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**Datasheet for the decision
of 23 July 2013**

Case Number: J 0006/13 - 3.1.01

Application Number: 09729936.6

Publication Number: 2276490

IPC: A61K 31/505

Language of the proceedings: EN

Title of invention:

Novel (pyrroloquinoxaliny) pyrazinecarbohydrazide-oxalic acid
co-crystal for treatment of cancer and other diseases

Applicant:

Novelix Pharmaceuticals, Inc.

Headword:

Retraction of withdrawal (no)/NOVELIX PHARMACEUTICALS

Relevant legal provisions:

EPC Art. 127
EPC R. 139

Keyword:

"Withdrawal"
"File inspection"
"Register"
"Legal certainty"

Decisions cited:

J 0012/03, J 0018/10, J 0019/03, J 0025/03

Catchword:

In the interest of legal certainty for third parties, and
taking into account the public function of the register, a
third party upon file inspection must have had good reason to
suspect that the withdrawal was made in error in order to
allow a retraction thereof.



Case Number: J 0006/13 - 3.1.01

D E C I S I O N
of the Legal Board of Appeal 3.1.01
of 23 July 2013

Appellant: Novelix Pharmaceuticals, Inc.
8008 Girard Avenue Suite 330
La Jolla CA 92037 (US)

Representative: Jewell, Catherine Mary
Dehns
St Bride's House
10 Salisbury Square
London EC4Y 8JD (GB)

Decision under appeal: Decision of the Examining Division of the
European Patent Office dated 16 August 2012.

Composition of the Board:

Chairwoman: B. Günzel
Members: C. Heath
T. Bokor

Summary of Facts and Submissions

- I. European patent application No. 09729936.6 by Novelix Pharmaceuticals Inc. was filed as a PCT application on 8 April 2009, and entry into the European phase was requested on 5 November 2010. In the extended search report communicated to the applicant on 30 April 2011, it was stated that the invention seemed to meet the requirements of the EPC and that upon a request for examination, a communication under Rule 71(3) EPC could be issued.
- II. On 27 July 2011, the European representative indicated that the applicant wished to proceed with the application.
- III. On 9 November 2011, the European representative communicated to the Office that " I hereby withdraw the above European patent application and request at least a partial refund of the examination fee...".
- IV. The Office carried out the above instructions and sent a confirmation of the withdrawal to the European representative on 18 November 2011. On the same day, the withdrawal was published in the European register. On 30 November, the representative was informed that 75% of the examination fee would be refunded, and on 21 December 2011, the withdrawal was published in the European Bulletin.
- V. With letter dated 9 March 2012, a request for correction of the withdrawal of the application under Rule 139 EPC was received. The representative stated that the previous letter was sent in error, as the

- applicant at no time intended to withdraw the application. Instructions by the applicant to the representative had simply been not to incur any further costs at that point in time.
- VI. On 16 August 2012, the examining division issued a decision refusing the request for correction. The decision pointed out that the withdrawal had been communicated to the public by way of the register, and even after possible inspection of the complete file a third party could not have suspected that the withdrawal was erroneous.
- VII. On 23 October 2012, the applicant filed an appeal against this decision, paid the corresponding appeal fee on the same day, and on 21 December 2012 submitted the grounds of appeal.
- VIII. With its appeal, the appellant requested the impugned decision to be set aside and the application to be restored.
- IX. The appellant argued that although clear and unambiguous, the withdrawal was erroneous and had not been intended. There was every reason to believe that a person reading the complete file of the present application would have had a strong suspicion that the withdrawal of the present application was made in error. The reason for this was "that the IPER was extremely favourable in that all the claims were considered to be novel, inventive and industrially applicable. [A person inspecting the file] would see that the supplementary European Search Report cited no additional documents and that the Search Report explicitly acknowledged that

the application meets the requirements of the EPC", that the "letter of 25 July 2011 confirm[ed] that the Applicant wished to proceed with the application", and that it would be "unlikely for the application to be abandoned for financial reasons". As a result, "even the publication of withdrawal of this case would not be enough for third parties to be certain that the application was validly and irrevocably withdrawn."

