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**D E C I S I O N**  
**of 12 May 1998**

**Case Number:** T 0686/97 - 3.3.3

**Application Number:** 90201709.4

**Publication Number:** 0409300

**IPC:** C08G 18/32

**Language of the proceedings:** EN

**Title of invention:**

Polyurethane polyols and high solids coatings therefrom

**Patentee:**

Akzo Nobel N.V.

**Opponent:**

Herberts GmbH

**Headword:**

EPC Art. 122  
RPBA R. 11(1) -

**Relevant legal provisions:**

EPC Art. 122  
RPBA R. 11(1)

**Keyword:**

"State of mind of responsible patent attorney not decisive"  
"Normally satisfactory reminder system cannot rely solely on  
EPO information"

**Decisions cited:**

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**Catchword:**

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Case Number: T 0686/97 - 3.3.3

**D E C I S I O N**  
of the Technical Board of Appeal 3.3.3  
of 12 May 1998

**Appellant:** Akzo Nobel N.V.  
(Proprietor of the patent) Velperweg 76  
6824 BM Arnhem (NL)

**Representative:** Schalkwijk, Pieter Cornelis  
Akzo Nobel N.V.  
Patent Department (Dept. Co.)  
P.O. Box 9300  
6800 SB Arnhem (NL)

**Respondent:** Herberts GmbH  
(Opponent) Christbusch 25  
42285 Wuppertal (DE)

**Representative:** Türk, Gille, Hrabal, Leifert  
Brucknerstrasse 20  
40593 Düsseldorf (DE)

**Decision under appeal:** Decision of the Opposition Division of the  
European Patent Office posted 28 April 1997  
revoking European patent No. 0 409 300 pursuant  
to Article 102(1) EPC.

**Composition of the Board:**

**Chairman:** C. R. J. Gérardin  
**Members:** J. A. Stephens-Ofner  
B. L. ter Laan

## Summary of Facts and Submissions

- I. European patent No. 0 409 300 was revoked by a decision of the Opposition Division dated 28 April 1997. By letter dated 17 June 1997, a Notice of Appeal was duly filed by the Patentee, requesting the setting aside of the Opposition Division's decision and the maintenance of a patent upon the basis of amended claims to be filed together with the Statement of Grounds of Appeal.
- II. The time limit for the filing of the Statement of Grounds of Appeal expired on 8 September 1997, without such statement having been filed.
- III. The Appellant (Applicant for restoration) became aware of the above-mentioned omission on 9 December 1997, whereupon he duly filed on 23 December 1997 a request for re-establishment of rights pursuant to Article 122(1) EPC. The request for re-establishment of rights was accompanied by a specific request that certain relevant evidence in support of the application be excluded from public inspection, and that oral proceedings be held in case the Board intended to refuse the request for re-establishment of rights.
- IV. Pursuant Article 11(2) of the Rules of Procedure of the Boards of Appeal, the Appellant was informed by communication that the sole issue that fell to be decided during any oral proceedings appointed in response to his above request was the one arising under Article 122 EPC. He was also advised that despite the absence of any specific doctrine of "Stare decisis" in proceedings before the Technical Boards of Appeal, the Board would abide by the established case law relating

to Article 122(1) EPC which laid down that an isolated mistake made by a professional representative in the context of a normally satisfactory system, including a reminder system, did not constitute lack of **due care** within the meaning of Article 122(1) EPC. The Appellant was also informed that the existence of a satisfactory system needed to be established to the degree of proof required under the EPC, i.e. beyond the balance of probability, and that the speediest and most reliable manner of achieving this would be the adduction of oral evidence by certain named executives in the employ of the Appellant at the relevant time. The Appellant was finally informed that the oral proceedings to be appointed would not be held in public so as to safeguard the confidentiality of any oral evidence adduced by him and that documentary evidence filed by certain named executives would also be excluded from public inspection.

- V. Whilst not amounting to a formal summons pursuant Article 117 EPC, nor to the initiation of **letters rogatori** procedure in support of such summons, this communication constituted a clear invitation to the named executives to provide oral testimony during the hearing to be held on 12 May 1998.
- VI. The Appellant, in answer to the above communication, informed the Board on 8 April 1998 that certain of these executives would not be able to attend the hearing, for various reasons. At the same time the Appellant sought to obtain the Board's views on who else should or should not give such testimony, to which the Board replied that the nature and form of the

evidence to be adduced by the Appellant was a matter for him and no one else.

