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D E C I S I O N
of 8 May 2001

Case Number: T 0291/97 - 3.3.4

Application Number: 87308721.7

Publication Number: 0293530

IPC: C07K 7/20

Language of the proceedings: EN

Title of invention:
Improvements in or relating to hormones

Applicant:
Protherics Molecular Design Limited

Opponent:
-

Headword:
-

Relevant legal provisions:
EPC Art. 55(1)(a)

Keyword:
"Evident abuse (no)"
"Lack of novelty (yes)"

Decisions cited:
T 0173/83, T 0436/92, T 0585/92

Catchword:
-

Europäisches Patentamt | European Patent Office | Office européen des brevets

Beschwerdekammern | Boards of Appeal | Chambres de recours

Case Number: T 0291/97 - 3.3.4

D E C I S I O N
of the Technical Board of Appeal 3.3.4
of 8 May 2001

Appellant: Protherics Molecular Design Limited
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Lyme Green Business Park
Macclesfield
Cheshire SK11 0JL (GB)

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Decision under appeal: **Decision of the Examining Division of the European Patent Office posted 4 September 1996 refusing European patent application No. 87 308 721.7 pursuant to Article 97(1) EPC.**

Composition of the Board:

Chairman: U. M. Kinkeldey
Members: L. Galligani
S. U. Hoffmann
F. Davison-Brunel
S. C. Perryman

Summary of Facts and Submissions

I. The applicant lodged an appeal against the decision of the examining division issued 4 September 1996 refusing European patent application 87 308 721.7, which was filed 1 October 1987, published as EP-0 293 530, claimed priority from GB 8713240 of 5 June 1987, and was entitled "Improvements in or relating to hormones".

II. The refusal was based on the subject matter of claims 1, 2, 4 to 13, and 15, not being considered novel over the following scientific article:

(1) FEBS Letters, Vol. 214, No. 1, pages 65 to 70, April 1987, whose authors were stated as being Dr M., Dr R. and Mr F. (the three inventors named in the present European application) and a Mr W..

This article, as stated in the letter dated 29 January 1993 by Denise Braam of Elsevier Science Publishers B.V., was published on 9 April 1987.

The examining division decided that the publication of the said article had not occurred as a consequence of an evident abuse in relation to the applicant or his legal predecessor, and thus did not fulfil the requirements of Article 55(1)(a) EPC for a non-prejudicial disclosure.

III. In the statement of grounds of appeal, the appellant insisted that the publication of document (1) had occurred in consequence of an evident abuse within the meaning of Article 55(1)(a) EPC, and thus document (1) was not state of the art citable against the claims at issue.

IV. The board issued on 5 March 2001 an official communication with a provisional, non-binding opinion on the issue under Article 55(1)(a) EPC. Reference was made in particular to the decisions T 585/92 (OJ EPO 1996, 129) and T 436/92 of 20 March 1995. The Board also commented that:

- Dr M. seemed legitimately to have been in possession of the information published, and all parties seem to have been content that it be published in FEBS Letters: the only thing that went wrong on the evidence was that Dr M. inadvertently caused publication prior to filing of the patent application rather than after. But this was not an abuse within the terms of Article 55(1)(a) EPC.

- The evidence provided fell far short of that required for showing an evident abuse. There appeared no conclusive evidence even of the breach of any legal obligation owed by Dr M. to anybody. The opinions by solicitors and counsel provided by the appellant were based on conjecture. It was not clear that Dr M. was under any contractual obligation to anyone other than to Victoria University of Manchester and no details of these contractual obligations had been given. Even assuming that between the University and Dr M., the University was entitled to any patents, it was not clear that the University had any policy for obtaining patents, or that Dr M. was in breach of this policy. Further it was not clear whether the University had any right to require postponement of publication of any patentable information: it seemed to have taken no steps to obtain a patent

in its own name. It would take very clear evidence to convince the board that what prima facie appeared an ordinary publication of academic research was an abuse in relation to the University. The evidence submitted so far suggested rather that the University waived its rights in favour of the individual researchers. It was not clear what understanding with such other researchers or the present applicants Dr M. reached, but inadvertently acting contrary to such understandings did not seem to amount to a breach of any legal obligation, let alone an evident abuse.

