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**Datasheet for the decision
of 13 November 2013**

Case Number: J 0017/12 - 3.1.01

Application Number: 03781836.6

Publication Number: 1689419

IPC: A61K38/11, A61P13/00

Language of the proceedings: EN

Title of invention:

PHARMACEUTICAL COMPOSITIONS INCLUDING LOW DOSAGES OF
DESMOPRESSIN

Applicant:

Allergan, Inc.

Third party:

Ferring BV

Headword:

Relevant legal provisions:

EPC Art. 61(1), 71, 74, 112(1)
EPC R. 14(1), 14(3), 21(1), 21(2)
RPBA Art. 13(1), 13(3)

Keyword:

Reversal of entry of applicant in register (yes)
Continuation of appeal proceedings with wrong parties (no)
Referral to the Enlarged Board of Appeal - (no)

Decisions cited:

G 0002/04, G 0001/09, J 0005/81, J 0038/92, J 0039/92,
J 0007/96, J 0002/01, J 0020/05, J 0015/06, J 0009/12,
T 0146/82, T 1178/04, T 1982/09

Catchword:

The transfer of a European patent application may not be recorded in the European Patent Register at a time when proceedings for the grant of the application are stayed under Rule 14(1) EPC.



**Juristische Beschwerdekammer
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Case Number: J 0017/12 - 3.1.01

D E C I S I O N
of Legal Board of Appeal 3.1.01
of 13 November 2013

Appellant: Allergan, Inc.
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Irvine, CA 92612 (US)

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Appellant: Ferring B.V.
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Decision under appeal: Decision of the Legal Division dated 25 May 2012

Composition of the Board:

Chairman: K. Garnett
Members: J. Geschwind
P. Guntz

Summary of Facts and Submissions

- I. The main issue to be decided in this appeal has turned out to be whether a transfer of a European patent application should be recorded in the register at a time when proceedings for grant have been suspended under Rule 14(1) EPC. The Legal Division held that it should. The Board disagrees. The Board has then had to decide what the procedural consequences this decision are.
- II. The essential facts of the case are as follows:
- a) European patent application No. 03781836 entered the European phase on 2 June 2006, naming Mr S. Fein as applicant and inventor. On 26 September 2008 the application was transferred to Reprise Biopharmaceutics LLC (hereafter: Reprise). On 7 February 2011 a communication under Rule 71(3) EPC was issued by the EPO with notice of intention to grant a patent.
 - b) On 28 March 2011 entitlement proceedings were instituted in the District Court of The Hague (Action No. 399700) against Reprise and Mr Fein by Ferring BV (hereafter: Ferring). In these proceedings Ferring essentially alleges that the invention was not Mr Fein's but Ferring's. On the same date, Ferring filed a request under Rule 14(1) EPC to stay the grant proceedings. This request was subsequently granted with effect from 28 March 2011.

- c) On 20 April 2011 Reprise's representative filed a request to record the transfer of the application from Reprise to Allergan Inc (hereafter: Allergan), the request being supported by a short-form assignment from Reprise to Allergan. On 31 May 2011, the Legal Division notified Ferring of this request, saying that the conditions for registration of the transfer were satisfied and that it was intended to register the transfer with effect from 20 April 2011. At the same time Ferring was invited to file evidence within three months that entitlement proceedings had been amended "with regard to the defendant in order to ensure that the conditions of Rule 14(1) EPC are still fulfilled", otherwise a date would be set for resumption of the grant proceedings. It was said by the Legal Division that the current stay of the grant proceedings did not prevent the transfer of the application or the updating of the register to record this.

- d) On 6 June 2011 Allergan filed a request under Rule 14(3) EPC to resume the grant proceedings. It was stated that Allergan accepted that it was or would be a party to the national entitlement proceedings and, to the extent necessary, would voluntarily join the proceedings.

- e) On 3 August 2011 Ferring filed a request that the Legal Division reverse the registration of Allergan as applicant.

- f) On 9 September 2011 Ferring instituted separate entitlement proceedings in the District Court in The Hague against Allergan and Mr Fein (proceedings No. 409591).

