings (yes)

Reimbursement of appeal fee - substantial procedural violation (yes)

Decisions cited:

G 0010/93, T 0070/02, T 2154/15, T 0350/17

Catchword:



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Case Number: T 2915/19 - 3.5.04

D E C I S I O N
of Technical Board of Appeal 3.5.04
of 6 December 2023

Appellant: Sky Italia S.R.L.
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Decision under appeal: **Decision of the Examining Division of the
European Patent Office posted on 3 June 2019
refusing European patent application
No. 13193435.8 pursuant to Article 97(2) EPC.**

Composition of the Board:

Chair B. Willems
Members: A. Seeger
T. Karamanli

Summary of Facts and Submissions

I. The appeal is against the examining division's decision to refuse European patent application No. 13 193 435.8, published as EP 2 733 953 A1.

II. The prior-art documents cited in the decision under appeal were the following:

D1: US 2008/0256359 A1

D2: "CableLabs Video-On-Demand Content Encoding Profiles Specification", 4 January 2007, retrieved from the Internet: <http://www.cablelabs.com/projects/metadata/downloads/specs/MD-SP-VOD-CEP-I01-040107.pdf>, XP055074547

D3: WO 2010/099192 A1

D4: US 2007/0133609 A1

D5: US 2010/0166054 A1

D9: "Two-pass encoding", 14 June 2012, retrieved from the Internet: https://de.wikipedia.org/w/index.php?title=Two-pass_encoding&direction=prev&oldid=112445394, XP055524552

III. The decision under appeal was based on the ground that the subject-matter of the independent claims of the main request and of auxiliary requests 1 to 5 then on file did not involve an inventive step within the meaning of Article 56 EPC. The statement under point 4.4.2 of the decision under appeal that the subject-matter of the independent claims of auxiliary

request 4 lacked novelty appeared to be a typographical error. This is because under point 4.4 of the decision under appeal it was mentioned that, in the independent claims of auxiliary request 4, features were added compared with the independent claims of the main request, the subject-matter of which was considered to lack inventive step.

IV. The applicant (appellant) filed notice of appeal. With the statement of grounds of appeal, the appellant filed claims according to a main request and auxiliary requests 1 to 5. According to the appellant, these requests corresponded to those which had formed the basis for the decision under appeal. The appellant provided arguments to support its opinion that the claims met the requirements of Articles 54 and 56 EPC and requested a reimbursement of the appeal fee due to substantial procedural violations. In addition, the appellant stated under point 2.4 of the statement of grounds of appeal: *"Further, should the Board be inclined not to allow the appeal, remittal to a department of first instance is requested. In remitting, it is requested to order the remittance to a different composition of the Examining Division, since the present one has shown evident biases against the invention. In case the Board would consider allowing the appeal, Applicant is ready to withdraw the above requests as a way to expedite the procedure"*.

V. The appellant was summoned to oral proceedings. In a communication under Article 15(1) RPBA 2020 the board introduced document D10 (US 5,600,573) into the appeal proceedings and gave the following preliminary opinion.

(a) The reasons for the decision under appeal with respect to the main request then on file did not

meet the requirements of Rule 111(2) EPC. This breach of Rule 111(2) EPC amounted to a substantial procedural violation. Should the appeal be found allowable, it was to be discussed whether these deficiencies justified the reimbursement of the appeal fee.

- (b) According to Article 11, second sentence, RPBA 2020, a substantial procedural violation might constitute a special reason for remitting the case to the department of first instance; however, when exercising its discretion under Article 111(1), second sentence, EPC the board should take into account the aim of the RPBA 2020 to reduce the likelihood of a "ping-pong" effect. Given that the board could carry out an examination of novelty and inventive step without undue burden and given the length of the first-instance proceedings in the case at hand, the board was of the preliminary opinion that it was not appropriate to remit the case to the department of first instance for further prosecution.
- (c) None of the documents cited in the decision under appeal was a suitable starting point for the assessment of novelty and inventive step of the claimed subject-matter.
- (d) The subject-matter of claims 1, 9 and 12 of the main request and the second and third auxiliary requests lacked novelty over the disclosure of document D10 (Article 54 EPC).
- (e) The subject-matter of claims 1, 9 and 12 of the first auxiliary request lacked inventive step over

the combined disclosures of documents D10 and D9 (Article 56 EPC).

(f) The subject-matter of claims 1, 7 and 10 of the fourth and fifth auxiliary requests lacked inventive step over the disclosure of document D10 combined with the common general knowledge of the person skilled in the art.

