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**Datasheet for the decision
of 12 December 2007**

Case Number: J 0007/07 - 3.1.01

Application Number: 01309128.5

Publication Number: 1201828

IPC: E02B 3/10

Language of the proceedings: EN

Title of invention:

Method of disposing of used vehicle tyres

Applicant:

Robinson, Anthony

Opponent:

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Headword:

Time limit Article 8(4) R Fees

Relevant legal provisions:

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Relevant legal provisions (EPC 1973):

EPC Art. 33, 109, 120(b), 164(1),(2)
EPC R. 36(4), 46(1), 69(1), 84, 85a(1), 85(b)
Rule Fees Art. 8(3,4)

Keyword:

"Substantial procedural violation (yes)"
"2 month time limit"
"Rule 84 EPC and Rules relating to fees"

Decisions cited:

T 0740/00, T 0647/93, T 0808/94

Catchword:

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Case Number: J 0007/07 - 3.1.01

D E C I S I O N
of the Legal Board of Appeal 3.1.01
of 12 December 2007

Appellant: Robinson, Anthony
Springway Farm
Weston Zoyland
Near Bridgwater
Somerset TA7 OJS (GB)

Representative: Roberts, Michael Austin
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Decision under appeal: Decision of the Receiving Section of the
European Patent Office of 16 November 2006.

Composition of the Board:

Chairman: M. B. Günzel
Members: D. S. Rogers
T. Karamanli

Summary of Facts and Submissions

- I. The appeal is against the decision of the Receiving Section of 16 November 2006 which refused the request of the appellant for the setting aside of the finding of a loss of rights pursuant to Rule 69(1) EPC that was noted by the EPO in a communication dated 25 May 2005.
- II. In its communication dated 6 December 2004 the Receiving Section of the EPO informed the appellant that although the examination fee and the designation fee(s) had not been paid within the prescribed periods, they could still be validly paid within a period of grace of 1 month, provided that both the surcharge under Rule 85b and that under Rule 85a(1) EPC were paid.
- III. In a communication dated 8 March 2005, the Receiving Section informed the appellant that the examination fee and the designation fee had been paid with surcharges on 18 January 2005, that is outside of the period of grace which ended on 17 January 2005. In this communication the Receiving Section further informed the appellant that the period for payment of these fees could be considered to have been observed if:
- 1) "Evidence is provided that the payment was effected in a Contracting state at least 10 days before expiry of the period for payment (Art. 8(3,4) Rules relating to fees), or
 - 2) evidence is provided that the payment was effected less than 10 days before expiry of the time limit for payment and if a surcharge of 10% on the relevant fees is paid".

The communication gave the appellant a period of 1 month to submit evidence (and in case 2), pay the surcharge), under either of 1) or 2) above. The communication ended by stating that, "If no use is made of the opportunity offered, the period of payment shall be considered not to have been observed (Art. 8(4) Rfees) and a noting of loss of rights pursuant to Rule 69(1) EP(EPO Form 1097) shall be issued".

- IV. The appellant did not react to the communication of 8 March 2005 and on 25 May 2005 the Receiving Section sent a communication noting a loss of rights pursuant to Rule 69(1) EPC and stating that the appellant's European patent application was deemed to be withdrawn.
- V. In a letter dated 18 July 2005, the then representative withdrew from representing the appellant. On 4 August 2005 the EPO received a letter from the current representative of the appellant informing the EPO that he was now the representative and requesting a decision under Rule 69(2) EPC on the loss of rights noted in the Receiving Section's letter of 25 May 2005.
- VI. On 21 June 2006 the Receiving Section issued a communication noting that, in response to its communication of 8 March 2005 (see III above), payment documents had been received by the EPO that clearly showed that the payment instructions for the examination fee and the designation fees had been received by the paying bank on 18 January 2005, which was outside of the period of grace. The Receiving Section also noted that the EPO communication of 8 March 2005 had not been returned to the EPO as undeliverable and that it had been sent to the

applicant's then appointed representative who had confirmed receipt in a telephone conversation of 6 September 2005. For these reasons the Receiving Section could not set aside the finding of a loss of rights under Rule 69(1) EPC in its communication of 25 May 2005. The appellant was given 2 months within which to submit comments before a final decision would be issued. The appellant did not submit any comments.

