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D E C I S I O N
of 11 April 2000

Case Number: J 0025/96 - 3.1.1

Application Number: 91915567.1

Publication Number: WO 92/02937

IPC: G21K 5/10

Language of the proceedings: EN

Title of invention:
X-ray Backscatter Detection System

Applicant:
IRT CORPORATION

Opponent:
-

Headword:
Re-establishment/IRT CORPORATION

Relevant legal provisions:
EPC Art. 111(1), 122, 157(2)(b), 158(2)
EPC R. 85a, 69, 104(b)

Keyword:
"Re-establishment - time limits for entry into the regional phase before the EPO"
"Admissibility - yes - transitional case"
"Allowability - due care of US representative - no"
"Application of principle of proportionality - no"

Decisions cited:
G 0003/91, G 0005/93, J 0005/80, J 0003/88, J 0031/90, J 0022/92,
J 0044/92, J 0048/92, J 0004/93, J 0011/93, J 0016/93, T 0112/89,
T 0869/90, T 0111/92

Catchword:
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Boards of Appeal

Chambres de recours

Case Number: J 0025/96 - 3.1.1

D E C I S I O N
of the Legal Board of Appeal 3.1.1
of 11 April 2000

Appellant: IRT CORPORATION
6020-300 Cornerstone Court West
San Diego
California 92121 (US)

Representative: Croston, David
Withers & Rogers
Goldings House
2 Hays Lane
London SE1 2HW (GB)

Decision under appeal: Decision of the Receiving Section of the European Patent Office dated 14 June 1996 concerning European patent application No. 91 915 567.1 rejecting a request for re-establishment.

Composition of the Board:

Chairman: J.-C. Saisset
Members: M. B. Günzel
M. K. S. Aúz Castro

Summary of Facts and Submissions

I. International patent application PCT/US 91/05558, claiming 6 August 1990 as the earliest priority and 22 May 1991 as second priority, was filed with the US PTO by a US representative on behalf of IRT Corporation, a US applicant.

II. By communication of 12 March 1992 the Receiving Section informed the US representative of the procedural steps to be taken for entry into the regional phase before the EPO. As these steps were not performed, by letter dated 30 September 1992, the Receiving Section sent a communication under Rule 85a EPC direct to the applicant.

On 6 November 1992 the present European representatives requested entry into the regional phase on behalf of the applicant. The fees due for entry into the regional phase were paid simultaneously. It was submitted that for the reasons indicated these steps were performed in time.

The Receiving Section decided according to Rule 69(2) EPC that the application was deemed to be withdrawn. The appeal against that decision was dismissed by decision J 11/93 of the Legal Board of Appeal.

III. In the course of appeal proceedings J 11/93, on 14 July 1993, the applicant had requested to have its rights re-established. A fee for re-establishment was paid on the same day. In decision J 11/93 dated 6 February 1996, point 2 of the reasons, the Legal Board took the view that the Receiving Section should firstly consider the application for re-establishment of rights.

With its decision dated 14 June 1996 the Receiving Section rejected the request for re-establishment into the period of grace under Rule 85a EPC as inadmissible, after having heard the applicant on the matter. The application was declared deemed to be withdrawn as from 7 May 1992. Refund of all fees invalidly paid after 6 May 1992 was ordered, once the decision had become final.

The Receiving Section essentially argued as follows: The request for re-establishment was inadmissible, since according to decision G 3/91 of the Enlarged Board of Appeal Article 122(5) EPC applied to the time limits provided for in Rule 104b(1)(b) and (c) EPC in conjunction with Articles 157(2)(b) and 158(2) EPC as well as to the period of grace under Rule 85a EPC. This decision was published in full in the 1-2/1993 issue of the Official Journal of the EPO, which bore the date of 12 February 1993, OJ EPO 1993, 8. Thus the request of 14 July 1993 had been filed after the point in time from which, according to decision G 5/93, OJ EPO 1994, 447, of the Enlarged Board of Appeal, it was no longer possible to be re-established into the time limit provided for in Rule 104b EPC. The principle of good faith was not applicable to the present case, the EPO having neither neglected its duty to issue a warning of the impending loss of rights nor having issued any misleading information that could have given reason for not complying with the time limit in question.