III. By a decision dated 25 May 2012 the Legal Division:

- a) Refused Ferring's request that the registration of Allergan as applicant be reversed.
- b) Refused Allergan's request that the examination proceedings be continued with immediate effect or at the earliest possible date.
- c) Refused Ferring's request that the examination proceedings be stayed until a decision in the entitlement proceedings.

The Legal Division held that the stay of the grant proceedings did not prevent the subsequent registration of the transfer of the application: registration of the transfer did not affect the grant procedure as such and the register served mainly to inform the public about the current legal status of the application. As to the request to resume the grant proceedings, the Legal Division decided that the balance of the parties' interests weighed against ordering a resumption at that stage.

IV. Both parties appealed this decision. In the case of Ferring, the notice of appeal was filed and the appeal fee was paid on 26 July 2012, and its statement of the grounds of appeal was filed on 4 October 2012. In the case of Allergan, the notice of appeal together with its statement of the grounds of appeal were filed, and the appeal fee was paid, on 30 July 2012. Both parties filed replies. The essential requests of the parties in these appeal proceedings were originally as follows:

- a) Ferring requested that:

i) The registration of Allergan as applicant be reversed;

ii) The stay of examination proceedings be continued until a decision in the entitlement proceedings.

b) Allergan requested that the examination proceedings be continued with immediate effect or at the earliest possible date.

V. On 26 June 2013 the Board issued a summons to oral proceedings to be held on 13 November 2013. A communication summarising the issues to be discussed was sent to the parties on 15 July 2013. In the communication it was *inter alia* pointed out that if the decision on the refusal to reverse the entry of Allergan in the register as applicant was held by the Board to have been wrong, it appeared that the wrong parties were before the Legal Division and now before the Board in the appeal proceedings, and that remittal might thus be appropriate.

VI. Both parties filed submissions in answer.

VII. Meanwhile, on 13 June 2012 various motions in both of the entitlement actions (No. 399700 & No. 409591) came before the District Court in The Hague. According to the translation of the judgment provided to the Board, the District Court *inter alia* allowed Allergan's requests (a) to join the proceedings in action No. 399700 (Point 10.3 of the decision) and (b) to consolidate the sets of proceedings (point 8.4 of the judgment). The actions are set to be heard on 17 January 2014.

VIII. Oral proceedings took place before the Board on 13 November 2013. During the oral proceedings Allergan filed requests for three questions to be referred to the Enlarged Board of Appeal, as follows:

"1. Can a transfer of a patent application be registered during a suspension of proceedings under Rule 14 EPC?

2. Can a party other than the applicant (Beteiligter) make a rule 14(3) request?

3. If the answer to question 2 is no, then if a patent application is transferred during stay of proceedings for grant how are the interests of a good faith recipient of the patent application to be heard by the EPO?"

IX. The arguments of the parties, both in writing and at the oral proceedings, on the issue of the registration of Allergan as applicant can be summarised as follows:

a) Ferring's arguments:

i) Quite apart from the fact that the grant proceedings had been stayed, the requirements of Rule 22 EPC cannot be considered to have been fulfilled based on the documents submitted by Reprise. Where the assignor's entitlement to the application is contested before a national court, as was known at the relevant time by the EPO, the EPO cannot assume that the transfer is valid. Following J 20/05, the status of Reprise as applicant was in doubt.

ii) The purpose of a stay under Rule 14(1) is to protect the interests and rights of the third party (Ferring) and to enable it in due course to exercise its rights under Article 61 EPC. The legal fiction under Article 60(3) EPC that a registered applicant is deemed to be entitled to exercise the rights to a patent application no longer applies once the grant proceedings have been stayed under Rule 14(1) EPC.

iii) The adverse consequences of allowing the registration are illustrated by the points that:

- Reprise and Mr Fein allege in their defence in the national entitlement proceedings that as Allergan is now applicant the proceedings have been instituted against the wrong party.

- If, for example, the application had been transferred to a Swedish national, then, according to the 1973 Protocol on Jurisdiction and the Recognition of Decisions in respect of the Right to the Grant of a European Patent ("Protocol on Recognition"), Ferring would have had to institute entitlement proceedings before the Swedish national court.