VII. On 16 November 2006 the EPO issued a final decision refusing the appellant's request that the finding of a loss of rights pursuant to Rule 69(1) EPC be set aside.

VIII. The appellant filed a notice of appeal, paid the appeal fee, and filed the statement of grounds of appeal. The appellant, in its arguments, referred to the Receiving Section's communication described in point III above. The appellant noted that this communication gave a time limit of 1 month for the submission of evidence and/or payment of surcharges under Article 8(4) Rules relating to Fees. The appellant considers that this one month time limit is too short and amounts to a substantial procedural violation as it is not in compliance with the EPC. The appellant's basis for this conclusion is that Rule 84 EPC provides that where a time period is to be determined by the EPO, "...such a period shall be not less than two months nor more than four months...".

The appellant pointed out that Rule 84 EPC explicitly refers only to the European Patent Convention and Implementing Regulations, and not to the Rules relating to Fees. The appellant also noted that the Rules relating to Fees are not cited as an integral part of the European Patent Convention by Article 164(1) EPC.

The appellant argued that Rule 84 EPC should nevertheless be read as applying to the Rules relating to Fees, as if it does not, then the EPO has failed to implement Article 120(b) EPC which provides that the Implementing Regulations shall specify the minima and maxima for time limits to be determined by the EPO.

The appellant also filed with its statement of grounds of appeal evidence of payment under Article 8(4) Rules relating to Fees - see 1) and 2) in point III above.

Reasons for the Decision

1. The appeal is admissible.
2. Rule 84 EPC refers only to the "Convention or these Implementing Regulations" and the definition of "Convention" in Article 164(1) EPC does not refer to the Rules relating to Fees. Thus Rule 84 EPC contains no explicit reference to the Rules relating to Fees.
3. Article 120(b) EPC provides that the "Implementing Regulations shall specify the minima and maxima for time limits to be determined by the European Patent Office". As the reference to these time limits in the EPC is not further qualified, it can be taken to be a general reference to any such time limit, and thus as a reference to the minima and maxima for the time limits in the Rules relating to Fees that are to be determined by the EPO. Article 8(4) Rules relating to Fees contains a time limit to be determined by the EPO. Thus, according to Article 120 EPC, the Implementing

Regulations should specify minima and maxima for this time limit.

That Rule 84 EPC does not explicitly provide such minima and maxima for the time limits in the Rules relating to Fees indicates a possible conflict between Article 120 EPC and Rule 84 EPC.

Article 164(2) EPC provides that in the case of conflict between the provisions of the EPC and those of the Implementing Regulations, the provisions of the Convention shall prevail. Thus there is a basis for applying the provisions of Rule 84 EPC to the Rules relating to Fees. This basis holds insofar as the provisions of the Rules relating to Fees do not take precedence over the provisions of the EPC and/or the Implementing Regulations.

No provision of the EPC states explicitly that the EPC takes precedence over the Rules relating to Fees in cases of conflict between them. However, the EPC is clearly the higher legal norm, and in case of conflict, by analogy with Article 164(2) EPC, the provisions of the EPC should take precedence over the provisions of the Rules relating to Fees.

As regards whether the Implementing Regulations take precedence over the Rules relating to Fees, and hence whether the provisions of Rule 84 EPC can be said to apply to Article 8(4) Rules relating to Fees, both of these sets of rules can be considered as being of equal status within the legal order established by the EPC. This is because Article 33 EPC provides that for both the Implementing Regulations and the Rules relating to

Fees, it is the Administrative Council of the EPO which is competent to respectively amend and adopt or amend these rules. The Implementing Regulations are the older set of rules having been first drawn up at the Munich Diplomatic Conference in 1973, the Rules relating to Fees having been first issued by the Administrative Council of the EPO in 1977. The Implementing Regulations provide a general framework of rules for implementing the EPC. Within this general framework the Rules relating to Fees deal with the special and restricted matter of fees. Thus on general legal principles the Implementing Regulations should take precedence over the Rules relating to Fees (see "Münchener Gemeinschaftskommentar 10. Lieferung, Februar 1986" by Gall, Art. 51, page 14, paras. 24-28).

