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D E C I S I O N
of 14 December 1999

Case Number: T 0733/98 - 3.4.3

Application Number: 93103502.6

Publication Number: 0558093

IPC: H01L 39/24

Language of the proceedings: EN

Title of invention:

Method of producing superconducting wire

Applicant:

SUMITOMO ELECTRIC INDUSTRIES LIMITED

Opponent:

-

Headword:

Admissibility of the Appeal/SUMITOMO

Relevant legal provisions:

EPC Art. 108, 122, 121, 113(2)

EPC R. 51(5), 51(4)

Keyword:

"Admissibility (no): statement of the grounds - no reasons"

"Restitutio - all due care (no)"

"Main and auxiliary requests in grant procedure"

Decisions cited:

T 0234/86, T 0220/83, T 0493/95, T 0213/85, J 0022/86,

T 0198/88, T 0182/89

Catchword:

- I. If an application is refused under Article 97 and Rule 51(5) EPC, on the grounds that the applicant neither communicated his approval of the text proposed for grant within the period according to Rule 51(4) EPC nor proposed amendments within the meaning of Rule 51(5) EPC within this period, a statement setting out the grounds of appeal which deals only with the issues of admissibility and allowability of new claims filed together with the statement does not meet the requirement of Article 108 EPC, third sentence.

- II. The requirement of "all due care required by the circumstances" within the meaning of Article 122(1) EPC is not met if an applicant and his professional representative fail to realize that the procedural way in handling main and auxiliary requests as set out in Legal Advice 15/84, points 2.4 and 2.5, is no longer relevant after the amended Rule 51 EPC had entered into force on 1 September 1987.



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Boards of Appeal

Chambres de recours

Case Number: T 0733/98 - 3.4.3

D E C I S I O N
of the Technical Board of Appeal 3.4.3
of 14 December 1999

Appellant: SUMITOMO ELECTRIC INDUSTRIES, LTD.
5-33, Kitahama 4-chome
Chuo-ku
Osaka-shi
Osaka 541 (JP)

Representative: Winter, Brandl, Fürniss, Hübner, Röss,
Kaiser, Polte
Partnerschaft
Patent- und Rechtsanwaltskanzlei
Alois-Steinecker-Strasse 22
D-85354 Freising (DE)

Decision under appeal: Decision of the Examining Division of the
European Patent Office posted 5 February 1998
refusing European patent application
No. 93 103 502.6 pursuant to Article 97(1) EPC.

Composition of the Board:

Chairman: R. K. Shukla
Members: G. L. Eliasson
W. Moser

Summary of Facts and Submissions

- I. By its communication under Rule 51 (4) EPC dated 28 August 1997, the Examining Division informed the appellants (applicants) of the text in which it intended to grant a European patent and requested them to indicate, within a period of four months, their approval of the text notified. They were further informed that, subject to Rule 51(5) EPC, second sentence, the European patent application would be refused if they failed to communicate their approval within that period.
- II. By its decision dated 5 February 1998, the Examining Division refused the European patent application in suit (Article 97(1) EPC; Rule 51(5) EPC, first sentence). The reasons for the decision under appeal were as follows: "No approval was received, nor any amendments to the claims, description or drawings proposed, within the period stipulated. There is thus no text to serve as a basis for the grant of a European patent (Article 113(2) EPC), and the application does not therefore meet the requirements of the Convention (Article 97(1) EPC)." The decision was accompanied by a written communication of the possibilities of further processing under Article 121 EPC or of appeal.
- III. On 14 April 1998, the appellants filed a notice of appeal and paid the appeal fee at the same time. A statement setting out the grounds of appeal was filed on 10 June 1998. The statement dealt with formal and substantive issues in relation to new claims forming the appellant's main request and a first auxiliary request which had been filed together with the statement, but did not deal with the reasons given for

the decision under appeal.

