

Decision of Technical Board of Appeal 3.3.09 dated 27 February 2007**T 1178/04 - 3.3.09**

(Language of the proceedings)

Composition of the board:

Chairman: P. Kitzmantel

Members: K. Garnett

N. Perakis

**Patent proprietor/Respondent: Her Majesty the Queen in Right of Canada,
represented by the Department of Agriculture**

Opponent/Appellant: BASF Aktiengesellschaft

**Headword: Enzyme additives for ruminant feeds/HER MAJESTY THE QUEEN IN RIGHT OF CANADA,
REPRESENTED BY THE DEPARTMENT OF AGRICULTURE AND AGRI-FOOD CANADA**

Article: 106(1), 106(3), 107, 112(2) EPC

Rule: 67, 68(1) EPC

**Keyword: "Purported new opponent a 'party to proceedings' (yes)" - "Admissibility of purported
opponent's appeal (yes)" - "Ruling on transfer of opponent status a 'decision' of the Opposition Division
(yes)" - "Proprietor adversely affected by decision (no)" - "Proprietor not adversely affected by decision
prevented from presenting arguments relating to validity of transfer of opponent status (no)" - "Reformatio
in peius (not applicable)" - "Validity of transfer of opponent status (no)" - "Remittal to Opposition Division
(yes)" - "Reimbursement of appeal fee (no)"**

Headnote

The duty of the European Patent Office to examine, ex officio, the status of the opponent at all stages of the proceedings extends not only to the admissibility of the original opposition but also to the validity of any purported transfer of the status of opponent to a new party.

The doctrine of no reformatio in peius is of no application in relation to the exercise of such duty.

Summary of facts and submissions

I. The questions raised on this appeal concern the status of the opponent and the admissibility of its appeal.

II. Mention of the grant of European Patent No. 0841859 in the name of Her Majesty the Queen in Right of Canada, represented by the Department of Agriculture and Agri-Food Canada (the "proprietor"), was published in the European Patent Bulletin on 31 October 2001. Notice of opposition to the granted patent was filed by DSM N.V. This company later changed its name to Koninklijke DSM N.V., but will be referred to in this decision simply as "DSM".

III. In the course of the opposition proceedings, a request was made to transfer the opposition from DSM to an assignee, BASF AG (referred to in this decision as "BASF"). With letter dated 3 November 2003 and in support of this request, DSM filed documents D5 and D6, which will be referred to in more detail later. The proprietor questioned the allowability of the transfer in its letters of 17 November and 11 December 2003, and on 14 January 2004 the Transfer Service (Umschreibstelle) of the European Patent Office raised the point that documents D5 and D6 only related to agreements between a subsidiary of DSM, namely DSM Food Specialities B.V. (which will be referred to in this decision as "DFS"), and BASF, whereas DSM was the registered opponent.

IV. In response, BASF filed a declaration (D7) on 25 March 2004 to establish that the opposition had been transferred to BASF.

V. On 22 April 2004, the Opposition Division sent a communication to the parties stating that the issue of the allowability of the transfer of the opposition would be decided as the first issue in the forthcoming oral proceedings.

VI. At the date of the oral proceedings on 4 May 2004, DSM and BASF were represented by the same representative, although, as had been indicated beforehand, the representative did not appear at the oral proceedings themselves. In effect, the written submissions and requests of DSM were adopted by BASF.

VII. During the oral proceedings the proprietor, in the light of D7, made no submissions on the issue of the transfer of the opposition other than saying that it still had "slight doubts" as to its validity (see Minutes, paragraph 2). The Opposition Division decided, on the basis of the further evidence contained in D7, that the transfer was valid. In paragraph 2 of the Minutes it is recorded that:

"The Chairman announced that the transfer of the opposition to BASF AG is allowable and that the transfer is to be registered. From that moment on BASF AG was considered to be the Opponent."

VIII. The proceedings then continued with the Chairman summarising the requests of the parties. It is recorded that the opponent requested the revocation of the patent in its entirety on the grounds of Art. 100(a) (lack of novelty and inventive step) and Art. 100(c) EPC. The proprietor's requests were as follows: (a) main request: rejection of the opposition and maintenance of the patent as granted, (b) auxiliary requests: maintenance of the patent in amended form. See paragraph 3 of the Minutes. The Opposition Division then considered the substantive issues and at the conclusion of the proceedings, the main and first auxiliary requests of the proprietor having been rejected, it was ordered that the patent should be maintained on the basis of the proprietor's second auxiliary request.

IX. Although the Grounds for the Decision contain the reasons for the decision on the allowability of the transfer, the written notification of the interlocutory decision itself (Rule 68(1) EPC, Form 2327) contains no reference to it.

X. This written notification, the Grounds for the Decision and the Minutes were addressed and sent to BASF and the proprietor, via their respective representatives, but not to DSM.

XI. On 7 September 2004 BASF filed an appeal against the decision of the Opposition Division and on the same day paid the appeal fee. Grounds of appeal were filed on 4 November 2004. The grounds of appeal were based on Article 123(2) EPC, lack of novelty and lack of inventive step

XII. There was no appeal by the proprietor, but as part of its submissions in reply dated 14 April 2005, and after lengthy submissions on the substantive issues raised by the appeal, the proprietor questioned the Opposition Division's decision on the transfer of the opposition status and asked the Board to consider whether the transfer "was legitimate".

