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D E C I S I O N
of 17 February 1994

Case Number: J 0007/92 - 3.1.1

Application Number: 87902816.5

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Language of the proceedings: EN

Title of invention:
Display Rack

Applicant:
Johansson, Gert A.

Opponent:
-

Headword:
Restitutio in integrum/JOHANSSON

Relevant legal norms:
EPC Art. 86(2)(3), 122(2)
EPC R. 69(1)(2)

Keyword:
"Re-establishment of rights (one-year time limit - good faith)"

Decisions cited:
J 0012/84, J0002/87, T 0191/82, G 0001/90, T 0014/89

Catchword:
-



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Boards of Appeal

Chambres de recours

Case Number: J 0007/92 - 3.1.1

D E C I S I O N
of the Legal Board of Appeal 3.1.1
of 17 February 1994

Appellant: Johansson, Gert Arne
Engelbrektsgatan 57
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Representative: Lettström, Richard Wilhelm
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Decision under appeal: **Decision of the Formalities Officer of the
European Patent Office dated 15 October 1991
rejecting the request for re-establishment of
rights.**

Composition of the Board:

Chairman: R.L.J. Schulte
Members: J.-C.M. de Preter
J.-P.B. Seitz

Summary of Facts and Submissions

- I. European PCT application No. 87 902 816.5 was filed on 8 April 1987 claiming one priority of 21 April 1986. The third renewal fee thus fell due on 30 April 1989.
- II. By a communication dated 6 June 1990 the Applicant's Representative was informed, pursuant to Rule 69(1) EPC, that the application was deemed to be withdrawn for non-payment of the third renewal fee.
- III. In a letter dated 8 June 1990 the Representative requested re-establishment of rights and paid the appropriate fee together with the renewal fee and the additional fee. In further letters of 11 June and 9 July 1990 the Representative explained that their routine concerning payment of the renewal fees relied, as a last/ultimate signal, on the issue of Form 2522 as they had been reassured by an EPO employee on 17 June 1987 that the reminder is always issued. As the reminder had not been issued, this meant that the last check did not work.
- IV. In a letter dated 24 August 1990 the Office confirmed the omission to send a reminder stressing, however, that this is only a voluntary service offered to applicants. It was further explained that the request for re-establishment of rights was in principle inadmissible in view of the one-year period of Article 122(2) EPC. The Representative was invited to supply within two months any further facts as to how the mistake took place.
- V. In his reply of 5 October 1990 the Representative stated that, to monitor terms for payment of various fees, all terms falling due within a specific month were listed in a file covering the relevant month and that to initiate

the monitoring of renewal fees a note was made after the official filing of the application. He also stated that a payment made one year caused a note to be entered into the monitoring file for the corresponding month of the following year. He stressed that an integral part of the monitoring routine was based on his confidence that the EPO would issue a communication in case of non-payment at the due date. As to the circumstances that led to the omission of the payment, it was submitted that the assistant in charge of the monitoring and payment of renewal fees, due to serious health problems, was on sick leave from March to July 1988, again from June 1989 to January 1990 and finally on maternity leave until 1 October 1990. When the assistant returned to the office after the summer holidays in 1988, there was a lot of work which had accumulated during her time off from the office so that, under the influence of the human factor the filing of the EPC application on 1 September 1988 passed unnoticed and the due date for payment of the third renewal fee was not entered into the monitoring file.

VI. By a decision dated 15 October 1990 the Formalities Officer rejected the request for re-establishment of rights as inadmissible as it had been filed after the expiry on 30 April 1990 of the one-year period provided in Article 122(2) EPC.

It was further stated that, even if the request had been admissible, it could not have been allowed. On the one hand, in particular under the circumstances set out by the Representative, a careful person had to provide for a replacement or at least had to ensure the follow-up of the absent person's work. On the other hand, it was in principle contrary to due care to rely exclusively on the Office's practice of issuing a warning when the renewal fee is not paid on the due date.

VII. On 6 December 1991 the Applicant's Representative filed a notice of appeal against this decision, paying the appeal fee on 10 December 1991. The Statement of Grounds of Appeal was filed on 12 February 1992.

The arguments put forward may be summed up as follows:

As to the omission to send Form 2522, the reference by the EPO to a voluntary service was in contradiction to the previously given information by another EPO officer. In that respect good faith should prevail (cf. Decision J 2/87). Furthermore, it is natural that routines like the issuance of a communication in case of non-payment of an annual fee in due time, which are sent out at national offices, e.g. at the Swedish Patent Office, should be taken for granted at the EPO if no comment to the contrary is stated in the EPC. In other cases (cf. T 14/89) a communication is indeed issued by the EPO to warn an applicant of a deficiency. The EPO may not inform an applicant in selected cases that a renewal fee with surcharge should be paid and, when such a communication is not issued, the surcharge is without meaning, the applicant not being aware of his opportunity to use the extra term of six months (cf. T 191/92). Furthermore, the communication on Form 2524 should have been issued by the EPO directly after the expiration of the period provided in Article 86(2) EPC (cf. T 14/89); in the present case the EPO waited over seven months.

As for due care, it is not correct that the Representative's office relied exclusively on the EPO practice; the EPO communication was only an additional means for monitoring and the system used in the Representative's office to survey payment of fees had proved to be fully adequate over the years. The case in suit was an isolated incident.