V. In the letter dated 17 April 2001, in reply to the board's communication, the appellant submitted that the term "evident abuse" should not be given the same narrow interpretation as in T 585/92 (supra), and that the criteria applicable in cases of a disclosure in the personal/commercial field should be applied. If so, the conclusion had to be drawn that Dr M.'s disclosure had been a "breach of confidence", thus an "evident abuse" in the sense of Article 55(1)(a) EPC.

Should the board not accept these submissions, the appellant requested - as a **first auxiliary request** - to refer to the Enlarged Board of Appeal the following two questions of law:

Question 1: "When Article 55(1)(a) ("evident abuse") is sought to be invoked to protect an applicant from a prior disclosure by a person in a personal confidential relationship to the applicant or predecessor, is it necessary for the applicant to prove that the disclosure was made with any particular intention?"

Question 2: "If the answer to Q1 is "yes", what is the precise intention it is necessary for the applicant to establish?"

As a **second auxiliary request**, claims 1 to 14 were filed which differed from the claims of the main request in that the embodiment disclosed by Dr M. et al. in document (1) was no longer claimed.

VI. Oral proceedings took place on 8 May 2001. The second auxiliary request till then on file with Claims 1 to 14 was withdrawn in favour of a new one to continue the proceedings in writing.

With reference to the chronology of the events, the appellant made essentially the following submissions:

(a) As it resulted from the statutory declaration of Mr P. of Imseco Medical Services Ltd ("Imseco") and from the exhibits attached thereto, the Epsitron Unit ("Epsitron") at the Victoria University of Manchester (VUM), of which Dr M. was one of the core members, was engaged in computer-aided molecular design and testing of pharmaceuticals, and was seeking, with the university's approval, an external corporate partner in order to commercialise the results of the academic work. This included also the LHRH analogues developed by Dr M. together with Drs F. and R.. Within this framework, meetings had taken place and documents had circulated between "Imseco" and "Epsitron" with the view of establishing a business link with the creation of a new company to which the intellectual property arising from "Epsitron" would belong;

(b) In view of the ongoing negotiations and of the patenting projects, all those involved, including Dr M. (cf his declaration dated 24 April 1988), were aware of the need to keep the results confidential and of the danger which a prior publication would have represented for possible patent applications;

(c) It was repeatedly emphasized in all subsequent meetings that any paper had to be vetted by the company;

(d) In a meeting in December 1986 (Exhibit L) and in a follow-up letter dated 5 January 1987 (Exhibit M), the Vice-Chancellor of VUM, while stating that the university did not wish to be directly involved in the exploitation of the research work of "Epsitron", confirmed that the university was prepared to surrender its intellectual property rights to the members of "Epsitron" who could exploit their research findings;

(e) On 13 January 1987, the proposed "Epsitron"/ "Imseco" company and its manner of operation were further discussed (Exhibit J). The finalisation of the legal formalities took longer to complete than anticipated, but the arrangements made in December 1986 and January 1987 were confirmed in the confirmatory assignment dated 3 May 1994 between the VUM and the newly created company which was called Proteous Molecular Design Ltd.. This assignment had effect from 5 January 1987 (Exhibit N);

(f) In the mean time, Dr M. had sent on 27 January

1987 the article to FEBS Letters for publication, a typescript of it being sent to patent attorneys acting for Mr P. only on 15 April 1987. Dr M. left "Epsitron" on 21 April 1987.

(g) To the dismay of all those involved in the foundation of the new company, it was later (23 April 1987) discovered on enquiry that the article had been already published in April 1987, prior to the filing of the priority GB application on 5 June 1987.