XIII. In its communication of 1 December 2006 the Board informed the parties that the only issues to be discussed at the forthcoming oral proceedings would be the status of the appellant as opponent, the admissibility of the appeal

and the possible remittal of the proceedings to the Opposition Division for continuation of the opposition proceedings with the correct opponent. The Board expressed doubts about the validity of the transfer of the opposition.

XIV. Further submissions on these issues were submitted by BASF and the proprietor on 25 and 29 January 2007 respectively.

XV. Oral proceedings took place on 27 February 2007. BASF was represented but, as had been previously indicated, the proprietor was not.

XVI. BASF's arguments made orally and in writing can be summarised as follows:

(a) The appeal is admissible because it satisfies the requirements of Articles 107 and 108 EPC. BASF was a party to proceedings in the sense of Article 107 EPC (see the invitation to the oral proceedings by the Opposition Division, the minutes of those oral proceedings and the patent register itself). The conditions of Article 108 EPC as to time, fee and grounds were also satisfied. As between DSM and BASF, BASF was the only person who could have appealed.

(b) Whether or not the decision on the issue of transferability of opposition status was correct, and indeed whether or not the respondent-proprietor was adversely affected by the decision of the Opposition Division, are issues which do not need to be examined, because the proprietor has not appealed. It has only raised the question of the transfer in its statement in reply to BASF's grounds of appeal. The question does not therefore form part of the framework of the appeal.

(c) The doctrine of *no reformatio in peius* applies. BASF should not be put in a worse position than if it had not appealed. In these appeal proceedings, the proprietor is limited to defending the patent in the form in which it was maintained in the opposition proceedings.

(d) If the appeal is allowed and the case remitted to the Opposition Division, the appeal fee should be reimbursed under Rule 67 EPC. It is no fault of BASF that it finds itself in this position.

XVII. The proprietor's written arguments can be summarised as follows:

(a) It is open to the proprietor to question the transfer of opposition status because the conclusion of the Opposition Division on this issue was not a separately appealable decision. The only decision issued by the Opposition Division was to maintain the patent in amended form. The proprietor was satisfied with this result. The proprietor could not have appealed against this part of the decision alone, i.e. in effect only against part of the reasoning of the decision. It cannot be the case that the proprietor had to appeal against the decision rejecting its main or first auxiliary requests merely to enable it to take this point. Decisions T 73/88 (OJ EPO 1992, 557) and G 5/91 (OJ EPO 1992, 617) are relied on by analogy.

(b) If the conclusion as to transfer of opposition status was a separately appealable decision, then it should have been issued as a separately appealable decision rather than as being presented as part of the reasoning of the decision leading to maintenance of the patent in amended form.

(c) The transfer of opposition status was invalid. The doubts expressed by the Board in its communication were in substance adopted.

(d) Given that the appeal was filed in the name of someone who was not the true opponent, the appeal is inadmissible.

(e) Remittal of the case would not be in the interests of procedural efficiency and would result in further costs to the proprietor. Although a finding that the appeal is inadmissible would result in the end of all opposition proceedings, BASF would still have the opportunity of challenging validity in the national courts, so that, weighing up the respective positions of the parties, rejection of the appeal as inadmissible would be the right solution.

(f) If the case were to be remitted, it was a major concern to the proprietor that the substantive issues would be re-opened before the Opposition Division. If, therefore, the case were remitted, this should only be for revision of the decision on transfer of opposition status.

(g) If the case were to be remitted, DSM should be ordered to pay the costs of the remitted proceedings on the grounds that it would be equitable for it to do so.

XVIII. The requests of the parties were as follows:

(a) BASF requested that:

(i) the appeal be ruled admissible;

(ii) implicitly, that the appeal proceedings be continued with BASF as appellant-opponent;

(iii) in the event that the proceedings were remitted to the Opposition Division, the appeal fee be reimbursed.

(b) The respondent-proprietor requested that:

(i) the transfer of opposition status from DSM to BASF be held not to have been valid;

(ii) the appeal be held to be inadmissible;

(iii) the proceedings be not remitted to the Opposition Division;

(iv) if the proceedings were remitted to the Opposition Division:

- an order be made that the remittal is solely for revision of the conclusion on the transfer of opponent status and otherwise for the re-issue of the first-instance decision;

- an award of costs be made in favour of the proprietor against the original opponent, DSM, in respect of any costs involved in the remittal proceedings.

Reasons for the decision

Admissibility of the appeal

1. The first question which the Board will consider is whether, even if the transfer of opponent status was invalid, the appeal would nevertheless be admissible. The question is put in this way because BASF has argued that the issue of validity of the transfer cannot be considered at all on this appeal.

2. Article 107 EPC provides that "Any party to proceedings adversely affected by a decision may appeal." The only point which arises on this part of the case is whether, on the hypothesis that the transfer of the opposition to BASF was invalid, BASF was nevertheless at the relevant time a "party to [the] proceedings" within the meaning of Article 107 EPC. In the Board's view, BASF was and is clearly a party in this sense.

