

Internal distribution code:

- (A) Publication in OJ
(B) To Chairmen and Members
(C) To Chairmen
(D) No distribution

D E C I S I O N
of 6 June 2006

Case Number: T 0583/04 - 3.4.03

Application Number: 98305652.4

Publication Number: 0973146

IPC: G09G 3/20

Language of the proceedings: EN

Title of invention:

Small size display apparatus together with scrolling and proportional spacing character display method

Applicant:

SEIKO EPSON CORPORATION

Opponent:

-

Headword:

-

Relevant legal provisions:

EPC R. 67, 68(2)

Keyword:

"Decision on the state of the file - reasoned (no)"

"Substantial procedural violation - (yes)"

"Reimbursement of the appeal fee - (yes)"

Decisions cited:

T 0034/90, G 0009/91, T 0897/03, T 0276/04, T 0861/02,
T 0701/01, T 1309/05, T 0278/00, T 1360/05, T 1356/05

Catchword:

It is the task of the department of first instance to select and assemble the relevant material in the file into a reasonably self-contained form in order to comply with Rule 68(2) EPC.



Case Number: T 0583/04 - 3.4.03

D E C I S I O N
of the Technical Board of Appeal 3.4.03
of 6 June 2006

Appellant:

SEIKO EPSON CORPORATION
4-1, Nishishinjuku 2-Chome
Shinjuku-ku,
Tokyo 163-0811 (JP)

Representative:

Sturt, Clifford Mark
Miller Sturt Kenyon
9 John Street
London WC1N 2ES (GB)

Decision under appeal:

Decision of the Examining Division of the
European Patent Office posted 17 December 2003
refusing European application No. 98305652.4
pursuant to Article 97(1) EPC.

Composition of the Board:

Chairman: R. G. O'Connell
Members: E. Wolff
P. Mühlens

Summary of Facts and Submissions

- I. This is an appeal from the refusal of European patent application 98 305 652.4.
- II. The relevant first instance file history can be summarised as follows:
- (a) In a first communication issued pursuant to Article 96(2) EPC and posted October 2002 ("the October 2002 communication") the examining division referred to claims 1 to 14 as originally filed and raised an objection of lack of novelty of the subject-matter of claim 1 over each of prior art documents D1 (US 3 740 743 A) and D2 (CH 680 756 A). Additionally it found that the subject-matters of independent claim 5 and of dependent claims 6 to 14 were not novel over the disclosure of document D7 (US 4 646 081 A) and that the subject-matters of dependent claims 2 to 4 lacked an inventive step having regard to a combination of D2 and D7.
 - (b) By reply dated 31 January 2003 and received at the EPO 3 February the applicant (now appellant) filed amended claims 1 to 11 comprising a single independent claim 1 and ten dependent claims.
 - (c) In a communication posted 24 July 2003 accompanying a summons pursuant to Rule 71(1) EPC appointing oral proceedings for 21 November 2003 ("the July 2003 annex"), the examining division raised objections under Article 123(2) EPC with respect to amended claim 1. It also found that

even if the objection of added subject matter were to be refuted or overcome the subject matter of the newly filed claims 1 to 11 lacked novelty over D7.

- (d) On 17 October 2003 the applicant filed an amended claim 1, a new independent claim 4 and dependent claims 2 to 3 and 5 to 13. The applicant maintained that the amended claims overcame the objections of added subject matter and lack of novelty over D7. He requested that the oral proceedings "be withdrawn".
- (e) The note of the result of a phone call to the applicant on 4 November 2003 ("the phone call note") records extensive exchanges between the primary examiner and the applicant on the file history and the outstanding objections.
- (f) By letter dated 11 November 2003, clarified by a phone call on 17 November 2003, the applicant withdrew his request for oral proceedings and requested a written decision "based on the current state of the official file".

III. The grounds for the decision of the examining division dated 17 December 2003 read in full:

"In the communication(s) dated 04.11.2003, 24.07.2003, 01.10.2002 the applicant was informed that the application does not meet the requirements of the European Patent Convention. The applicant was also informed of the reasons therein.

The applicant filed no comments or amendments in reply to the latest communication but requested a decision according to the state of the file by a letter received in due time on 11.11.2003

The application must therefore be refused."

- IV. In the statement of grounds of appeal the appellant applicant requests that the decision under appeal be set aside and that a patent be granted on the basis of the application as refused with amendments to claims 3 and 5 and the addition of new dependent claims 14 to 17 - an implicit main request - or on the basis of the application as refused by the decision under appeal - an implicit auxiliary request. Auxiliarily oral proceedings are requested.

Reasons for the Decision

1. The appeal is admissible.
2. The decision under appeal is a so-called "decision on the state of the file". This board (in differing compositions) in decisions T 1360/05 and T 1356/05 both of 16 February 2006 has dealt in some length with the appropriateness of decisions in this form and their compatibility with the requirements of Rule 68(2) EPC. In the interests of making the present decision self-contained the present decision reproduces below extensive parts of those decisions.

3. The function of appeal proceedings is to give a judicial decision upon the correctness of a separate earlier decision taken by a first instance department (cf *inter alia* T 34/90 (OJ 1992, 454) and G 9/91, point 18 of the reasons (OJ 1993, 408)). A reasoned decision issued by the first instance department meeting the requirements of Rule 68(2) EPC is accordingly a prerequisite for the examination of the appeal pursuant to Article 110 EPC.

