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Aktenzeichen

File Number

Numéro du dossier

J 32 195 - 311

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Anmeldung Nr. / Patent Nr.:

(soweit nicht aus der Anlage
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Application No. / Patent No.:

922002203

(if not apparent from enclosure)

Demande n / Brevet n :

(si le n n'apparaît pas sur l'annexe)



Europäisches Patentamt	European Patent Office	Office européen des brevets
Beschwerdekammern	Boards of Appeal	Chambres de recours

Case Number: J 0032/95 - 3.1.1

D E C I S I O N
of 25 October 1999 correcting errors in the decision
of the Legal Board of Appeal 3.1.1
of 24 March 1999

Appellant: General Motors Corporation
General Motors Building
3044 West Grand Boulevard
Detroit
Michigan 48202 (US)

Representative: Manitz, Finsterwald & Partner
Postfach 22 16 11
80506 München (DE)

Decision under appeal: Decision of the Examining Division of the
European Patent Office on rectification
(Art. 109(1) EPC) dated 21 July 1995 concerning
European patent application No. 92 200 280.3.

Composition of the Board:

Chairman: J.-C. Saisset
Members: M. B. Günzel
R. E. Teschemacher

In application of Rule 89 EPC the decision given on 24 March 1999 is hereby corrected as follows:

On page 6, line 26 the term ", second sentence," is deleted.

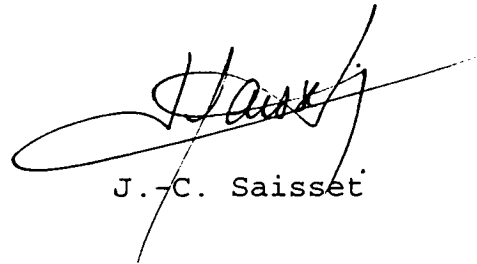
On page 20, line 12 the citation "VI.17.3.1" is replaced by "VI.C.3.1".

The Registrar:



M. Beer

The Chairman:



J.-C. Saisset

Internal distribution code:

- (A) Publication in OJ
(B) To Chairmen and Members
(C) To Chairmen

D E C I S I O N
of 24 March 1999

Case Number: J 0032/95 - 3.1.1

Application Number: 92200280.3

Publication Number: 0503691

IPC: F16H 61/06

Language of the proceedings: EN

Title of invention:

Control apparatus for regulating engagement of a fluid operated torque transmitting device

Applicant:

General Motors Corporation

Opponent:

-

Headword:

Power of Examining Division to refuse reimbursement of appeal fee/GENERAL MOTORS

Relevant legal provisions:

EPC Art. 106(4), 109, 113(1)
EPC R. 51(3), 67

Keyword:

"Object of appeal - interlocutory revision - power of Examining Division to refuse reimbursement of appeal fee - no - substantial procedural violation"

Decisions cited:

G 0005/83, J 0007/83, J 0022/95, T 0156/84, T 0234/86,
T 0139/87, T 0047/90, T 0893/90, T 0079/91, T 0691/91,
T 0908/91, T 0219/93, T 0919/95, T 0939/95, T 0802/97

Headnote:

1. Under Rule 67 EPC, in the event of interlocutory revision, the department whose decision has been impugned does not have the power to refuse a requested reimbursement of the appeal fee.
2. Such power lies with the board of appeal.
3. If the department whose decision is contested considers the requirements of Article 109 EPC for interlocutory revision as being fulfilled, but not the requirements of Rule 67 EPC for reimbursement of the appeal fee, it shall rectify its decision and remit the request for reimbursement of the appeal fee to the board of appeal for a decision.



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Beschwerdekammern

Boards of Appeal

Chambres de recours

Case Number: J 0032/95 - 3.1.1

D E C I S I O N
of the Legal Board of Appeal 3.1.1
of 24 March 1999

Appellant: General Motors Corporation
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Detroit
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Representative: Manitz, Finsterwald & Partner
Postfach 22 16 11
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Decision under appeal: Decision of the Examining Division of the
European Patent Office on rectification
(Art. 109(1) EPC) dated 21 July 1995 concerning
European patent application No. 92 200 280.3.

Composition of the Board:

Chairman: J.-C. Saisset
Members: M. B. Günzel
R. E. Teschemacher

Summary of Facts and Submissions

I. European patent application No. 92 200 280.3 contained seven claims. In a first communication the Examining Division objected to all the claims, stating that they contravened Article 84 and were not novel in relation to document D1. In response, the applicant filed amended claims and description. Amended claim 1 was basically a combination of features taken from previous claims 1, 2, 4 and 5.