- It is unclear whose interests are relevant if it comes to weighing up the interests of the parties on an application under Rule 14(3) EPC? Those of Reprise or Allergan?

iv) The interests of the public do not require that the register records the correct legal status of the application. Information about the assignment can be obtained from documents available by public file inspection.

b) Allergan's arguments:

i) The EPO is required under Rule 22 EPC to record a transfer where the relevant evidence is filed. No detailed investigation of title is required.

ii) The existence of a stay of grant proceedings under Rule 14 EPC is irrelevant for this purpose. Recordal of a transfer of an application is an administrative act which is quite separate from grant proceedings under Articles 90 - 98 EPC.

X. On the issue of the procedural consequences of a finding by the Board that the registration of Allergan as applicant should be reversed, Allergan argued that it was entitled, as "any other party" under Rule 14(3) EPC, to apply for a continuation of the grant proceedings and that the appeal proceedings should simply be continued on this basis. Ferring disputed this.

XI. The other relevant arguments of the parties are to be found in the Reasons for the Decision, below. Although the parties filed extensive arguments on the issue of continuation of the stay of the grant proceedings, for reasons which will become apparent it was not necessary

for the Board to reach any conclusion on this aspect of the appeal and so these arguments are not set out here.

XII. At the end of the oral proceedings before the Board the final requests of the parties were as follows:

a) Ferring requested that the decision under appeal be set aside and Allergan's registration as applicant be ordered to be reversed. In the light of the Board's preliminary conclusions, its other requests were withdrawn.

b) Allergan requested that the decision under appeal be set aside and the immediate resumption of the grant proceedings be ordered and, as an auxiliary request, that the above-mentioned three questions be referred to the Enlarged Board of Appeal.

Reasons for the Decision

1. The appeals of Ferring and Allergan are each admissible.

2. *Transfer of the application*

2.1 Ferring's first argument is that once the EPO knew that Reprise's title to the application had been put in doubt by virtue of the national entitlement proceedings, it should not have accepted on the evidence supplied by Reprise that the application had been transferred to Allergan.

2.2 The Legal Division rejected this argument and the Board agrees. The general principle under the EPC is that an application for a European patent, as an object of property, is subject to national law and may be transferred (see Articles 74 and 71 EPC). The Board has no reason to doubt that the present application was, as an object of property, transferable to Allergan and that it was indeed transferred, subject no doubt to whatever claims Ferring might establish under national law.

3. *Recording of the transfer in the register: the relevant provisions*

3.1 Rule 22(1) EPC provides that the transfer of a European patent application shall be recorded in the European Patent Register at the request of an interested party upon production of documents providing evidence of such transfer. Rule 22(2) EPC provides that such a request may be rejected only if Rule 22(1) EPC has not been complied with. Subject to Ferring's argument in point 2.1, above, it is not disputed that the evidence filed by Reprise satisfied the formal requirements of the rule.

3.2 As to Rule 14(1) EPC, this provides that if the relevant conditions are satisfied (which they were in this case) "the proceedings for grant shall be stayed". Allergan argues that the recording of a transfer of a patent application in the register is not part of the proceedings for grant. The Legal Division agreed.

3.3 There are certainly no express provisions of the EPC indicating that Rules 22(1) and (2) EPC should be put on hold in circumstances where proceedings for grant have been stayed under Rule 14(1) EPC. This is in

contrast, for example, to Rule 15 EPC, which expressly provides that in the period during which proceedings for grant are stayed neither the European patent application nor the designation of any Contracting State may be withdrawn.

4. *Recording of the transfer during a stay: the case law*

4.1 So far as the Board and the parties are aware, there is no decision of the Boards of Appeal directly on the point. In the two related cases, J 38/92 and J 39/92, the Legal Board made the general statement that a stay of the grant proceedings has the effect that during the suspension neither the EPO nor the parties can validly perform any legal acts. On the contrary, the grant proceedings remain unaltered in the legal state existing at the point in time of the stay. Taken by itself this general statement might be taken to cover the present case and rule out Allergan's arguments.