3. The Board takes the view that, in this context, a "party" simply means someone who takes part in proceedings before the European Patent Office. A person is a party for this purpose even if his entitlement to take part in such proceedings is brought into question and such entitlement is the subject matter of a pending decision. Although he may cease to be a party if it is decided that he is not entitled to take part in the proceedings, this does not mean he never was a party, only that he is no longer entitled to take part in the proceedings. Before this point, he had a procedural status restricted to the issue of whether he was entitled to take part in the proceedings. If it is decided that he is entitled to take part in the proceedings he remains a party even though this decision is later reversed on appeal; such a decision will have the effect that he is no longer entitled to take part in the proceedings, but not that he never was a party to the proceedings. His position cannot change retrospectively from that of having been a party to that of never having been a party, or vice versa, depending on the final outcome of such a decision. He does not inhabit a form of limbo between the two positions pending a final determination of the issue.

4. On this view, BASF was and is a party to these proceedings. The fact that the Opposition Division ruling on the issue of opponent status was, on the present hypothesis, wrong cannot mean that BASF was not a party at the date BASF filed its notice of appeal.

5. Since there is no dispute that the other requirements of Articles 107 and 108 EPC have been satisfied in this case, it follows that BASF's appeal is admissible.

The validity of the transfer of opponent status as an issue in these appeal proceedings

6. The core submission of BASF on this appeal has been that the issue of the transfer of opponent status cannot be examined in the course of these appeal proceedings, there being no appeal by the proprietor.

7. For the reasons which are given in paragraphs 18 to 36, below, the Board considers that for the purposes of the outcome of this appeal it is in fact irrelevant that the proprietor has not appealed, or indeed whether or not it could have appealed. Nevertheless, the Board will address the parties' arguments on this issue.

8. The proprietor argues that the finding that the status of opponent had been validly transferred was not a "decision" of the Opposition Division within the meaning of Article 106(1) EPC but only part of the grounds for its actual decision, which was to maintain the patent in amended form. Since an appeal only lies from a "decision" of the Opposition Division (Article 106(1) EPC) and not from a ground of the decision, the proprietor could not have appealed this issue.

9. As to this, the proprietor is correct to say that the only decision pronounced at the end of the oral proceedings was that, as amended, the patent and the invention to which it related met the requirements of the EPC. Although the minutes do not expressly state that this is what happened, it is nevertheless clearly the case. In any event this is the

decision which was subsequently notified in writing to the parties under EPC Rule 68(1). See Form 2327, dated 28 June 2004. The grounds for the decision also confirm this decision (see final statement "Decision").

10. The Board considers, however, that the ruling on the issue of transfer amounted to a decision within the meaning of Article 106(1) EPC. In the context of this Article, a "decision" is an administrative or judicial act of the European Patent Office by which the right of a party or parties to proceedings is determined in a legally binding way. Decision T 263/00 (not published in the OJ EPO) is to similar effect.

11. As to this, the transfer issue was clearly one which required an administrative or judicial act to resolve it. Not only this, it was indeed resolved by such an act, namely the announcement of the Opposition Division at the end of the first stage of the oral proceedings that "the transfer of the opposition to BASF AG is allowable and that the transfer is to be registered" (see Minutes, paragraph 2). The fact that such decision was oral is irrelevant for the purposes of Article 106 EPC, since Rule 68(1) EPC makes it clear that a decision may be given orally. See also in this respect Decision T 389/86 (not published in the OJ EPO). Had, for example, there been separate interlocutory proceedings limited to this issue, a finding as to the transfer of opponent status would obviously have amounted to a decision within the meaning of Article 106(1) EPC (see e.g., the connected Decisions T 799/97 and T 1229/97 - not published in the OJ EPO), against which a separate appeal would normally have been allowed (as in Decision T 10/82 - OJ EPO 1983, 407).

12. The decision on transfer of opponent status in this case was, however, only an interlocutory decision and, at the moment it was given at least, not one against which a separate appeal was allowable under Article 106(3) EPC. The only decision against which a separate appeal was expressly allowed was the decision that, as amended, the patent and the invention to which it related met the requirements of the EPC. See Form 2327 of 28 June 2004. This decision could only have been appealed as a whole and it was not open to the proprietor to appeal against the decision on the transfer of opposition status but not against the decision to maintain the patent in amended form. Had it attempted to do so, the appeal would have been inadmissible. An appeal does not lie against part of a decision of a first-instance tribunal if the result would have been the same even if the point had been decided in the appellant's favour: see Decision T 846/01 (not published in the OJ EPO). In the present case, the result (maintenance of the patent in amended form pursuant to the proprietor's second auxiliary request) would clearly have been the same whatever the decision on the issue of the transfer of the opposition.

13. In these circumstances, is BASF correct to submit, in effect, that in order to keep open the right to argue the issue of the transfer of opposition status on a possible appeal by BASF, the proprietor should have appealed against the decision on substantial validity? Indeed, could the proprietor have so appealed?