In a second communication, the Examining Division stated that amended claim 1 was still not novel in relation to D1. Moreover, all the claims of the application as amended, i.e. claims 1 to 5, did not involve an inventive step when compared with D2 in combination with D1. The Examining Division further explained what in its view were the essential features of the applicant's invention and pointed out that these were not obvious. It also suggested how claim 1 could be amended in order to overcome the objections raised.

In response, the applicant again filed amended claims which according to the applicant had been partly amended as requested by the Examining Division. For the rest, the applicant explained why it disagreed with the Examining Division.

II. On 25 January 1995 the first examiner had a telephone conversation with the representative of the applicant. In the written "Result of consultation", sent to the applicant on 2 February 1995, the representative was stated to have been informed that one newly introduced feature contravened Articles 123(2) and 84 EPC. Moreover, the objections raised in the second communication against the novelty of claim 1 had not been overcome by the amended claim filed and thus were

still valid. The objection that claim 1 did not involve an inventive step in view of D2 in combination with D1 was also said to have been upheld. Additionally, D3 was said to be cited in this context. It was furthermore stated that the representative had refused the examiner's proposal of an interview or oral proceedings and that he was not ready to amend the claims. The representative was further said to have been informed that the application was to be refused.

III. In a decision dated 2 March 1995, the Examining Division refused the application. The refusal was based on the violation of Article 123(2) EPC by the feature introduced, lack of novelty of claim 1 compared with D1, lack of inventive step of claim 1 compared with D2 in combination with D3, and lack of novelty of dependant claims 2 to 5 compared with D1, D2 and/or D3.

On 8 April 1995, the appellant appealed against this decision. It again submitted amended claims requesting that the refusal of the application be rejected, because the findings of the Examining Division in its decision were incorrect, and that a patent be granted for the application. It further requested a refund of the appeal fee because there had been a substantial procedural violation by the Examining Division.

In the appellant's view the procedural violations consisted of the following:

Instead of covering all objections in its first communication as prescribed by the Guidelines for Examination C-VI 3.3, the Examining Division had raised its objections in a piecemeal and confusing way. As regards the telephone consultation by the first examiner, the representative had no recollection of an interview or oral proceedings being offered by the examiner. The representative had considered the

objections raised by the examiner to be so substantive in nature that to try to deal with them by telephone was inappropriate and unacceptable. The objections were such as to require the representative to consult the applicants. A further written communication was much more appropriate. The Guidelines for Examination clearly stated in C-VI 4.3 that telephone calls were only meant to inform the applicant of an impending refusal or to resolve minor issues. Thus the Examining Division had breached Article 113(1) EPC. Moreover, some of the issues raised by the applicant had not been dealt with at all by the Examining Division before issuing a decision to refuse.

- IV. With a decision on rectification dated 21 July 1995, the Examining Division granted interlocutory revision. It further decided that the appellant's request for reimbursement of the appeal fee was not granted. The reason given was that the decision to rectify the decision refusing the patent application had been taken because the appellant had submitted amendments to claim 1.
- V. On 11 September 1995, an appeal was filed against the "decision on rectification". The appellant requested reimbursement of the fee paid for its first appeal, because the Examining Division had committed a procedural violation, as set out in the grounds for the appellant's first appeal. Because the Examining Division had made yet another procedural violation in the way it had treated the appellant's first appeal and the requests filed with this appeal, the appellant also requested reimbursement of the fee for the present appeal.

In the appellant's view, this procedural violation consisted of the following:

In paragraph 1 of its decision to rectify and not to reimburse the first appeal fee dated 21 July 1995, the Examining Division had erroneously interpreted the appellant's suggestions to amend claim 1, which were intended as suggestions for further prosecution of the application, as constituting requests for amendment of the application. Moreover, in paragraphs 2 to 5.2 of its decision dated 21 July 1995, the Examining Division had made comments which were not a decision but a further examination report, on which - no time limit having been set - the appellant did not know how and when it was expected to reply.