(h) The above outline of the facts, showed that Dr M. had seen and approved the projects for the foundation of the new company, of which he had agreed to be part (cf his declaration and Exhibit D annexed to Mr P.’s declaration). He was aware of his obligations of confidentiality and had accepted them. He knew that publishing before filing a patent application would cause a commercial harm to the company which was being created (cf his declaration). This was an issue of "morality", which the law follows: Dr M. had a "moral" obligation vis-à-vis his colleagues, who were also committed to the project, the university and Mr P.'s new company to act in a manner which would not jeopardise the project. No formal agreement was necessary to sanction the obligation of confidentiality. The obligation remained throughout the period during which the parties were discussing the projects and exchanging ideas thereupon. By triggering the process of publication in FEBS Letters, before informing the patent attorneys, Dr M. had committed an act which was in breach of his obligation and thus in breach

of the rights of the applicant's predecessor in title.

(i) If the purpose of Article 55(1)(a) EPC was to provide a remedy to an act of abuse resulting in the disclosure of something that jeopardised the rights of an applicant, then the "intention" or "the state of mind" of the person committing the abuse was irrelevant as a matter of law. In the present case, the act of abuse was causing (deliberately or inadvertently) the publication in breach of the obligation not to do it.

(j) There were decisive differences between the present case and that of cases T 173/83 (OJ EPO 1987, 465) and T 585/92 (supra). In any case, in view of the fundamental importance of the issue, if the board could not agree with the above submissions, the proposed questions of law (cf Section V supra) could be addressed to the Enlarged Board of Appeal. In the alternative, if the evidence in relation to the mutual obligations of the actors involved in the creation of the new company was not considered sufficient, the proceedings could be continued in writing.

VII. Of particular significance are two exhibits to the declaration of a Mr P, a director of the appellant.

As exhibit N to the declaration by Mr P. there was exhibited an assignment under seal for no consideration to the appellant from VUM dated 3rd May 1994 stating:

"The assignor hereby confirms that pursuant to an understanding of 5 January 1987 and with effect from

that date the Assignor has assigned absolutely to the Assignee all the Assignor's existing and future right, title and interest of whatever nature in the Epsitron Research defined in the Schedule. The Assignor also warrants that it was the owner of the work of members of the Epsitron research team done in the course of their employment by, or in the course of study at the Assignor. Victoria University Manchester can thus be considered the predecessor of the appellant."

The Schedule lists inter alia:

"Work involved with projects conducted by Epsitron in relation to ....LHRH (including, without limitation, the subject matter of UK Patent 2,196,969, European Patent Application 87308721.1 and all other foreign equivalents.)"

As exhibit M to the declaration by Mr P., there is exhibited a letter from the Vice-Chancellor of the Victoria University Manchester to Dr R., who was then the head of the Epsitron research unit, as well as being named as a co-inventor of the application in suit and, according to his own declaration of 4th July 1995 a director of the appellant stating:

"I write following our meeting on December 11th to confirm:-
(1) That the University does not wish to be directly involved in the exploitation of the research work of the Epsitron Unit;
(2) That the University is prepared to surrender its intellectual property rights on the Epsitron research work to the members of the team;
(3) That the team members may themselves attempt to

exploit the research finding subject to:-
(a) the approval by the University's Outside Work Committee of the time which it proposed to devote to exploitation, and of the income levels arising from exploitation;
(b) the University seeing the term of any agreement between Epsitron staff and any external exploitation partner.
(4) That the team understand that the University cannot be involved in dealing with any claims on the intellectual property which might be submitted by other bodies.

I would also like you to understand that although the University cannot take responsibility for the detailed issues of exploitation, there is nevertheless a considerable amount of goodwill and we would be willing to give informal general advice at any time. I wish you success in this new venture and hope that it will prosper."

VIII. The appellant requested:

- As **main request**, that the decision under appeal be set aside and for a declaration that the publication in FEBS Letters of April 1987, pages 65 to 70 is a non-prejudicial disclosure not to be taken into consideration for the application of Article 54 EPC;

- As **first auxiliary request,** that the two questions set out in the submission of 17 April 2001 be referred to the Enlarged Board of Appeal; and

- As **second auxiliary request,** to continue the

proceedings in writing.