- IV. The applicant appealed against the decision of the Receiving Section. Its submissions in the proceedings, as filed in writing, in particular in response to a communication of the Board, and as made during the oral proceedings held on 11 April 2000 before the Board, can essentially be summarized as follows:

In November 1992 no application for re-establishment had been filed because at that time the representatives of the appellant were already informally aware of decision G 3/91 dated 7 September 1992, in which the Enlarged Board of Appeal had held, contrary to previous jurisprudence and practice, that re-establishment under Article 122 EPC was not available for the time limits for entry into the regional phase. As early as October 1992 the Receiving Section was already relying upon G 3/91. Had a formal application been filed on 6 November 1992, it would thus have been quite clear that such an application would have been regarded as inadmissible by the Receiving Section. The fact that G 3/91 became effective only with its publication in the 1-2/1993 Official Journal of the EPO, so that requests for re-establishment filed up until that time had still to be regarded as admissible, was only determined by decision G 5/93 dated 18 January 1994, published in the OJ EPO 1994, 447. It was only through their involvement in case J 4/93, in which the Legal Board of Appeal had by its decision dated 24 May 1993 decided to refer the questions dealt with in G 5/93 to the Enlarged Board of Appeal, that it became apparent to the representatives of the appellant that depending on the answer of the Enlarged Board of Appeal to said questions there might be a possibility of a request for re-establishment still being admissible in the present case. Had a formal application for re-establishment been filed on 6 November 1992, such an application would eventually have had to be regarded as being admissible on the basis of decision G 5/93. The appellant would be unfairly prejudiced if it was now treated more unfavourably than applicants who did not know of decision G 3/91 before its publication, because it had had early knowledge of decision G 3/91 and had taken said decision into consideration in its way of acting.

The time limits for entry into the regional phase had been missed in spite of all due care required by the circumstances within the meaning of Article 122(1) EPC having been taken. The following facts and submissions can insofar be derived from the appellant's written and oral submissions and the affidavits of the US attorney and the legal assistant, both responsible for the case in the US representatives' office.

The time limit under Rule 104b EPC was missed because the Legal Assistant had first inadvertently miscalculated the 19 months from priority for PCT Chapter II examination as running from the second priority date and therefore, no computer reminder was created. The applicant had moved on 1 October and therefore only forwarded the Rule 85a communication to the US representative on 16 October 1992. This prompted the error to be noticed and the file to be considered by the attorney who, on 20 October 1992, forwarded to the appellant the estimates of the costs for entering the national and regional phases before several patent offices with the request to provide instructions at the earliest possible date. Normally the file would then have been returned to the docketing clerk for entry of the deadline set in the Rule 85a communication, however, for some unknown reason that was not done in the present case, nor was the incorrect first entry corrected. Therefore, again, no computer reminder was created. Computer docketing systems creating reminders could be operated on a daily basis, so that it was possible to monitor by a computer docketing system even such short time periods as that remaining between 20 October and the expiry of the time limit on 30 October. The European representatives could, however, not tell, how the docketing and reminder system of the US representatives was organised in that respect at the time and for the present case.

It could not be regarded as lack of due care that the US

representative did not, after 20 October, supervise the case herself, to ensure that the necessary acts for entry into the regional phase, including the decision of the appellant that it wanted the application to proceed, were performed in time, but instead relied solely on the computer docketing and reminder system.

It could also not be regarded as a lack of due care on the part of the US representative that, according to her affidavit, in her letter to the appellant she had not informed the appellant of the deadline for entry into the regional phase nor set a date by which the instructions of the appellant were needed, but only requested it to give instructions at the earliest possible date. At that time the US representative knew that the appellant was in a difficult financial situation and that it thus had to be ensured that the necessary funds were indeed available, that the decision needed board level approval and that it would therefore require at least a week to make said decision. Moreover, it corresponded to a frequent experience of representatives that when a deadline was communicated to an applicant the required action was most likely to be undertaken only at the last moment before expiry of the deadline. Therefore, it was more expedient to act as the US representative had done. Moreover, the appellant knew the deadline from the Rule 85a communication, which was originally notified to it by the EPO.