VI. In a communication to the appellant, the Board explained that a refund of the appeal fee paid for the present appeal, ie of the second appeal fee paid, could be accepted if the decision under appeal, ie the decision by the Examining Division to refuse the refund of the fee paid for the appellant's first appeal, was taken ultra vires. However, it seemed questionable to the Board whether the Examining Division, in the examining procedure up to the decision to refuse the application, committed a substantial procedural violation which justified reimbursement of the first appeal fee paid, under Rule 67 EPC.

VII. In its response, the appellant submitted that the Examining Division could only refuse a refund when new claims were submitted with the appeal. By contrast, it could not refuse a refund if prosecution of the case was continued by the examiner with the claims as unamended, without referring the whole appeal to a board of appeal. Because in its appeal the appellant had submitted the new claims only as a suggestion and not as a formal request, but instead had wanted a

decision to be taken on the claims then on file, it was entitled to a refund of the first appeal fee paid, as well as of the second appeal fee, because the refusal to refund the first appeal fee constituted another procedural violation. Moreover, the appellant reiterated its view that the decision on rectification contained a further procedural violation in that it also encompassed a further examination report without, however, giving any indication to the appellant as to how to respond.

Reasons for the Decision

1. *Object of the appeal*

The appellant's combined notice and statement of grounds in the appeal filed on 11 September 1995 state that the appeal is against the decision on rectification of the Examining Division. This decision in fact contains two orders: firstly, that the decision of the Examining Division was set aside and secondly, that the application for reimbursement of the appeal fee was not granted. As the appellant does not appear to be adversely affected within the meaning of Article 107, first sentence, EPC, by the decision of the Examining Division to rectify its decision to refuse the application, and as the appellant does not appear to have wanted to call into question this part of the Examining Division's findings, wanting the application to proceed to grant, the Board interprets the submissions of the appellant to mean that the present appeal has been filed against the decision of the Examining Division not to grant reimbursement of the appeal fee and not against the decision of the Examining Division to grant interlocutory revision.

2. *Power of the examining division to refuse reimbursement of the appeal fee*

Before deciding whether or not the Examining Division committed a substantial procedural violation, as the appellant has submitted, it is necessary to establish whether the Examining Division had the power to refuse reimbursement of the appeal fee. If it did not have that power the decision was taken *ultra vires* in this respect and has to be set aside for this reason alone, i.e. irrespective of whether or not a substantive violation within the meaning of Rule 67, second sentence, EPC occurred during the examination procedure.

- 2.1 Pursuant to Rule 67, second sentence, EPC, the department whose decision has been impugned may order the reimbursement of the appeal fee in the event of interlocutory revision. According to its wording, the Rule thus does not say that the department of first instance can decide on reimbursement, i.e. grant it or refuse it. It might be inferred from this that the department whose decision has been appealed against may grant reimbursement but not refuse it, this entailing that the power to refuse reimbursement must then lie with the boards of appeal. Such an interpretation would be in line with the principle underlying Article 109(2), second sentence, EPC that the department whose decision is contested only has the power to take a decision on the appeal in favour of the appellant, i.e. a decision disposing of the appeal. If it does not allow the appeal, the appeal shall be remitted to the board of appeal (Article 109(2) EPC).

On the other hand, Rule 67 EPC also uses the same wording that "reimbursement shall be ordered" in the context of a decision having to be taken by the board of appeal. In the latter context it is clear that the board of appeal must refuse reimbursement if the conditions of Rule 67 EPC for any reimbursement to take place are not met. Thus, if interpreted literally, the wording used in Rule 67, second sentence, EPC that "reimbursement shall be ordered" cannot unequivocally be construed to mean that the department of first instance can only render a decision ordering reimbursement. In this respect, the wording of Rule 67 is different from the wording of Article 109 EPC, which in its first paragraph attributes to the department of first instance the power to rectify it. By contrast, according to Article 109(2) EPC the power to decide in all other cases is given to the board of appeal.

2.2 In interpreting Rule 67 EPC it is therefore particularly important to take account of the meaning of the provision. In accordance with the rules of interpretation as contained in the Vienna Treaty, the terms of the EPC shall be given their ordinary meaning in their context and in the light of the object and purpose of the EPC (G 5/83, OJ 1985, 64, point 5; J 22/95, OJ EPO 1998, 569, point 5).

