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D E C I S I O N
of 4 May 2004

Case Number: J 0035/03 - 3.1.1

Application Number: 97902124.3

Publication Number: 0881900

IPC: A61K 31/557

Language of the proceedings: EN

Title of invention:
Use of leukotriene B4 or its analogues as antiviral ad antineoplastic agents

Applicant:
Virocell Inc.

Opponent:
-

Headword:
Re-establishment of rights/VIROCELL INC.

Relevant legal provisions:
EPC Art. 122(2)

Keyword:
"Re-establishmet of rights - renewal fee - one-year period"

Decisions cited:
J 006/90

Catchword:
-

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Beschwerdekammern | Boards of Appeal | Chambres de recours

Case Number: J 0035/03 - 3.1.1

D E C I S I O N
of the Legal Board of Appeal 3.1.1
of 4 May 2004

Appellant: Virocell Inc.
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Representative: Peaucelle, Chantal
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Decision under appeal: **Decision of the Examining Division of the European Patent Office posted on 20 June 2003 refusing the request for re-establishment of rights filed on 16 May 200003 in the proceedings concerning the European patent application No. 97902124.3.**

Composition of the Board:

Chairman: J.-C. Saisset
Members: A. Pignatelli
J. H. P. Willems

Summary of Facts and Submissions

I. On 11 July 2003, the appellant (applicant) lodged an appeal against the decision of the Examining Division dispatched on 20 June 2003 refusing his request, filed on 16 May 2003 and for which the fee was paid on the same day, for re-establishment into the time limit for paying the renewal fee for the sixth year for the application no. 97 902 124.3. The statement of grounds was filed on 17 October 2003. The appeal fee was paid on 11 July 2003.

II. European patent application no. 97 902 124.3 was filed on 12 February 1997. The renewal fee for the sixth year was paid on 20 March 2002. On 3 April 2002 the European Patent Office sent a communication drawing attention to Article 86(2) EPC and Article 2 No. 5 of the Rules relating to fees, and inviting the applicant to pay the additional fee within the time limit. The additional fee was paid on 20 March 2003. A noting of loss of rights pursuant to Rule 69(1) EPC was sent on 26 March 2003 informing the professional representative that the European patent application was deemed to be withdrawn under Article 86(3) EPC.

III. The Examining Division rejected the request for restitutio in integrum because the request was filed after the expiry of the one-year period provided for in Article 122(2), third sentence, EPC. The Examining Division held that the time limit for paying the renewal fee for the sixth year expired on 28 February 2002 since the application was filed on 12 February 1997. The one-year period pursuant to Article 122(2), third sentence, EPC expired, according to the Examining

Division, on 28 February 2003 because, according to Article 122(2) fourth sentence, EPC, in the case of non-payment of the renewal fee, the period of six months specified in Article 86(2) EPC shall be deducted from the period of one year. Since the request for restitutio in integrum was filed on 16 May 2003, the time limit of one year immediately following the expiry of the unobserved time limit had expired. The request was therefore inadmissible.

IV. The appellant requested that the decision under appeal be set aside and his right to pay the renewal fee for the sixth year re-established.

He requested oral proceedings, as an auxiliary request.

V. In his written submissions and during oral proceedings, the appellant argued essentially as follows:

(a) The German wording of the fourth sentence of Article 122(2) EPC is not clear in respect of the deduction of the period of six months specified in Article 86(2) EPC from the one-year period for filing a request for restitutio in integrum. The German wording allows the interpretation that the one-year term is calculated from the final date for payment of the renewal fee with additional fee. With this interpretation, the one-year term for filing the request for re-establishment would have expired on 28 August 2003.

(b) The late payment of the renewal fee was due to the failure of an employee in the office of its professional representative who was responsible

for the Annuity Department of the office which handles the renewal fee payments on behalf of clients. The employee joined the firm in September 2001, she had worked for around fifteen years in the renewal fees department of a French industrial property firm with another 40 employees. She was instructed by the employee who was leaving and who left this task in October 2001.

In February 2003 serious problems were noted in the Annuity Department. It became apparent, that the employee did not follow the instructions given to her by her superiors and did not deal with incoming reminders at all.

The attorneys checked the situation and discovered a large number of documents in files hidden in various places in the office, containing important documents, which had not been dealt with. The application under discussion was one of these files. The professional representative discovered that the renewal fee was paid after the time limit through a telephone call with the EPO on 20 March 2003. The professional representative paid the additional fee immediately.

The office system foresees a verification for clients for whom no order for payment of fees has been received. Before the renewal fee due date expires it is decided, either to send a reminder or to contact the client. Files for which no instructions have been received are noted in a record referred to as "final deadlines" which is used as a verification basis for the subsequent

"patents subject to extra fees" list. A control system for the payments was not foreseen.

(c) The request for re-establishment was filed within two months from the notice of loss of rights and even within two months from the telephone call with the EPO on 20 March 2003. The request was filed as soon as the situation concerning the issuing payment was discovered. The one-year period provided for in Article 122(2), third sentence EPC is too short a time limit. The law of other countries like England or France provides longer term for the request.

(d) The applicant could expect a warning from the EPO. This warning was not sent. The EPO should therefore set a period in which the Applicant can correct the deficiency and perform the procedural act in time. The date of notification is the date when the representative sees the document. This date was the 26 March 2003 when the notice of loss of rights was issued by the EPO. No report of the telephone call on 20 March 2003 was sent to the representative.

