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DECISION
of 18 August 2004

Case Number: J 0040/03 - 3.1.1

Application Number: 02025660.8

Publication Number: 1365482

IPC: H01R 13/627

Language of the proceedings: EN

Title of invention:
Lock structure

Patentee:

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Opponent:

-

Headword:

Divisional/YAZAKI

Relevant legal provisions:

EPC Art. 14(3)(5), 67(1)(2)(4), 76(2), 79(2), 91(1)(4)
Vienna Convention, Art. 31, 32

Keyword:

"Designation in divisional application of a state not validly
designated in earlier application (no)"
"Referral of a question to the Enlarged Board of Appeal (no)"

Decisions cited:

G 0005/83, G 0004/98, J 0025/88, J 0019/96, J 0022/95,
J 0029/97

Catchword:

-



Case Number: J 0040/03 - 3.1.1

D E C I S I O N
of the Legal Board of Appeal
of 18 August 2004

Appellant:

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Decision under appeal:

Decision of the Receiving Section of 18 August
2003 refusing the designation of the
Contracting state SE in European Patent
Application No. 02025660.8

Composition of the Board:

Chairman: J-C. Saisset
Members: C. Rennie-Smith
U. J. Tronser

Summary of Facts and Submissions

I. This appeal, from the decision of 18 August 2003 of the Receiving Section, concerns European patent application No. 02 025 660.8 filed on 20 November 2002 as a divisional application from the earlier European patent application No. 99 308 934.1 filed on 9 November 1999. (Those applications are referred to hereafter as the "divisional" and "parent" applications respectively.) By its decision the Receiving Section decided to reject the request of the appellant (applicant), first made in the request for grant, to designate Sweden in the divisional application and therefore held that this application would be designated only for those Contracting States (Belgium, Germany, Spain, France, the United Kingdom and Italy) which were validly designated in the parent application at the filing date of the divisional.

II. The reasons for the decision under appeal can be summarised as follows.

(i) The Receiving Section, citing Article 76(2) EPC, paragraph A-IV, 1.3.4 of the "Guidelines for Examination" and J 25/88 (OJ EPO 1989, 486), said the practice for many years had been to allow only those designations in a divisional application which are still validly designated in the parent application at the filing date of the divisional.

(ii) Article 79(2) EPC sets the time limit for paying designation fees, namely six months after mention of the European search report is published in the European Patent Bulletin. In the case of the

parent application that occurred on 20 September 2000 so the designation fees had to be paid by 20 March 2001. Payment for the six Contracting States referred to above was made on 29 December 2000 and no other designation fees were paid either within the time limit or by 21 May 2001 (the grace period allowed under Rule 85a(2) EPC). Reference was made to the applicant's letter of 15 August 2000 stating that designation fees would be paid only for those six states. All other designations than those six were thus treated as withdrawn in the parent application. Only those six states validly designated in the parent when the divisional application was filed could be designated in the divisional.

(iii) The situation would be different if the divisional was filed before the time limit for paying designation fees for the parent application expired; the decisive factor is the state of the parent application at the filing date of the divisional.

(iv) In support of its conclusion, the Receiving Section cited and quoted from J 19/96 (of 23 April 1999, unpublished in OJ EPO), Singer, "Europäisches Patentübereinkommen", Artikel 76 "Gleiche Vertragsstaaten", page 278 (not page 239 as cited in the decision), and "Münchener Gemeinschaftskommentar", volume 8, Artikel 76, section 124, page 45. It also observed that G 4/98 (OJ EPO 2001, 131), after considering the differing decisions J25/88 and J22/95 (OJ EPO

1998, 569), confirmed the practice derived from J 25/88 and followed in the present case.

III. The appellant filed a notice of appeal on 10 October 2003 and paid the appeal fee on 9 October 2003. It filed a statement of grounds of appeal on 13 November 2003. The Board sent a communication containing its provisional views, which were substantially as set out in the reasons below, on 10 March 2004. The appellant replied by a letter dated 19 April 2004 in which it presented further argument and requested oral proceedings which were held on 18 August 2004. During the oral proceedings the appellant filed a request to refer a question to the Enlarged Board of Appeal (see paragraph V below).

IV. The appellant's arguments in its grounds of appeal, its letter of 19 April 2004 and at the oral proceedings can be summarised as follows.