Reasons for the Decision

1. In the Victoria University Manchester (VUM) there existed a group of academics named the Epsitron unit including a Dr R., a Dr M. and a Dr F. (named inventors on the present applications) and several others. They had developed computer methods for predicting the conformations of peptides and proteins. Starting in August 1985, they were in contact with a Mr P. and his company Imseco Medical Services Limited (Imseco) with a view to exploiting their expertise. For the next circa 20 months till about April 1987 negotiations followed between officials of VUM, members of the Epsitron unit and Mr P./Imseco. Quite what result was reached does not appear from the evidence before the Board, but a letter from the Vice-Chancellor of VUM of 5 January (see Section VII above) indicates that VUM were no longer to be directly interested and a UK patent application (from which the present application claims priority) was filed by the appellant on 5 June 1987.

2. During the negotiations, in September 1986, Dr M. wrote to Mr P., outlining a project using an LHRH analogue hormone calculated using the Epsitron computer methods, and asking whether it might be "patentable property of interest to Epsitron". Mr P. consulted others, and then indicated interest. Dr M. was to provide a copy of the paper he was working on for publication to patent attorneys. The paper was published in FEBS Letters before the patent attorneys received a copy of the paper.

3. On behalf of the appellant it was argued that the publication caused in FEBS Letters by Dr M. amounts to a breach of an obligation

(1) owed to the co-inventors who are predecessors in title of the appellant, and/or

(2) owed to the VUM, who is a predecessor in title of the appellant and/or

(3) owed to Imseco in relation to express undertakings by Dr M. not to publish.

The prior disclosure of the invention claimed here has occurred no earlier than six months preceding the filing of the European application. If it can be concluded that the publication "was due to or in consequence of an evident abuse in relation to the applicant or his legal predecessor" then pursuant to Article 55(1)(a) EPC it need not be taken into consideration for the application of Article 54 EPC. The appellant here was not yet in business at any of the relevant times, so the focus must thus be on who can be considered as his legal predecessor and whether there was an abuse in relation to someone who was such legal predecessor.

4. There has been put in evidence a copy of an assignment under seal from VUM to the appellant (see Section VII above) dated 3rd May 1994 but stated to be confirming an understanding of 5 January 1987, assigning inter alia the subject matter of the present application. The assignment also contains a warranty that VUM was the owner of the work of members of the Epsitron team done in the course of their employment by, or in the course

of study at, the assignor. This is the only assignment or concluded contract that has been put in evidence.

5. There are matters which throw doubt on whether the facts recited in the assignment accurately reflect the position in 1987. According to the submissions made, the appellant itself could not have been a party to any agreement of 5th January 1987, as there was then only an intention to create a new company which did not come into being before April 1987. Further on filing the application at the EPO in October 1987, it was stated on the Designation of Inventor form that the appellant was entitled to the invention by virtue of an agreement dated 1 April 1987, but no agreement of this date is in evidence. Nor is it clear how the assignment confirms any understanding of 5 January 1987, as there has been put in evidence a letter of 5 January 1987 from the Vice-Chancellor of VUM to Dr. R., one of the named inventors and a member of Epsitron unit, the letter indicating only that the VUM was prepared to surrender its intellectual property rights on the Epsitron research work to the members of the team, and that the members would be free to exploit the research findings subject to approval by VUM of the time to be dedicated and the income levels to be derived therefrom and to seeing the term of any agreement between Epsitron staff and any external exploitation partner.

6. Despite these doubts whether this 1994 assignment reflects the true situation in 1987, it provides the only explicit basis for treating anyone as the legal predecessor of the appellant. Thus the Board will first consider whether the publication can be treated as an abuse in relation to VUM.

7. According to the evidence put forward, VUM employed Dr M. as a lecturer in immunology between October 1984 and 21 April 1987. No evidence has been put forward as to terms of contract that applied to him, or to a lecturer in his position with VUM. In view of the assignment, the Board is prepared to assume that any inventions he made became the property of VUM. However, in the absence of evidence of the contractual rights (if any) VUM had to control publication of research by their academic staff, or of the actual practice of VUM in exercising such rights, the Board is not prepared to assume that any restrictions on publication of research existed.

