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**Datasheet for the decision  
of 22 June 2012**

**Case Number:** J 0013/11 - 3.1.01

**Application Number:** 06721269.6

**Publication Number:** 1861611

**IPC:** F02M35/104, F02B33/44,  
F02B39/00

**Language of the proceedings:** EN

**Title of invention:**  
AN APPARATUS FOR A VEHICLE

**Applicant:**  
RICHWOOD CREEK PTY LTD

**Headword:**  
Renewal fee, re-establishment of rights

**Relevant legal provisions:**

EPC Art. 86, 122  
EPC R. 112, 136

**Keyword:**

Non-payment of renewal fee - re-establishment of rights (no) -  
Legitimate expectations (no) - principle of proportionality  
(not applicable)

**Decisions cited:**

G 0002/97, J 0006/90, J 0013/90, J 0002/94, T 0014/89,  
T 0455/98, T 0585/08

**Catchword:**



**Juristische Beschwerdekammer**  
**Legal Board of Appeal**  
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Case Number: J 0013/11 - 3.1.01

**D E C I S I O N**  
**of the Legal Board of Appeal 3.1.01**  
**of 22 June 2012**

**Appellant:** RICHWOOD CREEK PTY LTD  
(Applicant) 8 Forest Ridge Crescent  
Grandchester, Queensland 4340 (AUSTRALIE)

**Representative:** Wright, Howard Hugh Burnby  
Withers & Rogers LLP  
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**Decision under appeal:** **Decision of the Receiving Section of the  
European Patent Office of 9 June 2011.**

**Composition of the Board:**

**Chairwoman:** B. Guenzel  
**Members:** D. Rogers  
R. Menapace

## **Summary of Facts and Submissions**

I. The appeal is directed against the decision of the Receiving Section dated 9 June 2011. This decision refused a request for re-establishment of rights in relation to the time limit for paying the third-year renewal fee with surcharge in respect of Euro-PCT application No. 06721269.6. The Applicant and Appellant is Richwood Creek Pty Ltd, an Australian corporation. The European Representative of the Appellant filed the request on 23 December 2008 and paid the fee for re-establishment of rights on the same day. Griffith Hack are the Australian patent attorneys of the Appellant. In the normal course of events Computer Patent Annuities Ltd ("CPA") handled the payment of renewal fees for the Appellant.

The third-year renewal fee fell due on 31 March 2008 and payment of that fee, together with a surcharge, could still have been validly effected within the subsequent six-month grace period. However, the EPO received no payment by the expiry of that period. As a consequence, with a communication dated 6 November 2008, the EPO informed the Applicant of a loss of rights under Rule 112(1) EPC, namely that the application in suit was deemed to be withdrawn under Article 86(1) EPC.

II. In the application for re-establishment, the European Representative stated that:

"I hereby request re-establishment of rights of the above-mentioned European patent application... Please deduct the fee for restoration from our deposit account in accordance with our on-line instructions..."

...

Griffith Hack only became aware that the patent application had lapsed due to the failure to pay the renewal fee when, on 23 October 2008 Griffith Hack read a report from CPA, informing them that, in the previous month, a renewal fee had not been paid and that this patent application, amongst others, had consequently lapsed...

It is requested that rights in the above-mentioned patent application are re-established in their entirety. If anything further is required in order for you to make your decision, please let me know..."

- III. The electronically filed instruction of the European Representative of 23 December 2008, ("...our online instructions..."), under the heading "Fees" listed "013 Fee for re-establishment of rights", and under the heading "Payment" stated: "The European Patent Office is hereby authorised, to debit from the deposit account with the EPO any fees and costs indicated on the fees page".
- IV. The Receiving Section sent a communication to the European Representative on 23 March 2009 concerning the Appellant's request for re-establishment of rights. This communication stated that as the third renewal fee and additional fee had not been paid, the omitted act had not been completed within two months of removal of the cause of non-compliance, and thus it was the intention of the Receiving Section to reject the request as inadmissible. The Receiving Section stated that it considered the date of the removal of the cause of non-compliance to be 23 October 2008.

V. The European Representative replied to the above communication in a letter dated 8 May 2009 which states that:

"...we submit that the principle of good faith applies between the EPO and the applicant, and that the legitimate expectations of the parties to the proceedings must not be violated. Under the principles laid down in the decisions T 14/89 and J 13/90, there is a legitimate expectation on the part of the applicant that the EPO should draw to the applicant's attention deficiencies in a request for re-establishment of rights which are obviously easy to correct. I believe that the EPO has complied with this principle by sending the communication dated 23 March 2009 and that, accordingly, by completing the omitted act within the time period of the letter, the time limit for filing the request for re-establishment of rights will be deemed to have been met.