4.2 It is, however, necessary to have regard to what the facts of those two cases were. A third party had brought national proceedings against the applicant, as a result of which it had obtained a decision of the national court that the two applications were to be transferred back to the third party, and belonged to it (*die Patentanmeldung auf die dritte Partei "zurückzuübertragen ist und ihr zusteht."*) The third party had not meanwhile applied for a stay of the grant proceedings but rather, only after obtaining the decision of the national court and then relying on this as evidence, filed a request for transfer of the applications to it. The request was granted but on appeal the Board decided this way of proceeding was wrong: a request under Rule 20(1) EPC 1973 (now Rule

22(1) EPC) must be based on evidence of a transfer document, and such evidence was missing. The Board went on to conclude that the request should have been dealt with as a request under Article 61(1)(a) EPC by the third party to prosecute the application as its own and that the EPO should have stayed the grant proceedings under Rule 13(1) EPC with effect from the date of the request. The Board then added the comment cited above, namely that the stay of the grant proceedings meant that neither the EPO nor the parties could validly perform any legal acts and that the grant proceedings remain unaltered in legal state existing at the point in time of stay ("*Die Aussetzung des Erteilungsverfahrens hat die Wirkung, daß in dem ausgesetzten Verfahren weder das Europäische Patentamt noch die Parteien wirksam Rechtsakte vornehmen können. Das Erteilungsverfahren verbleibt vielmehr unverändert in dem Rechtsstadium, in dem es sich zum Zeitpunkt der Aussetzung befand.*") See point 2.5 of the reasons in both cases. This was relevant in the particular circumstance of J 38/92 because meanwhile (i.e., after the grant proceedings should have been stayed) the mention of the grant to the original applicant had been published in the Official Journal. The Board thus made it clear this act of the Office had had no legal effect. See points 2.5 and 2(b) of the reasons and the order, respectively. The factual position was not the same in J 39/92 (where the comment appears in identical terms): in this case there appear to have been no acts by the EPO or the parties which the Board needed to make clear were invalid. The remark therefore appears to have been an *obiter dictum*.

4.3 In the light of these facts, the present Board therefore considers that the above general statement cannot be taken as necessarily applying to the facts of

the present case. The mention of the grant in the Official Journal, which was the relevant act of the EPO in J 38/92, was undoubtedly a step in the proceedings for grant. It cannot be said with a similar level of certainty that the same is true of the registration of the transfer of the application.

4.4 Ferring relied on the decision in J 20/05. In that case, the issue was whether an applicant was entitled to file a divisional application at a time when proceedings for grant of the parent application had been stayed. Ferring pointed to the fact that the Board there held that the entitlement to file a divisional application was a procedural right that derived from the applicant's status as applicant under the earlier application, and thus it had to be examined whether the applicant was entitled to file the divisional application by virtue of being the applicant in the earlier parent application. The Board held that since the rights in respect of a divisional application could only be derived from the parent application, the disputed right of the applicant to file the parent application could not form a sufficient basis for a right to file a divisional application. Ferring argued, applying this reasoning, that when the request to record the transfer of the application was filed by Reprise, there was doubt about who was the person lawfully entitled.

4.5 While this decision could no doubt support Ferring's position, the Legal Board there made the point, citing J 2/01, that the entitlement to file a divisional application is a procedural right that derives from the applicant's status as applicant under the earlier application (point 2 of the reasons). The point was repeated in J 9/12, point 3 of the reasons. The present

Board cannot be confident that a right to have a transfer of an application registered following a request under Rule 22(1) EPC, which may be filed by any interested party, is such a procedural right. The Board therefore prefers to approach the question applying more general principles, as set out below.

5. *Stay of proceedings: the general principles.*

5.1 The purpose of Rule 14(1) EPC is to protect the third party's interests during entitlement proceedings, at least provisionally (J 7/96, OJ EPO 1999, 443, point 2.3 of the Reasons; J 15/06, Point 7 of the reasons; J 20/05, point 3 of the reasons).