- X. In a communication by the Board, the applicant's attention was drawn to decisions **J 12/03** of 26 September 2005 and **J 18/10** of 2 December 2011 according to which a variety of reasons could be conceived for the withdrawal of even a promising-looking application.
- XI. In its reply dated 13 June 2013, the applicant pointed out that it should be carefully examined whether a third party after inspecting the complete file would have had any reason to suspect that the withdrawal could be erroneous, and that for the current case, this was indeed highly probable. Particular attention should be paid to the positive state of the file, a fact that distinguished this case from previous ones.
- XII. During oral proceedings held on 23 July 2013, the discussion focussed on the proper interpretation of decisions **J 12/03** and **J 18/10**. The appellant argued that these cases could be distinguished from the current case. According to the facts of **J 18/10**, the applicant still had to overcome outstanding objections prior to grant, while the applicant's position here was much more favourable. In addition, according to points 10 and 11 of the reasons in decision **J 12/03**, the test

should be whether a third party would have *any* reason to suspect that the withdrawal might be erroneous.

The Board addressed the issue of whether the representative had suspected that his instructions to withdraw the application were based on error, and questioned the representative on the issue of legal certainty. After all, putting so much reliance on a party's true und unknown intentions could seriously undermine the function of the public register according to Art. 127 EPC.

The representative confirmed that at the time when he made the withdrawal, he personally had no reason to suspect that the instructions for withdrawal were made in error.

He further pointed out that a third party being faced with a case like this in order to be on the safe side should wait for further indications as to whether the withdrawal was indeed made with full intention, e.g. by failure to pay further annuities. Legal certainty in this case would have to be balanced with giving due consideration to the true intentions of the party.

The applicant reiterated its request that the decision under appeal be set aside and that the European application be restored.

At the end of the oral proceedings, the chairwoman announced the decision of the Board.

Reasons for the decision

1. The appeal is admissible.
2. It is undisputed that the applicant's letter of 9 November 2011 was an unambiguous withdrawal of the application.
3. According to decision **J 19/03** of 11 March 2005, point 5 of the reasons,

" [T]he jurisprudence of the Boards of Appeal took as a starting point that, as a general rule, an applicant is bound by its procedural acts notified to the EPO provided that the procedural statement was unambiguous and unconditional (cf. J 11/87, OJ EPO 1988, 367, points 3.3 and 3.6 of the reasons; J 27/94, OJ EPO 1995, 831, point 8 of the reasons) and is not allowed to reverse these acts so that they can be considered as never filed (J 10/87, OJ 1989, 323, point 12 of the reasons; J 4/97 of 9 July 1997, point 2 of the reasons).

On the other hand, the Boards of Appeal considered that Rule 88 EPC acknowledges as a further legal value the desirability of having regard to true as opposed to ostensible party intentions in legal proceedings (T 824/00, OJ EPO 2004, 5, point 6 of the reasons) in appropriate circumstances."

4. For the particular position of requesting the retraction of a withdrawal after publication in the patent register, decision **J 12/03**, point 7 of the reasons, sets out

"that a request for retraction of a letter of withdrawal of a patent application is no longer possible if the withdrawal has been mentioned in the European Register of Patents at the time the retraction is applied for if, in the circumstances of the case, even after a file inspection there would not have been any reason for a third party to suspect, at the time of the official notification to the public, that the withdrawal could be erroneous and later retracted" (citing with approval decision J 25/03)."