The error was noticed about 3 November 1992, when the US representatives received instructions from the appellant authorizing filing in the EPO. On 4 November 1992 instructions were sent to the European representative, who thus became aware of these circumstances only on 4 November 1992.

The appellant also submitted that, as regards matters relating to the EPO, a US attorney, who was not entitled

to represent before the EPO, could not be subjected to the same standard of care as an applicant or a European representative. Decision J 3/88 cited by the Board in its communication had not really decided that but simply referred to decision J 5/80, which related to the duty of care of a European representative. A US attorney could not be required to be as familiar with the European system as a European representative. Moreover, the wording of the Rule 85a communication was at that time misleading or at least not clear. The passage in it reading "if the fees with surcharge have not been paid in due time, then in accordance with Rule 69(1) EPC you will be informed that the application will be deemed to be withdrawn" left room for assuming that missing the indicated deadline did not lead to an irrevocable loss of rights. It was noteworthy that this passage was later amended into reading "is deemed to be withdrawn".

Therefore, the reason for having missed the entry into the regional phase in time was not to be seen in a lack of due care of the US representative nor of the appellant itself, but was due to the isolated mistake of the very experienced legal assistant of the US representatives having incorrectly docketed, viz. omitted to docket the time limits concerned in the present case.

Finally, the question of proportionality between the mistake and the loss of rights had also to be considered. The fees had only been paid six days late. No third party's position would have been prejudiced because the notification pursuant to Rule 69(1) EPC was not issued until 26 November 1992. Accordingly, on 6 November no third party would have known for certain whether or not the fees had been paid. Reference was made to decisions T 111/92 and T 869/90.

The appellant requested that the decision under appeal be

set aside and that his rights be re-established.

Reasons for the Decision

1. Since the appeal against the decision of the Receiving Section deciding that the application was deemed withdrawn pursuant to Rule 104c(1) EPC (in force until 29 February 2000) was dismissed by decision J 11/93, this finding has become final, unless the appellant can have his rights re-established because in spite of all due care required by the circumstances it was unable to observe the time limit vis-à-vis the European Patent Office, Article 122(1) EPC. Pursuant to Article 122(2), first sentence EPC the application must be filed in writing within two months from the removal of the cause of non-compliance with the time limit. In the case under consideration this time limit is considered to be observed for the following reasons:

In decision G 5/93, OJ EPO 1994, 447, the Enlarged Board of Appeal decided that notwithstanding that the provisions of Article 122(5) EPC apply to the time limits provided for in Rule 104b(1)(b) (i) and (ii) EPC, Euro-PCT applicants may be re-established into the time limit for paying the national fee provided for in Rule 104b EPC in all cases where re-establishment of rights was applied before decision G 3/91 was made available to the public. Thus, even after decision G 3/91 dated 7 September 1992 had been given, up until the publication of G 3/91 in the 1-2/1993 Official Journal of the EPO, any applicant who did not know the as yet unpublished decision G 3/91 could still validly file a request for re-establishment into the time-limit for entry into the regional phase. By contrast, as decision G 5/93 was only given on 18 January 1994 and even decision J 4/93 of the Legal Board of Appeal referring said question to the Enlarged Board of Appeal was only given on 24 May 1993, before that date, an applicant knowing

decision G 3/91 had no reason to assume that an exception to the principles laid down in said decision would still be allowed. In the view of the Board it would indeed amount to an unfair unequal treatment if an applicant having early knowledge of as yet unpublished jurisprudence and taking such jurisprudence into account in his way of acting before the EPO was treated in a more unfavourable way than an applicant not having had that knowledge. Therefore, in the circumstances of the present case, re-establishment must be available to the appellant as a means of redress.