5.2 Whether or not the recording of a transfer literally constitutes part of the "proceedings for grant" (and thus falls within the express wording of Rule 14(1) EPC), the decision in J 20/05 demonstrates that the effect of a stay under Rule 14(1) EPC is not limited to a stay of "proceedings for grant", understood literally: other acts may also be excluded by a stay if they are inconsistent with the objective of protecting the third party's rights. Rule 14 EPC 1973 can prevent, as *lex specialis*, other acts, e.g., as in J 20/05, the filing of a divisional application (see also G 1/09, OJ EPO 2011, 336, point 3.2.5 of the reasons, and J 9/12, points 3 and 5 of the reasons). In J 20/05 the filing of a divisional application was held to be excluded because of the need to protect the third party's rights in the parent application. The Board said:

"... the appellant's argument that it is not forbidden by Rule 13(1) EPC to file a divisional

application during suspension of the parent application proceedings cannot succeed.

Even if the filing of a divisional application during suspension of the parent application proceedings is not expressly excluded by Rule 13 EPC [1973], Rule 13 EPC is stated in general terms and it is consistent with its objective of protecting the third party claimant's rights that the filing of a divisional application during suspension should be prevented.

It would be inconsistent with and contrary to the fundamental objective of the provisions on suspension, on the one hand to suspend the parent application proceedings because of the national entitlement proceedings, but on the other to allow the filing of a divisional application by the applicant whose entitlement is challenged."

See point 3 of the reasons, and also J 9/12, point 5 of the reasons.

6. *Registration of transfer during a stay: the Board's conclusions*

6.1 The question is thus whether the registration of a transfer of an application is inconsistent with the fundamental objective of the suspension of the proceedings, which is to protect the third party claimant's rights in the application.

6.2 The core provision of the EPC so far as entitlement proceedings are concerned is Article 61(1) EPC, which provides various remedies if "by a final decision it is

adjudged that a person other than the applicant is entitled to the grant of the European patent". In this respect it seems to the Board that if the EPO is to be required to act on such a decision, it needs to be a decision which establishes that the third party rather than "the applicant" is entitled to the grant. The Board considers that "the applicant" here can only mean the person entered on the register as applicant. The Board considers that a decision establishing that the third party rather than the former applicant, or indeed some other person, was entitled to the grant would not be sufficient for this purpose. It seems to the Board that if Allergan was correctly registered as the applicant, it was indeed necessary for Ferring to bring proceedings against Allergan, with all the increased costs which that involved. There would then also be nothing to prevent the application being subsequently transferred and registered in the name of another applicant. It follows that if the registered applicant can be freely changed while proceedings for grant are stayed, the third party's attempts to obtain the remedies available under Article 61(1) EPC could be repeatedly frustrated.

- 6.3 The Legal Division originally took the view that following the registration of Allergan as applicant it was necessary for Ferring to bring proceedings against Allergan (see point II(c), above). In its decision, however, the Legal Division changed its view: "... it is not necessary to institute separate entitlement proceedings before a competent court against the now registered applicant after a transfer of the application has taken place from the then registered applicant to the actual registered applicant." (Point 4 of the reasons). However, the Division does not appear to have taken into account in this context the

significance of the reference to the "applicant" in Article 61(1) EPC. The statement was also in fact made by way of introduction to the point that the entitlement proceedings had been brought against the person who was at the time registered as applicant (Reprise) and this was sufficient to entitle Ferring to a stay of the grant proceedings. As to this point, the Legal Division was clearly correct.

6.4 Allergan argued that the Board's reading of Article 61(1) EPC is not correct: a final decision which establishes that Ferring is entitled to the grant will necessarily mean that no one else is entitled. It would in effect be a decision *in rem*. The Board disagrees with this argument. It would mean that a decision against a straw-defendant would oblige the EPO to implement the machinery of Article 61 EPC. It is not even necessary to go to such an extreme example; it is not difficult to imagine non-collusive national proceedings in which a judgement on entitlement was obtained against some person other than the applicant.