- IV. By its communication dated 30 March 1999, the Board informed the appellants of its provisional opinion that the statement setting out the grounds of appeal did not meet the requirement of Article 108 EPC, third sentence.
- V. The appellants replied on 9 June 1999. Alternatively, they requested to be re-instituted in the term for filing the written statement setting out the grounds of appeal. The fee for re-establishment of rights was paid at the same time.
- VI. As an annex to the summons to attend oral proceedings, the Board sent a further communication to the appellants on 11 October 1999.
- VII. On 15 November 1999, the appellants filed a statement in response to the annex.
- VIII. On 14 December 1999, oral proceedings were held.
- IX. The appellants requested that the decision under appeal be set aside and that a patent be granted on the basis of the following documents:
- (a) Claims 1 to 16 filed on 10 June 1998 as main request,
 - (b) Claims 1 to 16 filed on 10 June 1998 as auxiliary request.

They also applied for re-establishment of rights under Article 122 EPC.

X. In their written submissions and during oral proceedings the appellants argued in essence as follows:

According to the communication under Rule 51(4) EPC, the Examining Division intended to grant a European patent with claim 1 (auxiliary request) of 14 May 1997, according to which a "molten mixture" was supplied inside of the pipe, whereas the appellants wanted the grant of a patent on the basis of claim 1 of the main request, where the mixture was not stated to be "molten", as had already been discussed previously with the Examining Division. Thus, the appellants preferred to wait for the issuance of a rejection in order to file an appeal.

This handling had been in agreement with the Legal Advice No. 15/84 of the EPO concerning main and auxiliary requests (OJ EPO 1984, 491). This Legal Advice had also been cited in the paper by Alexander Witte: "Hilfsanträge im deutschen und europäischen Patenterteilungs- und Beschwerdeverfahren", published in "Mitteilungen der deutschen Patentanwälte" 1997, Heft 9/10/97, pages 293/294.

The Legal Advice No. 15/84 had still been in force on 29 August 1997, when the communication under Rule 51(4) EPC dated 28 August 1997 was received by the appellants. The Legal Advice No. 15/98 (OJ EPO 1998, 113) was published after the communication had been issued and the term for a response had expired on 7 January 1998.

The term for filing the statement setting out the grounds of appeal expired on 15 June 1998. The date of the removal of the cause of non-compliance with the time limit had been 9 April 1999, i.e. when the appellants received the communication of the Board dated 30 March 1999. The term for filing a request for re-establishment of rights thus expired on 9 June 1999.

Even if the amendment of Rule 51 EPC entered into force on 1 September 1987, this amendment was silent about the handling of cases with main and auxiliary requests.

In decision T 234/86 (OJ EPO 1989, 79) the competent Board pointed out that the EPC did not clearly lay down the procedure to be followed in dealing with main and auxiliary requests.

The appellants did not want further processing of the present European patent application after its refusal but wanted to get a decision of the Board in a question which was several times and in detail discussed with the Examining Division. They did not request further processing of the present application since it was not to be expected that said further processing would have led to another result than the refusal of the application.

The request for further processing of the present European patent application with the consequent refusal of the patent application would not have been in agreement with the Legal Advice No. 15/84 concerning main and auxiliary requests in proceedings before the EPO for the grant of a European patent, which was still in force in September 1997. Also such a course of action would have been unnecessarily complicated and

expensive since the right to get a decision of the Board would be granted only after a further processing of the application.

The appellants' proposed direct way of getting a decision of the Board was comparable with the EPO's established practice of delivering appealable interlocutory decisions under Article 106(3) EPC to maintain a patent as amended.

The Legal Advice No. 15/98 dealt under item 1.5b with the refusal of an applicant to agree to the version communicated and with his maintaining one of the preceding requests. Before its publication, the procedural way in handling main and auxiliary requests in the examination proceedings had not been laid down, and the procedural steps prescribed in this Legal Advice and in the "Guidelines for Examination" of July 1999 were neither in force nor known when the communication under Article 51(4) EPC for the European patent application in suit was issued on 28 August 1997.

Reasons for the Decision

Admissibility

1. According to established case law of the boards of appeal, the grounds of appeal should specify the legal and factual reasons on which the case for setting aside the decision under appeal is based (cf. T 220/83 [OJ EPO 1986, 249], point 4 of the reasons). The arguments must be clearly and concisely presented to enable the competent Board to understand immediately why the

decision under appeal is alleged to be incorrect, and on what facts the appellant bases his arguments (cf. T 493/95 of 22 October 1996). From this it follows that, in order to be sufficient for the admissibility of an appeal, a statement setting out the grounds of appeal must deal with the reasons given for the decision under appeal (cf. T 213/85 [OJ EPO 1987, 482]). There are some exceptions to these principles (cf. "Case Law of the Boards of Appeal of the European Patent Office", 3rd edition 1998, Chapter VII, D, 7.5.2 to 7.5.5) which, however, do not apply to the present case.

