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File Number: T 0166/91 - 3.2.4
Application No.: 83 306 848.9
Publication No.: 0 109 266
Title of invention: Computer controlled labelling machine

Classification: B65C 9/18, B65C 9/44, B26D 5/32

D E C I S I O N
of 15 June 1993

Proprietor of the patent: B&H Manufacturing Company, Inc.
Opponent: Kronos AG

Headword:

EPC Article 111(1), 114(1)

Keyword: "Fresh ground for opposition (not considered)"
"Late-filed relevant prior art"
"Remittal to Opposition Division in exercise of discretion under Article 111(1)"
"Right to two instances of jurisdiction"

Summary of Facts and Submissions

- I. The Respondent is proprietor of European patent No. 0 109 266 (application No. 83 306 848.9), granted on 27 April 1988.

Claim 1 is worded as follows:

"Apparatus for cutting a web into individual sheets comprising drive means (66) for advancing a web through the apparatus, a cutter (56) for cutting the web (68) into individual sheets (70), digital data processing means (54), an optical sensor (76) for sensing registration marks (74) on the web (68) corresponding with the sheets (70) to be cut therefrom, input means (82) connected to the processing means for entering a user selectable interval between registration marks on the web corresponding with the length of sheets to be cut, the processing means being operative to maintain a desired relationship in use of the apparatus between the advancing of registration marks on the web and operation of the cutter, characterised in that the apparatus is a labelling apparatus with the cutter (56) comprising a master shaft (58) the rotary position of which corresponds with the stage of operation of the cutter and the apparatus comprises a sensor (60,62) for sensing the position of the master shaft (58) and operatively connected to the processing means (54), and a stepping motor (67) connected between the processing means (54) and the web drive means (66), said processing means (54) being responsive to inputs from the master shaft position sensor(60,62), the registration mark optical sensor (76) and the input means (82) to provide input pulses to the stepped motor (67) to control the speed of the drive means to maintain a desired alignment between the ends of

the label sheets (70) and the cutter at the time of operation of the cutter as determined by the position of the master shaft."

Dependent Claim 2 is appended to Claim 1.

II. The patent was opposed by the Appellant on grounds of lack of novelty and inventive step. The following documents were cited in support of the opposition:

- (D1) EP-A-0 074 165,
- (D2) EP-A-0 011 967,
- (D3) DE-A-3 015 281,
- (D4) "Prospektblatt Etikettenschneidemaschine Gallus U 330",
- (D5) "Betriebshandbuch Gallus U 330", pages 3 and 5,
- (D6) US-A-3 801 408,
- (D7) US-A-4 221 144,
- (D8) US-A-4 316 566,
- (D9) GB-A-2 096 795.

The documents D6, D7 and D8 were cited after the nine-month opposition period had expired. Their introduction into the proceedings was not allowed in pursuance of Article 114(2) EPC, these documents not being sufficiently relevant.

Document D1 is a prior filed European patent application falling under Article 54(3) EPC. This document was said to destroy the novelty of Claim 1, the other documents to make it obvious, so that the attacked patent at least lacked an inventive step.

III. The Opposition Division rejected the opposition in a decision dispatched on 31 January 1991.

IV. The Appellant (Opponent) appealed against this decision on 13 February 1991 and paid the prescribed fee on the same date.

In the Statement of Grounds filed on 31 May 1991 the following documents were cited for the first time:

- (D12) EP-B-011 595
- (D13) GB-A-2 074 533.

The Appellant argued that the subject-matter of Claim 1 did not involve an inventive step having regard to either of the newly cited documents D12 and D13. Alternatively, he submitted that it would be obvious for a skilled person to combine the teachings of documents D9 and D3 or D4 introduced into the proceedings in due time, to arrive at the subject-matter of Claim 1.

Furthermore he held that Claim 1 as granted had been amended during the original proceedings up to grant so as to extend the content of the application as filed (Article 123(2) EPC).

V. In reply to the Statement of Grounds of Appeal, the Respondent pointed out that the only appeal arguments put forward with any real force had been those based on the newly cited documents D12 and D13.

VI. In a communication according to Article 110(2) EPC dated 25 February 1993, the Board gave its provisional opinion that Claim 1 as granted does not contravene Article 123(2) EPC.

