

Internal distribution code:

- (A) [] Publication in OJ
(B) [] To Chairmen and Members
(C) [] To Chairmen
(D) [X] No distribution

D E C I S I O N
of 22 May 2003

Case Number: J 0009/02 - 3.1.1

Application Number: 99125769.2

Publication Number: 1002610

IPC: B23K 1/00

Language of the proceedings: EN

Title of invention:

Solder ball connections and assembly process

Applicant:

International Business Machines Corporation

Opponent:

-

Headword:

-

Relevant legal provisions:

EPC Art. 78(2), 79(2), 91(4), 94(2), 107(1), 122(5)
EPC R. 25(2), 85a(1), 85b

Keyword:

"Application of Article 4.1 of the Decision of the
Administrative Council of 13 October 1999 as transitional
provision with respect to Rule 25(2) EPC"

Decisions cited:

G 0003/91, G 0004/98, J 0012/82, J 0018/82, J 0004/86

Catchword:

-



Case Number: J 0009/02 - 3.1.1

D E C I S I O N
of the Legal Board of Appeal 3.1.1
of 22 May 2003

Appellant: International Business Machines Corporation
New Orchard Road
Armonk, NY 10504 (US)

Representative: Teufel, Fritz, Dipl.-Phys.
IBM Deutschland Informationssysteme GmbH
Intellectual Property
Pascalstrasse 100
D-70548 Stuttgart (DE)

Decision under appeal: Decision of the Receiving Section of the
European patent office posted 20 August 2001
declaring that the European application
No. 99125769 is deemed to be withdrawn.

Composition of the Board:

Chairman: J.-C. Saisset
Members: E. Lachacinski
M. K. S. Aúz Castro

Summary of Facts and Submissions

- I. European patent application No. 99125769.2 was filed by the Appellant on 23 December 1999 as a divisional application to the earlier application No. 94114605.2 having a date of filing of 16 September 1994 and claiming a priority date of 28 October 1993.
- II. By a communication of 9 March 2000 the Appellant was informed that, under Article 76 and Rule 25(2) EPC, the designation fee had not been paid in due time but might still be validly paid together with a surcharge up to a period of grace of one month after the notification of the communication.
- III. By a communication pursuant to Rule 69(1) EPC dated 16 May 2000 the Receiving Section informed the Appellant that the European patent application was deemed to be withdrawn pursuant to Article 91(4) EPC. This "Noting of lost of rights" communication contained reminders to the Appellant that it could apply for a decision within two months under Rule 69(2) EPC.
- IV. By a communication of 30 May 2000 the Appellant was informed that, under Article 79(2) EPC, the designation fee had to be paid within six months after the publication date of the European search report.
- V. A letter dated 7 June 2000 from the Appellant requested a decision in accordance with Rule 69(2) EPC to set aside the "Notice of loss of rights" communication. The designation fee was paid in accordance with the communication dated 30 May 2000.

- VI. In its communication of 13 July 2000 the Receiving Section drew the Appellant's attention to the wording of Article 4 of the Decision of the Administrative Council of 13 October 1999 where was no mention of a period for paying with a surcharge under Rule 85a EPC.
- VII. In its letter of 16 August 2000 the Appellant essentially argued that the transitional provisions for the amended Rule 25(2), which became effective on 1 March 2000, cited in Article 4.1 of the Decision of the Administrative Council of 13 October 1999 applied to the divisional application. The contested divisional application was not deemed withdrawn since the designation fees could still be validly paid under the old Rule 25(2) EPC in combination with Rule 85a EPC. Consequently the designation fees were paid in due time.
- VIII. By a decision dated 20 August 2001 of the Receiving Section the European patent application No. 99125769.2 was deemed to be withdrawn due to the non-payment of the designation fees within the time limit laid down in Article 79(2), Rule 25(2) and Rule 85a(1) EPC.
- IX. On 24 October 2001 the Appellant filed a notice of appeal against the decision of the Receiving Section and paid the appeal fee. In the notice of appeal the Appellant requested that the "Notice of Loss of Rights dated 16 May 2000" be set aside. It also requested oral proceedings as auxiliary request. In its statement of grounds of appeal the Appellant presented its arguments as follows:

1. According to Article 4.1 of the decision of the Administrative Council of 13 October 1999, Rule 25(2) EPC as amended applied to an application in respect of which, on 1 March 2000, the time limit under existing Rule 25(2) for paying the designation fees had not yet expired.
2. The impugned decision of the Receiving Section was wrong in arguing that, if it had been the Administrative Council's intention to consider the period of grace pursuant to Rule 85a EPC as well, then this rule would need to be mentioned explicitly in Article 4.1. The Administrative Council's intention was to treat the time limit in accordance with Rule 85a EPC in the same way as the time limit of Rule 25(2) EPC.
3. Furthermore, a series of decisions of the Legal Board of Appeal and the Enlarged Board of Appeal stated that the time limits of Rule 85a and 25(2) EPC could not be treated differently, despite the fact that the first one might not be explicitly mentioned.
 - 3.1 According to the Legal Board's of Appeals decision J 12/82 (OJ EPO 1983,221) with reference to the non-observance of the time limit for filing the request for examination, a period of grace within the meaning of Rule 85b EPC was really an extension period and not a new period to which separate rules could apply.
 - 3.2 In spite of the title "period of grace" used in Rule 85b EPC instead of "Extension of time limits" as in Rule 85a [sic] (in fact Rule 85) no consequence could logically derived from these semantic differences.

- 3.3 Moreover, the Legal Board of Appeal in decision J 18/82 (OJ 1983, 441) took an identical decision excluding any possibility of restitutio in integrum "not only where the time limits provided for in the specifically mentioned Article 78(2) and 79(2) are not observed, but also where the period of grace laid down in Rule 85a, extending the normal period for payment of the filing, search and designation fees respectively, is not observed".
- 3.4 Decision G 3/91 (OJ 1993, 8) of the Enlarged Board of Appeal confirmed this interpretation and stated that "the period of grace in Rule 85a EPC.....is closely linked to the normal periods".
- 3.5 Therefore, in relation to the normal period according to Rule 25(2) EPC, the respective period of grace according to Rule 85a EPC has to be considered as an extension, to which the same rules have to apply as to the normal period.
- 3.6 Hence, the extended period according to Rule 85a EPC has to be taken into account in determining whether or not the time limit under existing Rule 25(2) EPC for paying the designation expired before 1 March 2000.
4. The question posed by the Receiving Section of whether the deemed withdrawal took effect upon expiry of the regular time limit or upon the expiry of the time limit pursuant to Rule 85a EPC was not relevant for the application.

- 4.1 Furthermore the Receiving Section's interpretation of the relationship between the time limits of Rule 85a and 25(2) EPC would lead to a discrimination in the case of re-establishment of rights under Article 122 EPC when the time limit for paying the designation fees for a divisional application was not observed.
 - 4.2 The decision under appeal had wrongly held that both time limits should be treated independently and that the transitional provisions were not applicable in the present case.
 - 4.3 In the present case a communication pursuant to Rule 85a EPC was sent by the EPO on 9 March 2000. Consequently, on 1 March 2000, the extended time limit under existing Rule 25(2) EPC for paying the designation fees had not expired. Since the designation fees had been validly paid, no withdrawal could be deemed to have taken place.
- X. Answering to a communication dated 13 February 2003 the Appellant informed the Board that it did not intend to attend the oral proceedings and presented its arguments as follows:
1. The transitional provision of the new Rule 25(2) EPC in Article 4.1 of the Decision of the Administrative Council of 13 October 1999 was drafted in a liberal spirit to allow applicants to benefit as early as possible from the new rule without infringement of the public interest.