2.2.1 The context of the decision on reimbursement of the appeal fee is that of an appeal against a decision which is subject to rectification under Article 109(1), first sentence, EPC by the department having taken the decision when it considers the appeal to be well founded. Rule 67, second sentence, EPC attributes to the department of first instance the power to order reimbursement where it grants interlocutory revision, whereas such power resides in the board of appeal in other cases. The power given to the department of first instance as regards the reimbursement of the appeal fee

is thus related to its competence to decide on the object of the appeal. Interpretation of Rule 67 EPC with respect to the powers of the department of first instance, has therefore to be seen in conjunction with the procedural instrument, the object and purpose of interlocutory revision.

- 2.2.2 As has been said, according to Article 109 EPC, as a procedural instrument, interlocutory revision is only at the disposal of the department of first instance where it takes a decision in favour of the applicant, i.e. where it grants interlocutory revision. Otherwise the appeal shall be remitted to the board of appeal. Thus, to interpret Rule 67 EPC to mean that the department of first instance can only take a decision in favour of the applicant but has no power to refuse a requested reimbursement, accords with the distribution of powers between the departments of first instance and the boards of appeal with respect to the object of the appeal, as laid down in Article 109 EPC.
- 2.2.3 In decision T 919/95 (unpublished, point 2), which refers to legal literature on the matter and also sets out in some detail the legal history of the provision on interlocutory revision, the purpose of interlocutory revision is defined as being to accelerate proceedings in the interests both of the applicant and the EPO and to prevent the board of appeal having to deal with the case even though this might have seemed unnecessary when the appeal was filed. Similarly, decision T 939/95 (OJ EPO 1998, 481, point 3.2.2 at the end) states that rectification was introduced as a speedy and economical way of bringing the application to grant.

- 2.2.4 If a request for reimbursement of the appeal fee is passed on to the boards of appeal if the department of first instance does not regard it as well-founded, the case is not withheld from the boards of appeal. However, proceeding in this way accelerates and facilitates the proceedings for the applicant.

According to established case law, interlocutory revision is not ruled out even where there could be a later second refusal of the application, possibly leading to appeal proceedings (T 47/90, OJ 1991, 486, point 6, at the end; T 691/91, unpublished, point 11; T 919/95, point 2.1). Thus, in the context of interlocutory revision the defined aim of withholding cases from the boards of appeal is not to be seen as an independent procedural goal but as a measure which normally accelerates the proceedings viewed at the point in time when the decision on interlocutory revision is taken, and thus is legitimate to the extent that it serves this aim.

- 2.2.5 If the power to refuse reimbursement of the appeal fee were seen to lie with the first instance department, the applicant who claimed to have the appeal fee reimbursed would have to file a further appeal in order to obtain reimbursement of the appeal fee he had paid. He would also have to pay a further appeal fee simply to ensure that a decision was taken to reimburse the first appeal fee paid. If the board then found that the first appeal fee should have been refunded but that the department of first instance could not be said to have committed a substantial procedural violation in finding that the requirements of Rule 67 EPC for reimbursement had not been met, this being a mere error of judgement, the board could not then order the refund of the second

appeal fee. Thus, even if the applicant's claim for a refund of the first appeal fee paid were well-founded, he would inevitably have to invest at least the same amount of money again to enforce his rights.

Such a result would be inequitable and would come close to denying those applicants entitled to a refund of the appeal fee legal redress.

For this reason, an appellant's procedural rights are not affected by the fact that in the alternative there is only one instance, i.e. the board of appeal, available to take the decision. It should be taken into account that in cases where the department of first instance does not wish to reimburse the appeal fee, the appellant would not be satisfied by a decision of the department of first instance anyway. As the present case shows, a negative decision by the department of first instance means nothing but a loss of time and money for the appellant. Moreover, in such cases the board of appeal may be seen to be more neutral in assessing the question of substantial procedural violation than the instance alleged to have committed it.

Article 106(4) EPC provides that the apportionment of costs of opposition proceedings cannot be the sole subject of an appeal. Hence, where the party is not adversely affected by the substance of the decision, it does not have the right to appeal the decision on the costs, irrespective of the amount of costs apportioned to it. Costs to be paid in opposition proceedings may easily amount to much more than one appeal fee. Thus, with regard to procedural costs, the EPC does not seem to guarantee the right to have one further instance of redress in addition to the instance having taken the initial decision to the same extent as with respect to requests concerning the substance of a dispute.

In conclusion, to interpret Rule 67 EPC to mean that the decision to refuse reimbursement of the appeal fee lies exclusively with the boards of appeal does not violate an appellant's procedural rights, but on the contrary preserves his interests in that it provides an effective way of dealing with his claim for reimbursement of the appeal fee.

