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**Datasheet for the decision
of 30 March 2012**

Case Number: J 0009/11 - 3.1.01

Application Number: 08743872.7

Publication Number: 2134647

IPC: C01B 13/10

Language of the proceedings: EN

Title of invention:
Ozone cleaning system

Applicant:
Food Safety Technology, LLC.

Opponent:
-

Headword:
Extension Agreements

Relevant legal provisions:
EPC Art. 106, 121
EPC R. 38(1), 39(1), 112(2)

Relevant legal provisions (EPC 1973):
EPC Art. 78(2), 79(2)
EPC R. 85a(2)

Keyword:
"Refusal of a request for late payment of extension fees not
appealable"

Decisions cited:
J 0014/00, J 0019/00, J 0009/04, J 0002/05, J 0004/05,
J 0022/10

Catchword:

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Case Number: J 0009/11 - 3.1.01

D E C I S I O N
of the Legal Board of Appeal 3.1.01
of 30 March 2012

Appellant: Food Safety Technology, LLC
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Representative: Chalk, Anthony John
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Decision under appeal: Decision of the Receiving Section of the
European Patent Office of 10 March 2011

Composition of the Board:

Chairman: B. Günzel
Members: I. Beckedorf
L. Bühler

Summary of Facts and Submissions

I. The appellant, applicant of the European patent application number 08743872.7 (European publication number 2134647), contests the decision of the Receiving Section dated 10 March 2011.

II. The EURO-PCT application was filed on 14 March 2008 under the international application number PCT/US2008/056936 and was published on 18 September 2008 under the international publication number WO 2008/112947. The appellant requested entry into the European phase with letter of 12 October 2009. All (then) EPC Contracting States were designated and the respective fees were paid but no extension of the European patent was claimed.

III. With letter dated 9 December 2009 the appellant designated four extension states (Albania, Bosnia and Herzegovina, Former Yugoslav Republic of Macedonia, and Serbia) and asked for the debit of the extension fees and late payment surcharges. Those payments, one of which titled as "fee for further processing (late payment of a fee)", were made the same day.

Concerning the late designation of extension states and late payment of extension fees, the appellant argued that the "grace period system" pursuant to Rule 85a(2) EPC 1973, referred to in Article 3(2) of the extension ordinances, were still in place regardless the deleting of that rule by way of the EPC 2000 reform. The unilateral removal of that rule by the EPO effectively constituted an intervention in the sovereign rights of

the extension states. The appellant requested an appealable decision.

- IV. On 10 June 2010, the Receiving Section sent a reasoned communication pursuant to Article 113 EPC. It informed the appellant that the "grace period system" according to Rule 85a(2) EPC 1973 had been replaced by the remedy of further processing under Article 121 EPC, and it considered the appellant's earlier letter as such a request.

However, Article 121 EPC was only applicable in cases where both designation fees and extension fees had not been paid in due time and a loss of rights communication under Rule 112 EPC was issued. In other cases, in particular where the designation fees had been paid in time or where an applicant waived the right to receive a communication according to Rule 112 EPC, no possibility to pay extension fees was available any more. Since no such communication was issued, the Receiving Section rejected the appellant's request for further processing under Article 121 EPC for late payment of extension fees as inadmissible.

- V. The appellant, with its letter of 10 August 2010, maintained its request for an appealable decision in relation to the payment of the extension fees with surcharge reiterating its legal arguments. In addition to this, the appellant argued that in view of the Notice from the EPO dated 2 November 2009 concerning the re-introduction of a grace period for the payment of extension fees (OJ EPO 2009, 603), applicable to applications for which the basic time limit for payment of designation fees expires on or after 1 January 2010,

the EPO's refusal to accept the appellant's payment of the extension fees led to an inequitable situation.

VI. The Receiving Section issued a reasoned decision on 10 March 2011 rejecting both the appellant's request for a decision pursuant to Rule 112(2) EPC in its favour and its request for further processing under Article 121 EPC for the designation of extension states and payment therefore with surcharge. Additionally, it ordered the refund of any related fees once the decision had become final. The reasons given are essentially identical with the reasons of the earlier communication.