...it is submitted that, since completion of the omitted act simply involves paying the renewal fee and surcharge, this is obviously very easy to correct".

The Appellant paid the third renewal fee and surcharge on 8 May 2009.

VI. In its decision, the Receiving Section made a finding of fact that the date of the removal of the cause of non-compliance was 23 October 2008. It based its decision to reject the request for re-establishment as inadmissible upon the non-completion of the omitted act of payment of the third renewal fee and surcharge; a finding that the letter of 23 December 2008 did not contain an implicit instruction to debit the

outstanding renewal fee and surcharge from the European Representative's deposit account with the EPO.

Regarding the Appellant's arguments concerning good faith and legitimate expectations, the Receiving Section considered that as the request for re-establishment had been filed on the last day for doing so at 18.35 hours CET, the EPO was not in a position to warn the Appellant of the non-payment of the renewal fee and surcharge within the few hours that remained before the expiry of the 2 month time limit.

- VII. In its statement of grounds of appeal the Appellant argued that the request for re-establishment of rights of 23 December 2008 should be considered to contain an implicit instruction to the EPO to deduct the third renewal fee and surcharge from the European Representative's deposit account with the EPO. The Appellant argued that:
- a) The European Representative's letter of 23 December 2008 (quoted in II above) was wrongly interpreted by the Receiving Section as referring solely to the re-establishment fee. It was clear that it was intended to be a complete application, that all aspects of the application for re-establishment of rights were intended to be included as part of that submission. It was thus clear that if anything necessary for the re-establishment of rights was missing, the EPO should inform the Appellant of this.
  - b) The Receiving Section should have realised that it was the European Representative who had responsibility for the payment of the third renewal fee and surcharge, and not CPA.
  - c) The Appellant compared the factual and legal situation of the present case with that of case

J 6/90 (OJ EPO 1993, 714) where the Board allowed an application for re-establishment, despite the fact that, although the re-establishment fee and missing renewal fee and surcharge were paid in time, the ground for re-establishment was filed outside the relevant time period specified in Art 122(2) EPC 1973. The decision T 585/08 (not published in the OJ EPO) also applied this approach. J 6/90 could be applied to the present case in reverse, as in the present case the grounds and re-establishment fee had been filed and paid, it was the renewal fee and surcharge that were paid late. The rights of third parties would not be harmed by such an approach.

- d) The Appellant also referred to the principle of good faith/legitimate expectations. From the decisions T 14/89, J 13/90 and J 23/90 the Appellant argued that for the EPO to warn an applicant of a deficiency, this deficiency must be easy to correct and that there must still be sufficient time to correct the deficiency. The Appellant considered this reference to "sufficient" time does not refer to there being sufficient time for the EPO to review the application for reestablishment of rights and to issue a communication, rather it refers to whether there is sufficient time for the applicant to correct the deficiency. The Appellant submitted that paying the omitted renewal fee was something that would have been very easy to do using the EPO's online payment system, and that if it had been made aware that the renewal fee had not been paid, there would have been sufficient time for it to have been paid and still meet the deadline.

- VIII. The Appellant further argued from T 14/89 that when the EPO fails to fulfil its duty of good faith by failing to draw a deficiency to a party's attention, then it should set an additional period for remedying this deficiency. Thus the EPO's letter of 23 March 2009, which informed the Appellant of the inadmissibility of its re-establishment request either is, or should be considered as an invitation to pay the omitted fee.
- IX. In a communication attached to the summons to oral proceedings, the Board set out its preliminary view that the Receiving Section had correctly found the request for re-establishment to be inadmissible due to the non-completion of the omitted act.
- X. In a response to this communication, the Appellant submitted that the words, "Please deduct the fee for restoration from our deposit account...", in its application for re-establishment should have been understood to mean that all fees necessary for the re-establishment of the application should have been debited, including the fee for re-establishment of rights, the renewal fee, and the surcharge on the renewal fee since these were all necessary for completing the application.
- The Appellant further argued that the principle of good faith and legitimate expectations are such that the formalities officer should have realised that all the fees should have been deducted from the Appellant's account. As there is a lapse of time in any case between the request for a fee to be deducted and the actual debiting of the account, it was a legitimate expectation that the formalities officer would have telephoned the Appellant to clarify which fees to deduct, even after the deadline for re-establishment had passed.



XI. During the oral proceedings before the Board the Appellant argued that, in reaching its decision, the Board should apply the principle of proportionality. That is there should be a balance between the error that a party has committed and the importance for it of the effects of an ensuing decision by the authorities.