2.3 The provisions of the EPC on interlocutory revision can be traced back to comparable provisions contained in German and Swiss patent law (see the "Materialien" cited in the "Erster Arbeitsentwurf des Abkommens über ein europäisches Patentrecht" by Kurt Haertel, 28 July 1961, page 12 and T 919/95, point 2).

2.3.1 Under German patent law it is accepted that the examiner has the power to refuse to refund the appeal fee when he rectifies the decision under appeal (see, for example Schulte, "Patentgesetz mit EPÜ", 5th edition, §73 PatG, Nos. 33, 3.34, and 37; Benkard-Schäfers, "Patentgesetz", 9th edition, §73, No. 54). However, §73(3) DE-PatG (at the time of drafting the EPC §36 1(3) PatG) provides for the payment of an appeal fee only where the appeal derives from a decision to refuse the application or to maintain, revoke or limit the patent. Thus, in the case of an appeal against a decision of the first instance department to refuse reimbursement of the appeal fee, no fee is due (see DPA, Bl PMZ 1954, 17).

2.3.2 Under Swiss law Article 58(1) and (2) VwVG (provision applicable at the time of drafting the EPC: Article 68 of the "Vollziehungsverordnung II zum schweizerischen Patentgesetz") provides for the possibility of interlocutory revision ("Wiedererwägung" und "neue Verfügung") by the department of first instance, when an appeal has been filed (see Heinrich, "PatG/EPÜ, Schweizerisches Patentgesetz, Europäisches

Patentübereinkommen, Zürich", 1998, 59c.05). According to Article 63 VwVG, subject to certain exceptions, costs in appeal proceedings are only to be borne by a losing party and Article 64 VwVG even provides for the possibility of granting an indemnification for costs incurred by a winning party (Heinrich, 59c.10; Saladin, "Das Verwaltungsverfahrensrecht des Bundes", Basel und Stuttgart, 1979, 23.24).

- 2.3.3 Thus, neither of these statutory laws leads to a legal situation similar to that which would arise under the EPC if the power to refuse reimbursement were seen to lie with the department of first instance - a situation where, in order to enforce his right to a refund of the appeal fee paid, the appellant has inevitably to invest a further fee of the same amount.

Another essential teaching can also be derived from the literature available on the above-mentioned laws for the interpretation of the EPC provisions on interlocutory revision: namely that interlocutory revision can be seen as an exception to the principle - also underlying Article 109(2) EPC - that when an appeal against the decision of the first instance department has been filed, the power to deal with the issues involved in the appeal passes from the department of first instance to the appeal instance ("Devolutiveffekt"; Saladin, 22.12). The possibility of interlocutory revision is a reflection of the responsibility of the department of first instance to apply the law correctly. Therefore, as the commentary "Benkard-Schäfers" explains concerning German §73 PatG (§73, No. 53), the essential aim of the procedural instrument of interlocutory revision is to withhold from the appeal instance those cases in which the patent office itself recognises that the decision must be corrected when the grounds of appeal are taken into consideration. It follows from this that the remaining

power attributed to the department of first instance by the above-mentioned procedural instrument must be limited to an action, which implies the correction of its decision and does not encompass any further decision-making powers which do not dispose of the matters which are the subject of the appeal.

As mentioned above, the same principle is enshrined in Article 109 EPC. According to Article 109(2) EPC, if the department of first instance does not rule that the decision taken must be corrected, it is not even entitled to make any comment as to the merits of the appeal.

- 2.4 Study of the preparatory documents to the EPC suggests that when deciding on the wording of Rule 67 EPC, the European legislator apparently did not sufficiently consider the whole range of possible scenarios to be covered by the terms used therein. From the preparatory documents, it can clearly be seen that it was the legislator's express wish that in the case of interlocutory revision being granted by the first instance, reimbursement of the appeal fee should not be automatic either, but, as in the case of a decision by the board of appeal, should be ordered only where it was regarded as being equitable owing to a substantial procedural violation. During the Munich Diplomatic Conference for the setting up of a European System for the Grant of Patents in 1973 (Minutes of the Proceedings of Main Committee I, M/PR/I, pt. 2317-2318), the Swiss delegation had suggested that the presence of a substantial procedural violation as a condition for reimbursement of the appeal fee should be required only where reimbursement was ordered by the board of appeal, whereas in the case of interlocutory revision, the appeal fee should always be reimbursed. It is then reported that no other delegation supported this proposal. However, no mention is ever made of who