14. In theory at least, the proprietor could have appealed against the decision refusing its main or first auxiliary requests. But a conclusion which would mean that the proprietor, although satisfied with the end result (maintenance of the patent in amended form according to its second auxiliary request) would have had to have filed an appeal against the rejection of its main or first auxiliary requests merely to keep open its ability to argue the transfer point on a possible appeal by BASF would in principle be highly unsatisfactory. (Presumably the proprietor would have withdrawn the appeal in the event that BASF did not file an appeal.) That such a conclusion appears also to be wrong is indicated by considering what would have happened if the proprietor's main request had been upheld, in which case no appeal at all by the proprietor would have been possible. Could the proprietor have been prevented from raising the issue of transfer on BASF's appeal? There clearly ought not to be a distinction between these two situations. In this regard, however, that Board notes that in Decision T 239/96 (not published in the OJ EPO) the following was said about a similar argument:

"5. Another question raised in the present case is the argument of the respondent that he would not have been able to file an admissible appeal since he was not adversely affected, the Opposition Division having allowed his main request. On this point, the Board would on the one hand refer to the principle of party disposition recognised by the EPO, cf. G 8/91 (OJ EPO 1993, 346), point 5 of the reasons, i.e. that parties have to decide themselves what requests they want to submit and that the Boards of Appeal would as a rule not examine a case of their own motion. In short, one may conclude for the present case that the respondent put himself in this unfavourable position by not keeping the granted claims as his main request before the Opposition Division."

However, this hardly seems a satisfactory answer. And what would have been the position if the opposition had been rejected under Article 102(2) EPC and the patent thus maintained as granted? There is nothing which the proprietor could have done to keep open his right to question the transfer of the opposition in the manner suggested by the above decision. The Board does not need to go into this further, however, since, as will be seen later, the important issue in this case concerns the point referred to in the above passage, namely whether the principle that Boards of Appeal will as a rule not examine a case of its own motion applies in this case.

15. Returning to the issue of whether the proprietor could have appealed, a party to proceedings may only appeal against a decision if it is adversely affected by it (Article 107 EPC). In the present case the proprietor says that it was content with the decision of the Opposition Division to maintain the patent in amended form and had no wish to appeal against it. The Board has no reason to doubt this and it is born out by the facts. In Decision T 244/85 (OJ EPO 1988, 216) it was said:

"4. In order to establish that a party has been adversely affected, however, it is not sufficient to compare that party's original objective with the substance of the decision; rather, the party must have been so affected at the time when the contested decision was delivered *and the appeal filed*. A party who expresses his approval of a proposed decision during proceedings can no longer contest that decision on the grounds that he has been adversely affected, even though he originally submitted requests which are not met by the decision." (Emphasis added)

On this basis, the proprietor was not adversely affected by the decision when the period for filing an appeal under Article 108 EPC expired.

16. Further, it appears to the Board that it would have been an abuse of process for the proprietor to have appealed against the decision, pretending to be dissatisfied with the substantive decision, merely to get its foot in the door of the Boards of Appeal so as to be heard on the issue of transfer of opposition. Had there been evidence that it was so pretending, it is the Board's provisional opinion that the appeal could have been rejected as inadmissible.

17. The Board therefore concludes that in this case the proprietor could not have brought an admissible appeal against the decision concerning the issue of transfer of opponent status.

Reformatio in peius

18. Having cleared these matters out of the way, the question can then be asked, what is to prevent the Board looking at the issue of the transfer of opposition status? BASF's answer is that to do so would be contrary to the principle of *no reformatio in peius*, as expounded in the decisions of the Enlarged Board in Decisions G 9/92, G4/93 (OJ EPO 1994, 875) and G 1/99 (OJ EPO 2001, 381).

19. As to this, the Board can accept that there is a risk that BASF may find itself in a worse position than if it had not appealed. This might happen if the appealed decision were to be set aside and, on a subsequent rehearing of the substantive issues, the patent were to be maintained in wider form than at present, e.g., on the basis of the proprietor's main or first auxiliary requests before the Opposition Division.

20. At the outset, the Board notes that if the submission of BASF were correct, it would mean that a proprietor whose main request had been granted could never raise such an issue on appeal.

21. Turning to the decisions of the Enlarged Board referred to above, in Decision G 4/93 (in which the official text was in English - the decision was to the same effect as in G 9/92, where the official text was in German), the Enlarged Board considered whether requests by a respondent-proprietor to maintain the patent in a wider form than maintained below, or by a respondent-opponent to revoke it, were admissible and thus whether and to what extent a Board of Appeal could depart from the requests formulated in the Notice of Appeal in opposition appeal proceedings, to the disadvantage of the appellant (paragraph 7 of the Reasons). The Board pointed out that if a party does not appeal against a decision within the time limit for appeal, that party cannot claim the right, without limit

of time, to submit requests having the same scope as an appellant's requests, and thus, in response to an appeal by the opposing party, effectively assume the status of an appellant (paragraph 10). The logical conclusion from this, so far as concerns a case where an opponent was the sole appellant, was that:

"The patent proprietor, who has not filed an appeal and is therefore only a party to the proceedings under Article 107, second sentence, EPC, does not have the right to file a 'cross-appeal' without limit of time. Unlike the rights he would have as appellant, his requests are therefore subject to restrictions. By not filing an appeal, he has indicated that he will not contest the maintenance of the patent in the version accepted by the Opposition Division in its decision. He is therefore primarily limited to defending this version. Any amendments he proposes in the appeal proceedings may be rejected by the Board of Appeal if they are neither appropriate nor necessary, which is the case if the amendments do not arise from the appeal ..." (Paragraph 16).