8. Counsel sought to argue that such a right to restrict publication had necessarily to be implied given that VUM were entitled to any inventions. But this is not consistent with:

(1) The fact as appears from exhibit J to the declaration of Mr P. of 4 July 1995, the minutes of a meeting of 13 January 1987, item 24, that BR (the same as Dr R. one of the named inventors) "had reservations on the possibility of restrictions on publications" in the context of a draft clause in a proposal summary (exhibit C to the declaration of Mr P. of 4 July 1995, point 11) that:

"any paper prepared by Epsitron Limited, the Epsitron Academic Unit or any of its personnel shall not be published without the consent in writing of the company"

Such a clause would not be unusual for a

commercial research based company, but does not reflect the conditions applying at VUM.

(2) The fact that VUM had not set up any system to exploit inventions by trying to obtain patents for themselves, so that a system of controlling publications would have imposed a burden for no benefit. This is in the context that if research is published, this serves to enhance the reputation of both the researchers and the university they work for, but if submission to a suitable journal is delayed, other published research may cause it to be refused as no longer being of sufficient novelty or interest.

That VUM apparently wanted to be entitled to any intellectual property resulting from the research of their staff, would be sufficiently explained by their wish to discourage staff spending time working to obtain patents for themselves or third parties at the expense of their duties to the university, without any implication that VUM also had a right to control publication. There is no evidence that Dr M. causing the publication was in breach of any actual rules on publications laid down by VUM.

9. This leaves the question whether the special circumstances of the negotiations between VUM, the Epsitron unit and Imseco, imposed any special legal obligation on Dr M. not to publish. There is no evidence that Dr M. was ever told by VUM not to publish anything. By January 1987, Dr M. was aware that VUM had abandoned any idea of directly benefitting itself from Epsitron research which it was now prepared to surrender free to the team members. If, as above found

by the Board, no case has been made out that in ordinary circumstances there was a restriction imposed by VUM on the publishing of research, there were by January 1987 no special circumstances either which required any restrictions on publication by Dr. M. in the interest of VUM. Thus, in the publication by Dr M. the Board can see no abuse in relation to VUM.

10. The term "legal predecessor" (German "Rechtsvorgänger", French "son prédécesseur en droit") refers to what in English law would be the beneficial ownership. On the evidence before the Board only VUM can be considered as a legal predecessor, and this by virtue of the assignment dated 3 May 1994. On the evidence, the other named inventors were never beneficial owners. The letter of 5 January 1987 above referred to a "preparedness" by VUM to surrender its intellectual property rights on the Epsitron research to the members of the team, but there is no evidence that this occurred, or that the team (or some members thereof) was a legal predecessor of the appellant. As no case has been put forward or shown for the two other named inventors, or other members of the Epsitron team being a legal predecessor of the appellant, the situation under Article 55(1)(a) EPC cannot be established in relation to them. The question whether, if Dr M. were one of the legal predecessors, and also responsible for an abuse by publishing, this could be a situation in which Article 55(1)(a) EPC applied at all, can thus remain moot.

11. Likewise there is no evidence that Imseco was ever entitled to what is covered in the application, and so Imseco cannot be regarded as a legal predecessor. The question of an abuse thus need not be investigated, but

there is in any case no evidence that Dr M. ever undertook any legal obligation towards Imseco not to publish prior to a patent application being filed. That he was aware that an earlier publication might prevent Imseco, himself or anyone else benefitting from a patent application, cannot be equated with a legal obligation to ensure that the benefit of a valid patent application would be achieved.

12. The argument of Counsel, to put it in a nutshell, that the law follows morality, Dr M. must have had a bad conscience about his behaviour and recognized it as contrary to morality, and therefore he must have been in abusive breach of some legal obligation to some predecessor of the appellant, ignores the specific requirements of Article 55 EPC. The evidence available is equally consistent with a much more favourable view, namely that Dr M. and the colleagues mentioned in the FEBS Letters publication, embarked on this research as normal academic research, that is without any definite intention of commercial exploitation, but with the definite intention of publishing the research if possible, to enhance their reputation. Dr M. was legitimately in possession of all the information as its originator. Both of his colleagues in their joint declaration confirm that they were informed that Dr M. was preparing a publication of their work. They did not disagree nor did they try to prevent it. Thus with the implicit consent of his colleagues Dr M. wrote up the research and sent it for publication. There had been discussions of patenting, and Dr M. was aware of the need to file a patent application prior to publication, but was under no legal obligation to VUM not to publish and had not undertaken any legal obligation to anyone else not to do so. Such a legal obligation to someone

other than VUM would have been hard to reconcile with his obligations to VUM.