should have the power to decide on reimbursement in the case of interlocutory revision if the department of first instance does not consider that the conditions for reimbursing the appeal fee have been fulfilled. At the same time however, it was clearly recognised from the start of the drafting work that reimbursement of the appeal fee should remain an exception, even if it was likely to occur more often in interlocutory revision than in appeals before the boards of appeal ("Erster Arbeitsentwurf", supra page 13). Thus, it appears to have been overlooked that the wording of the definition in Rule 67 EPC of the distribution of powers between the department of first instance and the board of appeal, did not as it stood, clearly encompass a situation where the department of first instance regarded interlocutory revision as justified but not the reimbursement of the appeal fee. The wording of Rule 67 EPC thus reveals something of a lacuna. This should be closed by interpreting the provision in a way that makes sense and leads to a procedurally equitable result for applicants.

The Board therefore concludes that the correspondence in the wording of the first and second sentences of Rule 67 EPC cannot be given decisive importance and cannot justify the argument that the department of first instance, like the board of appeal, should generally have the power to decide on reimbursement. On the contrary, from the foregoing considerations it is to be concluded that under Rule 67, second sentence, EPC the department of first instance, in the event of interlocutory revision, can order reimbursement of the appeal fee but can not refuse it and that the power to do so resides only with the board of appeal.

2.5 According to Article 109(1), first sentence, EPC the department whose decision is contested is obliged to rectify its decision if it considers the appeal to be admissible and well founded (T 139/87, OJ 1990, 68, point 4.; T 939/95, *supra*, point 3.3). It does not then have the power to remit the appeal to the boards of appeal. If, given this situation, it does not consider the request for reimbursement of the appeal fee to be well-founded, it has to grant interlocutory revision and to remit the request for reimbursement of the appeal fee to the board of appeal for a decision. As can be inferred from Rule 67 EPC, interlocutory revision and the decision on reimbursement of the appeal fee are separate issues, each having its own requirements. Reimbursement is not an automatic consequence of interlocutory revision (see above 2.4 and T 79/91, EPOR 1993, 91) and can therefore also be decided on separately. This has been acknowledged in decision T 939/95 (Headnote), which indicates that if "further separate issues - such as reimbursement of the appeal fee" cannot be settled within the one month period provided for in Article 109(2) EPC (in the version applicable up until 31 December 1998), the instance in charge of the case is obliged under that Article to take a separate decision on rectification before the end of the one month time limit (Headnote). Thus, the fact that the object of the appeal has already been dealt with by the decision of the department of first instance does not present a legal obstacle to remitting the case to the board of appeal for a decision on the requested reimbursement of the appeal fee.

The Examining Division having acted *ultra vires*, its decision not to grant reimbursement of the appeal fee has to be set aside.

3. *Reimbursement of the first appeal fee paid*

As regards reimbursement of the appeal fee, the appellant argued that, except where interlocutory revision was granted in view of amendments made by the appellant, the appeal fee was always to be reimbursed where the decision was rectified. This argument cannot be upheld. On the contrary, the above considerations, in keeping with the wording of Rule 67 EPC, make it absolutely clear that in the case of interlocutory revision it is also an additional requirement for reimbursement of the appeal fee that a substantial procedural violation within the meaning of Rule 67 EPC has occurred.

In the present case, the Board is of the opinion that, in the examining procedure, the Examining Division did not commit a substantive procedural violation which would justify reimbursement under Rule 67 EPC of the appeal fee paid for the first appeal.

- 3.1 The appellant has not submitted that the Examining Division's decision to rectify and not to forward the appeal to the boards of appeal was a decision taken against the wishes and interests of the appellant. Therefore, irrespective of whether the amended claims filed with the appellant's appeal are to be classified as formal new requests or as suggestions, as the appellant puts it, the Examining Division did not commit a procedural violation in relation to the appellant in rectifying the decision to refuse the application. Thus, the appellant's argument that the appeal fee would have to be reimbursed because the Examining Division had erroneously interpreted the appellant's suggestions as constituting formal requests for amendment must fail.

