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**D E C I S I O N**  
**of 6 December 2006**

**Case Number:** T 0270/05 - 3.3.03

**Application Number:** 98918278.7

**Publication Number:** 0980404

**IPC:** C08G 73/10

**Language of the proceedings:** EN

**Title of invention:**

Imide-free and mixed amide/imide thermal synthesis of polyaspartate

**Applicant:**

UNIVERSITY OF SOUTH ALABAMA

**Opponent:**

-

**Headword:**

Restitutio in integrum/UNIVERSITY OF SOUTH ALABAMA

**Relevant legal provisions:**

EPC Art. 122

**Keyword:**

"All due care taken (no)"  
"Restitutio in integrum (refused)"

**Decisions cited:**

T 0191/82, J 0027/88, J 0022/92

**Catchword:**

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Case Number: T 0270/05 - 3.3.03

**D E C I S I O N**  
of the Technical Board of Appeal 3.3.03  
of 6 December 2006

**Appellant:**

UNIVERSITY OF SOUTH ALABAMA  
Administration Building, Rm. 131  
Mobile, AL 36688 (US)

**Representative:**

Winter, Brandl, Fürniss, Hübner Röss, Kaiser,  
Polte Partnerschaft Patent- und  
Rechtsanwaltskanzlei  
Alois-Steinecker-Strasse 22  
D-85354 Freising (DE)

**Decision under appeal:**

Decision of the Examining Division of the  
European Patent Office posted 18 October 2004  
refusing a request for restitutio in integrum  
in case of European application No. 98918278.7.

**Composition of the Board:**

**Chairman:** R. Young  
**Members:** H. Preglau  
C. Idez

## Summary of Facts and Submissions

- I. European patent application no. 98918278.3 lapsed because of non-payment of the 6th annuity fee. A request for restitutio in integrum, filed on 20 February 2004, was refused by the Examining Division in a decision posted on 18 October 2004 because the request was filed too late.
  
- II. Against this decision an appeal was lodged on 28 December 2004 and the appeal fee was paid the same day. A statement of grounds of appeal was filed on 28 February 2005.
  
- III. Concerning the date of filing of the request for restitutio in integrum the appellant argued that a communication under Rule 69(1) EPC dated 12 December 2003 concerning the noting of loss of rights was received by the European representative on 15 December 2003 but this could not be taken as the day of removal of the cause of non-compliance because the error had occurred in the office of the US representative of the applicant. The abovementioned communication of the Office had been forwarded to the US representative on 19 December 2003 and the European representative had received the instructions to request a re-establishing of rights on 16 January 2004, which date should be the date of removal of the cause of non-compliance.

The appellant found his situation similar to the one dealt with in decision T 191/82 (OJ EPO 1985,189) where the date of removal of the cause of non-compliance was not the date when the communication of the EPO was received by the European representative. The

representative himself had not been made aware of the situation until 15 days later after his return to his office. The period for filing the request for re-establishment of rights should be calculated from said date when the European representative was aware of the loss of rights and its reason.

Reference was also made to decision J 27/88 of 5 July 1989 (not published in OJ EPO) where the board held that the responsible person was neither the appellant nor the European representative but the US patent attorney who was the authorised agent of the appellant and was duly empowered to take all necessary measures. The date of removal of the cause of non-compliance was the date on which the US patent attorney became aware of the omission.

- IV. Applying these decisions to the present case the appellant explained that the US patent attorney was aware of the loss of rights after receipt of the facsimile letter of the European representative of 19 December 2003 (a Friday), not before 22 December 2003 (a Monday). Also in this case the request for re-establishing of rights filed on 20 February 2004 would have been filed in time.
- V. As to the circumstances which led to the non-payment of the 6th annuity fee the following documents have been filed:
- A letter from US-representative Millen, White, Zelano & Branigan, P.C. to Folia, Inc. dated 21 April 2003 (reminder for instructions to pay

annuity fees), comprising the handwritten indication "Pay all";

