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D E C I S I O N
of 24 September 2001

Case Number: J 0020/00 - 3.1.1

Application Number: 93500176.8

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IPC: G01N 21/64

Language of the proceedings: EN

Title of invention:

Oxygen-quenchable phosphorescent materials and their applications in oxygen sensing

Applicant:

UNIVERSIDAD DE OVIEDO

Opponent:

-

Headword:

Renewal fee/UNIVERSIDAD DE OVIEDO

Relevant legal provisions:

EPC Art. 86(2), 121, 122

EPC R. 37(1), 83(1), 85

RRF Art. 8(1) - (4)

Keyword:

"Non-observance of the time limit pursuant to Articles 86(1), (2) EPC"

"Fee paid in time pursuant to Articles 8(3), (4) RRF"

Decisions cited:

J 0004/91, T 0842/90

Catchword:



Case Number: J 0020/00 - 3.1.1

D E C I S I O N
of the Legal Board of Appeal 3.1.1
of 24 September 2001

Appellant: UNIVERSIDAD DE OVIEDO
Calle San Francisco, 3
ES-33003 Oviedo (ES)

Representative: Ibanez, José Francisco
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Decision under appeal: Decision of the Examining Division of the European Patent Office dated 28 July 1999 deciding in the matter of European patent application No. 93 500 176.8 that the notification of loss of rights pursuant to Rule 69(1) EPC was maintained, and that the application was deemed to be withdrawn due to non-payment of the sixth renewal fee pursuant to Article 86(1),(2) EPC with effect from 1 July 1999.

Composition of the Board:

Chairman: J.-C. Saisset
Members: S. U. Hoffmann
R. T. Menapace

Summary of Facts and Submissions

I. The applicant's representative gave an order on 30 December 1998 to a banking establishment, namely the branch of the Deutsche Bank in Madrid, to transfer the amount corresponding to the sixth renewal fee (ESP 119.322) to the European Patent Office (EPO) in respect of European patent application No. 93 500 176.8 which was filed on 22 December 1993.

Said amount was entered in a bank account held by the EPO on 5 January 1999.

II. Since there was no reaction by the applicant to EPO form 2525 dispatched on 10 February 1999 and drawing attention to the late payment of the said fee and the option under Article 86(2) EPC, a communication noting a loss of rights (Rule 69(1) EPC), namely that the application was deemed to be withdrawn pursuant to Article 86(3) EPC, was dispatched on 28 July 1999.

III. On 24 August 1999 the applicant's approval to the text notified to him under Rule 51(4) EPC by communication dated 27 April 1999, was received by the EPO.

IV. By letter received on 29 September 1999 the applicant applied for a decision under Rule 69(2) EPC on the loss of rights and argued that the entry into the EPO account on 5 January 1999 of the amount in question, for which he had given instructions for payment to the Madrid branch of the Deutsche Bank on 30 December 1998, was clearly due to the fact that New Year's Day 1999 was a Friday.

V. On 29 September 1999 the applicant's representative filed a request for re-establishment of rights. He referred to the reasons stated in his previous letter, to which he added that it would amount to discrimination against representatives located far away from the EPO in Munich, if they were required to pay a surcharge in a case where a payment did not reach an EPO bank account 10 days before expiration of the relevant time limit. The fee for re-establishment and the additional fee for the sixth renewal fee were paid on 5 October 1999.

VI. After the applicant had replied to a further communication the decision under appeal was issued on 29 May 2000 by which:

1. the request for re-establishment of rights under Article 122 EPC in respect of the time limit for paying the renewal for the sixth year, and
 2. the request pursuant to Rule 69(2) EPC for rectification of the finding that the application was deemed to be withdrawn under Article 86(2) EPC
- were both rejected and
3. the application was held to be deemed to be withdrawn with effect from 1 July 1999 in accordance with Article 86(3) EPC.

As regards re-establishment of rights it was held that the applicant's representative must have been aware that a payment order made on 30 December 1998 could not possibly lead to a respective entry in a bank account of the EPO in due time. Concerning the second request,

it was held that the finding under Rule 69(1) EPC was correct because the renewal fee for the sixth year was not paid by the due date and the additional fee was not paid within six months of the due date (Article 86(2) EPC). It was also held that Article 8(3)(b) of the Rules Relating to Fees (hereinafter RRF) was not applicable in the present case, where the payment order had been given later than ten days before the expiry of the period for payment.

- VII. On 28 July 2000 the applicant filed a notice of appeal against the said decision, the appeal fee already having been paid on 25 July 2000.
- VIII. In the statement of grounds of appeal which were filed on 9 October 2000 the appellant contested that the deadline had been missed. In his view, the decision under appeal was based on discriminatory facts, namely on the applicant's location far away from Madrid and the remote place of business of his representative; the ensuing dependence on local bank services was even more disadvantageous in the case of applications filed in December because of the holiday season. Moreover, invoking the principle of proportionality he referred to decision T 111/92 (not published in the OJ EPO) and submitted that in view of the total overall expenditure for the application it was difficult for the applicant and his representative to accept that the application was deemed withdrawn due to the delay of one day and the non-payment of the additional fee in the amount of DEM 139,84.