Decision J 4/93 having been given on 24 May 1993, the request for re-establishment dated 14 July 1993 was filed within two months from the earliest date from which on the Appellant's representative can reasonably have concluded that re-establishment might as yet be available in the circumstances of the present case. The two months period under 122 (2) EPC is accorded to the applicant in order to enable him to collect the necessary facts and evidence for showing that all due care had been taken. The same period must therefore be accorded to the appellant in the circumstances of the present case. The request for re-establishment dated 14 July 1993 has therefore been filed in time. The other formal requirements according to paragraphs 2 and 3, payment of the fee for restitutio, completion of the omitted act and statement of grounds being fulfilled, the request for re-establishment of rights is admissible.

2. In view of the considerable duration of the application proceedings up until now and in accordance with the appellant's request the Board has exercised its discretion under Article 111(1) EPC in the sense that it decides itself on the merits of the appellant's request for re-establishment.
3. The appellant has not shown that it exercised all due care required by the circumstances in order to observe the time

limit vis-à-vis the EPO as required by Article 122(1) EPC.

- 3.1 On the basis of the appellant's submissions and in particular also of the statements in the affidavit, filed at the beginning of the oral proceedings before the Board, of the US attorney responsible for the handling of the case in the appellant's US representatives' office, non-observance of the final time limit for entry into the regional phase under Rule 85a EPC is essentially the result of its US attorney not having taken sufficient personal care of the case in order to ensure that the instructions of the appellant regarding entry into the regional phase were received in time.

When the appellant submitted the EPO's communication dated 30 September 1992 to the US attorneys on 16 October 1992, there was still a period of 14 days and thus from the outset sufficient time left for making the decision on entry of the application into the regional phase and for instructing the European representatives accordingly in time before expiry of the time limit. Thus, the fact that due to its move at the beginning of October the appellant did not forward the Rule 85a communication to its US representatives immediately after its receipt has not caused the non-observance of the time limit, which non-observance can therefore not be attributed to the appellant in that respect. Decision J 16/93 dated 20 June 1995, cited by the appellant, in which the move of both the applicant and his representative was recognised as a reason for not having been able to perform a required act at the point in time concerned, is therefore not pertinent for the present case.

According to the US representative's affidavit, she forwarded the cost estimates to the appellant on 20 October 1992 and asked for instructions at the earliest possible date. In view of an even then still sufficient, but rather

tight, time schedule as was imposed by the ten days then still remaining for the performance of the outstanding acts for entry into the regional phase the representative could not discharge her duty of care for her client's interests solely by relying on the computer reminder system or on her assistant.

The jurisprudence of the boards of appeal that a representative can entrust suitably qualified and supervised personnel with the monitoring of time limits has been developed for routine tasks and for the normal cases (see in this respect, Case Law of the Boards of Appeal of the European Patent Office, 3rd edition 1998, VI. E 9.5.1 and the jurisprudence cited therein, and also decision J 31/90 dated 10 July 1992, point 3(3) of the reasons, specifically cited by the appellant). This does, however, not mean that a representative can also entirely leave to such staff the monitoring of, so to say, high risk cases, which are particularly urgent, which need particular attention and the execution of further measures by the representative himself in order to ensure that the necessary acts are still performed in time and in which an irrevocable loss of rights might be the consequence of any error made or delay caused. It is a genuine part of the tasks and responsibilities of a representative to make sure personally that good care is taken of such cases which need particular and more qualified attention than the routine cases (see also J 31/90, point 7 of the reasons).

On the basis of the appellant's statements and of the statements of the US representative in her affidavit it must have been clear to her that the present case was a case needing such particular attention, for the following reasons:

- The basic time limit for entry into the regional phase had already been missed because of a docketing error

entailing higher costs for entry into the regional phase and narrowing down the time span still available

- only ten days were left for timely entry into the regional phase

- the US representative was aware that due to the appellant's difficult financial situation as well as the fact that a board level decision was required it would take the appellant some time, "at least one week", to make the decision. She thus knew that instructions were likely to be delayed.

- in her letter to the appellant on 20 October 1992 she had not set a deadline nor explained to the appellant that the instructions were needed by a certain date at the latest, but had only asked for instructions at the earliest possible date.