(i) The background to the case is that, contrary to the appellant's intention and due to an error in its representative's office, the designation fee for Sweden was not paid in respect of the parent application. The divisional application was filed to correct the position. It is a principle of proceedings under the EPC that mistakes may be corrected if third parties are not affected. However, designation of states is an area in which that principle does not currently apply but should apply. It could be applied if the Board were to interpret Article 76(2) EPC as the appellant suggests.

(ii) Article 76(2) EPC is plain in all official languages and it is clear that the present case falls within that Article since Sweden was designated in the parent by use of the standard wording of Form 1001 which says "all states which are contracting states to the EPC at the filing of this application are hereby designated".

(iii) Article 76(2) EPC neither applies to any particular time frame nor refers to withdrawal of designations, as would be expected if the interpretation of the decision under appeal and the Board's communication had been intended. Article 76(2) EPC should, like Article 91(4) EPC (see (v) below), be given a broad interpretation and this would allow a state validly designated for a considerable time in, and certainly at the filing date of, a parent application to be designated in a divisional. The Vienna Convention on the Law of Treaties, which is to be used as a guide to interpretation of the EPC, requires interpretation to be made in good faith and for words to be given their ordinary meaning in their context.

(iv) The decision under appeal did not refer to a single decision of the Boards of Appeal or the Enlarged Board of Appeal which explicitly states that a designated state listed as such on an originally filed parent application cannot be designated in a divisional based on that parent. None of the decisions relied on refer specifically to circumstances such as the present and none is binding on the Board. The only justification

provided by the Receiving Section was the "Guidelines for Examination" and two German legal textbooks, none of which are legally binding.

(v) The appellant agreed with the Board that the Enlarged Board of Appeal's interpretation of Article 91(4) EPC in G 4/98 (Reasons, paragraphs 7 to 7.2), namely that a designation is only deemed to be withdrawn once the deadline for paying the designation fee has passed and no such fee has been paid, is correct and consistent with the wording of Article 91(4) EPC. However this means that, until the deadline for payment of designation fees, all the states designated in the parent application were validly designated and considered to be so in view of that Article.

(vi) The request for a referral to the Enlarged Board of Appeal was made in case the Board considered the appellant's interpretation of Article 76(2) EPC was, contrary to the case-law, correct in which case the appeal could only be allowed after the Enlarged Board had decided between the two conflicting interpretations which would then exist.

V. The appellant requested that the decision under appeal be set aside and that the designation of Sweden in the divisional application be allowed. It further requested that the following question be referred to the Enlarged Board of Appeal:

"Should Article 76(2) EPC be interpreted so as to be considered to refer solely to the designation of a

contracting state in the earlier application as filed, or, as is the current practice of the EPO, to the valid designation of a contracting state in the earlier application at the time of filing the divisional application?"

Reasons for the Decision

1. The appeal is admissible.
2. The appellant seeks, contrary to the decision under appeal, to designate Sweden in a divisional application filed after the time limit for payment of designation fees on the parent application had expired. Sweden was designated in the parent as filed but no designation fee for that state was paid. It now appears that was a mistake and the purpose of the divisional is to "recapture" the overlooked designation. The appellant's underlying argument is that it is a principle of proceedings under the EPC that correction of mistakes should be allowed if third parties are not prejudiced, that this principle does not currently apply, but should apply, to designations of states, and that this can be achieved by interpreting Article 76(2) EPC as the appellant suggests.
3. The Board will turn to Article 76(2) EPC in the next paragraph below but must make clear at the outset that it does not share the appellant's basic premise. There are provisions in the EPC which, for example, allow correction of filed documents and decisions (Rules 88 and 89 EPC) or for the effect of missed time-limits to be overcome (Article 122 EPC). While it may be correct

to say that, at a very general level, these provisions have been interpreted in favour of those who make mistakes provided third parties are not adversely affected, those provisions have not been interpreted so as to ignore their context or their inherent conditions or, which would be the effect of the appellant's argument, so as to change the law for all other users simply to alleviate the mistake of only one such user. While one may sympathise with the victim of a mistake, neither sympathy nor mistake should dictate a change of law.

4. The Board agrees with the appellant that, in accordance with the principles expressed in the Vienna Convention, the EPC and in this case Article 76(2) EPC in particular must be interpreted in good faith and giving words their ordinary meaning in their context (see Articles 31 and 32, Vienna Convention on the Law of Treaties 1969; G 5/83 OJ EPO 1985, 64, see Reasons, paragraphs 1 to 5). The appellant made no submission suggesting the Receiving Section had interpreted, or that the Board would interpret, Article 76(2) EPC other than in good faith. As regards the ordinary meaning of words in their context, this means that Article 76(2) EPC cannot be interpreted in isolation in order to produce the result the appellant seeks: interpretation in isolation is not interpretation in context.