6.5 Allergan did not in fact argue in the alternative that a final decision obtained against a person who once was the applicant would, so far as the EPO is concerned in the application of Article 61(1) EPC, be binding against a transferee from this applicant and who had since been registered as applicant. The Board considers that Allergan was correct not to do so. The effect of a final decision on any successors in title to the applicant would be a matter of national law. Rather, Allergan argued that if a transfer of the application was registered during the national entitlement proceedings, or even after a final decision was obtained, the third party could simply institute fresh entitlement proceedings and obtain a decision against

that new applicant. It seems to the Board that this is the opposite of protecting the interests of the third party, given the expense and delay involved, and taking into account the fact that such proceedings would have to be brought in whatever was the appropriate jurisdiction according to the Protocol on Recognition. A similar point arose in J 20/05, where it was argued, in the context of a divisional application being filed during suspension of the parent grant proceedings, that a third party could simply bring entitlement proceedings in respect of such divisional application, and apply to stay grant proceedings on that divisional application. The Board said:

"It has to be noted that it is not possible for the claimant third party to apply to the EPO for an automatic and immediate suspension of the divisional application proceedings by way of an extension of the suspension of the parent application proceedings. On the contrary, in order to have the divisional application proceedings suspended the third party would first have to bring ("open") new national proceedings against the applicant in which it sought a judgment that it is entitled to the grant of a patent on the divisional application. The third party would then have to provide evidence that it had brought such proceedings and finally the matter would have to be decided by the EPO. All this would clearly put an additional heavy and undue burden on the third party and would be contrary to the objective of the suspension of the parent application proceedings, which is to protect its interests."

See also J 9/12, point 7 of the Reasons.

- 6.6 Allergan argued that it was important in the public interest that the register should reflect the true position so that, for example, if someone wished to acquire a licence in this case they would know that they should apply to Allergan and not Reprise. The Legal division also considered this informational role of the register to be an important factor. However, quite apart from the fact that anyone wishing to obtain a licence would presumably be re-directed by Reprise to Allergan, there is nothing to stop the filing, during the suspension of grant proceedings, of a request to transfer the application. The effect of a stay in the light of the Board's decision will simply be that no action will be taken on the request during the suspension. While the fact of the transfer may not be apparent from the register, it will be apparent from an inspection of the public file, as will the decision to stay the grant proceedings itself. The public will therefore be sufficiently informed.
- 6.7 The Board can accept that when it comes to implementing the mechanism of Rules 14 and 15 EPC it seems appropriate to consider the interests of the person who prima facie has the real interest in the application (here Allergan) rather than the interests of someone who prima facie no longer has any real interest in the application (here Reprise). However, for the reasons given below (point 8.4), the Board considers that on such a request it would be appropriate to consider all the relevant circumstances, including the fact that the application had been transferred to a party with commercial interests in pursuing the remedies under Article 61(1) EPC.
- 6.8 Hence, the Board concludes, on the one hand, that the registration of Allergan as applicant while the grant

proceedings were stayed failed to protect Ferring's legitimate interests under Article 61(1) EPC as a third party and, on the other, that there are no sufficient practical or procedural objections against the suspension of any action to be taken on the request to register the transfer while proceedings are suspended.

7. *Registration of transfer: referral of a question to the Enlarged Board of Appeal.*

7.1 In the light of the Board's conclusion that the registration of Allergan as applicant should be reversed, Allergan requested that a question be referred to the Enlarged Board of Appeal as follows:

"Can a transfer of a patent application be registered during a suspension of proceedings under Rule 14 EPC?"

7.2 Allergan argued that a point of law of fundamental importance within the meaning of Article 112(1) EPC arises. Whether or not this is the case, the Board sees no need to refer the question. The Board has been able to come to a conclusion applying what it considers to be the established principles. It is also not in any doubt about the result and is not aware of any legal view-points expressed either in national case law or in legal commentaries which might cast doubt on the conclusion reached (see J 5/81, OJ 1982, 155, point 11 of the reasons).

8. *The procedural consequence of reversal of registration*

8.1 The consequence of the Board's decision that the registration of Allergan as applicant must be reversed

now has to be considered. The Legal Division, having decided that Allergan had been correctly registered as applicant, went on to deal with the competing requests arising out of the suspension of the grant proceedings, in the end reaching a decision not to make any order in this respect. This second part of the decision was also the subject of both appeals. In its communication sent to the parties on 15 July 2013 in preparation for the oral proceedings, the Board pointed out that if the decision on registration was wrong it would mean that the wrong parties had been before the Legal Division and now the Board in these appeal proceedings.