VII. On 10 May 2011, the appellant filed a notice of appeal and paid the appeal fee, followed on 19 July 2011 by a statement setting out the grounds of appeal.

The appellant, referring to the decisions of the Legal Board of Appeal in cases J 4/05 and J 9/04, argued that the extension ordinance agreements explicitly provided for the procedure for payment of extension fees and were by no means affected by the entry into force of the EPC 2000. The extension ordinance agreements were still applicable as such and provided a mechanism for late payment of the extension fees regardless whether or not the extension countries had yet adapted their national provisions to the revised EPC. The EPO, thus, was not in a position to unilaterally change or even delete that mechanism. Therefore, Rule 85a(2) EPC 1973 ceased to apply only as regards the EPC but its effect remained in relation to the extension ordinance agreements.

Apart from that, the removal of the grace period system according to Rule 85a(2) EPC 1973 for late payment undermined the principle of legitimate expectation as established in EU law and widely recognised in the EPC contracting states. The Notice from the EPO dated 2 November 2009 concerning the re-introduction of a grace period for the payment of extension fees showed that the removal of the grace period system was inconsistent with said doctrine. Further, its removal led to an inequitable situation for any party whose filing date dictated that they fall within the interim period prior to the re-introduction of the grace period system on 1 January 2010.

VIII. The appellant requested (main request) that

the decision under appeal be set aside and that the extension states Albania, Bosnia and Herzegovina, Former Yugoslav Republic of Macedonia and Serbia be added to the European patent application by debiting the appropriate fee from deposit account n° 28050228.

Besides, the appellant requested

oral proceedings in the event that the Board should be minded to refuse the main request.

IX. The Receiving Section passed on the appeal to the Legal Board of Appeal.

X. With the communication dated 28 December 2011, annexed to the summons to oral proceedings, the Legal Board of Appeal informed the appellant of its preliminary

opinion that the contested denial of the Receiving Section to accept the late payment of the extension fee by the appellant was not open to an appeal and, consequently, that the Board was not competent to review the decision under appeal. The appellant's attention was drawn to the Board's decision in case J 22/10 of 12 December 2011, a copy of which was attached to the communication.

The appellant was invited to file a response to these remarks within two months but did not reply.

- XI. Oral proceedings were held on 30 March 2012. The appellant had been formally summoned to attend these oral proceedings but it declared with letter dated 29 March 2012 not to appear at the oral proceedings. The proceedings were held without the appellant in accordance with Rule 115(2) EPC and Article 15(3) RPBA.
- XII. At the end of the oral proceedings the Legal Board of Appeal announced its decision rejecting the appeal as inadmissible.

Reasons for the Decision

1. The appeal is formally directed against the decision of the Receiving Section dated 10 March 2011 rejecting both the appellant's request for a decision pursuant to Rule 112(2) EPC in its favour and its request for further processing under Article 121 EPC for the designation of extension states and payment therefore with surcharge concerning the European patent application No. 08 743 872.7.

- In essence, the appellant requests that the late designated extension states Albania, Bosnia and Herzegovina, Former Yugoslav Republic of Macedonia and Serbia be added to said European patent application.
2. The appeal was filed, and the appeal fee was paid within two months of the date of notification of the decision, alleged by the appellant to be appealable (Article 108 EPC).
 3. As noted by the Legal Board of Appeal in its communication dated 28 December 2011, the appeal proceedings are essentially concerned with the question whether such a denial of the Receiving Section to accept a late designation of extension states is open to an appeal and, therefore, whether the appeal is admissible.
 - 3.1 According to the exhaustive provisions of Article 106(1) EPC, only those decisions of the EPO may be contested which are taken by the departments listed therein, i.e. by the Receiving Section, Examining Divisions, Opposition Divisions and the Legal Division, acting within the framework of their duties under the EPC.
 - 3.2 The Legal Board of Appeal found in a number of cases that decisions taken by the EPO when carrying out its obligations under the co-operation agreements with certain states extending the protection conferred by European patents (Extension Agreements) were not based on the EPC itself but solely based on the Co-operation Agreements between the European Patent Organisation (EPO) on the one hand and the extension states on the other hand; it, therefore, rejected the respective

appeals as inadmissible (J 14/00, OJ EPO 2002, 432; J 19/00 of 10 May 2001; J 9/04 of 1 March 2005; J 2/05 of 1 March 2005; J 4/05 of 2 February 2006).

