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**Datasheet for the decision  
of 11 February 2014**

**Case Number:** T 2165/08 - 3.3.04

**Application Number:** 98942516.0

**Publication Number:** 1015469

**IPC:** C07H 21/00

**Language of the proceedings:** EN

**Title of invention:**

Bi- and tri-cyclic nucleoside, nucleotide and oligonucleotide analogues

**Patent Proprietor:**

Exiqon A/S

**Opponent:**

Isis Pharmaceuticals, Inc.

**Headword:**

Bi-cyclic nucleoside analogues/EXIQON

**Relevant legal provisions:**

EPC R. 88(1)(4)

RPBA Art. 16(2)

**Keyword:**

"Assessment of apportioned costs"

**Decisions cited:**

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**Catchword:**

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Case Number: T 2165/08 - 3.3.04

**D E C I S I O N**  
**of the Technical Board of Appeal 3.3.04**  
**of 11 February 2014**

**Appellant:**  
(Patent Proprietor)

Exiqon A/S  
Bygstubben 9  
DK-2950 Vedbaek (DK)

**Representative:**

Olsen, Lars Pallisgaard  
Guardian IP Consulting I/S  
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**Respondent:**  
(Opponent)

Isis Pharmaceuticals, Inc.  
1896 Rutherford Road  
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**Representative:**

Hallybone, Huw George  
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**Decision under appeal:**

**Decision of the Opposition Division of the  
European Patent Office posted on 7 August 2008  
revoking European patent No. 1015469 pursuant  
to Article 101(3)(b) EPC.**

**Composition of the Board:**

**Chairman:** C. Rennie-Smith  
**Members:** M. Montrone  
R. Morawetz

## **Summary of Facts and Submissions**

I. By its order dated 6 March 2013 the board made the following order:

"1. The decision under appeal is set aside.

2. The case is remitted to the first instance with an order to maintain the patent on the basis of auxiliary request 3 filed with appellant's letter of 6 February 2013 and a description and figures yet to be adapted thereto.

3. There be an apportionment of costs such that the appellant pays the respondent's costs incurred by auxiliary requests 1 and 2 and document D51 filed with appellant's letter of 6 February 2013 and document D52 filed with appellant's facsimile of 12 February 2013."

II. As regards the fixing of the costs thereby ordered, the board made the following observation in point 56 of its decision:

"Before the close of the oral proceedings, the board and the parties discussed the procedure for fixing costs once an apportionment has been ordered. In this respect, the following is added for the parties' information.

Rule 88 EPC reads:

"(1) The apportionment of costs shall be dealt with in the decision on the opposition. Such apportionment shall only take into consideration the expenses

necessary to assure proper protection of the rights involved. The costs shall include the remuneration of the representatives of the parties.

(2) The Opposition Division shall, on request, fix the amount of costs to be paid under a final decision apportioning them. A bill of costs, with supporting evidence, shall be attached to the request. Costs may be fixed once their credibility is established.

(3) A request for a decision by the Opposition Division may be filed within one month of the communication on the fixing of costs under paragraph 2. The request shall be filed in writing and state the grounds on which it is based. It shall not be deemed to be filed until the prescribed fee has been paid.

(4) The Opposition Division shall decide on the request under paragraph 3 without oral proceedings."

This rule superseded Rule 63 EPC 1973 and references to the "registry" of the Opposition Division no longer appear. In the board's opinion, references in Rule 88 EPC to "the Opposition Division" must, for the purposes of costs to be assessed following an order in opposition appeal proceedings, be read as references to the board of appeal.

It appears to the board that, since the apportionment has been dealt with in the present decision (see Rule 88(1) EPC), a request to fix the costs, accompanied by a bill of costs and supporting evidence should be filed with the board, and the prescribed fee paid, by the respondent within one month of the deemed

date of receipt of the communication notifying this decision. Rule 88(4) EPC provides that there shall be no oral proceedings. However, the board envisages offering the appellant one month to comment on the request, bill of costs and supporting evidence before making a decision on the amount of costs."

III. The respondent filed a request dated 22 August 2013 to fix the costs apportioned by the board's order. The request enclosed a Bill of Costs and a declaration of the respondent's representative, Mr J. A. Warner. The Bill of Costs and the declaration together made the case that the opponent's representative had spent two hours on 13 February 2013 reviewing the appellant's new submissions and related case-law, and that the same representative spent two and a half hours on 17 February 2013 responding to the appellant's new submissions. The respondent's request of 22 August 2013 further submits that some time was spent in the preparation the day before oral proceedings considering the late filed documents D51 and D52 but no claim for the cost of that was made in the absence of evidence of the exact proportion of time spent thereon. The costs claimed by the respondent amounted to £2,268.00.

