Internal distribution code:

(A) [-] Publication in OJ
(B) [-] To Chairmen and Members
(C) [X] To Chairmen
(D) [-] No distribution

Datasheet for the decision of 4 December 2018

Case Number: T 0683/14 - 3.5.04

Application Number: 10153812.2

Publication Number: 2192783

IPC: H04N19/147, H04N19/46, H04N19/129, H04N19/61, H04N19/11, H04N19/13, H04N19/12, H04N19/124

Language of the proceedings: EN

Title of invention:
Adaptive coding of the prediction error in hybrid video coding

Applicant:
Narroschke, Matthias
Musmann, Hans-Georg

Headword:

Relevant legal provisions:
EPC R. 103(1)(a), 103(2)

Keyword:
Presence of a substantive error, not a procedural error
Reimbursement of appeal fee (no)

Decisions cited:

Catchword:
The examining division's error was of a substantive nature. The procedural consequences thereof were caused exclusively by the implementation of the erroneous substantive position.

Europäisches Patentamt
European Patent Office
Office européen des brevets

Beschwerdekammern

Boards of Appeal

Chambres de recours

Boards of Appeal of the
European Patent Office
Richard-Reitzner-Allee 8
85540 Haar
GERMANY
Tel. +49 (0)89 2399-0
Fax +49 (0)89 2399-4465

Case Number: T 0683/14 - 3.5.04

D E C I S I O N
of Technical Board of Appeal 3.5.04
of 4 December 2018

Appellant: (Applicant 1)	Narroschke, Matthias Am Länderweg 6 64850 Schaafheim (DE)
Appellant: (Applicant 2)	Musmann, Hans-Georg Heckenrosenweg 24 38259 Salzgitter (DE)
Representative:	Eisenführ Speiser Patentanwälte Rechtsanwälte PartGmbB Postfach 10 60 78 28060 Bremen (DE)
Decision under appeal:	**Decision of the Examining Division of the European Patent Office posted on 2 October 2013 refusing European patent application No. 10153812.2 pursuant to Article 97(2) EPC.**

Composition of the Board:

Chairman	C. Kunzelmann
Members:	B. Müller
	M. Paci
	G. Decker
	R. Gerdes

Summary of Facts and Submissions

I. The then applicants, now patent proprietors, had filed an appeal against the decision of the examining division refusing European patent application number 10 153 812.2. The examining division, enlarged by a legal member, rectified the decision under appeal pursuant to Article 109(1) EPC. The corresponding Form 2710 was dispatched on 25 March 2014.

The examining division did not allow the request for reimbursement of the appeal fee made in the statement of grounds of appeal. As a consequence, the case was referred to the board pursuant to Rule 103(2) (now 103(3)) EPC. The present decision deals with this sole pending request.

II. The board issued a summons to oral proceedings. In a communication attached thereto it expressed its provisional and non-binding view that, in the absence of a procedural violation, the appeal fee could not be reimbursed under Rule 103(1)(a) EPC. The communication is, in essential part, reproduced verbatim below.

[beginning of reproduction]

B. The grounds relating to the request for reimbursement of the appeal fee

1. In their statement setting out the grounds of appeal, the (former) appellants submit that, with the decision of 2 October 2013, the examining division refused the application in issue without having considered new evidence and without having issued a communication prior to the refusal. This constituted a

clear violation of the "established procedural steps of the EPO". Accordingly, the appellants request reimbursement of the appeal fee.

2. The appellants explain the chain of events leading to the refusal as follows:

On 10 December 2012 oral proceedings took place before the examining division. The division came to the conclusion that the main request and the auxiliary requests were not allowable, except for auxiliary request 4. The main issue of the oral proceedings was whether or not the content of document D2 was public at the priority date, or which part of it was. The board notes that the examining division concluded that D2 did constitute prior art.

