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**Datasheet for the decision
of 7 January 2009**

Case Number: T 0343/08 - 3.4.02

Application Number: 00306351.8

Publication Number: 1077387

IPC: G02F 1/1336

Language of the proceedings: EN

Title of invention:

Liquid crystal projector and corresponding method

Applicant:

Sony Corporation

Opponent:

-

Headword:

-

Relevant legal provisions:

EPC R. 103(1)(a)

Relevant legal provisions (EPC 1973):

EPC Art. 21(3)(a), 113(1), 114, 116(1), 123(2)

EPC R. 51(4), 67, 71a

Keyword:

"Reimbursement of the appeal fee in the event of interlocutory revision (no)"

Decisions cited:

G 0003/03, J 0003/06, J 0010/07, T 0228/89, T 0755/96,
T 0411/04, T 240/08, T 0630/08

Catchword:

There is no general duty for an examining division to provide feedback on applicant's reply to summons to oral proceedings, in advance of such oral proceedings.



Case Number: T 0343/08 - 3.4.02

D E C I S I O N
of the Technical Board of Appeal 3.4.02
of 7 January 2009

Appellant:

Sony Corporation
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Tokyo 141 (JP)

Representative:

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Decision concerning:

Request of the applicant for reimbursement of the appeal fee, filed together with an appeal against the decision of the Examining Division of the European Patent Office posted 18 September 2007 refusing European application No. 00306351.8 pursuant to Article 97(1) EPC 1973.

Composition of the Board:

Chairman: A. Klein
Members: B. Müller
M. Rayner

Summary of Facts and Submissions

I. The appeal was originally directed against the decision of the examining division of 18 September 2007 to refuse European patent application No. 00306351.8. The appellant requested that the decision be cancelled and a patent be granted on the basis of claims 1 to 9 of a main request or according to any of three auxiliary requests. The appellant also requested reimbursement of the appeal fee. Furthermore, oral proceedings were requested in the event that the main request was not considered as allowable. Oral Proceedings were however not requested should the main request be considered allowable, but not the request for reimbursement of the appeal fee.

II. With its decision of 11 February 2008 the examining division ordered rectification. The applicant was informed that rectification was ordered and that the impugned decision was set aside by the EPO's letter dated 15 February 2008. The examining division continued the proceedings and, by its decision dated 24 July 2008, granted patent No. 1077387 on the basis of the main request. The mention of the grant was to be published in European Patent Bulletin 08/34 of 20 August 2008.

In its decision of 11 February 2008 the division did not allow the request for reimbursement of the appeal fee and forwarded it to the Board for a decision.

III. The examining division had originally refused the application at the end of oral proceedings that were held on 24 July 2007 in the absence of the appellant.

During the prosecution leading up to the decision the examining division issued a communication pursuant to Article 96(2) EPC 1973 on 25 August 2003. The appellant was invited to rectify deficiencies found in the application relating, *inter alia*, to a lack of clarity. The applicant filed amended application documents in response to the communication by which a feature "angle adjustment means" was introduced in claim 1. In its further communication pursuant to Article 96(2) EPC 1973 of 13 April 2004 the examining division *inter alia* objected to that feature for causing a lack of clarity of claim 1. In reply the applicant filed a main and an auxiliary request. Claim 11 of the main and claim 1 of the auxiliary request still comprised the feature "angle adjustment means" (the subject-matter relating to the angle adjustment means formed claim 11 of the main request; claim 1 of the auxiliary request retained the subject-matter relating to the angle adjustment means of claim 11 of the main request).

- IV. In a communication annexed to the summons to oral proceedings of 11 April 2007 the applicant was again informed that the examining division did not consider the sets of claims of the main and the auxiliary request to be allowable. The main topics to be discussed at the hearing appeared to be the clarity of those sets of claims and the novelty and inventive step of the claimed subject-matter. The division objected, in particular, that claims 1 to 11 of the main request and claims 1 to 10 of the auxiliary request lacked clarity (Article 84 EPC 1973).