These circumstances and in particular the fact that the US attorney had not communicated a deadline for response by the appellant made it all the more appropriate for her not to leave the present case to the sole supervision by a docketing system or an assistant but to personally check in time before expiry of the time limit for entry into the regional phase whether or not instructions had been received, and, if not, to take all the necessary measures to obtain them in time for entry into the regional phase, see in this respect e.g. decision T 112/89 dated 4 October 1990, points 4 and 5 of the reasons, in which the Board affirmed an obligation on the representative to send a reminder for instructions even though the representative had previously clearly notified his client of the time limit to be observed and although the client had its own substantial patent department.

3.2 Where a US applicant avails itself of the services of a

US patent attorney for matters which in relation to the EPO fall in the applicant's responsibility, the US patent attorney must be regarded as the agent of the applicant. Thus, as regards the requirement of "all due care", in order to comply with this requirement, it has to be established that the US patent attorney has taken the due care required of an applicant (J 3/88 dated 19 July 1988, point 3 of the reasons, making reference to J 05/80, OJ EPO 1981, 343). The Board does not share the appellant's view that in decision 3/88 the Legal Board of appeal had not really decided that but had only referred to decision J 5/80. On the contrary, in decision J 3/88, under point 3 of the reasons, the Legal Board of Appeal has clearly established the principle cited and the present Board endorses this view.

In said decision the Legal Board of Appeal has not equated the standard of due care required from a US attorney to that of a European representative but to the standard of care which would be required from an applicant. That a representative has to take personal care of urgent and other than routine cases and that he cannot leave these solely to the care of staff, is an obligation of any representative whose duty it is to care for his client's interests, irrespective of whether such representative is entitled to represent before the EPO or any other patent office. In the present case the time limit was not missed because of any insufficient knowledge of EPC law or a legal error having been made in that respect. Therefore, the submissions of the appellant that the same knowledge of the EPC and the same standard of care as are required from a European representative could not be required from a US attorney acting for a US applicant in matters relating to a procedure before the EPO are not pertinent in the present case.

3.3 The appellant has also submitted that the wording of the

Rule 85a communication at that time was misleading in that on its basis it could be assumed that missing the time limit would not yet lead as such to a loss of rights. This argument does not hold good. First, in a paragraph of said communication preceding the one cited by the appellant it is clearly and unmistakably said that the outstanding fees could still validly be paid within a period of one month of notification of this communication. Second, there is nothing in the present file indicating that the US attorney was not aware of the fact that it was necessary to enter the regional phase within the deadline set by said communication.

3.4 In conclusion, it has not been shown that the US representative herself responsible for the case in relation to the appellant has taken all due care required of her by the circumstances within the meaning of Article 122(1) EPC. Thus, the questions as to whether the US attorney's legal assistant made culpable errors and whether these could be regarded as isolated mistakes in an otherwise satisfactory system, in particular also, whether it has been proved that this assistant was carefully selected and properly instructed in the tasks to be performed, and whether a reasonable supervision of her activity was exercised in the sense of the jurisprudence of the boards of appeal, are no longer pertinent for the outcome of the present case.

3.5 The principle of proportionality, invoked by the appellant, cannot lead to a different result. As has been set out in decisions J 44 and 48/92, both dated 29 November 1992, in point 9 of the reasons, making reference to decisions T 111/92, J 22/92 and J 11/93, also cited by the appellant, the principle of proportionality has been applied in the past in borderline cases, in support of other grounds already substantiating to a certain extent the allowability of the appeal, and where the time limit was missed by one

or two days, due to some miscalculation.

For the reasons given above the present case is not such a borderline case. Moreover, in the present case, the time limit was missed by one week. The purposive legal instrument of the mandatory and non-extendable time limits of the EPC would be undermined in an inadmissible way if it was possible to prolong such a missed time limit of only one month by one week by means of re-establishment for reasons of proportionality although in the case under consideration observance of all due care has not been shown.

Order

For these reasons it is decided that:

1. The decision under appeal is set aside so far as it concerns the rejection of the request for re-establishment as inadmissible under point 1 of that decision.
2. The request for re-establishment is refused.
3. Except as ordered above, the appeal is dismissed.

The Registrar:

The Chairman:

M. Beer

J.-C. Saisset