D2 is the following document (see point 1 of the decision of 2 October 2013):

NARROSCHKE, MATTHIAS, "Adaptive coding of the prediction error for H.264/AVC", INSTITUT FÜR INFORMATIONSVERARBEITUNG, UNIVERSITÄT HANNOVER, [Online] 2 December 2005 (2005-12-02), pages 1-15, XP007902192.

The board notes that in the proceedings before the examining division the applicants submitted that the document was directed towards a non-public meeting of a technical committee ("Fachausschuss ITG FA 3.2", 2 December 2005, venue: Hildesheim, Germany) and was made available to the public only after the priority date of the application.

The appellants say that, with a communication under Rule 71(3) EPC of 4 April 2013, the examining division

informed the applicants that it intended to grant a European patent based on auxiliary request 4.

On 22 July 2013 the applicants responded that they did not agree and submitted a new claim set as a basis for the patent. (The board notes that they also made detailed submissions why the examining division's view that D2 was state of the art at the priority date was wrong.)

On 26 July 2013 the primary examiner contacted the applicants' attorney by telephone in order to clarify a mismatch regarding that claim set.

In their reply of 1 August 2013, the applicants made a clarifying submission (declaring the claim set of the auxiliary request of 1 November 2011 dealt with in the oral proceedings of 10 December 2012 to be the valid one and re-filing it). This submission also included a new document (hereinafter: the "confidentiality document"), i.e. a letter by Prof. Dr.-Ing. Rolf Hedtke, dated 24 July 2013, to Dr. Narroschke, one of the applicants. In that letter, Mr. Hedtke explained that, based on a note in his records, he could confirm that Mr. Narroschke had pointed out confidentiality before the presentation of document D2 at the meeting on 2 December 2005. It followed that Mr. Hedtke's letter was further evidence of confidentiality of said meeting and thus of the question whether document D2 was public or not at the priority date and, as a consequence, whether the content of document D2 or part of it formed state of the art or not.

In a communication dated 1 October 2013 the examining division gave a brief summary of the telephone conversation of 26 July 2013. On 2 October 2013, the

division adopted the decision to refuse the European patent application.

Accordingly, except for the clarification of the request according to the telephone call of 26 July 2013, the examining division directly sent the decision to refuse the European patent application as a response to the applicants' submission of 22 July 2013 and their submission providing further evidence of 1 August 2013.

In the decision to refuse the European patent application the examining division inter alia said on page 4, 1st and 2nd paragraph (emphasis added):

With their submission of 01.08.2013 the applicants clarified their request by filing the set of claims on which basis grant of a patent was requested. The applicants also submitted a document in which a further participant [Mr. Hedtke] indicated that the presentation of Mr. Narroschke was confidential.

This **submission** was **filed after the debate** on the matter **had been closed** and a **decision had been taken** during the Oral Proceedings and has **therefore not been taken into account**.

Relying on a number of portions of the Guidelines for Examination in the EPO (hereinafter: the "Guidelines"), Part C, Chapter V, the appellants refer to the fact that, further to the communication according to Rule 71(3) EPC, they had requested grant of a patent based on a higher ranking request previously held not to be allowable. They had also provided further evidence showing that document D2 was not state of the art. In these circumstances, it would have been mandatory for the examining division to resume examination. Instead, the examining division refused the application directly. This was a clear violation of the "established procedural steps of the EPO" justifying reimbursement of the appeal fee.

C. Subsequent procedure

The board notes that the examining division, in their communication of 23 October 2014 (at points 2 to 4) explained that they had rectified their decision to refuse. This was in view of the confidentiality document submitted on 1 August 2013 to which the appellants had referred in their statement of grounds of appeal and which put the public availability of document D2 in doubt. In that communication the division also requested a copy of notes made by Mr. Hedtke that were mentioned in the confidentiality document. With a letter of 28 January 2015 the appellants furnished a copy of those notes.
On 21 May 2015 the examining division decided to grant European patent number 2192783.