3.2 The objection raised by the appellant that the Examining Division had unduly dealt with the application in a piecemeal manner is also unfounded. According to the Guidelines for Examination in the European Patent Office, C-VI, 3.3., cited by the appellant, the examiner's first letter should, as a general rule, cover all objections to the application. Pursuant to Rule 51(3) EPC any communication shall, where appropriate, cover all the grounds against the grant of the European patent. Thus, whether and to what extent this is to be done is a matter of procedural expediency. This means that the Examining Division has to weigh the aspects of the case involved. In particular, the likelihood that the objection raised can be overcome, the kind of amendments which can be expected, and any objections which could yet remain thereafter have to be weighed against the amount of additional work involved for the Examining Division.

In the present case, an objection concerning lack of novelty was raised in the first communication against all claims of the application. Such a far-reaching objection can normally only be overcome by substantial amendment of the claims. Therefore, claims amended in this way, if filed, have to be largely re-examined with respect to the prior art. In the view of the Board, Rule 51(3) EPC therefore does not require that an Examining Division should immediately raise the objection that the claims on file lack inventive step in relation to other documents, if it is of the opinion that all the claims in the application are anticipated by one document. By contrast, in its second communication concerning the amended claims filed by the appellant, the Examining Division, although maintaining the non-novelty objection against new claim 1, also raised an objection of lack of inventive step based on a combination of D1 and D2.

3.3 The submission by the appellant that the Examining Division had unduly only raised the argument that an essential feature of the invention was missing in the claim in its second communication, is unfounded. The Examining Division did not raise such an objection. It merely explained to the appellant in which feature it saw the gist of the invention in relation to the state of the art, thus giving it a hint as to the kind of amendment which could in its view constitute patentable subject-matter. The reference to D3 by the examiner during the telephone conversation was made in relation to a claim 1, which had been amended again by the applicant. Thus, the appellant's submission that the Examining Division had breached Rule 51(3) EPC by issuing several communications is unfounded.

3.4 The appellant further submitted that the Examining Division had breached Article 113(1) EPC in dealing with the objections apparent from the "Result of communication" only in the way it had rather than issuing a further written communication setting a time limit for a reply.

As can be seen from the written "Result of consultation", the main objection raised by the first examiner during the telephone conversation was that the amendments filed in response to the second communication had not overcome the objections raised therein, i.e. that claim 1 was still not novel with regard to D1 and that it still lacked an inventive step compared with D2. In this context D3 was indeed referred to for the first time. Furthermore, it was said that the addition of a feature introduced in the claim with the appellant's last amendment filed in response to the second communication contravened Articles 123(2) and 84 EPC.

The same kind of reasoning is used in the decision of refusal issued after the telephone consultation.

As is apparent from the above, the main reason for refusal was that claim 1 of the application was not novel with regard to D1. This objection had already been raised in the first communication. It had been maintained in the second communication in relation to the amended claims filed in response to the first communication.

According to established case law, under Article 113(1) EPC it is not necessary to give the applicant repeated opportunities to reply to the Examining Division's submissions if the main objections to the grant of a European patent remain the same (Case Law of the Boards of Appeal of the EPO, 1978-1995, Munich 1996, VI.C., 3.2). A further invitation is only appropriate if it appears likely that, in the light of the applicant's reply, the examination proceedings would terminate in the granting of a patent or if, at least, the applicant has made a bona fide attempt to overcome the objections raised by the Examining Division (see the case law cited loc. cit.). Thereafter, there is no obligation to issue further communications where the objections raised have not been overcome by the amendments filed by the applicant if the applicant has had an opportunity to comment on the essential legal and factual reasons to support the finding that a requirement of the EPC has not been met. In the present case, the Examining Division was therefore entitled to take a decision on the refusal of the application, based on a lack of novelty of claim 1 with regard to D1, after having issued two written communications on the matter.

3.5 It may be assumed in favour of the appellant that the decision to refuse the application, which has been set aside in the meantime, breached Article 113(1) EPC insofar as it was not only based on the lack of novelty objection but also on an objection under Articles 123(2) and 84 EPC and on D3. As has been confirmed in the recent unpublished decision T 802/97 (point 3 and catchword), if a decision includes several grounds it shall meet the requirements of Article 113(1) EPC with respect to each of the grounds (see also the decisions reported in "Case Law", VI.17.3.1). However, this does not automatically mean that reimbursement of the appeal fee is justified in the present case.