VI. In its letter dated 6 November 2023, the appellant submitted that the possible need for further investigations as to the relevance of document D10 and the facts that the decision under appeal suffered from a substantial procedural violation and that a new prior-art document and a new objection were introduced only three months before the oral proceedings clearly weighed against the board's *ex officio* examination. Speeding up proceedings was not to be to the detriment of the appellant's rights to fair proceedings. Under the given time frame, it was not possible to ensure that proper feedback was collected from inventors and internal staff responsible for handling patent matters. The examination of new prior art could not be carried out without undue burden. According to the case law, there was no absolute right to have issues decided upon at two instances. At the same time, the case law also stressed the importance of the applicant being presented with two instances and that the two instances were particularly relevant when an issue had not been examined at all by the department of first instance.

VII. The board held oral proceedings on 6 December 2023.

The appellant's final requests were as follows.

The appellant requested, as the main request', that the decision under appeal be set aside, that the case be remitted to the department of first instance for further prosecution and that the appeal fee be reimbursed, or alternatively, that a patent be granted on the basis of the claims of the main request or one of the first to fifth auxiliary requests, all filed with the statement of the grounds of appeal.

At the end of the oral proceedings, the chair announced the board's decision.

VIII. Claim 1 of the main request reads as follows:

"A method for the composition of linear channels, a linear channel comprising at least two units of content, each unit of content comprising at least one among audio, video and data services, and wherein the point in time corresponding to the start of the transmission of each unit of content is predetermined based on the channel composition information, said method comprising the steps of:

- selecting (S10) at least two units of content based on said channel composition information;
- receiving (S20) said selected units of content from storing means, wherein each one of said units of content has been previously encoded utilising an offline encoding without time constraints, and stored;
- temporally aligning (S30), based on said channel composition information, said selected units of content so as to obtain the linear channel to be transmitted by broadcasting."

IX. The wording of the claims of the auxiliary requests is of no relevance for this decision.

Reasons for the Decision

1. The appeal is admissible.
2. Main request'- insufficient reasoning for lack of inventive step in the decision under appeal (Rule 111(2) EPC)
- 2.1 Under Rule 111(2) EPC, decisions of the European Patent Office which are open to appeal must be reasoned.

The reasoning given in a decision open to appeal has to enable the appellant and the board to examine whether the decision was justified (see Case Law of the Boards of Appeal of the European Patent Office, 10th edition 2022 ("Case Law"), III.K.3.4.1).

A decision should discuss the facts, evidence and arguments which are essential to the decision in detail. It has to contain the logical chain of reasoning which led to the relevant conclusion (see Case Law, III.K.3.4.3).

- 2.2 In point 2.1 of the decision under appeal, the examining division held that document D1 disclosed the following features of claim 1 of the main request then on file:
 - (a) a method for the composition of linear channels, a linear channel comprising at least two units of content
 - (b) each unit of content comprising at least one among audio, video and data services, and wherein the point in time corresponding to the start of the

transmission of each unit of content is predetermined based on the channel composition information

- (c) selecting at least two units of content based on said channel composition information
- (d) receiving said selected units of content from storing means, wherein each one of said units of content has been previously encoded and stored
- (e) temporally aligning, based on said channel composition information, said selected units of content so as to obtain the linear channel to be transmitted by broadcasting

For feature (a), the examining division referred to D1, paragraph [0054]. For features (b), (c) and (e), the examining division referred to D1, paragraph [0063]. For feature (d), the examining division referred to D1, paragraphs [0047], [0054] and [0055].

- 2.3 Paragraph [0054] of document D1 discloses that *"a first program source 208 may provide a live TV program while a second program source 208 provides a previously recorded title (e.g., a movie, a music video, etc.). In the illustrated example of FIG. 2, if a movie provided by the second program source 208 is pre-encoded, pre-packetized and pre-encrypted, the movie may be provided by the media handler 206 directly to the example multiplexer/modulator 245. In particular, the example broadcast system 205 of FIG. 2 may be implemented and/or operated to broadcast both live and/or real time data and/or information and non-real time data and/or information"*.

From this disclosure the person skilled in the art would understand that a live TV program is passed through the encoder, packetiser and encrypter of the broadcast system 205 in Figure 2 to create a linear channel. Furthermore, the pre-encoded, pre-packetised and pre-encrypted movie enters the same broadcast system at the multiplexer and modulator; however, document D1 does not disclose that the movie is transmitted on the same linear channel as the live TV program.

Hence, paragraph [0054] of document D1 discloses a method for the composition of linear channels, but not that a linear channel comprises two units of content.