IV. On 16 October 2013 the board sent copies of the respondent's request and enclosures to the appellant with a communication inviting the appellant to comment within one month. The appellant made no submissions in reply. In its communication the board observed that the respondent's representative was apparently using an hourly charging rate of £504 and assumed the respondent was putting that rate forward as the normal charging rate of London representatives at the time in question

(February 2013). In a letter dated 22 November 2103 the respondent's representative confirmed the charging rate of £504 and stated that he believed this was normal at the time for London representatives with his firm's level of experience in opposition and appeal proceedings in the pharmaceutical and biotechnology sector.

### **Reasons for the Decision**

1. The board must under Rule 88(1) EPC take into consideration only the expenses necessary to assure proper protection of the rights involved and the costs shall include the remuneration of the representatives of the parties (see section II above). Under Article 16(2) RPBA:

"(2) The costs ordered to be paid may be all or part of those incurred by the receiving party and may inter alia be expressed as a percentage or as a specific sum. In the latter event, the Board's decision shall be a final decision for the purposes of Article 104, paragraph 3, EPC. The costs ordered may include costs charged to a party by its professional representative, costs incurred by a party itself whether or not acting through a professional representative, and the costs of witnesses or experts paid by a party but shall be limited to costs necessarily and reasonably incurred."

2. It is therefore clear that only reasonable costs necessarily incurred may be apportioned and such costs may include the cost of a representative of the party in question.

The respondent's submissions are that its representative spent a total of four and a half hours reviewing and responding to the appellant's "new submissions" (see paragraphs 3 and 4 of the declaration of Mr Warner). The board considers that to be a reasonable time to have spent and therefore the costs charged to the respondent by that representative for that time were, for the purposes of Rule 88(1) EPC and Article 16(2) RPBA, necessarily incurred.

3. However, the respondent's submission does not distinguish between those items in the appellant's submissions which are the subject of the board's order - namely, auxiliary requests 1 and 2 and document D51 filed with appellant's letter of 6 February 2013 and document D52 filed with appellant's facsimile of 12 February 2013 - and the other items in those submissions - namely the new main request (to which the respondent did not object) and auxiliary request 3 (which was held admissible). Thus it appears that the four and a half hours spent on the "new submissions" included reviewing and responding to all those submissions. That is wholly unsurprising but it would be wrong to allow the whole time since that would go beyond the scope of the board's order and, indeed, beyond the respondent's own argument that costs should be apportioned in respect of requests and documents "if they were not admitted into the proceedings". In the absence of any evidence showing how much time was spent in relation to each item, the best the board can do is divide the time spent (namely, four and a half hours) by the number of items (six) and allow the time spent in relation to the four items in question, thus three hours.

4. The remaining question is whether the amount of those costs is reasonable. The board considers that this assessment must be as objective as possible and therefore it should not simply order that the party paying costs pays the sum which the receiving party's representatives has elected to charge without considering whether that is in keeping with some norm, such as the current charges of representatives at the place and time in question, hence the observation in the board's letter of 16 October 2013 (see section IV above). Equally, the Board considers it is not desirable to adopt without question any level or measure of costs which might be seen as fixed either in time or by place. It has to be acknowledged that the charges made by representatives will vary over time, between locations and countries within the contracting states, and between different firms of representatives according to their experience.
5. The respondent submits that it believes that its representative's charge of £2,268 for four and a half hours work, or £504 per hour, was normal at the time (February 2013) for representatives in London with his firm's level of experience in opposition and appeal proceedings in the pharmaceutical and biotechnology sector. If it is thereby suggested that representatives with experience in the pharmaceutical and biotechnology sector should charge more than those with experience in other sectors of patent proceedings, the board rejects that suggestion since it can see no objective reason why any one such sector should command a higher charge than another. Certainly, no reasons to support any such suggestion have been provided.



6. As for the actual charging rate, there is no evidence that this is normal beyond the respondent's representative's belief. However, this carries some weight since, if that rate was not at or near the norm, the representative's firm would be unlikely to charge at that rate. To allow for the fact that £504 per hour may be at the top of, or slightly in excess of, the normal rate, the board considers that a rate slightly below that would better accord with the requirement that the costs apportioned must be reasonable and therefore adopts the figure of £400 per hour (about 80% of the rate put forward). The parties and others should note that the board's view as to both the time spent and the cost of that time are based on the facts of the present case and should not be considered a precedent for other cases.
  
7. Thus the board considers that the costs to be apportioned should be based on three hours of the respondent's representative's time charged at £400 per hour. The apportioned costs are therefore assessed at £1,200. The board's order below expresses the costs in sterling as that is the currency of the costs in question incurred by the respondent.

**Order**

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

The costs to be paid by the appellant to the respondent pursuant to the board's decision of 6 March 2013 are assessed at £1,200.

The Registrar:

The Chairman:

P. Cremona

C. Rennie-Smith