- B letter from Oblon, Spivak, McClelland, Maier & Neustadt, P.C. to the European representative dated 22 February 2000 (information that annuity fees would be paid by an annuity service firm);
- C letter from the European representative to Millen, White, Zelano & Branigan, P.C. dated 18 July 2001 with the reminder of the EPO concerning the payment of the 4th annuity fee with fine;
- D letter as under C but dated 30 August 2002 concerning the payment of the 5th annuity fee with fine;
- E letter as under C but dated 22 July 2003 concerning the payment of the 6th annuity fee with fine. This letter bears the indication FOLIA-38(EP) and at the bottom 8/7/03-illegible;
- F "Due Date List By Date" dated 21 April 2003 including the European patent application in suit marked with a tick, followed by the words "(illegible)sent", initials and an illegible date;
- G letter of Millen, White, Zelano & Branigan, P.C. dated 31 July 2003 to Folia, Inc. informing about the due date to pay the annuity fee for the European patent application in suit and a request for payment instructions and that full payment should accompany the instructions for payment;

- H "Lapsing Case Report" from Computer Patent Annuities (CPA) dated 16(?) October 2003 to Millen, White, Zelano P.C. informing about the lapse date, asking for instructions and also referring to an earlier reminder dated 22 September 2003;
- J declaration for re-establishment of rights signed by John A. Sopp, attorney for the applicant in Millen, White, Zelano & Branigan, P.C.;
- K letter from Oblon, Spivak etc. to the European representative dated 28 December 2000 informing him that they were no longer in charge of the European patent application;
- L fax from John A. Sopp to the European representative dated 15 January 2004 with instructions for a request for re-establishment of rights;
- M supplemental declaration of John A. Sopp dated 24 June 2004;
- N declaration of Julianne M. Murray (former employee of the US representative) dated ?/23/04;
- O declaration of Joann Hughes (successor of J. Murray) dated 24 June 2004;
- Y letter of the European representative to Millen, White, Zelano & Branigan, P.C. dated 19 December 2003 accompanying the "noting of loss of rights" of the EPO and asking for further instructions;

P same letter as under Y, but with "received" stamp of Millen, White etc. "DEC 19 2003" and the remark "Already Dktd.12/21/03 initials (?R);

Q same letter as under Y with received stamp "DEC 23 2003" and the following indications:  
"Request Re-Establishment of Rights 2/22/04 w/callup-1/22/04";  
"Receipt  
Acknowledged  
MWZB  
Date 12/23/03";  
Dktd 12/23/03.initials (?R)";

R second supplemental declaration of John A. Sopp dated 4 November 2005.

VI. The arguments concerning the request for restitutio in integrum as such are supported by declarations of Mr. Sopp, the US representative in charge of the case and of Ms. Murray and Ms. Hughes, respectively former secretary and secretary of the US representative's firm and can be summarised as follows:

The applicant had never intended to withdraw or abandon his patent application. He had given instructions to pay the renewal fee which could be seen from the indication on attachment A "Pay all". The payment of all fees had been delegated to a special firm CPA. The European representative was not in charge of any payment but always sent reminders when a renewal fee was due. CPA provided the US representative with due notice of the renewal date of the European patent

application. The US representative also docketed the fees to be paid on their own docketing system. They also investigated follow-up notices from foreign agents and from CPA regarding outstanding due dates. Despite these checks and use of a system which worked well in thousands of cases the particular fee was unintentionally missed.

On the US representative's docket sheet (attachment F) it was indicated "I's sent 4/21" which indicated that an instruction would be sent either to CPA or the associate for the country in question to pay the fee. This was repeated in a letter from the US representative to the applicant by the handwritten notation "JBC-instr.2" next to the folia-38 EPO file entry (attachment G). This letter was also a written verification of the previous telephone payment instructions. This would indicate that JBC, an employee of the applicant's US representative had verified that instructions had already been sent to pay the fee. Thus, this matter was removed from the docket of applicant's US representative.

When the 6th month grace period ended, the docket provided no warning because the file indicated that the fee had been paid according to the instructions made to CPA. It did not become known until after 31 October 2003 that such instructions either never were sent or had never been received. Unfortunately, the file contained no copy of the actual instructions.