8.2 Neither party filed any response to this observation. However, during the oral proceedings before the Board, and after the Board had announced its conclusion that the registration of Allergan as applicant had to be reversed, Allergan for the first time advanced a submission that the appeal proceedings could then and there be continued because even though Allergan was now known not to be the applicant, it was entitled under Rule 14(3) EPC as an interested party to request continuation of the grant proceedings. As to the absence of Reprise from the proceedings, Allergan's representatives said that they also represented Reprise, so that there was no obstacle to the appeal being continued on this basis.

8.3 As to this point, the Board makes the following observations:

(a) The essential purpose of appeal proceedings is to decide whether the decision under appeal was correct. In the present case the essential issues decided by the Legal Division and the issues which then became the subject matter in the appeal proceedings were whether

the registration of Allergan as applicant should be reversed, and whether the grant proceedings should be resumed on the request of the applicant and, if so, when. Whether grant proceedings should be resumed on the application of another party, being the transferee of the application, was never an issue in the first instance proceedings. Nor until the afternoon of the oral proceedings before the Board was it raised in the appeal proceedings.

(b) In reality, Allergan's argument amounted to a request for the Board to exercise its discretion to allow Allergan to amend its case at a very late stage of the appeal proceedings by reconstituting the entire proceedings and continuing with the appeal on that basis (see Articles 13(1) and (3) of the Rules of Procedure of the Boards of Appeal).

(c) This request was a response to a state of affairs that had been a clear possibility for over three years, namely from 3 August 2011, the date when Ferring first filed its request to reverse the registration of Allergan as applicant (see point II(e), above). However, Allergan at no time took any steps to guard against this possibility by filing auxiliary requests on behalf of Reprise in the proceedings before the Legal Division or in the appeal proceedings. That it is open to a party to guard against such procedural uncertainties is demonstrated by G 2/04 (OJ EPO, 549):

"... it is an accepted principle in proceedings before the EPO that a party may file auxiliary requests. When used appropriately, such requests do not impede the course of proceedings. Rather, they make clear at an early stage what the fallback positions of a party are and give the

adversary and the deciding body the opportunity to be prepared as soon as the respective request becomes relevant. This is the case when the preceding preferred request turns out not to be allowed by the deciding body." (Point 3.2 of the Reasons)

"If, when filing an appeal, there is a justifiable legal uncertainty as to how the law is to be interpreted in respect of the question of who the correct party to the proceedings is, it is legitimate that the appeal is filed in the name of the person whom the person acting considers, according to his interpretation, to be the correct party, and at the same time, as an auxiliary request, in the name of a different person who might, according to another possible interpretation, also be considered the correct party to the proceedings." (Point II of the Order)

(d) The Board would not wish to allow purely formal procedural requirements to get in the way of dealing with the substantive issues. However, the correct constitution of proceedings is not a matter of pure formality. It is important that the correct persons are parties to the proceedings so that they are bound by the decision as a matter of *res judicata* and can, for example, if appropriate, be made the subject of an order to pay costs. Even though Allergan's representatives stated that they had power of attorney to act also on behalf of Reprise, no formal application in the name of Reprise to join the proceedings was made. In T 1178/04 (OJ EPO 2008, 80) the decision was reached that the wrong parties were present in the appeal proceedings (a transfer of the opposition status was held by the Board to have been invalid), with the

result that the Board felt compelled to remit the case (point 46 of the reasons). In T 1982/09, the factual situation was similar in that the Board decided that the opponent status had not been validly transferred but the Board nevertheless felt able to continue the appeal proceedings. But there the representative had reacted appropriately at an earlier stage of the appeal proceedings to this possibility and both parties wanted the Board to go on and decide the substantive issues. The correct opponent was "deemed to have acquired the appellant status" from the wrong opponent as a consequence of the Board having decided that the opponent status was not validly transferred (point 2.2 of the reasons). That is not the position here.

