

Decision of Technical Board of Appeal 3.3.6 dated 31 January 2005

T 1181/04 - 3.3.6

(Language of the proceedings)

Composition of the board:

Chairman: P. Krasa
Members: A. Pignatelli
G. Dischinger-Höppler

Applicant: Pirelli & C Ambiente S.p.A.

Headword: Disapproval of the text proposed for grant/PIRELLI & C Ambiente

Article: 96, 97(1), 97(2)(a), 106(1) and (3), 113(2), 121, 122 EPC

Rule: 51(4), (5), (6), (8) EPC

Keyword: "Examination procedure - Rule 51(4) communication - applicant's disapproval of text proposed by the examining division" - "Reimbursement of appeal fee - procedural violation (yes)"

Headnote

I. The applicant's approval of the text proposed for grant by the Examining Division is an essential and crucial element in the grant procedure and its existence or non-existence needs to be formally ascertained (point 3 of the reasons for the decision).

II. The applicant must be given the opportunity to express his disapproval of the text proposed for grant by the Examining Division with a communication under Rule 51(4) EPC and to obtain an appealable decision refusing his requests. If he has been deprived of this possibility a substantial procedural violation has occurred in the proceedings (point 3 of the reasons for the decision).

Summary of facts and submissions

I. European application No. 99 201 344.1 was filed on 28 April 1999. During the proceedings before the Examining Division two auxiliary requests were filed. None of the applicant's requests was withdrawn during the examination procedure.

II. On 5 April 2004, the Examining Division issued a "Communication under Rule 51(4) EPC" on EPO Form 2004 07.02CSX informing the applicant that it intended to grant a European patent according to the second auxiliary request and requesting the applicant to pay the fee for grant and the printing fee and to file a set of translations of the claims in the other two official languages of the EPO within four months of the notification of the communication. The applicant was informed *inter alia* that failure to do so would have the consequence that the application would be deemed to be withdrawn. Further instructions about the payment and the filing of the translations were also given. In this communication the applicant's attention was also drawn to "comments on enclosed Form 2906". Under the heading "Communications/Minutes (Annex)" on this Form, the Examining Division gave the reasons why the main and first auxiliary requests did not meet the requirements of the EPC.

No other instruction or information concerning these higher-ranking requests was given to the applicant.

III. On 9 June 2004, the applicant (appellant) filed an appeal against this communication stating "We hereby file a Notice of Appeal on behalf of the Patentee against the decision of the Examining Division dated April 5, 2004 refusing the main request and the first auxiliary request". He requested that "the decision be set aside in its entirety and the patent be granted according to the main request or the first auxiliary request or any further auxiliary request possibly submitted by the Patentee during the appeal procedure".

Reasons for the decision

1. According to Article 106(1) EPC, an appeal must lie from decisions of inter alia the Examining Division. According to Article 106(3) EPC, a decision which does not terminate proceedings as regards one of the parties can only be appealed together with the final decision, unless the decision allows a separate appeal.

In the present case, the appeal lies from a document with the title "Communication under Rule 51(4) EPC" that was issued by the Examining Division.

Rule 51 EPC implements the examination procedure established in Articles 96 and 97 EPC. In particular, Rule 51(4) EPC stipulates that the Examining Division has to communicate to the applicant the text in which it intends to grant the patent and invite him to pay the fees and file the translation. According to the last sentence of this provision, the payment of the fees and the filing of the translation is considered to be implicit approval of the text proposed by the Examining Division.

The function of a communication under Rule 51(4) EPC is therefore to establish whether the applicant approves the proposed text of the patent as foreseen in Article 97(2)(a) and Article 113(2) EPC.

If, after receiving the communication under Rule 51(4) EPC, the applicant approves the version of the patent proposed by the Examining Division and fulfils the formal requirements for grant, the Examining Division will issue a decision to grant according to Article 97(2) EPC. If he does not approve, the application is refused according to Article 97(1) EPC, since the EPC does not provide any other sanction in this case.

The way in which Rule 51(4) and Article 97(1) and (2) EPC operate indicates that a communication under Rule 51(4) EPC is not intended to terminate the examination procedure but is rather a preparatory action and is therefore not appealable. An appeal against a communication under Rule 51(4) EPC would therefore normally be considered inadmissible.

2. It is however possible to reach a different conclusion if the appellant can successfully argue, by reference to the objective content of the communication as he could understand it, that the document sent to him was, despite its title, not a normal communication under Rule 51(4) EPC but rather a decision which terminated the procedure.

According to the jurisprudence of the boards of appeal, the principle of the protection of legitimate expectation governs the procedure between the EPO and applicants. This principle requires that applicants must not suffer a disadvantage as a result of having relied on a misleading communication (J 3/87, OJ EPO 1989, 3). If the action of a party was based on a misleading communication, it is to be treated as if the party had satisfied the legal requirements (J 1/89, OJ EPO 1992, 17).