Furthermore, the Board expressed the view that the late-cited documents D12 and D13 appear to be relevant to the question of the inventive step and should therefore be admitted into the appeal. It also expressed its intention

to remit the case to the first instance without appointing oral proceedings before the Board.

- VII. In response to the Board's communication, the Appellant gave as the reason for the belated submission of the documents D12 and D13 the fact that in the decision the prior filed European patent D1 was said not to destroy the novelty of Claim 1.

He also urged that the case should not be remitted to the first instance and drew attention to the decision T 142/84, OJ EPO 1987, 112. In this decision, the Board 3.2.1 decided to admit a belatedly filed document into the proceedings. Since this document did not form the basis for a new line of attack on the patentability of the claimed subject-matter the Board did not consider it necessary to remit the case to the Opposition Division for further prosecution.

- VIII. The Appellant requested that the decision under appeal be set aside and the European patent revoked in its entirety. He also requested oral proceedings in the event of the Board intending to reject the appeal.

The Respondent requested rejection of the appeal and maintenance of the patent as granted or, failing that, the appointment of oral proceedings. However, in the event that the Board is of the opinion that the newly cited documents are relevant to the patent under appeal, then the Respondent requested that, as a preliminary matter, the case be remitted to the Opposition Division for consideration of these documents and the completely fresh arguments based on them.

Reasons for the Decision

1. The appeal complies with Articles 106 to 108 and Rule 64 EPC and is therefore admissible.

2. Article 123(2) EPC

No objection under Article 123(2) EPC was raised by the Appellant (Opponent) during the opposition proceedings and no amendment was made by the Respondent to the claims or other parts of the patent either in the course of the opposition proceedings, or in the present appeal proceedings. Furthermore, the Respondent did not agree that such a fresh ground for opposition would be considered in the present appeal proceedings (cf. his letter dated 6 November 1991, section 2).

Therefore, according to the decision G 9/91 of the Enlarged Board of Appeal dated 31 March 1993 "Power to examine/ROHM AND HAAS" (issued after the Board in this appeal sent the communication of 25 February 1993) such a fresh ground for opposition may not be dealt with in substance in the decision of the Board of Appeal (cf. points 18 and 19 of the reasons).

3. The Appellant has given no convincing reason why he did not file the documents D12 and D13 earlier. It is true that in the opposition proceedings the main basis for attacking the validity of the patent was lack of novelty vis-à-vis the prior filed European patent application D1. However, lack of inventive step based on the combination of teachings from documents D2 and D3 was also raised in the notice of opposition, so that the newly introduced argument relating to lack of inventive step based on the completely newly cited documents D12 and D13 cannot be considered as the consequence of the refusal by the Opposition Division of the lack of novelty considerations

vis-à-vis document D1 or as a further development of the argumentation based on documents D 2 and D3, but has to be considered as another (fresh) line of attack on the patentability of the claimed apparatus, instead of the line of attack based before on documents D2 and D3.

4. In the Board's view the newly cited documents D12 and D13 are of such relevance that they put the maintenance of the patent at risk and should therefore be admitted into the appeal proceedings in pursuance of Article 114(1) EPC.

The embodiment shown in Figures 5 to 7 of document D12 concerns an apparatus for cutting a web (70) into individual sheets (73) comprising drive means (5,6 main driving shaft(16)), a cutter (9), digital processing means (100), and an optical sensor (13) for sensing registration marks (71) on the web (70) corresponding with the sheets (73) to be cut therefrom. The processing means (100) which is operative to maintain a desired relationship between the advancing of registration marks on the web and the operation of the cutter comprises input means (input peripheral (108)) for entering a user selectable interval between registration marks on the web corresponding with the length of the sheets to be cut (see in particular column 8, lines 58-61). The cutter (9) is provided with a master shaft (8) which carries a synchronisation signal generator formed of a wheel (12) bearing a notch and an associated photoelectric pick-up (15).

This generator, which generates from each cutting cycle a phase reference signal ("SYNCHR"), senses also the position of the master shaft (8) and is operatively connected to the processing means (100). A stepping motor (51) is connected between the processing means and the web drive means (paper-feed rolls (5,6)). The processing means

(100) provides input pulses to the stepping motor (51) to control the speed of the drive means to maintain a desired alignment between the ends of the label sheets and the cutter (9) as determined by the position of the master shaft.