### **Reasons for the Decision**

1. The appeal is admissible.
2. In order to be allowable, the request for re-establishment has to meet the requirements of Article 122 EPC, one of these requirements being the completion of the omitted act.
3. The first issue to be addressed in this appeal is whether the request for re-establishment of 23 December 2008 contains an instruction to the EPO to debit the third renewal fee and surcharge from the European Representative's deposit account with the EPO, thus completing the relevant "omitted act" under Article 122 EPC.
4. As stated in the third full paragraph, page 2 of the request for re-establishment (see also paragraph 4 of the Rosenthal declaration, point 6 below), on 23 October 2008 the Australian Representative became aware of the non-payment of the third renewal fee and surcharge. Hence there was a period of approximately 2 months in which it could have been arranged for CPA or someone else to pay the fee. The Appellant has not suggested that 23 October 2008 is not the date of removal of the cause of non-compliance with the period for paying the third renewal fee and surcharge. Hence,

the finding in the decision under appeal that 23 October 2008 is the day of removal of the cause of non-compliance is correct. It follows that in accordance with Rule 136(1) and (2) EPC the period for paying the third renewal fee and surcharge ended on 23 December 2008.

5. The request for re-establishment of 23 December 2008 does not contain any explicit instructions to the EPO to debit the third renewal fee and surcharge from the European Representative's deposit account with the EPO. The same is true for the instructions that the European Representative filed electronically on 23 December 2008. The issue, therefore, is whether the 23 December 2008 letter contains an implicit instruction to so debit the European Representative's deposit account.
  
6. The first argument to address is that it was clear from the 23 December 2008 letter that it was intended to be a complete application, that is to say that all the aspects of the application for re-establishment were intended to be included as part of that submission, CPA being no longer responsible for these fees.

The entire tenor of the relevant text of the 23 December 2008 letter (see point II above) is that CPA has been responsible for these fees in the past. There is no indication that this responsibility has now ended and nothing else which could be understood as an implicit reference to the payment of the missing renewal fee and surcharge.

Three declarations were attached to the request for re-establishment. These are from Andrew Mueller, the Managing Director of the Appellant, Daniel Rosenthal, the Appellant's Australian patent attorney, and Sheila

McLean, an administrator with the Appellant's Australian patent attorney. These declarations set out the history of how CPA was responsible for paying the renewal fees and how the payment of the third renewal fee came to be omitted.

- 6.1 These declarations fail to indicate any intention of the Appellant that it would be the European Representative who would pay the renewal fees. Thus these declarations do not assist the Appellant's case on this point. Rather, the declarations and the electronically filed instructions of 23 December 2008, if read together, suggest, if anything, that CPA was going to pay the third renewal fee and surcharge.
  
7. Thus the Board concludes that the Appellant's request for re-establishment of 23 December 2008 does not contain an instruction, explicit or implicit, that the EPO should deduct the third renewal fee and surcharge from the European Representative's account.
  
8. Turning now to the arguments, set out in point VII above, based upon the case law of the Boards, the first case cited is decision J 6/90, OJ EPO 1993, page 714. That decision concerned a situation where the missing renewal fee and re-establishment fee had been paid in time and the applicant filed a letter indicating that "... a written application for re-establishment of rights" would follow. This written application was received outside the time limit and hence the Receiving Section found the request to be inadmissible. The Board found the letter, which was filed in time, to amount to a request for re-establishment in itself. A similar fact situation and conclusion can also be found in decision T 585/08 of 20 October 2009 (see point 5). The Appellant argues that the situation of decision J 6/90

is analogous to the "reverse" situation of the present case and that hence its letter of 23 December 2008 could be seen as an implicit request for the deduction of the third renewal fee and surcharge from the European Representative's deposit account.

Decision J 6/90 would only be helpful to the Appellant if its letter of 23 December 2008 could be considered as indicating an intention that the third renewal fee and surcharge be deducted from the European Representative's deposit account with the EPO. As set out in point 5 above, the content of the 23 December 2008 request and its accompanying declarations do not, on any reasonable reading, indicate to the reader that the European Representative would be responsible for paying such fees and would, therefore, intend to have them paid out of his deposit account at the EPO.

9. Upon the basis of the duty of the EPO to act in good faith and to satisfy the legitimate expectations of the parties before it, the Appellant sought to argue that the EPO should have informed it of the deficiency in its request for re-establishment, that is the non-payment of the renewal fee and surcharge. As part of its arguments on good faith and legitimate expectations, the appellant referred to the cases underlying decisions T 14/89, OJ EPO 1990, page 432, J 13/90, OJ EPO 1994, page 456 and J 23/90 of 11 April 1991. Decision J 13/90 concerned a request for re-establishment following non-payment of a renewal fee. The Receiving Section rejected the request as the omitted act, the payment of the renewal fee, did not take place within the time limit. In its request for re-establishment the applicant had indicated that they would pay the missing fee once their rights had been re-established. The Board found that the applicant was

"...evidently confusing the provisions of Article 122(2), second sentence, EPC with those of national law which would have allowed them to pay the missing fee after re-establishment had been granted" (see point 7 of the Reasons of J 13/90). Applying the principle of good faith the Board found that the EPO should have warned the applicant about this deficiency.