- VII. The submissions, and the documentary evidence in support of them, boiled down to a detailed exposition of the administrative reminder system in use at the relevant time, as well as to the outlining of the circumstances surrounding the omission by the patent attorney responsible for handling the case to file a Statement of Grounds of Appeal in due time. The evidence, in the form of a declaration by this patent attorney as well as his immediate hierarchical superior, went to the particular details of the omission and to circumstantial evidence relating to the state of mind, and the reasons for it, of the patent attorney at the relevant time.
- VIII. By letter of 30 April 1998 the Respondent (Opponent) informed the Board that he would not attend the oral proceedings. In substance, he argued that the Appellant's reminder system did not operate in a normally satisfactory manner in so far as the statutory time limit for the filing of the Statement of Grounds of Appeal was not automatically brought to the attention of the patent attorney handling the case.
- IX. During the hearing all of the above evidence was specifically confirmed by oral testimony. In addition, the Appellant provided further oral testimony to establish the precise details of the reminder system operated by him at the relevant time. For the sake of convenience, as well as in the interest of preserving the confidentiality that the Board had agreed to preserve about the precise details of the Appellant's

internal management systems and other relevant commercial details, all these matters will be dealt with as briefly as possible in the reasons for the decision, without thereby robbing the decision of sufficient facts and reasons.

Thus, in particular, the Appellant for restoration submitted a detailed outline of the structure, composition and numerical strength of its patent departments throughout the world, including the United States. He also elaborated on the precise manner in which the patent departments corporate reporting structure was integrated into the general business structure, and therefore of the ways and means by which strategic and tactical decisions concerning or involving patents were taken in his company.

- X. He also submitted documentary evidence and explanations about the precise details of the reminder system operated by all its patent departments in relation to not only European, but other overseas patent matters as well. In particular, it was submitted that the time limits concerning Notices of Appeal and Statements of Grounds of Appeal were separately identified on internal documentation, resulting in two separate dates being brought to the attention of the patent attorney in charge of a particular case. It was further submitted that following a change of the notification practice by the EPO during 1994, the effect of which was that only a single date, namely that of the Notice of Appeal, was brought to Appellants' attention, the warning system relating to and the handling of the second time limit laid down by Article 108 EPC, namely that for the Statement of Grounds of Appeal, was left

in the sole control of the patent attorney responsible for the particular case. It was also explained that, whilst the formalities section of the patent division remained after 1994 alive to the time limit effecting the Notice of Appeal, it went completely "blind" to the time limit concerning the Statement of Grounds of Appeal. This state of affairs continued during the three years leading up to and including the period relevant to the instant case.

- XI. It was also explained to the Board that senior management did not, on the whole or in particular, concern itself with time limits and other purely administrative issues but rather, as was normally the case in industry, devoted its time to broader and more strategic matters relevant to patents policy.
- XII. The outcome of all this was that during the relevant period the patent attorney concerned was left in sole charge of the substantive as well as the administrative aspects of handling the appeal, in particular the timely filing of the Statement of Grounds of Appeal.
- XIII. The Appellant also submitted **arguendo** that a change in the EPO's notification practice referred to above, whilst not actually misleading, had been confusing, since its implication could have been that the only time limit that mattered was the one for the lodging of the Notice of Appeal. At the same time he again emphasised that the administrative section responsible for running the reminder system was not empowered, indeed was specifically excluded from, embarking upon any legal interpretation of any of the Articles or Rules or Guidelines of the EPC and was therefore

instructed merely to apply its own internal mechanisms to the letter.

XIV. Lastly, in elaboration of his written evidence, the patent attorney concerned and the Appellant's representative both explained the general management systems in operation at the relevant time for defining and rewarding objectives achieved by particular executives, as well as for checking upon their general physical and mental well being.

XV. The Appellant requested the re-establishment of his rights pursuant to Article 122(1) EPC.

The Respondent requested that no such restoration be granted.

### **Reasons for the Decision**

1. The documentary evidence in support of the Appellant's written submissions relating to the **isolated** nature of the mistake by the responsible professional representative, as well as the facts that lead to the making of that mistake by him is as open, complete and frank as the nature of such a case demands. Furthermore, the evidence is sufficiently convincing for the Board to accept it in its entirety, so that there is no need for a minute or indeed any degree of rehearsal of its precise details.
  
2. Because of the common and well-recognised nature of stress related executive breakdowns, "burn outs" and other mental blocks, a satisfactory reminder system in



the patent department of a corporation the size of the Appellant's clearly needs to take account of it. It also needs, wherever possible, to include management systems aimed at the early detection of likely trouble in this area and be targeted to minimizing the commercially damaging effects of such stress related conditions.

With this in mind, the Board first needs to consider the documentary and oral evidence concerning the nature of the Appellant's reminder system, in order to decide whether or not that system was "normally satisfactory", that is to say adequate, in the normal circumstances obtaining in a corporate patent department, to secure the timely prosecution of formal patent matters, and in particular of appeals to the last instance under the European patent system. In this connection the Board would observe that reminder systems normally satisfactory to ensure compliance with other Rules of Procedure under the EPC may not be satisfactory in the context of appeals to the Boards, whose function is to provide a final judicial review under the EPC.