5. Article 76(2) EPC reads as follows:

"The European divisional application shall not designate Contracting States which were not designated in the earlier application."

Thus the Article simply states which Contracting States **may not** be designated in a divisional application i.e. those which were not designated in the parent application. It is important to note the Article does not in terms say which Contracting States **may** be designated in a divisional application. The appellant argues that, on a plain construction of the Article, its case falls within it - Sweden having been designated in the parent, it was not a state which was "not designated", therefore it can be validly designated in the divisional. The appellant thus appears to assume that, because Article 76(2) EPC is couched in negative terms which literally apply to its applications - and it is certainly correct that the appellant does not seek to designate in the divisional a state which was **never** designated in the parent - the contrary must also be the case, namely **all** states designated in the parent may also be designated in the divisional. While such an assumption may be tempting, it overlooks the need to consider Article 76(2) EPC in context. In the Board's view, that context includes other provisions of the EPC which deal with the effect of withdrawal, deemed or actual, of designations together with the relevant case-law.

6. Article 91(4) EPC says:

"Where, in the case referred to in paragraph 1(e), the designation fee has not been paid in due time in respect of any designated State, the designation of that State shall be deemed to be withdrawn."

(Article 91(1)(e) EPC provides that the Receiving Section shall examine whether designation fees have

been paid.) It was held by the Enlarged Board in G 4/98 (Reasons, paragraphs 7 to 7.2) that such deemed withdrawal of a designation takes effect on the expiry of the time limit for payment of designation fees under Article 79(2) EPC. The appellant, having (in its grounds of appeal) confined its argument to the assertion that Article 76(2) EPC governs the situation, subsequently (in reply to the Board's communication) accepted the Enlarged Board of Appeal's opinion as to when Article 91(4) takes effect, and observed that opinion means that, until the deadline for payment of designation fees, all the states designated in the parent application were validly designated. This would appear to be a concession by the appellant that, if states designated in the parent are validly designated until that deadline, it is at least possible that after that deadline valid designations may not remain. Of course, the most obvious reason for that would be non-payment of a designation fee.

7. The Board notes that Article 79(2) EPC, first sentence, reads:

"The designation of a Contracting State shall be subject to payment of the designation fee."

The words "subject to payment" make clear that designation without payment is conditional and that, as with all conditional provisions, if the condition is not met, the provision does not take effect. The appellant has made no comment on this Article.

8. The effect of a deemed withdrawal of a designation is provided for in Article 67(4) EPC which says:

"The European patent application shall be deemed never to have had the effects set out in paragraphs 1 and 2 above when it has been withdrawn, deemed to be withdrawn or finally refused. The same shall apply in respect of the effects of the European patent application in a Contracting State the designation of which is withdrawn or deemed to be withdrawn."

(The "effects set out in paragraphs 1 and 2" are to give an applicant provisional protection in the designated states - see Article 67(1)(2) EPC.) Again, the appellant has made no comment on this Article.

9. Thus, putting Article 76(2) EPC in the context of those other provisions relating to designations, the Board considers the position to be as follows. The designations of a parent application, all or some of which may be designated in a divisional application, are those in the parent at the time of filing the divisional. If the time limit for paying the designation fees for the parent has not expired, there will be complete identity of potential designations since all the deemed precautionary designations of the parent will be available to the divisional. However, if that time limit has expired and designation fees have been paid for fewer states than those originally designated in the parent, then the provisions cited above take effect and the divisional may only designate some or all of those states which remain designated in the parent; other states formerly designated in the parent are deemed withdrawn by virtue of Article 91(4) EPC, and thus deemed never to have had the benefit of any provisional protection by virtue of Article 67(4)

EPC. To return to the analysis in paragraph 5 above, whereas the appellant's interpretation of Article 76(2) EPC can be summarised as "all states designated in the parent may also be designated in the divisional", the interpretation of Article 76(2) EPC in its proper context can be summarised as "all states **validly** designated in the parent may also be designated in the divisional".