- VIII. In his communication of 11 March 1993 the Rapporteur expressed his provisional view that the request for re-establishment of rights would seem inadmissible and, auxiliarily, that it would seem not to be allowable.
- IX. In his response of 17 June 1993 the Representative attached a statement made by one of the agency's oldest and biggest clients and a statement made by the Applicant, both concerning their good experience with the Representative's office over many years.
- X. In the Representative's letter of 13 October 1993 the request for oral proceedings, which were scheduled for 26 October 1993, was no longer maintained, so they were cancelled. In this letter it was stressed that the EPO was at fault in the handling of the notification on Form 2524, while it is incumbent on the EPO to ensure that an applicant has the opportunity to use the *restitutio in integrum* procedure when a mistake is made: the issuing of a notification is the only practical way of drawing attention to a loss of rights. This is recognised by the fact that it is a requirement in Rule 69(1) EPC that a notification is sent out and it is implicit in Rule 69(2) EPC that the purpose of such a notification is to give the Applicant a chance to take remedial action for which a term of two months is given. Therefore, the EPO should send a notification concerning a lapse due to non-payment of a renewal fee at least two months before the one year term specified in Article 122(2) EPC expires.

Reasons for the Decision

1. The appeal is admissible.

2. Although it is the customary practice of the EPO to send renewal fee reminders, it is in no way compelled to issue such communications. By communicating such information, the EPO provides only a voluntary service from which no rights can be derived. Thus, as held in J 12/84 (OJ EPO 1985, 108) the Applicant must ensure that renewal fees for European patent applications are paid in time irrespective of whether a letter from the EPO has been sent after the expiry of the time limit for payment of an annual fee, drawing attention to the fact that the fee may still be paid with an additional fee under Article 86(2) EPC.

Even if - as stated by the Representative - an EPO officer had told him on 17 June 1987 in another case that such communications were always sent, as a professional representative, he was not permitted to take this non-obligatory routine for granted nor to rely on a national practice and should have realised that an accidental omission (which has nothing to do with selections) could occur without any right for the Applicant to invoke the omission. Thus, the information given by the said officer cannot be reasonably deemed to be misleading. In contrast, the decision J 2/87, OJ EPO 1988, 330, concerns a quite different case where a misleading communication was sent to the Applicant.

Contrary to the allegations of the Appellant, the obligation to pay the additional fee provided for in Article 86(2) EPC applies irrespective of whether or not any prior notification of the non-payment has been given. The reference made by the Appellant to Decision T 191/82 (OJ EPO 1985, 189) is also irrelevant as it merely relates to the question of the removal of the cause of non-compliance.

3. Contrary to the Appellant's submission, the purpose of a notification under Rule 69(1) EPC is not to give an applicant a chance to take at least remedial action by way of a request for re-establishment of rights. As stated by the Enlarged Board in its opinion G 1/90 (OJ EPO 1991, 275), when, according to the EPC the European patent application shall be deemed to be withdrawn, the applicant must be "informed" of the loss of rights (Rule 69(1) EPC). According to Rule 69(2) EPC he may then, within two months of notification of the communication, apply for a decision "if he considers that the finding of the EPO is inaccurate".

It is true that such communication may also remove the cause of non-compliance within the time limit and thus give the applicant a last opportunity for the re-establishment of his rights, provided however that the one-year time limit specified in the third sentence of Article 122(2) EPC, that runs irrespective of whether the persons concerned are aware of its non-observation, has not expired. The risk of that expiry is all the higher as, according to the last sentence of Article 122(2) EPC, in the case of non-payment of a renewal fee, the period specified in Article 86(2) EPC has to be deducted from the one-year period.

Although it would then be preferable for the EPO to issue a communication under Rule 69(1) EPC quickly, it cannot be blamed for having done so in the present case over seven months after expiry of the period of grace. The Convention does not provide that the EPO should note the loss of rights mentioned in Rule 69(1) EPC within a certain period. Nor does it provide any period of time for the ensuing communication. The EPO cannot be required to keep a permanent and close eye on every file so as always to act as quickly as possible in order to preserve all the applicant's rights.

However, when the EPO has to handle incoming requests or documents containing clear deficiencies which are obviously easy to correct and can be expected to be remedied within the time limit to avoid a loss of rights, then the question may arise whether - depending on the case - the principles of good faith governing the relations between the parties and the EPO do not demand that the EPO should not fail to draw attention to such deficiencies (cf. Decision T 14/89, OJ EPO 1990, 432 relating to a case in which an unrepresented patent proprietor filed a request for re-establishment of rights at a very early stage in the two-month period laid down in Article 122(2) EPC without *inter alia* payment of the due fee).

4. Even if the request for re-establishment were admissible, it would not have been allowable. The long and repeated absences from work of the Representative's assistant due to medical problems do not in fact appear to be the cause of the error, as she was present at the time of the entry into the European regional phase (1 September 1988) when, according to the routine practice of the office, a note concerning the due date for payment of the third renewal fee had to be entered in the monitoring file. Moreover, the system adopted in the Representative's office meant that once no initial note was put in the monitoring file after the official filing of the application, there was no further check to ascertain whether a possible omission had occurred nor to show that the next annual fee was due to be paid. This means that only a communication of the EPO could remind the Representative of the non-payment of an annual fee. The initial note in the monitoring file being the basis of the whole system, at least a note confirming that this had been done should have been put in the main handling file, allowing anyone taking up this file to discover the absence of the important basic

note and avoiding, as in the present case, the situation where nobody could notice that the said note concerning the relevant due date had been missing for more than one and a half years until the communication under Rule 69(1) EPC was received. Thus, all due care required by Article 122(1) EPC has not been taken.

Order

For these reasons, it is decided that:

The appeal is dismissed.

The Registrar:

The Chairman:

M. Beer

R. Schulte