4. In the present case the examining division refused the application in response to a request for a decision "according to the state of the file". The Guidelines for Examination in the EPO (June 2005) E-X 4.4, state:

"Applicants may request a decision 'on the file as it stands' or 'according to the state of the file', eg when all arguments have been sufficiently put forward (sic) in the proceedings and the applicant is interested in a speedy appealable decision. In such a case, the decision will be of a standard form, simply referring to the previous communication(s) for its grounds and to the request of the applicant for such a decision."

5. In the view of this board such a first instance decision by reference is entirely appropriate when the communication incorporated by reference contains a fully reasoned exposition of the examining division's objections to the current application text and refutation of any rebuttal by the applicant. Such a procedure is not only efficient but also effective in making it transparent that the decision is being taken on the agreed text and that nothing is being said in

- the decision which has not already been communicated to the applicant with an opportunity to present comments, thus guaranteeing compliance with Article 113(1) and (2) EPC.
6. A number of decisions of the EPO Boards of Appeal have pointed out however that a decision form which refers to several communications, leaving it to the board of appeal to construct the applicable reasons by mosaicing various arguments from the file, or which leaves it in doubt which arguments apply to which claim version, does not meet the 'reasoned' requirement of Rule 68(2) EPC; cf T 278/00 (OJ 2003, 546), T 861/02, T 897/03, T 276/04 and T 1309/05. The decision under appeal in T 701/01 also used the standard form for a decision 'according to the state of the file' and the deciding board found that Article 113(2) EPC had not been complied with since the preprinted form text used did not reflect the facts.
 7. Notwithstanding the fact that the guidelines and the standard form text of the decision under appeal sanction reference to previous communication(s) - which in this context has to be understood as reference to communications pursuant to Article 96(2) EPC - the dates inserted by the examining division in the form text of the decision under appeal here are those of the phone call note, the July 2003 annex and the October 2002 communication respectively.
 8. The October 2002 communication and the July 2003 annex were however issued before the applicant submitted an amended set of claims in November 2003, which is the set of claims on which the application was refused. It

is, therefore, not immediately clear to what extent the objections raised in these earlier communications apply to the latest version of the claims.

9. The phone call note is the summary record of the conversation between the first examiner and the applicant and is not *sensu stricto* a communication pursuant to Article 96(2) EPC. A communication should contain the factual and legal reasoning as to why an application does not fulfil the requirements of the EPC and invite the applicant to file his observations (Article 96(2) EPC). Whereas the phone call note is a record of a dialogue, a communication constitutes a unilateral legal notice to a party. The two documents serve quite different purposes. This does not exclude the possibility of the statements made orally by phone being confirmed and adopted in a formal communication from the examining division inviting observations with a term set for reply. This was not the case here, for the understandable reason that the fate of the oral proceedings which had been arranged was still uncertain at the end of the phone call.

10. The applicant requested a decision on the state of the file. Such a request is not to be construed as a waiver of the right to a fully reasoned first instance decision, even in the light of the suggested procedure in the guidelines; cf T 1309/05, point 3.7 of the reasons. Quite apart from the fact that no provision of the guidelines can override an article or rule of the EPC, such as Rule 68(2) (T 861/02, point 5 of the reasons), it is noted that the quoted passage in the guidelines (point 4 above) does not discuss in detail the procedure to be followed if such a request is

presented during a phone call during which there has been a substantial discussion of the case and it is not at all apparent that the suggested procedure is to be applied under such circumstances. On the contrary, it appears rather to concern the situation where an applicant relies only on the written procedure. The term "state of the file" implies that all relevant facts and arguments are already on file - ie they exist in a written form - , which can hardly be the case immediately following a phone call if, as in the present case, oral arguments have been made.

11. A phone call note is most probably not meant to be included in the term "previous communications" in the cited passage of the guidelines (E-X 4.4). As noted above, these passages of the guidelines are not intended to free the examining division from its obligation to comply with Rule 68(2) EPC, ie the obligation to issue a decision presenting the legal and factual reasons for refusing the application which have been formally notified to the applicant with an opportunity to comment.

12. By the same token, even if an applicant were to waive his right to a reasoned first instance decision *expressis verbis*, it hardly authorises the examining division to dispense with it. The duty to provide reasons in administrative decisions is a fundamental principle in all contracting States, Rule 68(2) EPC being simply an expression of this principle. Further, from the point of view of the practical functioning of the system envisaged in the EPC, absent a reasoned decision within the meaning of Rule 68(2) EPC the board

cannot examine the appeal (Article 110 EPC); cf T 278/00 *supra*, at point 3 of the reasons.

13. In accordance with the established jurisprudence of the boards of appeal, the case is remitted to the department of first instance for further prosecution, such prosecution to take account of amendments made on appeal. The appeal is allowed insofar as the decision is set aside and the appeal fee is reimbursed pursuant to Rule 67 EPC by reason of the substantial procedural violation constituted by non-compliance with Rule 68(2) EPC. The reimbursement is equitable since the appellant was obliged to file this appeal to obtain a reasoned decision to which he was entitled pursuant to Rule 68(2) EPC and which will allow the board to examine the factual and legal reasoning underlying the refusal. It follows also that no purpose would be served by appointing oral proceedings as requested.

Order

For these reasons it is decided that:

1. The decision under appeal is set aside.
2. The case is remitted to the department of first instance for further prosecution.
3. The appeal fee is reimbursed.

Registrar

Chair

S. Sánchez Chiquero

R. G. O'Connell