D. Legal assessment

Pursuant to Rule 103(1)(a)
The appeal fee shall be reimbursed in full in the event of interlocutory revision ... if such reimbursement is equitable by reason of a substantial procedural violation...

The board is of the preliminary opinion that the request for reimbursement of the appeal fee cannot be acceded to, because the (former) appellants have not established any relevant procedural violation and the board has not been able to detect any such violation. The reasons for this view are given below.

The 2nd paragraph of the decision of the examining division reproduced above says that the division did not take into account the submission of 1 August 2013.

The submission comprised a clarified set of claims and a document pertaining to the confidentiality of the presentation of Mr. Narroschke (the "confidentiality document" of 24 July 2013). It is clear however from the third paragraph of page 4 of the decision saying that "[t]his decision concerns the claims as filed on 01.08.2013..." [being identical with the claims filed as auxiliary request on 1 November 2011] that it was only the confidentiality document, which the division did not take into account in reaching its decision to refuse. The reason given in that 2nd paragraph was that the confidentiality document had been filed after the debate had been closed and a "decision" had been taken during the oral proceedings. As set out above, after the appeal had been filed, the examining division had rectified their decision to refuse, this time taking into account the confidentiality document and considering that it put the public availability of D2 in doubt.

The position taken by the examining division as spelt out in the above 2nd paragraph was wrong.

It may be true that the division was not required under **Rule 71(6) EPC** to resume the examination proceedings given that the claims of 1 November 2011 (re-filed on 1 August 2013) had been considered in the oral proceedings of 10 December 2012 (see T 1567/17, at point 2.2).

However, the division erred in two respects:

- First, the oral proceedings held on 10 December 2012 were not terminated by a formal decision. Only a formal decision would have prevented admittance of new submissions, such as the confidentiality document, at a

later stage. A formal and final decision refusing the application was issued on 2 October 2013 only.

According to the minutes (*in fine*, under "Conclusion"), the chairman announced at the end of the oral proceedings that none of the main or first to third auxiliary requests complied with the EPC. However, auxiliary request 4 met the requirements of the EPC and a communication under Rule 71(3) EPC would follow. The board recalls that this communication was issued on 4 April 2013. In a submission of 22 July 2013 the appellants expressed their disagreement and filed a set of amended claims. With the final decision of 2 October 2013 relating to the (clarified) claims filed on 1 August 2013 the application was rejected.

- Second, even if the debate has been formally closed at the end of oral proceedings, as in the present case was indicated in the decision of the examining division, the debate may be re-opened. In T 595/90 (OJ 1994, 695, at point 1) the board held that

> ... the closing of the debate ... normally terminates the possibility of [making] further submissions. Observations submitted thereafter could only be taken into account if the Board reopened the debate (Article 113 EPC) which depends on its discretion.

In the board's view, analogous considerations apply to the EPO departments of first instance. Given that a closed debate **may** be re-opened, there is no need to enter into a discussion on those provisions of the Guidelines quoted by the appellants that may even **require** reopening the debate before an examining division.

As a consequence of the above errors, the examining division felt categorically prevented from admitting the confidentiality document submitted on 1 August 2013 into the proceedings and therefore did not consider admitting it. Rather, the decision to refuse of 2 October 2013 was solely based on the evidence on file at the end of the oral proceedings of 10 December 2012.

In so proceeding, the examining division implemented its erroneous position that the confidentiality document submitted on 1 August 2013 could not be taken into account because the debate had been closed and a "decision" had been taken during the oral proceedings of 10 December 2012. This **error** was of a **substantive** nature, and the procedural consequences thereof, i.e. in particular the adopting of a decision directly, without considering resuming examination, on the basis of the confidentiality document, were caused exclusively by the implementation of the erroneous substantive position.

It follows from the foregoing that the examining division did commit an error, but a substantive and not an (independent) procedural one. As a consequence, the board cannot find a procedural violation, let alone a substantial one, justifying reimbursement of the appeal fee under Rule 103(1)(a) EPC.