22. In Decision G 1/99, the Enlarged Board of Appeal examined what might amount to "appropriate" and "necessary" amendments in this sense. The Enlarged Board concluded that Decision G 4/93 had established that a "non-appealing party may not *in principle* file a request going beyond the extent of the appeal defined in the appellant's request" (paragraph 7 of the Reasons, emphasis added). The Enlarged Board considered that it was implicit from Decision G 4/93 that requests submitted by a non-appealing party might, in very specific circumstances and in a restricted manner, alter the extent of the proceedings (see paragraph 10.3). Further, the Enlarged Board considered that the undifferentiated application of the principle of no *reformatio in peius* as between proprietor-respondent and opponent-respondent would be:

"... inappropriate in cases where the patent proprietor is only party as of right to the appeal proceedings because it could lead, in certain specific circumstances, to inequitable consequences. Taking into consideration that in appeal proceedings before the EPO the application of the principle of prohibition of *reformatio in peius* derives from its own case law, the Enlarged Board of Appeal has also to weigh the consequences of this application, if it appears that they might be unsatisfactory." (Paragraph 11)

23. These decisions therefore concern cases where a proprietor-respondent proposes amendments to the patent, and discuss the limited circumstances where such amendments may be made by a proprietor despite prima facie infringing the principle of no *reformatio in peius*. The Board is not concerned with a situation of that kind in the present case but with the very different question of a person's right to be a party in the first place. In passing, and with reference to the passage from G 4/93 cited in paragraph 21, above, it can be noted that in the present case, so far as the substantive issue of patentability is concerned, (a) the proprietor does not contest the maintenance of the patent in the version accepted by the Opposition Division in its decision and (b) the proprietor is primarily concerned in the appeal to defend this version (auxiliary requests have been filed with a view to defending the patent in more limited form).

24. For the reasons which follow, it is the Board's view that where, as in this case, what is at issue is a person's right to be a party, the principle of no *reformatio in peius* is of no application. The Board says this having in mind the fact that the principle of no *reformatio in peius*, as confirmed by the Enlarged Board to apply to appeals to the Boards of Appeal, is taken mainly from the well-established principle in German law ("Verschlechterungsverbot"), itself adopted from Roman law. What is important to bear in mind for the purposes of this appeal is that this principle of German law has no application in those cases where (a) there exist procedural pre-conditions for making relevant requests to the court ("Verfahrensvoraussetzungen") and (b) these pre-conditions are of a kind that cannot be waived or dispensed with ("unverzichtbaren Verfahrensvoraussetzungen"), such that the court must itself be satisfied that they have been fulfilled. In the context of patent proceedings such as these, pre-conditions of this kind include the admissibility of the opposition itself ("Zulässigkeit des Einspruchs") and the capacity of a person to be a party to the proceedings in the first place ("Parteifähigkeit"), a question which depends upon his or its capacity to sue or to be sued in its own name and on its own account (an issue which was dealt with by the Enlarged Board of Appeal in Decision G 3/99, paragraph 9).

25. The Board takes this statement of principle from the commentary "Patentgesetz mit Europäischem Patentübereinkommen", 7th edition (2005), by Dr Rainer Schulte and others, where it is said, paragraph 7.6.1, note 72, at page 986:

"Das Verbot der Schlechterstellung gilt nicht a) grundsätzlich für Verfahrensfragen, über die von Amts wegen zu befinden ist. Die *unverzichtbaren Verfahrensvoraussetzungen* hat daher BPatG [Bundespatentgericht] ohne Bindung an den Antrag zu prüfen ..., wie z.B. die Zulässigkeit des Einspruchs, die Anhängigkeit der Anmeldung, das Vorliegen eines wirksamen Prüfungsantrags oder allgemeiner Verfahrensvoraussetzungen" (citations omitted).

The commentary "Patentgesetz" by *Dr Georg Benkard* and others, München, 2006, at the passage bridging pages 1135 and 1136 (attrib. Alfons Schäfers) is to the same effect. Further, under the heading "Absolute Verfahrensvoraussetzungen" at paragraph 8.2, page 987, Schulte continues:

"Verfahrensvoraussetzungen, die für des Verfahren in 1. Instanz (Prüfungs-, Einspruchs-, Kostenfestsetzungsverfahren) *unverzichtbar* sind, sind auch im Beschwerdeverfahren jederzeit von Amts wegen zu prüfen. Da sie von Amts wegen zu prüfen sind, können sie auch noch nach Ablauf der Beschwerdefrist geltend gemacht werden. Liegen sie im Zeitpunkt der Entscheidung nicht vor, ist die Beschwerde zurückzuweisen. Folgende Voraussetzungen sind in jeder Lage des Verfahrens von Amts wegen zu prüfen: ...b) *Zulässigkeit des Einspruchs* ... d) *Partei- und Prozeßfähigkeit*." (citations omitted).

26. The Board takes as the reason why under German law there arises a duty *ex officio* to check that procedural pre-conditions of the above kinds have been satisfied and why also the principle of no *reformatio in peius* is of no application in these situations is the concept that where there exist indispensable pre-conditions for a party to come before the court and to make requests which relate to the substantive issues in the case, a court is only competent to decide on the substantive issues where these pre-conditions have been fulfilled. Where this is not the case, such requests are inadmissible and the court has no jurisdiction to decide on the substantive issues.