The argument raised by the Respondent that the stepping motor (51) shown in Figure 6 is used to provide a correction rather than a positive speed drive cannot be accepted since it is nowhere stated in Claim 1 that the driving means is solely driven by the stepping motor.

Stepping motors are normally used to control automatic industrial equipment in particular in servomechanisms. It is nevertheless noted that the use of a stepping motor for driving a feeding group in a device for cutting a web into individual sheets is disclosed in the newly cited document D13.

5. Previous decisions of the Boards of Appeal, inter alia Decisions T 258/84, OJ EPO 1987, 119 and T 273/84, OJ EPO 1986, 346, have stated that a document which is relied upon by an opponent for the first time during the appeal stage and which is sufficiently relevant to be admitted into the opposition proceedings should (in the exercise of the Board's discretion under Article 111(1) EPC) normally be referred back to the first instance, in particular so as to allow the newly cited document to be examined at two levels of jurisdiction and thus so as not to deprive the parties of one such level of jurisdiction.

This approach is, in the Board's judgment, to be followed in the present case, since as substantiated in section 4 above, the newly cited documents are of such relevance that they put the maintenance of the patent in particular as unamended at risk. It should be emphasised that, in the present case, the Respondent has expressly asked that

as a preliminary matter, the case be remitted to the first instance, if these documents are admitted by the Board into the proceedings.

6. It is to be noted that it is the Appellant (Opponent) who is responsible for the late introduction of documents D12 and D13 and thus for the remittal of the case to the first instance and for the further delay of the proceedings.

The Appellant in his reply to the Board's communication has urged that the case should not be remitted to the Opposition Division in view of the decision T 142/84, OJ EPO 1987, 112. Contrary to the Appellant's submissions, it is immediately clear from a prima facie consideration of the Statement of Grounds that the newly cited documents D12 and D13 form the basis for a fresh line of attack on the patentability of the claimed apparatus (cf. above section 3). Indeed in the first part of the Statement of Grounds, the Appellant has submitted that the subject-matter of Claim 1 did not involve an inventive step having regard to either of these two documents, although in the opposition proceedings documents D2 and D3 were already cited in this respect.

7. The Appellant has requested that the patent be revoked in its entirety and, on an auxiliary basis, oral proceedings be held if his main request is not allowed.

It is clear from the mandatory wording of Article 116(1) EPC that a party who requests oral proceedings is in principle entitled to such proceedings (see for example T 19/87, OJ EPO 1988, 268). Nevertheless in the present case the request for oral proceedings was made on an auxiliary basis only if it is intended or envisaged that a decision may be issued which is adverse to the Appellant. As stated in decision T 42/90 of 25 February

1991, the decision to remit the case to the first instance is not to be considered as being adverse to that party, so that no oral proceedings before the Board need to be appointed.

The Appellant has further requested in his reply to the Board's communication that the case should not be remitted to the first instance but should be dealt with in substance in oral proceedings and be subsequently decided. Nevertheless, it is clear from Article 111(1) EPC that the Board may exercise any power within the competence of the Opposition Division (which was responsible for the decision appealed) or remit the case to that department for further prosecution. It is thus at the **Board's discretion** whether it examines and decides the case or whether it remits the case to the first instance. It is to be noted that such a discretionary power is exercised after the parties have had ample opportunity to present their comments.

Taking into account the Respondent's request to remit in the present specific case; the Appellant's responsibility for the late filing of the new documents and for his piecemeal presentation of the case (for which the Respondent cannot be made responsible); and also taking into account the fact that the Appellant is not adversely affected by remittal of the case, which is therefore not yet finally decided, the Board, in this specific case, remits the case to the first instance for further prosecution without appointing oral proceedings before the Board.

Order

For these reasons, it is decided that:

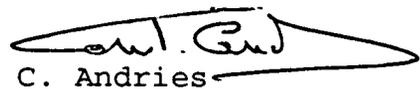
1. The decision under appeal is set aside.
2. The case is remitted to the first instance for further prosecution, including taking the prior art documents EP-B-011 595 (D12) and GB-A-2 074 533 (D13) into consideration.

The Registrar:



M. Beer

The Chairman:



C. Andries