The clarity objections relating to the main request were explained in detail in section 3 comprising

roughly three pages with each of paragraphs 3.1 to 3.8 relating to one or several specific features of the claims of that request. The division maintained in particular the objection to the feature "angle adjustment means" stating under point 3.8:

"Claim 11, which is worded as a dependent claim referring to claim 1, is in fact an independent claim since the presence of the 'angle adjustment means' allows to rotate and tilt the 'phase difference means' arbitrarily so that the result to be achieved stated in claim 1 (see point 3.4) is not necessarily satisfied."

Under point 3.4 the result to be achieved was considered to be the feature "said phase difference means (31) is arranged to correct the phase of the light in accordance with a pretilt angle of the first orientation film (32a) and/or a pretilt angle of the second orientation film (32b)".

Claim 1 according to the auxiliary request equally lacked clarity. As it combined the features of claims 1 and 11 of the main request, the division referring to point 3.8 said that the result to be achieved was not necessarily satisfied. Claim 1 according to the auxiliary request was thus contradictory in itself. (See point 5.1.). Clarity objections were also raised in relation to dependent claims 2 to 10 according to the auxiliary request. As they were identical with dependent claims 2 to 10 of the main request, the clarity objections made in relation to those claims applied *mutatis mutandis*. (See point 5.2.)

The examining division also informed the applicant that the summons to oral proceedings could be cancelled if the objections were overcome by new submissions filed in due time.

- V. With a letter dated 22 June 2007 the applicant filed amended application documents relating to a main and an auxiliary request. Regarding the main request it stated that former claims 2 to 8 and 10 had been deleted. The final paragraph of claim 1 had been replaced. Claims 2 to 6 and 9 were newly added. Claim 7 corresponded to former claim 9. Claim 8 was based on former claim 11. As to clarity the applicant indicated that the claims had been "amended where necessary to address the clarity issues raised by the Examiner" (see point M1.3). The applicant commented on the paragraphs of section 3 set out in the annex to the summons, which related to the main request. Regarding paragraph 3.8 above, the applicant denied that claim 11, which was renumbered to claim 8, was independent from claim 1. Claim 8 only represented the *potential* to adjust the angle from the value given in claim 1. It did not *require* such an adjustment to be made. As for the auxiliary request, the applicant said that it was the same as the main request, except that claim 8 of the main request had been incorporated into claim 1.

In its conclusion the applicant set forth that it was believed that it had fully addressed all the issues that led to the summons to oral proceedings and that accordingly those proceedings could be cancelled. Since it was believed that the application was in order to proceed to grant, it was requested that a Rule 51(4) communication be issued. The applicant added between

brackets: "It would be greatly appreciated if the Examining Division could provide feedback as early as possible prior to the Oral Proceedings as to whether the Main Request or the Auxiliary Request is considered allowable."

VI. On 18 July 2007 the applicant informed the EPO that it had decided not to attend the oral proceedings. They were held on 24 July 2007.

VII. In the decision under appeal the examining division held that the subject-matter of claim 5 of the main request, which was newly added with the letter of 22 June 2007, infringed Article 123(2) EPC 1973. The division also held that due to the presence of the angle adjustment means in claim 8 of the main request there was a potential contradiction between that claim and claim 1 rendering both said claims unclear.

As for the auxiliary request, the division stated that claim 1 was a combination of claims 1 and 8 of the main request, and claims 2 to 8 were identical to claims 2 to 7 and 9 of the main request. Accordingly, the objections concerning claims 5 and 8 of the main request also applied to claims 1 and 5 of the auxiliary request.

VIII. In respect of the request for reimbursement of the appeal fee the applicant based its appeal on the following grounds:

(a) The substantial procedural violation

The applicant claims that the failure by the examining division to provide any indication prior to the oral proceedings that it had fundamentally changed its assessment of the application represents a substantial procedural violation because it was contrary to legitimate expectations and unfair.