27. Turning to consider whether similar principles have any application in the context of the EPC, it is well established by decisions of the Boards of Appeal that the admissibility of the opposition is an indispensable procedural requirement for the substantive examination of the opposition submissions at every stage of the proceedings. As such, admissibility must be examined by the EPO of its own motion, even on an appeal and even where this issue has not been raised by the parties. See, for example, Decisions such as T 289/91 (OJ EPO 1994, 649), T 28/93 (not published in the OJ EPO), T 522/94 (not published in the OJ EPO). In Decisions G 3/97 and G 4/97 (OJ EPO 1999, 245, 270), the Enlarged Board considered the situation of an opposition by "a man of straw", and said this:

"6. The question then arises whether a relevant challenge to the admissibility of the opposition ... may be raised for the first time at the appeal stage. This question arises not only ... in cases where the challenge is raised by the patent proprietor; it is equally pertinent if the admissibility of the opposition is challenged by the EPO of its own motion.

The answer must be the same in both cases. A circumvention of the law in an abusive manner by the use of a straw man ... is not to be accepted at the appeal stage, even if no objection has been raised by the department of first instance. This is already established by the fact that a decision of the EPO on the validity of a patent requires the existence of an admissible opposition. This applies equally to proceedings before the board of appeal and the opposition division. Moreover, the public interest in preventing the above-mentioned inadmissible practices must take priority here over the need for efficiency in conducting the appeal proceedings."

28. The above cases (G 3/97 and G 4/97) were concerned with an opponent who was a "man of straw" but, as the other cases cited in paragraph 27 show, the same principles apply where the issue is whether the opposition was filed within the nine-month period prescribed by Article 99(1) EPC or whether the notice of opposition satisfied the provisions of Article 99(1) EPC in conjunction with Rules 56(1) and 55(c) EPC (see Decision T 522/94, OJ EPO 1998, 421).

29. As is made clear in the passage from G 3/97 cited in paragraph 27, above, a decision of the EPO on the validity of a patent requires the existence of an admissible opposition. The position can be put more fully by saying that the admissibility of the opposition is an indispensable pre-condition for a person to be entitled to make requests relating to the patentability of the claimed invention. To this extent, therefore, it can be said that similar principles to those set out in paragraphs 24 to 26, above, apply in the context of the EPC.

30. It is no doubt because of these considerations that the Boards of Appeal have looked into the issue of the admissibility of the opposition even in cases where (if the facts of the cases are examined) the opponent/ sole appellant might as a result have ended up in a worse position than if it had not appealed. See, for example, Decisions T 199/92, T 960/95 and T 1180/97 (all unpublished in the OJ EPO). It clearly never occurred to the parties or the respective Boards in these cases even to raise the issue of no *reformatio in peius*.

31. The above cases are all concerned with the admissibility of the original opposition, not the validity of a transfer of opponent status. However, in the Board's view similar principles apply in this latter situation as well. Decisions of the Enlarged Board in G 4/88 (OJ EPO 1989, 480), G 3/97 (OJ EPO 1999, 245) and G 2/04 (OJ EPO 2005, 549) have established that the status of opponent is not freely transferable. In Decision G 3/97 (the 'straw man' case) the Enlarged Board said (paragraph 2.2):

"The opponent does not have a right of disposition over his status as a party. If he has met the requirements for an admissible opposition, he is an opponent and remains such until the end of the proceedings or of his involvement in them. He cannot offload his status onto a third party ... Thus there cannot be another 'true' opponent apart from the formally authorised opponent".

The reasons for not allowing free transfer of an opposition were amplified in Decision G 2/04 as follows (paragraph 2.1.4):

"Opposition proceedings are conceived as a simple, speedily conducted procedure. On the one hand, relevant objections should be given appropriate consideration, on the other hand a decision should be reached as quickly as possible. This serves not only the interests of both parties (G 3/97, loc. cit., Reasons, point 3.2.3) but also the interest of the public at large in having clarified as soon as possible the question of whether an exclusive right has to be respected. For that reason, opposition is subject to a time limit, and third party participation is restricted in Article 105 EPC. It would be contrary to this concept to allow a third party who has failed to oppose within due time to take over the procedural position of an opponent who has lost interest, thereby lengthening proceedings which would otherwise be finished."

32. Further, as noted by the Board in Decision T 298/97 (OJ EPO 2002, 83) (paragraph 7.1):

"If an opposition could, after its commencement, be transferred unconditionally to a third party, a patent could in effect be opposed out of time by a person who did not exercise his right to oppose within the nine-month opposition period. Any such 'trafficking' in oppositions would be contrary to the legislative intent behind Article 99(1) EPC and a threat to the assumption by Contracting States of exclusive national jurisdiction over European patents at the end of the nine-month opposition period."