The reminders from CPA (attachment H) and the European representative (attachment E) were not acted upon

because the US representative was convinced that payment had already been done.

- VII. In a communication dated 13 July 2005 the Board asked for clarification concerning the exact date of removal of the cause of non-compliance and the fact, that among the documents attached to the statement of grounds of appeal the name of an enterprise different from that of the applicant appeared.

The Board also informed the appellant about the preliminary opinion of the Board, that there were doubts concerning the isolated error and if all due care really had been taken to avoid the error.

- VIII. In response the appellant filed the "Second supplemental declaration" of the US representative (attachment R), stating that he was only aware of the error on 23 December 2003 which could be seen from the first docketing date on the document from EPO informing about the loss of rights (attachment P and Q). It was also repeated that all due care was taken to avoid the elapse of patent rights but that rare human errors sometimes occurred.

- IX. As to the different names in the documents it was explained that the applicant had given a full licence to another enterprise which was the client of the US representative.

- X. Oral proceedings before the Board were held on 6 December 2005. During the oral proceedings the discussion focussed on the circumstances which led to the non-payment of the 6th annuity fee.

XI. The appellant requested that the decision under appeal be set aside and that the re-establishment of rights be granted.

**Reasons for the decision:**

*Admissibility*

1. According to Article 122(2) EPC a request for restitutio in integrum has to be filed within two months from the date of removal of the cause of non-compliance with the time limit, here the time limit to pay the 6th annuity fee.

In several decisions the Boards of Appeal have stated that the removal of the cause of non-compliance is a matter of fact and therefore has to be established beyond any reasonable doubt (e.g. J 22/92 of 15 December 1994, not published in OJ EPO).

In the case under consideration the error which led to the non-observance of a time limit occurred in the office of the US representative who was in fact acting in the name of the licensee of the applicant of the European patent application. Therefore the US representative had to indicate when he became aware of the lapse of the European patent application because of the non-payment of the renewal fee.

According to the "Second supplemental declaration" (attachment R) of the US attorney John A. Sopp the responsible representative was only informed about the

loss of the European patent application by the fax of the European representative which arrived in his office on 19 December 2003 and a reminder thereof on 23 December 2003. Although he could not recall the exact date when he was made aware of the lapse it could have been not earlier than 23 December 2003, which could be deduced from the first docketing date on the reminder which was 23 December 2003 (attachments P, Q).

Following these explanations of the US representative the Board is willing to accept the date 23 December 2003 as the date on which the responsible person (John A. Sopp) has been made aware of the lapse of the European patent application and therefore takes this date as the date of removal of the cause of non-compliance with the time limit to pay the 6th annuity fee.

Consequently the request for restitutio in integrum which reached the European Patent Office on 20 February 2004 was filed in time. As a further consequence the appellant has to be seen as negatively affected by the decision of the Examining Division to refuse his request for re-establishment of rights as being filed too late.

The appeal therefore is admissible.

2. Article 122 EPC not only contains provisions concerning the time limit for filing a request for restitutio in integrum but it also requires that the omitted act be completed and that the applicant in spite of all due care required by the circumstances was unable to observe a time limit vis-à-vis the European Patent

- Office (here the time limit for paying the 6th annuity fee which led to the deeming of the European patent application to have been withdrawn).
3. The omitted act, namely the payment of the annuity fee had been completed by paying the requested amount including the surcharge. What remains to be examined are the circumstances which led to the non-observance of the time limit for the payment of the 6th annuity fee.
  4. In numerous decisions (see Case Law of the Boards of Appeal, 4th ed.2001, VI.E. 5ff) the Boards have established the criterion that due care is considered to have been taken if non-compliance with the time limit results either from exceptional circumstances or from an isolated error within a normally satisfactory monitoring system. As the appellant did not refer to exceptional circumstances which might have hindered him from complying with the time limit for paying the annuity fee the discussion has to concentrate on what has been described by the party as an isolated error in a normally satisfactory monitoring system.
  5. In answering the question put by the Board in its communication dated 13 July 2005, the appellant submitted in a letter dated 4 November 2005 that the original applicant, University of South Alabama, had given a licence to Folia, Inc. and the licensee had entrusted the firm of Millen, White, Zelano & Branigan, P.C. with the representation in the case of the European patent application in suit. Concerning the payment of annuity fees the US representative had decided to transfer this to a specialised enterprise,