(b) The facts

The applicant submits that in the decision under appeal it is apparent that out of all the objections raised in the summons, only one was maintained regarding the supposed inconsistency between claims 1 and 8. In addition, an objection of added subject matter was raised against new claim 5. Thus the position of the examining division had fundamentally changed since the summons: from the summons it would appear that the prospects for grant were very slim, whereas from the actual decision, it appeared that grant could definitely be obtained just by the deletion of certain dependent claims.

At the end of the submissions made in reply to the summons in the letter of 22 June 2007, the examining division had been asked to provide feedback as early as possible prior to the oral proceedings as to whether the main request or the auxiliary request was considered allowable. The division, however, had not provided any feedback prior to the oral proceedings.

Having not heard anything from the examining division, the applicant had informed the Office on 18 July 2007 that no-one would be attending the oral proceedings on its behalf. The decision not to attend had been based

on four grounds: (a) the large number of objections raised in the summons, which would tend to indicate a low chance of success at the oral proceedings; (b) the fact that many of the objections related to clarity, which tended in any event to be less amenable to oral discussion than novelty and inventive step; (c) the lack of any feedback from the examining division; and (d) the cost of attending oral proceedings.

(c) The law

The applicant claims that the fact that it has not been given any indication of the change of the position of the examining division prior to the oral proceedings represented a substantial procedural defect for the following reasons.

It was implicit in the EPC that the examining division should consider any written submissions shortly after the due date specified by Rule 71(a) EPC. Otherwise this due date served no purpose.

Having considered the written submissions, it was then incumbent on the division, having regard to (i) the fundamental change in its assessment of the application, and (ii) the specific request of the applicant for feedback in the written submissions, to at least notify the applicant of the fundamental change in the position regarding the prospects for grant, since this would clearly have a significant impact on the decision of the applicant as to whether or not to attend the oral proceedings, and ultimately the disposition of the case. Such a notification, whether by telephone or in writing,

was compelled by reasons of procedural efficiency, both for the applicant and for the EPO.

The applicant conceded that it always had the opportunity to attend oral proceedings. However, any decision to attend the oral proceedings had to be carefully considered in view of the costs involved. Those costs were now recognized by the EPO in some standard paragraphs about oral proceedings. It was contrary to legitimate expectations and unfair of the EPO to withhold information that was clearly of great significance for the applicant in determining whether or not to attend the oral proceedings.

Reasons for the Decision

1. The appeal is admissible. The Board would have been competent under Article 21(3)(a) EPC 1973 to deal with the substantive issues of the appeal if no interlocutory revision had been granted. The Board is therefore competent to decide on the request for reimbursement of the appeal fee (see G 3/03, OJ 2005, 344), which is the sole remaining issue.

2. It is Rule 67 EPC 1973 that applies to the present case and not the corresponding Rule 103(1)(a) EPC 2000 (see T 630/08, at point 1, citing J 3/06, point 3, and J 10/07, point 7; both cited decisions are to be published in the OJ). Rule 67 EPC 1973, sentence 1, reads:

"The reimbursement of appeal fees shall be ordered in the event of interlocutory revision or where the Board

of Appeal deems an appeal to be allowable if such reimbursement is equitable by reason of a substantial procedural violation."

3. The examining division having made an interlocutory revision of the impugned decision by ordering its rectification, the Board will first assess whether a procedural violation has occurred. The applicant considers the failure by the examining division to provide any indication prior to the oral proceedings that it had fundamentally changed its assessment of the application to be a substantial procedural violation because it was contrary to legitimate expectations and unfair.
4. Applicant's failure to state a violation of the principle of the protection of legitimate expectations and the principle of fairness
- 4.1 Contradictory statements of fact

The applicant failed to present sufficient facts which, if taken as true, would indicate that the alleged procedural violation occurred.