(e) According to decision J 6/90 not all admissibility requirements for a request for re-establishment of rights must be fulfilled within the one-year period as long as any third party may infer from the file that the applicant is endeavouring to maintain the patent application. In this case, a party inspecting the file would find an unequivocal indication that there was no withdrawal of the application and that, on the

contrary, everything was done in order to restore the application. Therefore, the grant of the request for re-establishment of rights would not be contrary to the principle of legal certainty for the public.

(f) A third party consulting the European patent register would not know that the renewal fee and additional fee for the sixth year was not paid in due time.

(g) This application concerns a commercially important invention, having been licensed for a significant sum of money. The effect of the failure to pay the additional fee of Euro 71.50 is that the application is void in all seventeen designated Contracting States. This effect is totally disproportionate to the value of the invention.

Reasons for the Decision

1. The appeal is admissible.

2. The request for re-establishment was filed later than one year after the expiry of the unobserved time limit (Article 122(2), third sentence EPC) because this period should be calculated from the end of the month in which the application was filed i.e. 28 February 2002 and the period of six months specified in Article 86(2) EPC should be deducted from the one year period according to Article 122(2), fourth sentence EPC. The one-year period for filing the request for re-establishment ends therefore on 28 February 2003.

3. The wording of the fourth sentence in Article 122(2) EPC is clear in English and in French. Also in German no doubt has been raised about the interpretation of this provision throughout the years. A decision where German is the procedural language calculates the one-year period and considers that the six-months time limit forms part of this period (cf. J 10/96) and raises no doubts about the meaning of the wording.

Even if the German wording were unclear, an interpretation of a provision based only on one language of the EPC would be not correct because the EPC is drafted in three languages and all of them are equally valid. The meaning of a provision is therefore to be taken from all three versions.

4. The request for re-establishment was filed within two months from the notice of loss of rights or from the telephone call with the EPO on 20 March 2003 i.e. from the moment the cause of non-compliance was removed.

However, this circumstance is irrelevant for the case in issue, because it is clear from Article 122(2) EPC that the one-year period starts with the expiry of the unobserved time limit irrespective of the fact that the person concerned is aware of the failure to comply with the time limit. The requirement of the removal of the cause of non-compliance refers only to the two-months time limit in the first sentence of Article 122(2) EPC.

The filing within the one-year period is a further condition required by Article 122(2) EPC to grant re-establishment and the aim is to bring the

proceedings to an end within a reasonable period of time.

It is clear that it can be questioned, whether one year is a reasonable period of time and that it is possible to provide other terms such as in the French or in the English legal system as submitted by the appellant. But as correctly stated by the appellant itself, this is a question to be decided by the legislator. As long as the law is not amended, the Board is bound by it and cannot prolong or shorten the time limit specified by the EPC.

5. The EPO sent an invitation to pay the additional fee on 3 April 2002. In this communication attention was drawn to the consequences of the non-payment of the additional fee. This is a warning to the applicant. The Board can therefore not follow the appellant's argument when it says that the EPO did not warn the applicant.

6. The principle of legal certainty for the public is safeguarded by the one-year period provided for in Article 122(2), third sentence EPC. The aim of this provision is in fact to give the public certainty that after one year from the expired time limit, if no request for re-establishment has been filed, the proceedings are closed and the application is no longer in existence. This effect is an effect *ex lege* and it takes place at an objective point in time independent of the information available to the public by file inspection or via the patent register.

Decision J 6/90 also considers the one-year period as an exclusion which serves to provide legal certainty (cf. points 2.3 and 2.4 of the Reasons). In that case, however, the applicant had filed a declaration within the one-year period, which was considered by the Board to be a valid request for re-establishment of rights even if all admissibility requirements were not fulfilled.

In the present case, the Board observes that if a member of the public inspected the file on 1 March 2003, it would see that no request for re-establishment for rights or similar declaration had been filed and could therefore be confident that the application was no longer pending. It would be an undue burden for the public to inspect the file every day to see whether a request for re-establishment was filed after this date.

For the purposes of legal certainty and procedural economy, there must be an objective point in time where proceedings are closed and the public can rely on this.

7. The public could see in the Register that the annuity fee was not paid in time. Under the point "Application withdrawn or deemed to be withdrawn" a date and the reference to Article 86(3) EPC is given. Under the point "Renewal fee" the date of the payment of the sixth annual fee is indicated and it is clear that the payment was not made in due time. Under the point "Penalty fee" the due date and the payment date are indicated and it is clear that also this fee was paid too late.

8. The fact that the invention in suit has a great commercial importance and has been licensed for a significant sum of money is not considered as a relevant circumstance by Article 122 EPC or any other provision in the EPC. Since Article 122 EPC does not give discretionary power to the Board in deciding the admissibility of the request after the one-year period, the Board has no possibility but to apply this provision, it cannot apply it in a different manner taking into account the criterion of the commercial value of the invention. The same is true for the application of the principle of proportionality.

Article 122 EPC does not leave any room for the application of the principle of proportionality since no discretionary power is given in the case of the lapse of the one-year period provided in Article 122(2), third sentence EPC.

9. For these reasons, the Board holds that Article 122(2), third sentence EPC has to be applied, that the one-year time limit ends on the 28 February 2003 and that the request for re-establishment of rights has been filed outside the one-year period provided for in Article 122(2), third sentence EPC and is therefore inadmissible.

10. The submissions of the party concerning all due care exercised by the representative are not relevant because the request is inadmissible.

Order

For these reasons it is decided that:

The appeal is dismissed.

The Registrar: The Chairman:

S. Fabiani J.-C. Saisset