The EPO had not in its decision accepted this argument, re-establishment of rights should, however, be granted because actions were performed to keep the application

alive in the belief that they were in accordance with the rules, and the observance of the time limit depended in any case on the behaviour of a third party, namely the bank. Moreover, the applicant would have certainly paid the modest sum of the additional fee, if he had received a notice requesting the payment of a surcharge in time, as he did in a co-pending application for which he had given a payment order at the same time as in the present case. In addition, any possible doubts of the representative as to the correct payment of the renewal fee in question were removed upon receipt of the notification under Rule 51(4) EPC because it did not mention the time limit for payment of the additional fee which expired about two months earlier than that set in that communication.

IX. The Board issued a communication on 9 April 2001 outlining the preliminary, non-binding view of the Board. In the said communication the Board indicated that neither the sixth renewal fee nor the additional fee according to Article 86(2) EPC had been entered in a bank account held by the Office in due time. Nevertheless, the Board held that in application of Rule 8(3) and (4) RRF the sixth renewal fee could be considered as validly paid if the applicant, in order to comply with Article 8(4) RRF:

- either paid a surcharge of 10% of the renewal fee for the sixth year
- or agreed that the payment of DEM 139,84 made on 29 September 1999 should be used as a surcharge pursuant to Article 8(4) RRF.

Either alternative action had to be carried out within

two months from receipt of the communication.

- X. In reply to the communication dated 9 April 2001 the applicant informed the Board by letter received on 15 June 2001 that he had decided to accept the invitation to comply with Article 8(4) and had ordered DEM 150 to be paid to cover the requested fee. The said amount entered the EPO's account on 8 June 2001.

- XI. The applicant requested "revocation of points 1 to 3 of the decision" under appeal.

Reasons for the Decision

- 1. The appeal is admissible.

- 2. The sixth renewal fee has not been paid before or on the due date, in that the relevant date is that of the actual entry of the amount in question in a bank account held by the EPO (here: Tuesday, 5 January) and not, as the appellant's representative apparently thought, 30 December 1998 as the day on which he gave the order to a banking establishment to transfer the amount to such an account. The payment was also late because on Monday, 4 January 1999 all filing offices of the EPO were open for receipt of documents (Rule 85 (1) EPC).

- 3. Contrary to what the appellant's representative submitted, the EPO has no discretionary power as regards the establishment of the day on which a payment is deemed to have been made to it. In particular, no considerations of proportionality and/or of the location of the applicant's residence or that of his

representative's place of business apply; rather, the date of payment under the EPC is determined exclusively by the objective criteria set out in Article 8(1) RRF (or laid down under paragraph (2) of this provision). Equally, the question of whether in view of a given date of payment the period in which the payment should have been made was observed or not, has to be decided purely in accordance with the applicable legal provisions, namely Article 8 (3) and (4) RRF (cf. point 5 below).

4. The finding in the decision under appeal, that Article 8(3)(b) of the RRF was not applicable in the present case, where the payment order had been given later than ten days before the expiry of the period for payment, is not supported by the wording and the obvious purpose of this provision. In connection with paragraph 3(a) of this Article it is clear that the decisive criterion is whether one of the acts mentioned under i) to ii) of said paragraph has been performed before expiry of the period within which the payment should have been made (within the meaning of paragraph 1); the ten days limit is only relevant for the requirement to pay a surcharge of 10% of the fee in question.

5. In the given context where the due date of a (basic) renewal fee is concerned the question arises whether Article 8(3) (together with Article 8 (4)) RRF is applicable since it refers to the observance of a "period" for payment.

- 5.1 It is true that the expression "period" in Article 8 RRF at first sight could be understood as meaning a time limit in the sense of a period of a certain

duration which begins on a first and ends on a later ("last") day, whereas renewal fees are due on a specific single day, namely on the last day of the month containing the anniversary of the date of filing of the European patent application (Rule 37(1) EPC, first sentence). However, this is not convincing in view of the definition of periods given in Rule 83(1) EPC, namely that they "shall be laid down in terms of full years, months, weeks or days". More relevant, in fact decisive, is the fact that in effect the due date marks the last day of a long period (one year and one day - Rule 37(1) EPC, first and second sentence in conjunction) during which a renewal fee can be validly paid (without additional fee). This functional approach which has also been taken in the Office's practice and the jurisprudence of the Boards of Appeal in respect of the applicability of Rule 85 EPC to the "due date" (decision J 04/91, point 3.2 of the reasons - OJ EPO 992, 402), is also appropriate for the purposes of Article 8(3) RRF which, as with Rule 85 EPC, aims at reducing the risks involved in transmittal which have to be borne by the applicant as a consequence of the principle that for the observance of time limits under the EPC it is the date of receipt of the relevant document or payment, which is decisive.