- 2.4 Paragraph [0063] of document D1 discloses that *"content processing, that is, the processes of pre-encoding, pre-packetizing and, optionally, pre-encrypting assets to form asset files may be performed in non-real time. Preferably, content processing is implemented as an automated workflow controlled by a traffic and scheduling system (TSS) 315. In particular, the TSS 315 can schedule content processing for a plurality of received assets based upon a desired program lineup to be offered by the example Direct-to-Home (DTH) system 100 of FIG. 1. For example, a live TV program for which a high demand for reruns might be expected could be assigned a high priority for content processing"*.

Paragraph [0063] thus sets out in which order assets are processed to create asset files. For example, a program for which a high demand for reruns is expected is processed as a priority so that the corresponding asset file becomes available very soon. Hence, a desired program line-up, i.e. a selection of popular

programs which can be offered to users, is quickly created.

However, this scheduling of the creation of asset files has nothing to do with the order in which or time at which they are actually transmitted.

Therefore, it is not understandable why the examining division considered paragraph [0063] of document D1 to disclose the following:

- wherein the point in time corresponding to the start of the transmission of each unit of content is predetermined based on the channel composition information (see feature (b))
- selecting at least two units of content based on said channel composition information (feature (c))
- temporally aligning, based on said channel composition information, said selected units of content so as to obtain the linear channel to be transmitted by broadcasting (feature (e))

2.5 For feature (d), the examining division referred to D1, paragraphs [0047], [0054] and [0055].

Paragraph [0047] discloses that: *"the same pre-packetized and, optionally, pre-encrypted, content data file that is broadcast via satellite may be available for download via Internet"*.

Hence, the person skilled in the art would understand that the same pre-processed content can be sent in the form of a data file either via satellite or via the internet.

Paragraph [0055] discloses that: *"the example HE 102 may provide programs (e.g., movies, games, pre-recorded TV shows, and other content) to the CDN 120 for delivery to an IRD 110. In particular, the example media handler 206 of FIG. 2 may provide a pre-encoded, pre-packetized and, optionally, pre-encrypted bitstream to the CDN 120" and "how a title is pre-encoded, pre-packetized and, optionally, pre-encrypted does not depend upon whether the title will be broadcast via a satellites 106, 108 or made available for download via the CDN 120".*

Hence, the person skilled in the art would understand that the pre-processing of the content includes pre-encoding, pre-packetising and, optionally, pre-encrypting.

Paragraph [0054] discloses that: *"the example media handler 206 may provide such asset files to the CDN 120 for transfer to an IRD 110 via the Internet 122 and/or broadcast the asset file via the satellites 106, 108".*

This confirms the understanding that content is transmitted in the form of a file either via satellite or via the internet.

In view of the above, paragraphs [0047], [0054] and [0055] of document D1 disclose previously encoded content which is stored in the form of asset files.

However, it is not understandable why the examining division equated the transmission of these asset files via either satellite or the internet with a linear channel. Normally, an entire file needs to be available at a receiver before any of it can be reproduced,

contrary to a standard program consumption on a linear channel.

2.6 In view of the above, the board finds that the examining division's mapping of the features of claim 1 of the main request then on file to the passages of document D1 is deficient, but not to such an extent that the reasons for the decision under appeal would not enable the appellant or the board to examine whether the decision under appeal for the main request then on file was justified.

2.7 However, the following essential arguments put forward by the appellant were not discussed in the decision under appeal for the main request then on file.

- File-by-file streaming of video-on-demand (VOD) content could not be considered as a linear channel. Since document D1 showed flow charts starting with files, they could not refer to linear channels (see minutes of the oral proceedings before the examining division, page 1, second paragraph).
- The broadcast mentioned in document D1 merely referred to the delivery of files via satellite. The video content of such a file would not be displayed on a screen while the file was being received. Such a satellite channel was not a linear channel (see the appellant's letter dated 20 December 2018, points 1 to 6).
- Document D1 was about downloading content files, i.e. video-on-demand content, using a combination of transmission media including satellite and CDNs. Document D1 did not hint at modifying how a linear

channel should be processed (see the appellant's letter dated 2 November 2018, points 3.1 and 3.3).

- Paragraph [0063] of document D1 described how to prioritise encoding of video-on-demand content in cases of high demand to be expected later. There was no reference to processing a linear channel (see the appellant's letter dated 2 November 2018, point 3.5).

Apart from the first three lines under point 2.1.2, the decision under appeal does not even mention any of the appellant's counter-arguments.

It follows from the above that, in the decision under appeal, the appellant's submissions concerning the disclosure of document D1 presented during the first-instance proceedings were not dealt with; however, it is established case law that, in order to be reasoned within the meaning of Rule 111(2) EPC, a decision must contain at least some reasoning on crucial points of dispute, i.e. deal with at least the main counter-arguments presented by the applicant (see e.g. T 70/02, point 7 of the Reasons).