2. The statement setting out the grounds of appeal does not deal with the reasons given for the decision under appeal (cf. point II above). Rather, the statement deals only with the issues of admissibility and allowability of new claims according to the appellant's requests, which were filed together with the statement. Consequently, the statement does not meet the requirement of Article 108 EPC, third sentence.

Re-establishment of rights

3. For the question of re-establishment of rights, the omitted act was the filing of a statement of the grounds of appeal within the time limit meeting the requirement of Article 108 EPC, third sentence.
4. The representative was informed in the communication of the Board dated 30 March 1999 that the statement setting out the grounds of appeal filed on 10 June 1998 did not appear to meet the requirement of Article 108 EPC, third sentence. The application for re-establishment of rights was filed on 9 June 1999, i.e.

exactly two months after the above-mentioned communication was deemed to have been received and less than one year after the time limit for filing the statement of the grounds of appeal expired. Thus, the application for re-establishment of rights is filed within the time-limits specified in Article 122(2) EPC.

5. Setting aside the question whether the response filed with the application for re-establishment of rights can be regarded as a completion of the omitted act as required under Article 122(2), second sentence EPC and, consequently, whether the application for the re-establishment of rights is admissible, the Board finds, for the reasons which follow, that the requirement of "all due care required by the circumstances" under Article 122(1) EPC is not met, and therefore the application for re-establishment of rights has to be refused:

5.1 The application for re-establishment of rights is in essence based on the argument that the representative of the appellants handled the present case in good faith in accordance with the Legal Advice No. 15/84, point 2, concerning main and auxiliary requests in the procedure before the Examining Division.

5.2 The Legal Advice No. 15/84, point 2.6, refers to Rule 51(4) EPC in its previous version, hereinafter Rule 51(4) EPC (previous version), which was in force until 31 August 1987. Rule 51(4) EPC (previous version) provided: "Before the Examining Division decides to grant the European patent, it shall inform the applicant of the text in which it intends to grant it, and shall request to pay within three months the fees for [.....]. If the applicant has communicated his

disapproval of the patent being granted on the basis of this text within that period, the communication of the Examining Division shall be deemed not to have been made, and the examination shall be resumed."

- 5.3 The Legal Advice No. 15/84, points 2.4 and 2.5, is concerned with the situation when the Examining Division informs the applicant under Rule 51(4) EPC (previous version), first sentence, that a European patent may be granted in respect of a text according to an auxiliary request, but not in respect of a text according to a main request, and the applicant nevertheless decides to safeguard his rights by pursuing the text according to the main request, although he has been notified by the Examining Division of the grounds for refusal of the main request (cf. Legal Advice No. 15/84, point 2.2). From points 2.4 and 2.5 it follows that "in the event that the applicant neither submits a new text nor agrees to the version proposed by the Examining Division, the application will be refused in its entirety and the decision is then open to appeal", and that the decision to refuse the application "does not come as a surprise to the applicant in that he will have been notified beforehand of the grounds for such a decision (Article 113(1) EPC)". In the Board's judgement, this statement has to be interpreted as follows: If the applicant neither submits a new text nor agrees to the version proposed by the Examining Division within the time limit of three months under Rule 51(4) EPC (previous version), first sentence, the application according to the main request will be refused under Article 97(1) EPC. Thus, in the absence of a communicated approval or disapproval by the applicant, it was apparently assumed that the applicant's intention was to request the grant

of a European patent on the basis of the text in accordance with the main request and that the provision of the second sentence of Rule 51(4) EPC (previous version) was brought into effect.