2.1 From an objective point of view, the communication sent to the appellant under Rule 51(4) EPC was composed of four pieces of information:

- (i) the version in which the patent was intended to be granted;
- (ii) the reasons why the main and the first auxiliary requests were held not to be allowable according to the Examining Division;
- (iii) instructions concerning the further procedure, i.e. an invitation to pay the grant and printing fees and to file a translation within four months of notification of the communication, and practical instructions for paying the fees and filing the translation;
- (iv) notice that failure to do so would result in the application being deemed to be withdrawn according to Rule 51(8) EPC.

No further information was given about other possible actions to be taken by the appellant.

In particular, no instruction was given about the action the appellant should take if he did not agree with the version proposed by the Examining Division and wished to maintain the refused requests.

2.2 From the point of view of the appellant, the communication as drafted in this case put him in the following position:

If he paid the fees and filed the translation within the period indicated, he would have been deemed to have approved the text intended for grant according to Rule 51(4) EPC, last sentence;

If he failed to do so, his application would have been deemed to be withdrawn according to Rule 51(8) EPC. His main and first auxiliary requests were refused without any instructions as to how to act if he did not approve the version proposed by the Examining Division and wanted to maintain the higher-ranking requests.

Even if the appellant had decided to voice his disagreement with the rejection of the main and first auxiliary requests, he could not have been sure what the effect of such a disagreement would have been in combination with either of the two possibilities given to him pursuant to the communication:

(a) If he declared his disagreement and did not pay the fees and file the translation, would the disagreement prevail over the implied withdrawal of his application?

(b) If he declared his disagreement, paid the fees and filed the translation, would the disagreement prevail over the implied approval of the proposed text of the patent?

The possibility of filing amendments provided for by Rule 51(5) EPC applies only in situations where such amendments are to be incorporated into the text of the application proposed for grant. Moreover, according to a notice from the EPO this possibility should only concern minor amendments to the proposed text (see Notice dated 9 January 2002 concerning amendment of Rules 25(1), 29(2) and 51 EPC (OJ EPO 2002, 112)), and does not change the fact that with the payment of the relevant fees and the filing of the translation the appellant could be considered to have approved the version proposed by the Examining Division, so that his other requests could be considered to be abandoned.

Thus, the present communication under Rule 51(4) EPC gave the appellant the impression that no possibility was available to him other than to pay and accept the proposed text or not to pay and lose the application. This impression was even stronger because reasons for turning down the higher ranking requests were also contained in the document and no indication was given as to how to proceed if the appellant wished to maintain these higher-ranking requests.

The confusion caused to the appellant is due to the fact that in the communication issued on EPO Form 2004 07.02CSX various procedural phases (Rule 51(4) on the one hand and, on the other, Rule 51(8) EPC which only applies if the approval has been previously given) were combined with the effect that one of the paths that should have been open to the appellant, namely the possibility of expressing his disapproval and subsequently obtaining an appealable decision giving a reasoned refusal of higher-ranking requests, was omitted.

The way in which the communication sent to the appellant was written and put together deprived him of the right to disapprove the proposed text.

2.3 Rule 51 EPC was amended by the Administrative Council with effect from 1 July 2002. The "Notice dated 9 January 2002 concerning amendment of Rules 25(1), 29(2) and 51 EPC (OJ EPO 2002, 112)" (hereinafter called Notice), which explained inter alia the new Rule 51 EPC to the public, could not help the appellant to find a way out, because the Notice also only foresees the possibility of accepting the version proposed by the Examining Division, and if necessary proposing minor amendments to that version, or losing the application. In the Notice it is explicitly stated that express disapproval is "no longer foreseen". No procedure is therefore provided to allow the applicant to disapprove the text proposed.

2.4 The appellant, taking into account the objective content of the communication and the Notice, could therefore reasonably consider that

- (a) all issues pending before the department of first instance were resolved,
- (b) the document was an act that was binding on him and on the Examining Division,
- (c) a reasoned choice between legally viable alternatives had been made,
- (d) the substantive procedural situation was final, since the further procedure depended exclusively on the choice made by the applicant.

All these considerations are conditions for the existence of an appealable decision (see for example T 934/91, OJ EPO 1994, 184 and T 560/90, not published in OJ EPO).

In the Board's view, the appellant could therefore reasonably think that the document sent to him was an appealable decision and that he had to appeal in order to avoid a loss of rights.

Under the particular circumstances of this case, the appeal is therefore considered to be admissible in order to protect the appellant's legitimate expectations, which are even more understandable as no pertinent decisions of the boards of appeal exist that could have served as guidance in this situation.

3. The communication sent to the applicant reflects an EPO practice that does not provide for a procedure to be followed in the event that the applicant does not agree with the version proposed by the Examining Division. The Notice of 9 January 2002 explicitly states that "Express disapproval is no longer foreseen". This practice is not justified by the EPC for the reasons set out below.