- CPA, for annual payments for patent matters. It has therefore to be analysed how the payment system worked in practice and particularly with respect to the case under consideration.
6. In the declaration for re-establishment of rights (attachment J) it is explained that CPA, which was in charge of the effective payment of all those fees provided the representative with notice of the due date and the representative separately kept a docket system to avoid non-payment. In the representative's own system there was an indication that showed that instructions to pay the fee had been given. It seems that this indication led to the further ignoring of the reminders which were sent not only from the European representative but also from CPA.
  7. As the failure to observe the time limit happened in the office of the US representative it is the system which is installed there which counts for the examination whether it was a satisfactory monitoring system in the sense of the jurisprudence of the Boards of Appeal.
  8. The mere installation of a system which allows the entry of data concerning due dates of fees to be paid is not in itself sufficient to guarantee the level of "all due care required by the circumstances" necessary to allow a re-establishing of rights. Data entry in the system under consideration can only be done by human beings. And it is a matter of fact that those entries are only as good as the person making them and that errors can occur. Therefore each system needs monitoring. The co-existence of a database in the

- office of the representative and in the enterprise which ultimately pays the fees is not a monitoring system per se since there is no element of cross-checking. A serious cross-checking needs surveillance of the entries in one database and their comparison with the entries in the other one. This has to be done systematically in order to avoid the perpetuation of errors which occurred during the entry of data.
9. That the system installed in the office of the US representative worked well in hundreds or even thousands of cases cannot obscure the fact that there was no real cross-checking or systematic monitoring of the data entries made by the people working in that area. The Board does not deny that an isolated error might occur where human beings are working. But what happened in the case under consideration was not only an isolated error which in this case occurred at the beginning of the wrong indication that an instruction to pay the 6th annuity fee had already been given, but also afterwards a repeated ignoring of warnings that an industrial property right was about to lapse.
10. It can be expected from a professional representative that he is aware of the importance of observing time limits in connection with proceedings before an office which decides on the existence or non-existence of a patent application or patent. The particular case would have required even more diligence than usual because of the division of responsibilities. There was an applicant which had given a licence to an enterprise and the licensee had entrusted a professional representative to take care of the prosecution of a pending European patent application. The representative

in turn transferred part of his obligations (payment of annuity fees) to another enterprise. And there was still the European representative who was no longer in charge of the payment matters but still felt obliged to send reminders and so to draw the attention to a possible loss of rights. Where so many different enterprises are involved and so many different relationships existed, it is rather clear that under these circumstances if anything even more care has to be taken and more cross-checking applied to avoid the lapse of a right in a procedure pending before the EPO.

11. Taking all these particularities of the case into account the Board cannot see that all due care has been taken to avoid the consequences of the erroneous indication of a payment of a fee, which indication was in reality not true. Despite several reminders from the European representative and CPA, even with the urgent warning that the European patent application might lapse because of non-payment of the annuity fee, no one in the office of the US representative felt a need to check carefully why those reminders had still been sent. One of those reminders of the European representative (attachment E) also included the official information of the EPO concerning the status of the European patent application as being in the period of grace, but even that did not lead to an immediate check or even a consultation with either CPA or the European representative.
  
12. Over several months it would still have been possible to pay the necessary annuity fee if the different information and warnings from two independent sources (European representative and CPA) would have been taken

seriously and the US representative's data base would have been carefully checked. Obviously a regular supervision and systematic monitoring was not executed and even when there was information which showed that something was not working properly it was not acted upon in an appropriate manner.

13. Therefore the Board cannot accept that all due care required by the circumstances of the particular case was taken to avoid the non-observance of the time limit to pay the 6th annuity fee.

The appellant's request for re-establishment of rights therefore cannot be complied with.

## **Order**

### **For these reasons it is decided that:**

The appeal is dismissed.

The Registrar:

The Chairman:

E. Görgmeier

R. Young