5.2 This aim is not rendered redundant by the further possibility of avoiding a loss of rights ensuing from the late receipt of renewal fees by paying the additional fee pursuant to Article 86(2) EPC. Firstly, the parallel availability of more than one legal remedy against the legal consequences of the non-observance of a time limit is not uncommon under the EPC. Secondly, solely under Article 8(3) and (4) RRF an effective legal remedy is provided in a situation such as the

present one, where a payment order had been given before the due date, no additional fee pursuant to Article 86(2) EPC was paid within the prescribed period and it is questionable whether the requirements for re-establishment of rights, in particular due care required by the circumstances (Article 122 EPC), are fulfilled. Thirdly, the legal situation after failure to observe the time limit of Article 86(2) and of Article 8(4) RRF are different, because the non-observance of the time limit set by the EPO pursuant to Article 8(4) RRF can only be remedied by a request under Article 121 EPC. Finally, there is no reason why the late receipt of a renewal fee should always require the additional payment of 10% of its amount (Article 86(3) EPC, item 5 of Article 2 RRF) in order to avoid the deemed withdrawal of the application, whereas in the case of any other fee this effect can be obtained under the "10-days-safety-rule" (Article 8(3)(b) RRF, second sentence) without the need to pay a surcharge.

- 5.3 It has to be concluded that Article 8(3) and (4) RRF apply equally to the payment of renewal fees in respect of which one of the conditions set out in Article 8(3)(a) RRF has been fulfilled on or before the due date. The decision under appeal overlooked that this provision (expressly) also covers situations where the payment order was given later than ten days before the relevant point in time. The further condition of Article 8(3)(a) RRF that the payment was made in a Contracting State is fulfilled as well.
6. Pursuant to Article 8(4) RRF the period for payment shall be considered not to have been observed, if the person who made the payment failed to comply with a

request by the EPO to produce evidence as to the date on which a condition according to paragraph 3(a) of Article 8 RRF was fulfilled and, where required, to pay the surcharge referred to in paragraph 3(b) of said provision within the period specified by the EPO (or if the evidence concerning said date is insufficient - which is not the case here). It follows therefrom that the non-observance of the time limit and an ensuing loss of rights connected to it cannot be established, as long as such a request has not been issued by the office and the time limit specified therein has not expired. This is not only a logical, but also a reasonable consequence in the interests of legal certainty and of an effective protection of the persons concerned. The fact that Article 8(4) RRF does not prescribe a time limit for this request which the Office "may" issue, is not at variance with this reasoning; rather, it allows the EPO to react in a flexible and efficient way and to refrain from such requests where they are not necessary. In many instances, the party concerned will itself notice the late receipt of the payment by the EPO and react on its own motion without having been formally requested to do so by the EPO. As regards renewal fees which have not been paid on or before the due date, under the practice of the EPO the applicant will normally receive a written reminder to pay the additional fee pursuant Article 86(3) EPC; due payment of that fee then automatically removes the consequences of the non-respect of the due date for the (basic) renewal fee; alternatively the applicant may show that the requirements of the 10-days-security-rule were met, in which case no further payment, either under Article 8(3) RRF, or under Article 86(3) EPC, is required. If however, as in the present case, the

applicant did not react in either way within the six months period pursuant to Article 86(2), then the EPO must proceed and establish the non-observance of the due date in accordance with Article 8(4) RRF. As the Examining Division failed to do so, the Board was empowered pursuant to Article 111(1) EPC (cf. T 842/90, not published in OJ EPO) to set a time limit of two months according to Article 8(4) RRF (communication dated 9 April 2001). As the appellant paid the requested surcharge of DEM 139,84 in due time on 8 June 2001 and had previously filed evidence that payment of the sixth renewal fee had been effected on 30 December 1998, all requirements of Article 8(3) RRF have been fulfilled. Therefore, in accordance with that provision it is to be considered that the period for payment of the sixth renewal fee has been observed.

7. This means, that the request for re-establishment of rights is redundant, because there was actually no failure to observe the time limit in question. The respective fee was thus paid without legal basis and has to be refunded.
8. The additional fee paid with regard to the sixth renewal fee pursuant to Article 86(2) EPC has to be refunded as well since the payment was belated and had no legal basis.
9. The present decision only concerns the validity of payment of the sixth renewal fee.

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 on the basis of a valid payment of the renewal fee for the sixth year having been made.
3. The additional fee paid with regard to the sixth renewal fee pursuant to Article 86(2) EPC and the fee for re-establishment of rights are to be reimbursed.

The Registrar:

The Chairman:

M. Beer

J.-C. Saisset