13. A finding of an evident abuse under Article 55(1)(a) EPC is a serious matter. An abuse is not lightly to be presumed. The standard of proof is indicated by the words "evident abuse" (German "offensichtlicher Missbrauch", French "un abus évident") as being a high one: the case must be clear cut and a doubtful case will not be resolved in favour of the applicant. The evidence filed in this case does not meet the standard that the Board would consider appropriate, in particular in that virtually every declaration filed contained serious misstatements that subsequently were corrected, or the indicated misstatements not relied on. That the errors were corrected or not relied on is commendable, but leaves the problem whether any part of such a statement can be relied on at all.

14. There is on file a declaration by Dr M. dated 26 April 1988. A sentence in this led the first instance to believe that a copy of the pre-print of the FEBS Letters publication must have been sent to the patent agents then acting for Mr P. and now for the appellant well before publication, so that this negatived any allegation of abuse. Also in the declaration appear statements that Dr M. attended a meeting at the patent agents on 26 November 1986, and that he had sent the paper to FEBS Letters expecting them to furnish a proof for approval before publishing, which they failed to do, with the implication that publication was an abuse attributable to the publishers. In fact, Dr M. did not attend this meeting, and FEBS Letters did not have a policy of sending out proofs for approval, unless

specially asked for. By a declaration dated 7 January 1997, the patent agent concerned declared that no text of the article appearing in FEBS Letters had been received by him before its publication. This the Board can accept. In the same declaration the patent agent explains that the text of Dr M's declaration was drafted by him without reference to his files and given to Mr P.. Further he explained that he was not himself prepared to contact someone now employed by a competitor of his client, and that his intention had been only to prepare a preliminary draft document as a framework for Dr M. to comment on and modify or expand the details as necessary. To his surprise he was told by Mr P. that the declaration had been signed by Dr M. without any changes made, and he received it back without any covering letter. In proceedings before the European Patent Office it must be possible to rely on the written evidence as having been checked with the facts: if in some instances this turns out not to be so, the party who put it forward risks its evidence being disregarded as unreliable as a whole.

15. For these reasons, the board shares the examining division's view in the decision under appeal that the disclosure in FEBS Letters was **not** due to or in consequence of an evident abuse by Dr M. in relation to the applicant or his legal predecessor.

16. Consequently, the said publication is to be taken into consideration for the application of Article 54. As it discloses subject-matter which anticipates the pending claims, the decision of the examining division to refuse the application for lack of novelty was well-founded, and is hereby confirmed.

The first auxiliary request: Questions to the Enlarged Board of Appeal

17. The proposed questions to the Enlarged Board of Appeal relate to the issue of the intention of the person committing an abuse. However, since in the case at issue, the intention behind Dr M.'s actions is not material for the Board in coming to its conclusion, there is no need to refer the proposed questions to the Enlarged Board of Appeal. This request is consequently refused.

The second auxiliary request: Continuation of the proceedings in writing

18. The Board will normally continue proceedings in writing after oral proceedings have taken place before it, in circumstances where the appellant could not reasonably have been expected to deal with an issue that has newly come up at the oral proceedings.

19. This is not the case here. Already in its communication the Board indicated that it considered that the evidence fell far short of making out a case of evident abuse. The appellant did not then ask for a postponement of oral proceedings in order to try and fill the gaps. Appeal proceedings are not there for a party to see if its case might succeed despite inadequate evidence, and then to have yet a further opportunity to put in evidence. The second auxiliary request is thus refused.

Order

For these reasons it is decided that:

1. The request for referral of questions to the Enlarged Board of Appeal is refused.

2. The request to continue the proceedings in writing is refused.

3. The appeal is dismissed.

The Registrar: The Chairperson:

P. Cremona U. Kinkeldey