In view of the lack of novelty objection having been adduced in the decision as the main ground for refusal of the application, it was in any case necessary for the appellant to appeal in order to overcome an objection on which the Examining Division was entitled to base its decision. The application would also have had to be refused and an appeal filed had the Examining Division in its decision not additionally referred to Article 123(2) EPC and to D3. Thus, in the present case there is no causal link between the objectionable parts of the reasoning in the decision, if any, and the necessity to file an appeal, in the sense that the appellant would not have had to file an appeal had the examining division not adduced reasons contravening Article 113(1) EPC.

It is established case law (see in this respect "Case Law", VI.E. 13.3, and the decisions cited therein, in particular T 893/90, T 219/93 and T 908/91) that a reimbursement of the appeal fee is not equitable within the meaning of Rule 67 EPC where the procedural violation is not relevant to the outcome of the case. Therefore, in cases of inadequate reasoning in a

decision or of inadequate opportunity to put forward comments, even if such a decision were rectified or set aside, reimbursement of the appeal fee would not be regarded as being justified if the decision had been sufficiently reasoned in view of the reasons on which the department was entitled to rely.

It is therefore not equitable within the meaning of Rule 67 EPC to reimburse the first appeal fee paid.

4. *Reimbursement of the appeal fee paid for the present appeal*

4.1 In view of the above finding that the Examining Division had no power to decide on the refusal of the reimbursement of the first appeal fee and acted ultra vires, reimbursement of the appeal fee paid for the present appeal must be ordered.

A "substantial procedural violation" is an objective deficiency affecting the entire proceedings, J 7/83, OJ 1984, 211. As regards procedural requirements, it has been found that misinterpretation of the EPC does not constitute a substantial procedural violation where the EPC does not clearly lay down the procedure to be followed, and where there is as yet no standardised practice (T 156/84, OJ 1988, 372, point 3.13; T 234/86, OJ 1989, 79). The cited cases were, however, of an entirely different nature, as both only concerned details of the procedure to be followed by the department, which was as such clearly responsible for the procedure. In T 234/86 the Opposition Division had refused to maintain the patent on the basis of a request filed by the patentee only as an auxiliary request, at a point in time where the allowability of

such practice was not yet definitively established. In T 156/84 the Opposition Division had interpreted Article 114(2) EPC to mean that late-filed documents could be disregarded for the sole reason that they were not filed in due time.

In the present case, the defectiveness of the decision taken by the Examining Division to refuse reimbursement of the appeal fee objectively is much more serious. In procedural law, lack of power to decide on the matter is generally considered to be a very fundamental defect in the decision-making process with the result that the decision generally has to be set aside for this reason alone.

Refund of the appeal fee is therefore equitable by reason of a substantial procedural violation within the meaning of Rule 67 EPC. The Board observes that this finding does not by any means imply that the Examining Division should be reproached for having assumed that it was entitled to refuse reimbursement. As has been explained, whether or not there is a substantial procedural violation within the meaning of Rule 67 EPC is to be determined on an objective basis. Because it is fundamental that the distribution of powers between the department of first instance and the boards of appeal be respected, the decision taken must objectively be classified as constituting a substantial procedural violation, even if the Examining Division certainly acted in good faith.

- 4.2 As the second appeal fee paid has to be refunded for this reason, the appellant's argument that it should be refunded because in paragraphs 2 to 5.2 of the Examining Division's decision to rectify and to refuse reimbursement of the appeal fee it had confusingly incorporated a further examination report, need not be considered. It should, however, be noted that it is

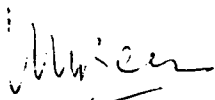
indeed confusing for the applicant if - as is the case here - the decision on rectification incorporates a further communication by simply continuing the reasons of the decision with the text of the communication. It certainly helps to speed up the proceedings if any further communication is sent together with the decision on rectification. This should, however, be done in a form which makes it possible to distinguish clearly between what is part of the decision and what is the communication.

Order

For these reasons it is decided that:

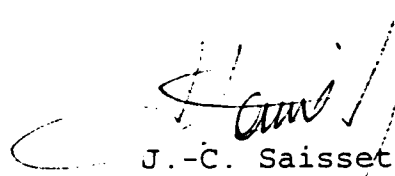
1. The decision of the Examining Division that the application for reimbursement of the appeal fee is not granted, is set aside.
2. The appellant's request that the appeal fee paid on 8 April 1995 be reimbursed is rejected.
3. Reimbursement of the appeal fee paid on 11 September 1995 is ordered.

The Registrar:



M. Beer

The Chairman:



J.-C. Saisset