33. While the situation which the Board is confronted with does not correspond precisely with either of the situations identified in paragraph 25, above, i.e. the admissibility of the opposition itself ("Zulässigkeit des Einspruchs") or the capacity of a person to be a party to the proceedings ("Parteifähigkeit"), the Board concludes that it is confronted with a very similar issue, namely, whether BASF is the legally correct opponent. In particular, the Board considers that the present situation is very similar to the situation where what is at issue is the admissibility of the opposition. The close similarity arises from the fact that in proceedings before European Patent Office the parties who are permitted to submit requests relating to the patentability of the claimed invention are limited by the provisions of the EPC. So far as concerns opposition proceedings, these persons are (a) the proprietor, (b) opponents whose opposition satisfies the requirements of Articles 99 and 100 EPC, and (c) interveners who have satisfied the conditions of Article 105 EPC. So far as concerns admissible appeals before the Boards of Appeal, the persons who are permitted to submit requests relating to the patentability or otherwise of the claimed invention are, by virtue of Article 107 EPC, the same. Other persons, for example those claiming to fall within any of these categories, may be parties to the proceedings but, as explained in paragraph 3, above, they have a limited procedural status only. They are not entitled to make requests relating to the patentability of the claimed invention. In accordance with the decisions of the Enlarged Board of Appeal referred to above, an opponent can only transfer the opposition in certain defined, limited circumstances. The statements from the decisions of the Enlarged Board quoted in paragraphs 27 and 31, above, show that this procedural requirement, namely that a transfer of opposition should satisfy the

conditions for a valid transfer of opposition status, is an indispensable one. A person to whom the opposition has been purportedly but invalidly transferred is therefore not entitled to make requests relating to the patentability of the claimed invention, in much the same way that a person who is not the 'true' opponent or who has filed an opposition outside the nine-month period prescribed by Article 99 EPC is not entitled to do so. Such requests are inadmissible. It is no doubt for this reason that the Enlarged Board said in G 2/04: "... the Board of Appeal has to examine the question of the party status *ex officio* before dealing with the substance of the case(s)" (see paragraph 3.2.5).

34. In the Board's view it therefore follows that, just as with the duty, *ex officio*, to examine the admissibility of the original opposition, the Office has a duty to examine, at all stages of the proceedings, the position of a party who claims to be the transferee from the original opponent. The Board thus has a duty *ex officio* to examine the validity of the transfer of the opposition to BASF in order to see whether the requests made by BASF concerning the validity of the claimed inventions, both to the Board of Appeal and to the Opposition Division, are or were admissible.

35. It also follows that the principle of no *reformatio in peius* is of no application in this situation.

36. Further, since this duty arises whether or not the issue has been raised by the proprietor and whether or not it has already been the subject of a decision by the Opposition Division, it also follows that it is irrelevant whether or not the proprietor could have appealed or has in fact appealed.

The transfer from DSM to BASF

37. The Board turns now to consider the validity of the transfer of opponent status from DSM to BASF.

38. As noted in paragraph III, above, documents D5 and D6 were at first relied on as establishing a valid transfer of opponent status. D6, the first in time, is dated 29 August 2003 and consists of limited extracts from an agreement between DFS and BASF. The extracts do not include any operative provisions. At the end there is appended an undertaking by DSM in favour of BASF that DFS, DSM's wholly owned, indirect subsidiary, would perform its obligations under the agreement (although what they may have been is not revealed). D5 is dated 15 October 2003 and also consists of limited extracts from an agreement between DFS and BASF, and is clearly supplemental to the agreement of 29 August 2003. It recites that the agreement relates, *inter alia*, to "the transfer of oppositions of DFS against third-party patents relating" to "Feed Enzyme Patents". Exhibit 4 to the agreement contains, according to Clause 3.1, a list of pending oppositions of DFS against third-party patents before the European Patent Office. The present opposition proceedings are one of those listed. Clause 3.2 of the agreement contains an agreement by DFS to transfer to BASF all *files* relating to these oppositions, but the extracts from the agreement do not contain any express transfer of the opposition itself. More critically, nowhere is there any evidence of any purported transfer by DSM, the actual opponent.

39. When it was pointed out by the Transfer Service of the Office that these documents did not establish a valid transfer of opponent status, BASF filed D7. This consists of a declaration dated 23 March 2004 signed on behalf of DSM, DFS and BASF. In this declaration, having referred to D5 and D6, the parties "state", *inter alia*, that "by said agreements [i.e., D5 and D6] the opposition against EP 841 859 B1 was transferred to BASF". It was this declaration that the Opposition Division accepted as establishing that the prerequisites for a transfer of the opposition were fulfilled (see Reasons 2 of the Grounds for the Decision).

40. In Decision T 261/03 (not published in the OJ EPO) the Board of Appeal considered what kind of evidence was required to establish a valid transfer:

"3.5.5 In view of the above considerations, the question arises what level of certainty documentary evidence has to provide in order to fulfil the requirements of Rule 20 EPC. The board is not aware of any appeal decision that has held that the documents to be submitted according to this provision have to prove the alleged transfer 'up to the hilt'. Such a yardstick of full and absolute proof would indeed be overly strict since in many situations documentary evidence alone could then hardly suffice. As the wording of Rule 20(1) EPC suggests ('satisfying the EPO that the transfer has taken place'), something less is required. *The board takes the view that the requirements of Rule 20*

EPC are complied with if the documents submitted ... are such as to render it credible to the competent organ of the EPO, evaluating the documents in a reasonable way and in the light of all the circumstances, that the alleged facts are true. The mere fact that another document might have been a more direct piece of evidence than the one submitted by the appellant does not invalidate the proof actually offered (see T 273/02 of 27 April 2005, point 2.6)." (Emphasis added)

41. This test is not satisfied in the present case. Although the declaration in D7 asserts that the opposition "was transferred" by virtue of D6 and D5, a mere assertion that a transfer has taken place is not enough (see Decision T 670/95 - not published in the OJ EPO), and the extracts provided from these agreements do not in fact contain any assignment or transfer by DSM, the opponent. At best, they suggest an intention to assign the opposition from DFS to BASF. DFS was not, of course, the opponent. The underlying basis for the Opposition Division's decision was therefore wrong.