The applicant, with the letter of 22 June 2007, filed amended application documents relating to a main and an auxiliary request addressing the issues that led to the summons to oral proceedings. Believing that the application was then in order to proceed to grant, the applicant requested a communication under Rule 51(4) EPC 1973. However, between brackets it still requested feedback as to whether the main or auxiliary request was considered allowable.

In the Board's view, these two requests must be taken to imply that the applicant believed the application to be ready for grant but, if at all, for minor deficiencies. The Board draws this conclusion from the fact that the applicant, in its letter of 22 June 2007, substantially amended the set of claims of the main and the auxiliary request and commented on the various objections raised in the annex to the summons (see above, point V). Thereby the applicant made a serious effort at overcoming those objections, which is confirmed by the fact that the division only maintained one of the numerous previous objections, namely one on clarity. The applicant's request for feedback could thus only have been meant to relate to a minor number of those points that were raised in the annex to the summons that might still need remedying, and/or to objections under Article 123(2) EPC 1973 arising from the amendments made.

The examining division not having cancelled the oral proceedings, the applicant had to assume that it had indeed found a minor number of such points.

The applicant thus had to be aware that the assessment by the examining division of the requests filed with the letter of 22 June 2007 had fundamentally changed in relation to the assessment of the previously relevant requests considered in the annex to the summons, in the sense that only a minor number of objections were to be raised. Under these circumstances there is no basis for any legitimate expectations on the part of the applicant to receive information from the examining division on this very situation that the applicant must

be considered to have been aware of. Furthermore it is not intelligible why the division's failure to provide such information could have been unfair.

4.2 Alternative: no general right to feedback from the examining division

4.2.1 The alternative assumption

In the alternative, it is supposed that the applicant's request for a communication under Rule 51(4) EPC 1973 was meant to be no more than a suggestive statement inviting the examining division to adopt a favourable view on its main or auxiliary request as pending at that stage. It is further supposed that the applicant seriously reckoned with a repetition of many of the clarity objections by the examining division. Under this scenario the applicant would still not have established why the failure by the examining division to inform it prior to the oral proceedings about a fundamental change of position could be contrary to legitimate expectations (for the interpretation of the principle of legitimate expectations see Case Law of the Boards of Appeal of the European Patent Office, 5th edition 2006, at VI.A.) and unfair.

This is because an examining division generally adopts its position at the end of the oral proceedings. Therefore, if anything, the division could only have communicated its *preliminary* position on the pertinent main and auxiliary requests. Supposing again that this is the sort of feedback that the applicant requested it must be noted that the division was under no obligation to adopt such a position prior to the oral proceedings

summoned for under Article 116(1) EPC 1973. It was up to the discretion of the division how to prepare the hearing, in particular whether and, if so, when to choose to adopt a preliminary position prior to the hearing.

4.2.2 No duty for the examining division to consider submissions shortly after Rule 71a due date

The applicant however claims that it is implicit in the EPC that the examining division should consider any written submissions shortly after the due date specified by Rule 71a EPC 1973. Otherwise this due date served no purpose. The Board is unable to discern the logic underlying this conclusion.

The reasons why the Administrative Council introduced Rule 71a EPC 1973 are set out in the Explanatory Memorandum CA/12/94 Rev. 1 dated 17 October 1994 from the President of the European Patent Office (published in OJ EPO 1995, pages 418 and 419, as a notice; in this decision, the Board quotes from the document in its original version; the original version was published in the Official Journal with slight editorial changes; the text below is also reproduced in T 755/96, OJ 2000, 174, at point 2.2) and read:

"7.1 The aim of oral proceedings is to reach a decision closing the case. This presupposes that the earlier written proceedings have prepared the ground properly (airing of facts, narrowing down the matters to be discussed). The way the EPO normally does this, at least in examination and opposition proceedings, is by

setting out in the summons the questions it considers relevant.