5.4 However, in decision J 22/86 of the Legal Board of Appeal (OJ EPO 1987, 280) it is held that a communication of disapproval by an applicant pursuant to Rule 51(4) EPC (previous version), second sentence, must be an express communication of disapproval and that, consequently, silence and inactivity do not constitute communication of the applicant's disapproval of the text, such as to bring the second sentence of Rule 51(4) EPC (previous version) into effect (cf. point 6 of the reasons).

5.5 As a consequence of decision J 22/86, Rule 51 EPC (previous version) was amended by the decision of the Administrative Council of 5 June 1987 (published in OJ EPO 1987, 276), which entered into force on 1 September 1987. Part C, Chapter VI, 15 of the "Guidelines for Examination in the European Patent Office" (Guidelines) relating to Rule 51 EPC was amended accordingly, and the amended text of Part C, Chapter VI, 15 of the Guidelines was reproduced in the "Notice from the EPO dated 24 June 1987 concerning amendment of the Guidelines for Examination in the European Patent Office" (published in OJ EPO 1987, 329). Moreover, in the "Information concerning amendment [to] the Guidelines for Examination in the European Patent Office (Part C)" (published in OJ EPO 1987, 387), the amendment to the Guidelines relating to Rule 51 EPC was discussed in detail.

5.6 In the present case, Rule 51 EPC as amended by the

decision of the Administrative Council of 5 June 1987 (cf. point 5.5 supra) applies, and the amended text of Part C, Chapter VI, 15 of the Guidelines, reproduced in the Notice from the EPO dated 24 June 1987 (cf. point 5.5 supra), has to be taken into consideration. Although the Guidelines have been revised several times since 1987, the text of Part C, Chapter VI, 15.1 and 15.4 remained essentially unchanged. In Part C, Chapter VI, 15.1, all possible reactions of the applicant after receipt of the communication under Rule 51(4) EPC and their legal consequences are dealt with.

- 5.7. Rule 51(4) EPC provides that, before taking the decision to grant the European patent, the Examining Division "shall inform the applicant of the text in which it intends to grant it and shall request him to indicate, within a period to be set by it [...], his approval of the text notified". Subject to Rule 51(5) EPC, second sentence, the European patent application shall then be refused pursuant to Rule 51(5) EPC, first sentence, if the applicant fails to communicate his approval within that period. The same applies if within that period he expressly states that he does not approve the text but fails to suggest any amendments, since no text on the basis of which the patent can be granted then exists (cf. Part C, Chapter VI, 15.1.1 of the Guidelines). In both cases, the European patent application shall be refused under Article 97(1) EPC because it does not meet the requirement of Article 113(2) EPC. However, this legal consequence shall be retracted if the applicant, in accordance with Part C, Chapter VI, 15.4 of the Guidelines, requests further processing under Article 121 EPC, which implies *inter alia* that the omitted act, i.e. either the

express approval of the text notified or the proposal of amendments to that text, is completed within two months of the date on which the decision to refuse the European patent application was notified (cf. Article 121(2) EPC). The request is allowable because the European patent application is refused following failure to reply within a time limit **set by the EPO** under Rule 51(4) EPC (cf. Article 121(1) EPC).

- 5.8 Because further processing of the European patent application under Article 121 EPC can be requested by the applicant in case of failure to reply within the period under Rule 51(4) EPC and the ensuing refusal of the application, it clearly follows that the applicant is supposed to make an express statement to the effect that he either approves the text notified or proposes amendments to it within that period. Concerning the procedural situation where the Examining Division informs the applicant under Rule 51(4) EPC that a European patent may be granted in respect of a text according to an auxiliary request, but not in respect of a text according to a main request, the applicant can therefore not be assumed to request the grant of a European patent on the basis of the text in accordance with the main request when he fails to reply within the period set by the Examining Division under Rule 51(4) EPC, as had been the case before Rule 51 EPC (previous version) was revised (cf. point 5.3 supra). As a matter of fact, the applicant may just as well have failed to communicate his approval of the text notified under Rule 51(4) EPC in time. From the above it follows therefore that the procedural way in handling main and auxiliary requests as set out in the Legal Advice No. 15/84, points 2.4 and 2.5 (cf. point 5.3 supra), was clearly no longer relevant after the revision of

Rule 51 EPC (previous version).