2. Since the Administrative Council did not define the transition by the filing date but the end of the payment period, it did this in full awareness that valid payment was not limited to the basic period but included the grace period of Rule 85b EPC.

3. The Board in its preliminary communication indicated that only the old Rule 25(2) EPC should be applied. However, the Board had not analysed why the transitional provision for the new Rule 25(2) EPC were not capable of a less restrictive interpretation.

4. The Board's interpretation of Article 4.1 of the Decision of the Administrative Council appeared inconsistent with the content of the European Patent Convention and the arguments with respect to the links between basic and grace periods in the case deal with *restitutio in integrum*.

5. Decision G 4/98 (OJ 2001,131) did not contradict its arguments since that decision defined, in retrospect, the precise point in time at which an application was deemed withdrawn when required fees had not been paid.

The new Rule 25(2) EPC was applicable to the pending application so that the designation fees could be paid six months after the publication of the application [sic]. Therefore payment was necessary neither in the basic nor in the grace period of the old Rule 25(2) EPC. Hence the application could not be deemed to be withdrawn.

6. He finally requested that the Board decided according to the requests and submissions filed in writing.

XI. In the oral proceedings the Board decided to continue without the appellant on the basis of Rule 71(2) EPC.

Reasons for the decision

1. The appeal complies with Article 106 to 108 and Rule 64 EPC and is therefore admissible.
2. The Appellant does not dispute that the divisional application No. 99125769.2 was filed on 23 December 1999 without paying the designation fees within one month of the filing date. Also, no payment was made in due time despite the appellant having been reminded in a communication under Rule 85a EPC on 9 March 2000.
3. At the filing date of the divisional application on 23 December 1999 Rule 25(2) EPC in the version in force until 29 February 2000 had to be applied. The designation fees had to be paid in respect of a European divisional application within one month of the filing date.

Hence the time limit for paying the designation fees expired on 24 January 2000. The last sentence of the above cited rule stipulates that payment of the designation fees may still be made up to the expiry of the period specified for the earlier European Patent application in Article 79, paragraph 2, if that period expires after the period referred to in the first sentence.

Article 79(2) EPC specifies that the designation fees shall be paid within six months of the date on which the European Patent Bulletin mentions the publication of the European search report.

Since the European search report of the earlier European patent application was published on 28 August 1996 the provisions of Rule 25(2) then in force and Article 79(2) EPC did not assist the Appellant.

4. The Appellant is of the opinion that according to Article 4.1 of the Decision of the Administrative Council of 13 October 1999 Rule 25(2) EPC as amended applies to all European patent applications in respect of which, on 1 March 2000, the time limit under existing Rule 25(2) EPC for paying the designation fees had not yet expired.

According to the Appellant it does not matter that a period of more than one month had elapsed since the filing of the application because it was granted an extension of a time limit in accordance with Rule 85a EPC.

5. According to Article 4.1 of the Decision of the Administrative Council which entered into force on 1 March 2000 Rule 25(2) EPC as amended shall apply to all international applications in respect of which, on 1 March 2000, the designation fees have not been validly paid and the time limit under existing Rule 25(2) for paying them has not yet expired.

Thus this provision contains two cumulative conditions.

The first condition of designation fees not having been validly paid applies in the present case.

The second condition relates to the time limit under the then existing Rule 25(2) EPC, i.e. that one applicable before 1 March 2000.

Under the then existing rule the period for paying the designation fees had expired for the reasons stated in paragraph 3 above.

Consequently the transitional provision of Article 4.1 of the Decision of the Administrative Council makes it clear that new Rule 25(2) EPC cannot be applied in the present case.

6. According to the decision under appeal Rule 85a EPC provides only the possibility of overcoming this "deemed to be withdrawn situation" by paying missing fees together with the necessary surcharge. It is added that if there is no payment, then the date of legal effect is the first day after expiry of the basic time limit and that in the present case is 25 January 2000, i.e. a date before which the amended Rule 25(2) EPC had entered into force and not the day after expiry of the time limit under Rule 85a, i.e. 20 April 2000 which cannot be taken into account.