7.2 The parties, for their part, normally prepare for oral proceedings by setting out their arguments in written submissions. If these are to help expedite matters, they need to reach the Office and any other parties in time for them to be able to comment on their substance at the oral proceedings. Documents handed in during or just before those proceedings do not fulfil this requirement, and often lead instead to complaints from the other party that he has been taken off guard and is not prepared to discuss the new points raised.

7.3 Proposed new Rule 71a(1) would therefore introduce into the law the existing practice of issuing a summons and require a deadline to be set for any written submissions. It also makes it clear that new facts and evidence put forward after that date need only be taken into account if based on a change in the subject of the proceedings, for example because the other party has raised new material in his own preparatory papers.

7.4 Rule 71a(1) also firms up the Office's discretionary powers enshrined in Article 114(2) by describing one situation in which late submission may be allowed. It makes clear to applicants the procedural consequences of a late submission, and relieves the Office of some of the burdens of substantiating a refusal to consider it. Rule 71a does not restrict EPO discretion under Article 114, but would give it more flexibility in such cases. It thus supplements the line already developed by the boards of appeal to deal with

abuse of procedure - i.e. to refuse to consider facts or evidence put forward late for no good reason.

7.5 The amendment proposed in Rule 71a(2) is also designed to speed up the procedure, and to prevent parties being unfairly confronted with new documents and/or facts in oral proceedings. If the applicant or patent proprietor has been told beforehand that refusal or revocation is on the cards (and why), then he can reasonably be expected to react if given time enough to do so."

In the Board's view the above reasons for the introduction of Rule 71a into the EPC 1973 stress the need for procedural efficiency which should make it possible to reach a decision at the end of oral proceedings closing the case. To this end, parties that do not respect the deadline for submissions provided for in the rule may face the adverse consequence that their submissions are disregarded. Conversely, there is no hint in these reasons of any duty of the examining division to come back to a party during the period ranging between the deadline for submissions, or, where they are made after expiry of the deadline, their actual date, and the date of oral proceedings. The Board believes that the reasons given by the Administrative Council reproduced above constitute an interpretation of Rule 71a EPC 1973, which is to be followed. The applicant therefore is wrong to claim that the due date specified by that rule would serve no purpose if the examining division did not have to consider any written submissions shortly thereafter.

4.2.3 The examining division's discretion as to case management

Rather it is up to the discretion of an examining division having issued a summons to oral proceedings in compliance with Rule 71a EPC 1973 how to prepare these proceedings. The exercise of the division's discretion in the management of the case during the period ranging from the deadline for submissions in reply to the annex to the summons (or from any later date of actual reception) and the date of oral proceedings will depend on the particulars of the case and also on the other cases that the members of the division have to deal with. Interfering with the division's discretion by imposing strict standards of preparation of the oral proceedings, in particular a duty of feedback, would bring about a serious risk of adverse repercussions on procedural efficiency as defined by the EPC.

Were the division obliged, in particular, to issue a further communication or contact the applicant in another way, e.g. by telephone, this would tie up resources. At least a substantial part of those resources would in many cases likely have to be expended in addition to the resources to be dedicated to the conduct of oral proceedings. This would be especially true where such contacting incited the applicant to make further amendments and possibly to request even further reactions before the hearing. Thus the one-month period between the final deadline under Rule 71a and the hearing could well evolve into a bargaining period between the applicant and the examining division, without necessarily putting the

examining division in a position to cancel oral proceedings.

It is true that an obligation for feedback might reduce expenses on the part of the applicant by making it possible for it not to attend oral proceedings or to attend the proceedings only where it sees a good chance of success. This fact may also be considered to constitute one aspect of procedural efficiency (the applicant mentioned some unspecified standard paragraphs in EPO communications recognizing the costs of attending the oral proceedings).