Thus decision J 13/90 deals with a situation where the party gave a clear indication that they had a mistaken understanding of the relevant provisions of the EPC and hence, under the principle of protection of legitimate expectations, the EPO had a duty to correct this misunderstanding. This is not the case here and this case cannot assist the Appellant, also for the reason that in the present case, contrary to the one decided under the decision J 13/90, the request was filed so late that the office could objectively not take action before expiration of the time limit in question - see point 10 below.

10. The Appellant referred to decision T 14/89 in support of his appeal. Decision T 14/89 concerns a patent proprietor who filed a request for re-establishment of rights well within the time limit for doing so. This request had two deficiencies: the fee for re-establishment had not been paid and the facts to substantiate the request had not been filed. The Board found (at point 5) that under the principle of good faith, "... the European Patent Office should not fail to draw the appellant's attention to obvious deficiencies in his acts. This obligation certainly exists if as in the present case, the obvious deficiencies can be expected to be remedied within the time-limit for re-establishment".

Decision T 14/89 was commented upon by the Enlarged Board of Appeal in decision G 2/97 (OJ EPO 1999, 123) where it found that this decision "... related to the particular facts of that case and that there is no generally applicable principle to be derived therefrom" (point 3.4 of the Reasons). In decision T 14/89, it is to be noted that the EPO had ample time, about 6 weeks before the expiry of the time limit for requesting re-establishment, in which to inform the proprietor of the deficiencies of his request. In the present case the EPO received the request for re-establishment on the last day for filing such a request at 18.35 hours CET, that is after office hours. There is a substantial case law on the principle of protection of legitimate expectations. The duties of the EPO under this principle are limited and do not extend to informing a party of missing fees immediately after the receipt of a request for re-establishment (see J 2/94 of 21 June 1995, point 2 of the Reasons).

This principle is further limited in that the EPO can only be expected to warn a party of a deficiency if:

- (a) the deficiency is readily identifiable by the EPO;  
and
- (b) the party can still correct it within the relevant time limit (see T 455/98 of 10 July 2000, point 2 of the Reasons).

In the present case the deficiency was not readily identifiable. The letter and attached documents submitted on 23 December 2008 contain no internal inconsistencies. These documents contain nothing which could be understood or construed as an indication that CPA or someone else was not going to pay the renewal fee and surcharge, and that this was the responsibility of the European Representative. Further, the Appellant

filed its request for re-establishment on the last day for doing so and after EPO office hours. Thus there was no time for the EPO to warn the Appellant about the non-payment of the third renewal-fee and surcharge even if the EPO had been in a position to spot this deficiency. The Appellant's argument that the "sufficient time" refers to the Appellant and not the EPO is unconvincing: only if the EPO has sufficient time within the relevant time limit to warn a party of a deficiency can there be a legitimate expectation by the party that the EPO will do so, and only then does that party have sufficient time to rectify the deficiency within the relevant time limit.

Thus the Board cannot follow the Appellant's argument that the principle of legitimate expectation would have required the formalities officer to contact the Appellant after the deadline for re-establishment of rights had passed in order to clarify the situation.

Neither decision T 14/89 nor decision J 6/90 assist the Appellant.

As regards the Appellant's reference to decision J 23/90, this reference is not developed in the Appellant's submissions.

11. None of the cases cited support the appeal.
12. The Appellant has invoked the principle of proportionality. The provisions of the EPC seek to strike a balance between legal certainty and the proper administration of justice on the one hand, and substantive justice on the other. More specifically, the time limits in the EPC aim to serve legal certainty and proper administration of justice by avoiding any

discrimination or arbitrary treatment. The severe consequence of a loss of a patent application in this case cannot be considered in isolation but must be assessed against the values of legal certainty and proper administration of justice that are embodied by the time limits appropriate to Article 122 EPC. The application of the principle of proportionality that the Appellant is advocating would empty the time limits of Article 122 EPC of any content and would make the provisions of this article uncertain. In addition the boards of appeal do not have the power to apply provisions of the EPC *contra legem*, that is contrary to their unambiguous meaning and purpose. The Board thus finds the Appellant's arguments on this point without merit and they must therefore be dismissed.

13. In conclusion the Board finds that the Receiving Section was correct to find that the request for re-establishment was inadmissible due to non-completion of the omitted act within the time limit for doing so.

## **Order**

**For these reasons it is decided that:**

The appeal is dismissed.



The Registrar:

The Chairwoman:



C. Eickhoff

B. Guenzel

Decision electronically authenticated