3.3 Starting from this and following a recent decision taken by the Legal Board of Appeal in case J 22/10 of 12 December 2011, the Board observes that it follows already from the very nature of the Extension Agreements relevant in these appeal proceedings (Albania, OJ EPO 1995, 803 and 1996, 82; Bosnia and Herzegovina, OJ EPO 2004, 619; Former Yugoslav Republic of Macedonia, OJ EPO 1997, 345 and 538; Serbia, OJ EPO 2004, 583, 2007, 406) that any decisions based on such international treaties do not fall within the scope of the EPC and, as a result of this, are not subject to the jurisdiction of the Boards of Appeal.

3.3.1 The procedure for payment of the extension fees is determined by the Extension Agreements alone. Although there are certain parallels between the formal procedures of extension of protection under the Extension Agreements on the one hand and the designation of a contracting state under the EPC on the other hand (Articles 78(2) and 79(2) EPC 1973, Rules 38(1) and 39(1) EPC), the Extension Agreements form a legal system of their own that is distinct from the legal system created by the EPC.

References within the Extension Agreements to the EPC, in particular to the so-called period of grace under Rule 85a(2) EPC 1973 do not override this fundamental distinction.

Consequently, the legal nature of any decision taken on the legal basis of the Extension Agreements remains within that legal system and does not extend to the legal system of the EPC.

- 3.3.2 The Extension Agreements make it absolutely clear that references to provisions of the EPC are exhaustive and, thus, that there can be no corresponding application of other provisions, including those of Articles 106 et seq. EPC concerning the appeals procedure.

Neither is there anything in the structure or legal nature of the Extension Agreements to support the appealability of the contested decision within the legal framework of the EPC. As bilateral agreements, the Extension Agreements essentially deal - exhaustively and strictly separated from the EPC - with matters pertaining to the integration of extended European applications and protective rights into the respective national law and their relationship to national applications and rights based on the law on industrial property of the extension states.

Nor do the Extension Agreements provide for a transfer of jurisdiction on the EPO and its Boards of Appeal. Such a transfer could only have been established by an explicit and clear provision to this effect in the Extension Agreements. Particularly with regard to the principle of sovereignty of the extension states, there is no room for acknowledging an implicit transfer of jurisdiction from the respective national law and the national courts to the EPC and the Boards of Appeal.

- 3.4 Thus, apart from the fact, that Article 121 EPC and Rule 112 EPC are not applicable to cases where (only) the due designation of extension states and the payment of extension fees was omitted, the Legal Board of Appeal is not competent to decide a case that is solely governed by a "foreign" legal system.
4. This has been brought to the appellant's attention by way of the communication of the Board dated 28 December 2011 to which the appellant chose not to reply. Having reviewed the facts and legal issues involved in this appeal case, the Board maintains the opinion already expressed in said communication and reiterated above.
5. Since the contested notification of the Receiving Section dated 10 March 2010, rejecting the appellant's request for a decision pursuant to Rule 112(2) EPC in its favour and its request for further processing under Article 121 EPC for the designation of extension states and payment thereof with surcharge, and appellant's request that the late designated of extension states Albania, Bosnia and Herzegovina, Former Yugoslav Republic of Macedonia and Serbia be added to said European patent application No. 08 743 872.7 are not open to an appeal according to Article 106 EPC the appeal has to be rejected as inadmissible.

Order

For these reasons it is decided that:

The appeal is rejected as inadmissible.

The Registrar

The Chairwoman

P. Cremona

B. Günzel