Thus, the fact that Rule 84 EPC, which implements Article 120 EPC, does not explicitly refer to the Rules relating to Fees, should not, in itself, be a bar to applying Rule 84 EPC to these Rules, given the order of precedence that prevails between the EPC, the Implementing Regulations and the Rules relating to Fees.

4. Further support for the applicability of Rule 84 EPC to the Rules relating to Fees can be derived from the facts that: first, the Rules relating to Fees contain no autonomous provisions for specifying the minima and maxima for time limits to be determined by the EPO; second, the Guidelines (see section E - VIII-1) raise no doubts as to the applicability of the provisions of the Implementing Regulations to the Rules relating to Fees; and third, the time limit according to Article 8(4) Rules relating to Fees is obviously neither a time limit which can be freely determined by

the EPO, as for example in Rule 36(4) EPC (see "Münchener Gemeinschaftskommentar 26. Lieferung, Februar 2003" by Schachenmann, page 21, para. 45), nor a time limit with its own special minima and maxima, as, for instance, in Rule 46(1) EPC.

5. As a final point, the "travaux préparatoires" for what are now Articles 120, 164, Rule 84 EPC and Article 8 Rules relating to Fees shed no light on why Rule 84 EPC makes no explicit reference to the time limits found in the Rules relating to Fees. Thus there is no basis for concluding that the drafters of the EPC, the Implementing Regulations and the Rules relating to Fees specifically intended to exclude the application of Rule 84 EPC to the time limits in the Rules relating to Fees.
6. In the light of the above, the Board considers that Rule 84 EPC applies to the time limit in Article 8(4) Rules relating to Fees.
7. The next issue to be addressed is whether the 1 month time limit (instead of the 2 month time limit provided for by Rule 84 EPC) in the communication of 8 March 2005 constitutes a substantial procedural violation.
8. The wording of Rule 84 EPC provides that where the EPO specifies a period, "...such a period shall not be less than two months...". Thus Rule 84 EPC does not leave any discretion to the EPO. Setting a period of 1 month does not comply with Rule 84 EPC (see T 740/00 of 10 October 2001, point 3.4).

9. In the light of the above, the Board considers that the decision under appeal was taken in violation of a substantive provision of the applicable procedural law and has to be set aside for this reason alone. This leads to the further consequences that, first, the Receiving Section will have to issue a further communication under Article 8(4) Rules relating to Fees, (thus replacing the communication of 8 March 2005), with a correct 2 month time limit for the appellant to submit evidence under this article of the Rules relating to Fees; second, that the Receiving Section's communication dated 25 May 2005 noting a loss of rights pursuant to Rule 69(1) EPC will have to be withdrawn; and third, that the Receiving Section will subsequently have to take a decision on the appellant's evidence under Article 8(3), (4) Rules relating to Fees.
10. As the Receiving Section has not made a decision on the appellant's evidence under Article 8(3), (4) Rules relating to Fees, the Board exercises its power under Article 111(1) EPC and remits the case to the Receiving Section in order that the Receiving Section can further prosecute this case, which includes carrying out the steps set out in point 9 above.
11. It is the Board's judgment that it is equitable that the appeal fee be reimbursed, pursuant to Rule 67 EPC. This is because the appeal is allowed and there has been at least one substantial violation justifying the reimbursement of the appeal fee, that is, after setting the wrong time limit - see points 8 and 9 above, the Receiving Section did not make use of the possibility of granting interlocutory revision under Article 109 EPC (and hence continuing the proceedings in accordance

with the steps set out in point 9 above) once the mistake as regards the incorrect time limit had been pointed out in the grounds of appeal (see decisions T 647/93, point 2.6, OJ EPO 1995, p. 132; and T 808/94 of 26 January 1995, point 5, not published).

Order

For these reasons it is decided that:

1. The decision of the Receiving Section of 16 November 2006 is set aside.
2. The case is remitted to the Receiving Section for further prosecution with the order:
 - (a) to issue a communication under Article 8(4) Rules relating to Fees giving the correct 2 month time limit for the appellant to submit evidence under this article of the Rules relating to Fees; and
 - (b) to withdraw its communication dated 25 May 2005 noting a loss of rights pursuant to Rule 69(1) EPC.
3. The appeal fee shall be reimbursed.

The Registrar:

The Chairman:

S. Fabiani

B. Günzel