10. This has been the practice of the EPO, approved in decisions of the Boards of Appeal, since at least the decision in J 25/88 (OJ EPO 1989, 486, see Reasons paragraphs 5 and 6) which, although not concerned with divisionals as such, confirmed that original designations exist until not paid for. The contrary view expressed in J 22/95, namely that non-payment retrospectively caused a designation to be deemed never to have existed, was disapproved by the Enlarged Board in G 4/98 (see in particular Reasons, section 5, last paragraph which refers specifically to the question of designations in divisional applications).

11. The appellant's argument is almost the exact opposite of the view taken in J 22/95. Whereas on that view an unpaid designation would be deemed never to have existed at all, in the appellant's view an unpaid designation, although of no effect in the parent application, would have some form of after-life, or half-life, during which it would remain available for use in a divisional. Such unpaid designations would be banished for an unspecified period to some juridical equivalent of purgatory, either to be rescued by use in a subsequent divisional or to be finally extinguished if not. This is utterly inconsistent with the

provisions of the EPC considered in paragraphs 5 to 10 above.

12. The appellant also argued that none of the decisions cited in the decision under appeal either support that decision or refer specifically to circumstances such as the present. However, J 19/96 is an example of the legal principles summarised above applied to a case which, apart from the actual states designated or sought to be designated, had essentially the same facts as those of the present case. Further, J 29/97 (of 14 June 1999, not published in OJ EPO) is an example of the application of the same principles in a case where, instead of designations being deemed withdrawn after time for payment of designation fees had expired, the applicant had itself withdrawn certain designations. In J 29/97, the Board referred to "the exhaustive consideration" given in J 19/96 to the question of interpretation of Article 76 EPC and came to a conclusion which in keeping with J 19/96. The Board notes the appellants in both J 29/97 and the present case have the same representative so, were it not for the candid admission of a mistake, the appellant's present challenge to the settled legal position would appear somewhat surprising. Since the Board's decision in J 29/97, the established approach has been further reinforced by the decision of the Enlarged Board of Appeal in G 4/98.

13. As regards the appellant's request to refer a question to the Enlarged Board of Appeal, the Board appreciates the appellant had no choice but to make this request in case its interpretation of Article 76(2) EPC found any favour with the Board. Since that has not happened, the

requested referral would serve no purpose. The Board need only repeat its comment on the corresponding request in J 29/97 (see Reasons, paragraph 9), namely the question may be one of importance but the answer is clear.

14. The appellant criticised the Receiving Section for relying only on the "Guidelines for Examination" and two German textbooks as the only authority for the reasons in its decision and argued that none of those was legally binding. As to these being the only authorities, that simply reflects the appellant's misguided view of the case-law cited by the Receiving Section (see paragraph 12 above). It is correct that the "Guidelines for Examination" have no legal effect, although the Board considers the passage cited by the Receiving Section to be a correct summary of the legal practice.

15. The position is different with regard to legal textbooks (and legal periodicals and commentaries). While they would rarely be conclusive, there is no reason known to the Board why textbooks should not *per se* carry some weight in proceedings under the EPC as they do in most national proceedings in the Contracting States. Indeed, since they can be cited in most national proceedings, Article 125 EPC would appear to invite their use in EPC proceedings and such use is now established in practice. The Board notes one of the textbooks whose use the appellant criticised, namely the "Münchener Gemeinschaftskommentar", is more than a mere textbook but a comprehensive commentary on Articles of the EPC, and that the other is available in an English edition which, as to the passage cited in

the decision under appeal, would be equally damaging to the appellant's case: see Singer, "The European Patent Convention", Revised English Edition by R. Lunzer, paragraph 76.05, page 295:

"As a divisional application can logically only be based on an existing earlier application, plainly the designation in the earlier application must exist at the relevant time, and not have been withdrawn before the filing of the divisional application".

16. In the Board's opinion, such straightforward logic is decisive of the present case. Sweden was not a state for which a designation fee was paid in the parent application as is evidenced by the copy of the representative's letter of 15 August 2000 in the parent application's proceedings which was drawn to the appellant's attention by the Receiving Section in the present case. The time limit for payment of designation fees on the parent application was 20 March 2001. The divisional application was received at the EPO on 20 November 2002. In short, it was then twenty months too late to designate Sweden in a divisional application. In view of the clear provisions of the EPC and the settled nature of the case-law, the present appeal must be dismissed.

Order

For these reasons it is decided that:

1. The request to refer a question to the Enlarged Board of Appeal is refused.
2. The appeal is dismissed.

The Registrar:

The Chairman:

S. Fabiani

J-C. Saisset