[end of reproduced part of the communication attached to the summons to oral proceedings]

III. In a response to the board's summons to the oral proceedings the requesters stated:

We hereby withdraw our appeal, filed on 6 December 2013 against the decision of the Examining Division dated 2 October 2013.

Additionally, it is herewith respectfully requested to refund 50% of the official appeal fee to our deposit account no. 28000148.

IV. Further to the requesters' response, the board issued a communication which, in essence, is reproduced below (text in *italics* added, text ~~struck through~~ deleted).

[beginning of reproduction]

2. The board notes that the examining division rectified the decision under appeal pursuant to Article 109(1) EPC. The corresponding Form 2710 was dispatched on 25 March 2014. This means that the examining division set the decision under appeal aside and allowed the appeal. The appeal was not remitted and has thus never been pending before the board. However, as the examining division refused the request for reimbursement of the appeal fee based on a substantial procedural violation pursuant to Rule 103(1)(a) EPC (a clear violation of the "established procedural steps of the EPO"), the division remitted that request to the board. Proceeding this way was in line with Rule 103(3), second sentence, EPC. See also the decision of the Enlarged Board of Appeal in case G 3/03.

3. Given that the examining division allowed the appeal in year 2014, the "withdraw[al] of ~~the~~ *our* appeal" declared in the above letter of 29 October 2018 has no object.

In the absence of a pending appeal that might be withdrawn, Rule **103(2)** EPC does not apply. According to that provision the "appeal fee shall be reimbursed at 50% if the appeal is withdrawn" under certain conditions. As there is no effective withdrawal of the appeal, the request to refund 50% of the appeal fee cannot be allowed.

4. Since the request for reimbursement of the appeal fee made under Rule **103(1)(a)** continues to be valid, the oral proceedings will be held as scheduled on 4 December 2018 at 13.00 hrs.

[end of reproduced part of the communication]

V. With a letter of 29 November 2018 the requesters announced that they would not attend the appointed oral proceedings.

VI. Oral proceedings were held as appointed on 4 December 2018 in the absence of the requesters.
The Chairman noted that the requesters had requested that the appeal fee be reimbursed in full under Rule 103(1)(a) EPC and that 50% of the appeal fee be refunded under Rule 103(2) EPC.
At the end of the oral proceedings, the Chairman announced the board's decision.

Reasons for the Decision

1. In the communication annexed to the summons to oral proceedings the board expressed its preliminary opinion on the request for reimbursement of the appeal fee pursuant to Rule 103(1)(a) EPC because of an alleged substantial procedural violation committed by the examining division. The board said that it could not find a procedural violation, let alone a substantial one, justifying reimbursement of the appeal fee under Rule 103(1)(a) EPC. The board arrived at its preliminary opinion after a thorough analysis of the request for reimbursement which is reproduced above, at point II.

2. In a further communication reproduced in essence above, at point IV, the board explained why, in its provisional view, it was unable to accede to the requesters' subsequent request for a refund of 50% of the appeal fee in connection with their withdrawal of the appeal. The board considered that, in the absence of a pending appeal that might be withdrawn, Rule 103(2) EPC providing for a reimbursement of the appeal fee at 50% under certain circumstances, did not apply.

3. The requesters did not attempt to rebut the board's provisional opinion as expressed in the two aforementioned communications. Nor did they attend the oral proceedings. Despite a re-assessment of the case the board sees no reason to depart from its preliminary opinion expressed in those communications, which therefore becomes final.

4. It follows that neither the request for reimbursement of the appeal fee at 100% under Rule 103(1)(a) EPC nor

the request for reimbursement of the appeal fee at 50% under Rule 103(2) EPC can be allowed.

Order

For these reasons it is decided that:

The requests for reimbursement of the appeal fee are refused.

The Registrar: The Chairman:

K. Boelicke C. Kunzelmann

Decision electronically authenticated