- 2.8 In view of point 2.7 above, the board finds that the reasons for the decision under appeal with respect to the main request then on file do not meet the requirements of Rule 111(2) EPC and the appellant's right to be heard under Article 113(1) EPC has therefore been infringed. In fact, the party's right to be heard encompasses the right to have its comments duly considered (see Case Law, III.B.2.4.2 and III.K.3.4.2), which the examining division failed to do. The infringement of the appellant's right to be

heard constitutes a substantial procedural violation (see Case Law, III.B.2.4.2).

3. Remittal to the department of first instance (Article 111(1) EPC and Article 11 RPBA 2020)

3.1 Under Article 111(1), second sentence, EPC, the board, in deciding upon an appeal, may either exercise any power within the competence of the department which was responsible for the decision appealed or remit the case to that department for further prosecution. Under Article 11, first sentence, RPBA 2020 the board will not remit a case to the department whose decision was appealed for further prosecution, unless special reasons present themselves for doing so. As a rule, fundamental deficiencies which are apparent in the proceedings before that department constitute such special reasons (Article 11, second sentence, RPBA 2020).

According to decision G 10/93, the board must decide after due assessment of the particular circumstances whether it will rule on the case itself or whether it will remit the matter for further prosecution to the examining division under Article 111(1), second sentence, EPC. The relevant circumstances of the case must be taken into account and consideration must be given in particular as to whether further investigations should be carried out, whether a procedural violation has taken place which would preclude a decision on the merits, whether there has been any significant change in the facts with respect to the contested decision, what stance the applicant is taking with regard to the "loss of instance", whether a decision by the board would speed up the proceedings significantly and whether there are any other grounds

for or against remittal. The weight accorded to individual factors depends on the circumstances of the particular case (see G 10/93, point 5 of the Reasons).

The above-mentioned principles established by the Enlarged Board of Appeal still continue to be applied by the boards of appeal after the entry into force of the new Article 11 RPBA 2020 (see Case Law, V.A.9.3.1). In view of Article 23 RPBA 2020, the RPBA 2020 cannot deprive the boards of appeal of the discretion conferred on them by Article 111(1) EPC or limit it (see also decisions T 2154/15, point 2.3 of the Reasons and T 350/17, point 7.3 of the Reasons).

- 3.2 In the current case, the substantial procedural violation which occurred in the first-instance proceedings (see point 2.8 above) is considered equivalent to a fundamental deficiency within the meaning of Article 11, second sentence, RPBA 2020.

Moreover, the appellant requested remittal as its highest-ranking request (main request'). It argued, *inter alia*, that the introduction of document D10 by the board had changed the facts with respect to the contested decision on an important issue of the case only three months before the oral proceedings and that it was therefore justified for reasons of fairness that this important issue not be examined by the board for the first time, but at two instances.

Although it is established case law that parties have no absolute right to have each and every matter examined at two instances, it is well recognised that any party may be given the opportunity to have two readings of the important elements of a case (see Case Law, V.A.9.2.1). In this regard, consideration may be

given as to whether further investigations would be required, whether the facts of the case have changed significantly since the contested decision, and what view the applicant takes of the possible "loss of an instance". The weight given to each factor again depends on the circumstances of the case at hand.

The facts of the case at hand have changed significantly since the contested decision because of the introduction of document D10 into the appeal proceedings. The board accepts the appellant's argument that, in the circumstances of the case at hand, the factor of the fairness of the proceedings must be given greater weight than the factor of procedural economy or the duration of the proceedings.

- 3.3 In view of the above circumstances of the case at hand and considering the appellant's request for remittal, there are special reasons within the meaning of Article 11 RPBA 2020 to remit the case to the department of first instance. Therefore, the board finds it appropriate to exercise its discretion under Article 111(1) EPC and remit the case to the examining division for further prosecution.
4. Reimbursement of the appeal fee (Rule 103(1)(a) EPC)
 - 4.1 Under Rule 103(1)(a) EPC, the appeal fee is reimbursed in full where the board deems an appeal to be allowable, if such reimbursement is equitable by reason of a substantial procedural violation.
 - 4.2 The appeal is allowable. The examining division held that the subject-matter of claim 1 of the main request then on file did not involve an inventive step within the meaning of Article 56 EPC. Since this sole

objection against the main request involved a substantial procedural violation (see point 2.8 above), the reimbursement of the appeal fee in full is equitable.

5. Conclusion

For the reasons given above, the appellant's main request' is granted.

Order

For these reasons it is decided that:

1. The decision under appeal is set aside.
2. The case is remitted to the examining division for further prosecution.
3. The appeal fee is to be reimbursed.

The Registrar:

The Chair:



K. Boelicke

B. Willems

Decision electronically authenticated