7. The Appellant disagreed with these statements. He alleged that the Administrative Council's intention could only be to treat the time limit in accordance with Rule 85a EPC in the same way as the time limit of Rule 25(2) EPC despite the fact that the first one is not explicitly mentioned in Article 4.1.

According to the Appellant this assertion is also supported by a series of decisions of the Legal Board of Appeal and the Enlarged Board of Appeal (J 12/82, J 18/82 and G 3/91) which stated that the time limits of Rule 85a and Rule 25(2) EPC could not be treated differently.

8. In the Board's assessment the time limit for paying the designation fee expired on 24 January 2000. It is not contested that the period of grace is closely linked to the normal period as stated in G 3/91 point 2 with regard to the period of grace under Rule 85a EPC and the normal period pursuant to Articles 78(2) and 79(2) EPC and that it is really an extension of a period, not a new period to which separate rules could apply as explained in J 12/82 point 6 with regard to the grace period pursuant to Rule 85b EPC and the normal period pursuant to Article 94(2) EPC.

This does however not mean that the designation fee could be paid effectively after the one month time limit since firstly Article 4.1 of the Decision of the Administrative Council refers only to the then existing Rule 25(2) EPC and not to Rule 85a EPC and secondly all three cited decisions concern the exclusion of re-establishment of rights with regard to certain time limits specially enumerated in Article 122(5) EPC and hold that the same applies for the grace period, the reason behind being that the purpose of Article 122(5) EPC should not be circumvented by the period of grace.

Even if the time limits under Rule 25(2) and Rule 85a EPC are closely linked they do not form an integrated period because the benefit of an extension under Rule 85a EPC depends on the fact that the prescribed surcharge is paid together with the designation fee.

Since there are different requirements for complying with the two time limits the wording of Article 4.1 of the Decision of the Administrative Council of 13 October 1999 cannot be interpreted as including an extension pursuant to Rule 85a EPC.

Apart from this consideration the Administrative Council was free to determine the date on which new Rule 25(2) EPC should enter into force and which pending case should fall under this new rule.

Even if the period of grace were to be considered as an extension of the normal time limit pursuant to Rule 25(2) EPC the Administrative Council was free to limit the application of the new rule to those patent applications where only the normal time limit had not yet expired.

9. The Board can also not share the Appellant's interpretation of decision G 4/98. This decision (cf. reasons point 7.2) does not only define, as supported, the precise point of time at which an application is deemed withdrawn when required fees have not been paid. It also indicates precisely that "Rule 85a EPC does not prolong the normal time limits, but contains what its name says, namely a grace period, a possibility to remedy an otherwise potentially fatal non-observation of a time limit. The conclusion that the relevant date

is not the expiry of the grace period, but the expiry of the normal period was reached in J4/86...."

The decision concludes that the deemed withdrawal of the designation of a Contracting State provided for in Article 91(4) EPC takes effect upon expiry of the time limits mentioned in Article 79(2), Rule 15(2), 25(2) and 107(1) EPC, as applicable, and not upon expiry of the period of grace provided for by Rule 85a EPC. The time limit to pay the designation fee having expired on 24 January 2000, i.e. before 1 March 2000, the provisions of Article 4.1 of the Decision of the Administrative Council of 13 October 1999 cannot apply in the present case.

10. Since no payment of the designation fee was made before 1 March 2000 the Receiving Section correctly applied Article 4.1 of the Decision of the Administrative Council and amended Rule 25(2) EPC and with good reason held that European patent application N°99125769 be deemed withdrawn following the non-payment of the designation fee.
11. The impugned decision had therefore to be maintained.

Order

For these reasons it is decided that:

The appeal is dismissed.

The Registrar:

The Chairman:

S. Fabiani

J.-C. Saisset