- 5.9 The paper by Alexander Witte (cf. point X supra) is not relevant either because, notwithstanding the fact that it was published in 1997, i.e. ten years after the amended Rule 51(4) EPC had entered into force, it still refers on page 293, right-hand column, paragraph 6, to the period of three month as provided in Rule 51(4) EPC (previous version).
- 5.10 In decision T 234/86, it was considered whether an Opposition Division can, without infringing Articles 102(3) and 113(2) EPC and Rule 58 EPC, decide to maintain a European patent on the basis of a subordinate auxiliary request by the patent proprietor if the latter pursues a main request plus non-allowable auxiliary requests which precede one which is allowable. This decision is thus not concerned with the examination procedure under Rule 51 EPC. Since the opposition procedure is an independent and separate procedure following the grant procedure (cf. decision T 198/88; OJ EPO 1991, 254), and not designed to be an extension of the examination procedure (cf. decision T 182/89; OJ EPO 1991, 391), decision T 234/86 is to be disregarded.
- 5.11 From the communication by the Examining Division dated 28 August 1997 (cf. point I supra), it was clearly derivable that (i) the appellants were requested to state their approval of the text specified within four months of the notification, and that (ii) the European patent application would be refused if they neither approved the text notified, nor proposed amendments to that text, within said period. Furthermore, from the reasons given for the decision under appeal (cf.

point II supra), it also clearly followed that the European patent application was refused because there was no text to serve as a basis for the grant of a European patent pursuant to Article 113(2) EPC. The decision was moreover accompanied by a written communication of the possibilities of further processing of the European patent application under Article 121 EPC and of appeal (cf. point II supra).

- 5.12 Further processing of a European patent application under Article 121 EPC and appeals are two distinct legal remedies which serve different purposes:

In case of failure to indicate approval of the text or to propose amendments within the period set by the Examining Division under Rule 51(4) EPC, and the ensuing refusal of the European patent application, the refusal will be retracted if the applicant requests further processing of the European patent application. The failure, which by the way is **not** contested by the applicant, may quickly and easily be overcome, in effect by the payment of a small fee, and prosecution of the European patent application can be continued before the Examining Division, without even any need to explain or justify the failure.

By way of contrast, the right to lodge an appeal is confined to a party adversely affected by the decision under appeal (Article 107 EPC). Therefore, apart from some exceptions (cf. "Case Law" of the Boards of Appeal of the European Patent Office, 3rd edition 1998, Chapter VII, D, 7.5.2 to 7.5.5) which do not apply to the present case, an applicant who lodges an appeal must, in his statement setting out the grounds of appeal (Article 108, third sentence EPC), deal with the

reasons given for the decision under appeal and indicate why the decision is alleged to be incorrect. Consequently, the appeal procedure is not, and may not be considered, a kind of further processing of the European patent application before the second instance.

5.13 From the foregoing it follows that the appellants and their representative should have realised that:

- (i) the procedural way in handling main and auxiliary requests as set out in the Legal Advice No. 15/84, points 2.4 and 2.5, was no longer relevant after the amended Rule 51 EPC had entered into force on 1 September 1987;
- (ii) the European patent application in suit was refused on the grounds that there was no text to serve as a basis for the grant of a European patent pursuant to Article 113(2) EPC; and
- (iii) it had to be indicated in the statement setting out the grounds of appeal (Article 108 EPC, third sentence) why the conclusion of the Examining Division that there had been no text to serve as a basis for the grant of a European patent was not correct.

Consequently, if the appellants and their representative had taken all due care required by the circumstances within the meaning of Article 122(1) EPC, they would have perfectly been able to observe the time limit of four months for filing a statement setting out the grounds of appeal which would have met the requirement of Article 108 EPC, third sentence.

6. Since the requirement of "all due care required by the circumstances" under Article 122(1) EPC is not met in the present case, the application for re-establishment of rights has to be refused.

7. *Conclusion*

Since the re-establishment of rights is to be refused, the appeal has to be rejected as inadmissible, pursuant to Rule 65(1) EPC.

Order

For these reasons it is decided that:

1. The application of re-establishment of rights is refused.
2. The appeal is rejected as inadmissible.

The Registrar:

The Chairman:

D. Spigarelli

R. Shukla