However, for the Board it follows from the reasons given by the Administrative Council reproduced above that under the EPC the case shall in principle be dealt with and closed in oral proceedings without prior outside communications or even negotiations between the examining division and the applicant made after expiry of the deadline of Rule 71a. The communication under that rule and any reply to it should foster the aim of reaching a decision at the end of oral proceedings closing the case. This is one component of the balance regarding procedural efficiency that the EPC has struck as for the respective roles of the examining division and the applicant in relation to oral proceedings. An obligation to provide feedback in the above sense would distort this balance.

The above considerations do not rule out that the division may still opt for providing feedback. However, it is up to their discretion whether they prefer to do so.

It should be added that another board arrived at a similar conclusion. In T 240/08 (at point 31) it was held that:

"it is difficult to see how, after a summons to oral proceedings has been issued, there should be a duty of the examining division to provide an applicant with more information regarding these proceedings than was furnished by the summons itself. ... [T]he only way of clarifying such outstanding issues would have been to attend oral proceedings and discuss matters then and there, a course of events the appellant declined to follow. ..."

4.2.4 Conclusion

As a consequence of the above, the applicant had no right to any feedback from the examining division subsequent to the filing of its letter of 22 June 2007. Failure to provide such feedback could thus not be contrary to legitimate expectations or be unfair.

5. No violation of the right to be heard

The Board also addresses the question whether other procedural violations occurred that the applicant has not alleged since it must be assessed *ex officio* whether the conditions laid down in Rule 67 EPC 1973 are fulfilled (cf. G 3/03, *ibid.*, at point 3). Accordingly, in the present case, the Board will also consider whether the right to be heard has been violated.

Pursuant to the provisions of Article 113(1) EPC 1973 that concern the right to be heard the decisions of the European Patent Office may only be based on grounds or evidence on which the parties concerned have had an opportunity to present their comments. The "grounds or evidence" are to be understood as meaning the essential legal and factual reasoning on which the EPO has based its decision. The right to be heard also encompasses the duty to consider in the decision-making process specific facts, evidence or arguments that were the subject of the proceedings and are relevant to the outcome of the case. Non-compliance with Article 113(1) EPC 1973 may amount to a substantial procedural violation and thus require the reimbursement of the appeal fee pursuant to Rule 67 EPC 1973. (See T 411/04, point 5.)

However, in the case at hand, the right to be heard has not been infringed by the decision of the examining division that was delivered after oral proceedings had been held in the absence of the applicant:

- Clarity

In the decision under appeal the examining division held that due to the presence of the feature "angle adjustment means" in claim 8 of the main request there was a potential contradiction between that claim and claim 1 rendering both said claims unclear. Analogous objections applied to claim 1 of the auxiliary request.

The Board notes that this feature had been objected to since its introduction into the proceedings for causing a lack of clarity (see above, points III and IV). Most

importantly, in the decision under appeal, the examining division in essence repeated the objection that it had made in the annex to the summons to former claim 11 of the main request, on which new claim 8 is based. As a consequence, as far as claim 8 of the main request and claim 1 of the auxiliary request are concerned, the impugned decision was based on grounds on which the applicant had had an opportunity to present its comments.

- Added matter

In the impugned decision the examining division gave a second reason for the refusal of the application: it also held that the subject-matter of claims 5 of the main and the auxiliary request, both claims having been newly added with the letter of 22 June 2007, infringed Article 123(2) EPC 1973.

The question whether this finding involves a violation of the right to be heard can remain an open one because it is sufficient that the refusal for non-compliance with the EPC is validly based on one sole claim of each request (see T 228/89, Nr. 4.2.). As stated under the previous sub-heading "Clarity", such is the case for claim 8 of the main request and claim 1 of the auxiliary request.

Order

For these reasons it is decided that:

The request for reimbursement of the appeal fee is refused.

The Registrar:

The Chairman:

M. Kiehl

A. G. Klein