42. Even assuming that these agreements could somehow be construed as containing a purported transfer of the opposition by the original opponent, DSM, there is no evidence that at the time DSM transferred any other relevant assets. The opposition could not therefore have been transferred "as part of the opponent's business assets" (see headnote to Decision G 4/88). The decision of the Enlarged Board of Appeal in G 2/04 further makes it clear that the status of opponent cannot be transferred by a parent company when it sells its wholly-owned subsidiary, even where the opposition was filed by the parent in the interests of that subsidiary. This conclusion applies *a fortiori* in the present case, where the transaction had nothing to do with the sale of any assets by the parent/opponent, but rather with the sale of part of an indirect subsidiary's business.

43. The Board therefore concludes that there was no valid transfer of the status of opponent and the decision of the Opposition Division was in this respect wrong. It also follows that the requests which were made by BASF in the oral proceedings before the Opposition Division relating to the patentability of the claimed invention were inadmissible (see paragraph 33).

The procedural consequences

44. The only means of correcting this error is to set aside the decision as a whole. The Board cannot set aside that part of the decision which relates to the transfer of opposition status and somehow leave the remainder intact. Nor does the Board consider that it could be correct, as the proprietor seems to suggest, to do nothing and leave BASF to challenge the validity of the patent in the national courts. The opponent (DSM) remains the opponent and was and is entitled, if it wishes, to oppose the patent under the provisions of the EPC, including by way of an appeal from the Opposition Division, and this right cannot simply be ignored.

45. The Board is sympathetic to the concerns of the proprietor about the further delay which this decision will cause, in particular if the case is remitted to the Opposition Division, and has considered whether or not the appeal proceedings could be continued in some form with DSM as appellant. In the end, however, the potential problems appear to the Board to be too great, and the Board therefore sees no alternative other than to remit the proceedings to the Opposition Division.

46. As to remitting the case with an order of the kind which the proprietor requests, namely for revision of the decision on transfer of opposition status only and otherwise for the re-issue of the first-instance decision, the Board has no power to do this. Since the decision of the Opposition Division must be set aside before the case can be remitted, the Opposition Division will not be bound by its previous decision. Further, on such remittal the Opposition Division will be bound only by the *ratio decidendi* of the Board's decision (see Article 111(2) EPC), and the *ratio decidendi* of this decision can only be concerned with transfer of opposition status, not with the substantive issues of patentability which the case also raises. Nothing the Board says could therefore have any binding effect so far as these substantive issues are concerned.

47. It is to be hoped, nevertheless, that the Opposition Division will be able to conclude the opposition proceedings relatively quickly.

Costs

48. As to the proprietor's request that DSM should be ordered to pay the costs of the remitted proceedings on the grounds that it would be equitable to do so, the Board has no jurisdiction to make an order for such future costs. In any event it would not be just to do so, DSM not being at fault.

Reimbursement of appeal fee

49. In the present case there was a procedural violation within the meaning of Rule 67 EPC, in that requests relating to the lack of patentability of the claimed invention were made by a person who had no right to make them, and for the above reasons the appealed decision will be set aside. It is, however, a pre-condition for reimbursement of the appeal fee under Rule 67 EPC that the Board "deems [the] appeal to be allowable". In decision J 37/89 (OJ EPO 1993, 201) the Board pointed out that it is clear from the wording and purpose of this provision that "allowable" is to be understood in the sense that the Board of Appeal, in substance at least, "follows" the relief sought by the appellant, in other words that it allows its requests. It is true that the above pre-condition will be satisfied if the appeal is only partially successful, i.e. if only some of the appellant's requests are allowed (see Decisions J 18/84 (OJ EPO 1987, 215) and T 604/01 (not published in the OJ EPO)), and it is also true that in the present case one of BASF's requests at the interlocutory hearing has been allowed, namely that its appeal be ruled admissible. It must be borne in mind, however, that this decision has been concerned only with the preliminary issues of the status of BASF as opponent and the admissibility of its appeal, and not with the substance of BASF's appeal itself. The requests of BASF in the appeal itself are that the decision of the Opposition Division be reversed and that the patent be revoked *in toto* (see the Notice of Appeal dated 7 September 2004). The reality is that BASF's appeal has been wholly unsuccessful in that the Board has in effect decided that these requests are inadmissible and that BASF is not entitled to take any further part in the opposition proceedings. It is the Board itself which has acted, *ex officio*, to set aside the decision of the Opposition Division.

Order

For these reasons it is decided that:

1. The appeal is held admissible.
2. The decision under appeal is set aside.
3. The case is remitted to the Opposition Division with the order to continue the opposition proceedings with DSM N.V. as opponent.
4. The request for reimbursement of the appeal fee is refused.