(e) All these considerations point away from allowing Allergan's request.

8.4 The Board is in any event not convinced by the central plank of the Allergan's argument based on the construction of Rule 14(3) EPC. This states:

"Upon staying the proceedings for grant, or thereafter, the European Patent Office may set a date on which it intends to resume the proceedings for grant, regardless of the stage reached in the national proceedings instituted under paragraph 1. It shall communicate this date to the third party, the applicant and any other party. ..."

Allergan argues that since this rule refers to "the third party, the applicant and any other party" ("*Beteiligte*" in the German version of the rule), it must mean that any person may apply for a resumption of the grant proceedings. As to this, the opening wording of the rule ("Upon staying the

proceedings for grant, or thereafter, the European Patent Office may set a date on which it intends to resume the proceedings for grant...") is in fact perfectly general, and indeed appears to contemplate that the EPO may act on its motion (as happened in T 146/82 (OJ EPO 1985, 267)). The Board is not sure who is intended by the reference to "any other party" (see also the reference to "the applicant and any other party" in Rule 14(2) EPC). In this the Board was not helped by the fact that Allergan's submission came out of the blue. But it is not necessary to reach any conclusion because it does not follow from this statement about the parties who must be informed about the date of resumption of the grant proceedings that any person has the right to apply for such resumption, and certainly not in the absence of the applicant as party. It also does not mean, as Allergan argued, that the interests of a party such as Allergan (a contractual transferee of the application) will never be taken into account when considering whether to resume grant proceedings: the Board sees no reason why it should not be relevant for the EPO to take such interests into account if it becomes appropriate to weigh up the various interests. (In this respect it should be noted that Ferring reserved the right to argue that it is *never* appropriate to weigh up the competing interests).

- 8.5 For all of these reasons, therefore, and even on the assumption that Allergan's amendment to its case were to be admitted (see point 8.3(b), above), the Board refused to continue the appeal proceedings with the hearing of Allergan's request, as a "third party", for immediate resumption of the grant proceedings.

9. *Referral of further questions to the Enlarged Board*

9.1 In reaction to the Board's indication that it did not intend to continue with the appeal proceedings by hearing Allergan's request to resume the grant proceedings, Allergan filed a request to refer two further questions to the Enlarged Board of Appeal, as follows:

"Can a party other than the applicant (Beteiligter) make a rule 14(3) request?

If the answer to question 2 is no, then if a patent application is transferred during stay of proceedings for grant how are the interests of a good faith recipient of the patent application to be heard by the EPO?"

9.2 It was said that answers to these questions were needed because a point of law of fundamental importance arose. As to the first question, the issue has arisen not only in the context of the exercise by the Board of its discretion as to the handling of the appeal proceedings but also in the particular and unusual circumstances of the case. As already pointed out, these have arisen partly because the precautionary step of filing auxiliary requests in the name of Reprise was never taken. The Board does not need the answer to such a question in order to deal with this procedural situation. The same answer can be given in relation to the second question which Allergan asks to be referred, which essentially is a rhetorical question in support of its argument on the first question. As stated above (point 8.4, at the end), the refusal to register a transferee as applicant while the proceedings are stayed does not mean that the economic interests of the

transferee cannot be taken into account. It is also no undue burden for the transferor to make the transferee's interests heard while the grant proceedings are stayed. The Board would also point out that (a) it is not the purpose of a reference under Article 112(1) EPC for the Enlarged Board to give answers to open procedural questions framed in this way and (b) the question is in any event hypothetical since the status of Allergan as "a good faith recipient of the patent application" (whatever this may mean) is not established and is clearly a matter of dispute so far as Ferring is concerned.

Order

For these reasons it is decided that:

For the above reasons it is decided that:

1. The decision under appeal (cf. point 4 of the decision dated 25 May 2012) is set aside.
2. The registration of Allergan as applicant is ordered to be reversed.
3. The appeal of Allergan is dismissed.
4. Allergan's requests to refer three questions to the Enlarged Board of Appeal are refused.

The Registrar:

The Chairman:



C. Eickhoff

K. Garnett

Decision electronically authenticated