In Article 97(2)(a) EPC it is stated that the Examining Division should establish whether the applicant approves the text in which the patent is to be granted and that a procedure with this aim should be provided for in the Implementing Regulations. The legal meaning of the word "establish", "feststellen", "établir" is that a formal decision is taken about the existence or non-existence of a certain fact. A formal decision can only be taken at the end of a formal procedure. Such a formal procedure only exists if specific procedural steps are laid down by law, eg the Implementing Regulations.

This means that the applicant must have the possibility of having the existence or non-existence of the approval ascertained in a formal way.

3.1 The reason for the provision that the existence of the applicant's approval must be established without any doubt in the context of an appropriate procedure is that, on the one hand, such approval is a prerequisite for the grant of the patent as laid down in Articles 97(2) and 113(2) EPC. A patent cannot be granted without the applicant's approval. The approval is therefore an essential and crucial element in the grant procedure.

On the other hand, where approval is not given, this also has a legal consequence, namely the refusal of the application in accordance with Article 97(1) EPC.

The legal consequence of the non-existence of the applicant's approval is not the same as that foreseen for the failure to pay the fees or to file the translation. In the former case the application is refused, whereas in the latter it is deemed to be withdrawn.

This is a fundamental difference made clear by the different legal remedies that a party can use: in the case of a decision refusing the application due to disapproval of the text, the legal remedy is an appeal; in the case where the application is deemed to be withdrawn for failure to pay the fee or file translations, the only possible remedies are re-establishment of rights according to Article 122 EPC, if the conditions are met, or further prosecution in accordance with Article 121 EPC. Neither of these two latter remedies allows a new examination of the application, whereas an appeal does.

The fact that an applicant's disapproval of the text proposed for grant has special legal consequences makes it necessary to ensure also that disapproval is clearly established by the Examining Division.

3.2 The concept of requiring an express positive approval was contained in the version of Rule 51(4) EPC valid prior to 1 July 2002, in which it was foreseen that approval should be given explicitly within a period of time set by the Examining Division. It was of course also possible to give explicit disapproval during this time. In order to have a clear legal situation, Rule 51(5), first sentence, EPC as valid prior to 1 July 2002 established that in the event of failure to give explicit approval the patent application would be refused. This meant that silence was interpreted as an **implicit disapproval**. These two provisions represented the formal procedure necessary to establish in every possible case (explicit declaration or silence) whether the applicant agreed with the text proposed by the Examining Division or not and took into account the fact that disapproval has its own legal consequence, i.e. refusal of the application.

Rule 51(8) EPC as valid prior to 1 July 2002 related to a later phase of the procedure and provided the legal consequence (application deemed to be withdrawn) for not paying the fees or filing the translation **after having given explicit approval of the text intended for grant**.

The communication under the old version of Rule 51(4) EPC therefore contained an invitation to the applicant to express his approval and a notice about the legal consequence of his silence.

3.3 According to Rule 51(4) EPC in the version that entered into force on 1 July 2002, the **approval can be expressed implicitly** by paying the fees and filing the translations.

The sentence in the old version of Rule 51(5) EPC stipulating that failure to give explicit approval would lead to the refusal of the application has been deleted.

Present Rule 51 EPC does not provide any way to express disapproval. But this does not mean that the applicant can be deprived of the possibility of expressing his disapproval.

Rule 51(8) EPC has remained unchanged and still provides that if the fees are not paid and the translation is not filed within the time limit set by the Examining Division the application will be deemed to be withdrawn. However, this legal consequence can only concern cases in which the applicant approved the text proposed by the Examining Division and failed to pay the fees and/or to file the translation. Rule 51(8) EPC cannot be applied to applicants who did not approve the text proposed for grant, otherwise they would be deprived of the possibility of disapproving.

This is however what happened in the communication sent to the appellant. The fact that in this communication several procedural steps which belong to different phases of the procedure were placed together has created a situation in which disapproval can no longer be expressed and a step is missing because the non-payment of the fees and the failure to file the translation immediately leads to the legal consequence that the application is deemed to be withdrawn.

To avoid this situation, instructions should have been given to the appellant that if he did not agree he could express his disapproval and, in that case, the legal consequence of Rule 51(8) EPC would not apply, and the application would be refused.

With its communication, the EPO took away from the appellant the possibility of influencing the procedure and obtaining a decision on the refusal of his higher-ranking requests and of filing an appeal against it. The only possibility he had was to accept the proposed version or to lose his application. In fact, the remedies of Articles 122 and 121 EPC do not give him the possibility of obtaining a re-examination of his case. In addition, the refusal of the application under Rule 51(6) EPC because of non-acceptance by the Examining Division of amendments proposed by the applicant under Rule 51(5) EPC does not allow the re-introduction of requests which have been abandoned.

For the reasons set out above this practice is against the requirements of Articles 97(2)(a) and 113(2) EPC, which have to prevail.

The release of a communication following this practice is therefore a substantial procedural violation which justifies the reimbursement of the appeal fee under Rule 67 EPC and remittal to the department of first instance for further prosecution.

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.