3. One of the most significant facts in this case is that the responsible patent attorney noticed his omission on 20 October 1997, yet failed to inform his superiors, who were therefore not aware of the true state of affairs, until one of them discovered it on 9 December 1997. The evidence as to the responsible patent attorney's state of mind at the time, that is to say on 9 December 1997, was both direct as well as hearsay, the second corroborating the first. It establishes and the Board so finds as fact, that the responsible patent

attorney did indeed suffer the mental effects of stress for the reasons stated by him.

The next question that arises is thus whether the reminder system, as a whole, was sufficiently robust and flexible to prevent the consequences of such stress either by affording timely warning of it or by making administratively certain that its effects were avoided or minimised.

In this respect the Board recognises that most corporate patent work is indeed a senior and important task, so that minute supervision, such as would be appropriate in the case of more junior and less demanding activities, is not really appropriate. The yard-stick that the Board uses for gauging the importance of patent work is the same that most corporations use for ascribing degrees of seniority and importance to certain tasks, namely the amount of damage that failure to perform them would be likely to cause. It does stand accepted that in the present case the damage to the Appellant through the loss of the patent at issue would indeed be large.

4. The decisive issue in this case is whether or not there existed, at the relevant time, a normally satisfactory system for dealing with the time limit concerning the Statement of Grounds of Appeal, for it is accepted by the Board that the omission to file it in due time was the result of a mistake and, furthermore, that it was an isolated one in the sense that such an omission had never taken place before.

5. A normally satisfactory system for matters such as these is one which seeks to deal with all reasonably foreseeable eventualities, thereby preventing the legally damaging outcomes of acts of commission or omission by all personnel employed in the patents service function. Indeed, by definition, no such system could ever be designed to cope with wholly unforeseeable events, whether they be intentional or unintentional.
  
6. The Board recognises that the structure and set up of the Appellant's patent department, as well as the manner of its integration in the general corporate business-structure is nothing other than usual. It also recognises that the specific remit of the administrative section, in particular the limitation of its function to a strictly non-interpretative application of relevant rules and time-limits, was and remains the only practicable one, and therefore finds it to be normally satisfactory. The Board also accepts that the degree of involvement and supervision by senior management in the detailed affairs of the patent department, and in particular in the handling of cases by responsible attorneys, was entirely usual and therefore again normally satisfactory.
  
7. While such supervision and involvement were satisfactory, the reminder system as a whole in operation at the relevant time possessed one notable feature, not only outlined, but repeatedly emphasised by the Appellant, namely that it relied solely, before and after 1994, upon the ascertainment of and compliance with relevant time limits upon information contained in various EPO forms and/or notices published

in the Official Journal. Thus, even before the change in the EPO's practice of notification referred to above took place in 1994, the reminder system contained a significant, if not overwhelming reactive component and correspondingly lacked reliance on internal legal analysis and resultant administrative measures. Furthermore, the omission after 1994 from the relevant EPO form of the previous reference of the time limit applying to the filing of the Statement of Grounds of Appeal had shifted the responsibility for handling this particular matter onto the shoulders of the responsible patent attorney, since the administration was, by policy edict, not permitted to embark upon any legal interpretation of any of the Rules or Articles or any related practices under the EPC. The result was that the burden on the attorneys increased without any concomitant enhancement of the back-up which they had enjoyed before 1994, which, in the Board's view, was in any case unsatisfactory because it was reactive i.e. relied almost entirely on input by the EPO.

8. Thus, quite irrespective of the changes wrought during 1994, the reminder system as a whole, including the operation of the administrative section as well as the input by the responsible patent attorneys and the management team responsible for their supervision and guidance, was entirely lacking in failsafe mechanisms, at any rate insofar as this particular time limit was concerned. In the Board's finding, the provision of such "redundant" or "failsafe systems" is an essential component of a normally satisfactory reminder system in corporate departments. In this respect, the Board is therefore bound to accept the submission of the Respondent to the appeal that failure to provide

administrative reminders to the responsible patent attorneys of the time limits applying to the filing of Statements of Grounds of Appeal was incompatible with the operation of a normally satisfactory system and therefore the exercise of all due care within the meaning of Article 122(1) EPC.

9. In the premises the Board does not accept that the reminder and related systems in operation at the relevant time in the Appellant's patent department was normally satisfactory. This being the case, it is not necessary to analyse the nature or, for that matter, the precise causation of the omission by the responsible patent attorney to file the Statement of Grounds of Appeal in due time and, having noted it, promptly to inform his superiors of the true state of affairs.
  
10. Accordingly the application for restoration of rights pursuant to Article 122 EPC is refused. The concomitant legal effect of this decision will be dealt with by the Board separately.

**Order**

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

The application for re-establishment of rights is refused.

The Registrar:

The Chairman:

E. Görgmaier

C. Gérardin