While the applicant has argued that any reason for doubt would suffice the above conditions, the Board disagrees. On a proper reading of the above sentence, the words "not...any reason" cannot be construed to mean that the Board was of the view that in the absence of "not any reason", just any reason would do. The cited sentence first of all means that there can be no retraction of a withdrawal if there is no reason for third parties to assume that the withdrawal was erroneous. That was the situation the Board was faced with in decision **J 12/03**. Yet, the cited sentence does not allow an interpretation whereby any reason whatsoever, serious or not, would be sufficient for a retraction of the withdrawal. As will be set out below, the Board holds that in the interest of legal certainty for third parties, and taking into account the public function of the register, a third party upon file inspection must have had good reason to suspect that the withdrawal was made in error in order to allow a retraction thereof.

5. The Board must thus determine whether in the current case, such good reason was present. According to the appellant, the extremely favourable position of the application and the prospect of a communication under Rule 71(3) EPC was such a good reason.

6. In this respect, there are two decisions dealing with the erroneous withdrawal of a promising-looking application.

In **J12/03**, the applicant immediately prior to withdrawing the application had paid the annuities. The Board found this an insufficient reason for doubting the applicant's intentions, as

"a decision to give up an application despite recent payment of a renewal fee is not illogical or unrealistic. The decision to abandon the application can be influenced by many different circumstances. It can e.g. have become necessary to avoid conflicts with other competitors."
(point 9 of the reasons)

In the second decision, **J 18/10**, the supplementary search report for the application was extremely favourable, and the EPO had written a letter to the applicant requesting to confirm whether the applicant wished to proceed. Thereupon, the applicant had withdrawn the application. Also in this case (point 4 of the reasons),

" ...the appellant argued that a third party inspecting the file after the withdrawal would have suspected that the withdrawal was made in

error, in view of the positive elements present in the file and the normal expectation that the examination would terminate with the grant of a patent.

The Board cannot follow that line of argument. Even in a case of the application being in a very favourable position in examination proceedings, it remains possible and consistent that, for other reasons, the applicant decides not to proceed further with its application. It is also possible that the applicant is interested in having its application withdrawn immediately instead of having it simply deemed to be withdrawn later."

The appellant in response essentially argued that in neither of the two cited cases did the application look as promising as in the current case where the contradiction between the state of the file and the withdrawal was so striking that a third party should have noticed.

7. It may very well be that in the current case, the application most likely would have proceeded to grant. Yet the question is whether this really matters in determining whether third parties would have perceived a withdrawal as being erroneous. Based on the two decisions **J 12/03** and **J 18/10**, the Board takes the view that the prospects of the application, however promising, are insufficient to infer an obvious or even potential contradiction with a subsequent withdrawal. Patent applications may be withdrawn due to considerations of business strategy, investor preference, shift in portfolios, agreements with

competitors, etc. Due to financial considerations, most granted European patents are validated only in a limited number of countries. This is due not to contradictory behaviour or oversight, but to business strategy and optimal allocation of limited resources. These considerations may come into play at any time, even after the recent payment of annuities, or after the communication of a positive search report. The favourable prospects of the application in this case would thus not lead a third party to the conclusion that the withdrawal was possibly made in error. They did not lead the representative who handled the case and who communicated the withdrawal to this conclusion, either.

8. If the Board were to adopt the appellant's approach that *any* reason to suspect an error should lead a third party to the conclusion that the withdrawal was unintentional and that a correction might be requested, the public function of the register under Art. 127 EPC and the purpose of the file being public after publication of the application would be seriously compromised. Competitors, instead of relying on the register and the contents of the file for their decisions how to pursue or not to pursue certain strategies would have to engage in a guessing game of what the true intentions of the applicant might be. If no good reason for suspecting an error was required, competitors would have to scrutinise the whole file in order to detect any possible contradiction without actually being able to verify whether any kind of potentially inconsistent behaviour was based on error or not. In other words, legal certainty would unacceptably suffer, a result that cannot be reconciled

with current case law, e.g. decision **J 25/03** of 27
April 2005, point 11 of the reasons.

Order

For these reasons, it is decided that:

The appeal is dismissed.

The Registrar:

The Chairwoman:

C. Eickhoff

B. Günzel