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**Datasheet for the decision
of 16 October 2019**

Case Number: T 1477/17 - 3.2.02

Application Number: 08754224.7

Publication Number: 2144559

IPC: A61B5/0408, A61B5/0428

Language of the proceedings: EN

Title of invention:

ELECTROCARDIOGRAPH MONITORING DEVICE AND CONNECTOR

Applicant:

Cardiac Lead Technologies, LLC

Headword:

Re-establishment of rights/CARDIAC

Relevant legal provisions:

EPC Art. 122(1)

Keyword:

Re-establishment of rights - all due care (no)

Decisions cited:

J 0005/80, J 0017/03

Catchword:



Beschwerdekammern
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Case Number: T 1477/17 - 3.2.02

D E C I S I O N
of Technical Board of Appeal 3.2.02
of 16 October 2019

Appellant: Cardiac Lead Technologies, LLC
(Applicant) 5520 Pembroke Road
Bethesda, Maryland 20817 (US)

Representative: dompatent von Kreisler Selting Werner -
Partnerschaft von Patent- und Rechtsanwälten mbB
Deichmannhaus am Dom
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50667 Köln (DE)

Decision under appeal: **Decision of the Examining Division of the
European Patent Office posted on 22 December
2016 refusing European patent application No.
08754224.7 pursuant to Article 97(2) EPC.**

Composition of the Board:

Chairman E. Dufrasne
Members: L. Bühler
S. Böttcher
P. L. P. Weber
M. Stern

Summary of Facts and Submissions

- I. The appeal lies from a decision of the Examining Division rejecting the applicant's request for re-establishment of rights in respect of the time limit for payment of the renewal fee for the sixth year with additional fee.
- II. The renewal fee for the sixth year for the present application fell due on 31 May 2013 and payment of that fee, together with a surcharge, could still have been validly effected within the subsequent six-month period. However, the EPO received no payment by the end of that period.
- III. With a communication dated 9 January 2014, the EPO informed the applicant of a loss of rights under Rule 112(1) EPC.
- IV. On 20 March 2014 the applicant filed a request for re-establishment of rights, paid the renewal fee with surcharge and the fee for re-establishment. Together with its request, the applicant filed a "witness statement of H. Jason Harrison" dated 20 March 2014 (D1).
- V. By communication dated 25 July 2014 issued on behalf of the Examining Division, the formalities officer informed the applicant of the preliminary opinion that the request could not be granted.
- VI. On 3 October 2014, the applicant replied to this communication and filed a "second witness statement of H. Jason Harrison" (D2, undated) with exhibits HJH1 (D2a) and HJH2 (D2b).

- VII. A second communication dated 23 July 2015 was issued on behalf of the Examining Division. The Examining Division, however, maintained its opinion that the applicant had not taken all due care required. The Examining Division asked the applicant to provide further information and evidence in order to assess the US patent attorney's care.
- VIII. The Examining Division was enlarged by the addition of a legally qualified examiner on 4 May 2016 (Article 18(2) EPC). On 6 June 2016 the enlarged Examining Division summoned the applicant to oral proceedings.
- IX. By letter dated 7 November 2016, the applicant withdrew its request for oral proceedings and filed a "witness statement of Henry Daley" dated 4 November 2016 (D0).
- X. Oral proceedings took place on 11 November 2016 in the absence of the applicant.
- XI. With its decision dated 22 December 2016, the Examining Division refused the request for re-establishment of rights under Article 122 EPC. The Examining Division found that the applicant's US and European representatives had exercised all due care required by the circumstances by satisfactorily monitoring the relevant deadlines and by duly informing the applicant. However, the applicant, who had failed to give instructions with respect to the payment of renewal fees for the sixth year, had not taken all due care required by the circumstances.
- XII. On 1 March 2017, the applicant (appellant) filed notice of appeal and paid the appeal fee. On 2 May 2017, the

appellant filed its statement of grounds of appeal together with the following documents:

- D3 Final renewals reminder notice from Withers & Rogers Renewals LLP dated 4 June 2013;
- D4 Second annuity fee reminder from Von Kreisler, Selting Werner dated 6 June 2013;
- D5a-e Registration quotes by IP Data, WPTI, and UPTS; and
- D6 Cardiac Lead Technologies, Ltd. Status Report dated 26 February 2015 (required to be excluded from file inspection).

XIII. The Board issued a preliminary opinion on 28 June 2019.

XIV. With its letter dated 17 September 2019, the appellant submitted new arguments and the following documents:

- D7 Email of 16 August 2013 sent in the name of H. Wright of Withers & Rogers LLP to Mr J. Harrison;
- D8 Email of 21 January 2014 sent in the name of H. Wright of Withers & Rogers LLP to Mr H. Daley of Venable;
- D9 Email of 21 January 2014 sent by Mr J. Harrison to Mr H. Wright of Withers & Rogers LLP and Mr H. Daley of Venable;
- D10 Email of 7 January 2014 sent by Mr Ch. Schreiber of Von Kreisler Selting Werner to Mr W. Choe and further email correspondence; and
- D11 Profile Preview of Vigilant Solutions.

XV. The appellant's arguments relevant for the decision are as follows:

- (a) The appellant was a small ("virtual") company without employees, managed by Mr J. Harrison, one

of the three co-founders, alone. For the filing and prosecution of patent applications, the applicant had engaged US patent attorneys (Venable LLP). As a policy, Venable LLP did not take responsibility for annuity payments. The appellant therefore relied on receiving renewal fee payment reminders from local patent attorney firms around the world.

Venable LLP appointed Withers & Rogers LLP for the filing of European patent application No 08754224.7. As from 2010, renewal fee payment reminders were sent by Withers & Rogers Renewals LLP to Mr Harrison, who arranged for the payment. The third to fifth renewal fees had been paid on that basis.

As from 2013, Mr Harrison was also receiving renewal fee payment reminders from a German association of European professional representatives, Von Kreisler Selting Werner. They had been appointed by Venable LLP for the filing of the applicant's second European patent application No 10802858.0. Mr Harrison misunderstood which European attorney firm was handling the present application EP 08754224.7. He assumed that both European patent applications were being handled by the same firm, and that the representation had changed from Withers & Rogers LLP to Von Kreisler Selting Werner because renewal reminders seemed to be coming from the latter. At the beginning of 2014, Mr Harrison arranged with Von Kreisler Selting Werner for the payment of the renewal fee for the applicant's second application. Mr Harrison was still receiving renewal fee payment reminders from Withers & Rogers LLP. However, he ignored them because he did not realise that the applicant's

European patent applications were handled by different professional representatives and believed that the renewal fees had been paid by Von Kreisler Selting Werner.

Furthermore, Mr Harrison had received fraudulent payment requests and had been advised by his US patent attorneys to discard them. Due to the number of the appellant's patent applications and the local firms involved, it was difficult to distinguish between fraudulent and valid payment requests. Therefore, Mr Harrison mistakenly also treated the renewal fee payment reminders by Withers & Rogers Renewals LLP as fraudulent.

On 16 August 2013, the acting professional representative of Withers & Rogers LLP forwarded the EPO's communication of 5 July 2013, drawing attention to the non-payment of the sixth renewal fee by email to Mr Harrison. This email was, however, intercepted by Mr Harrison's spam filters. Mr Harrison only became aware of this error when he received the email of 21 January 2014 from Withers & Rogers LLP, forwarding the EPO communication dated 9 January 2014 noting the loss of rights pursuant to Rule 112(1) EPC. The email of 21 January 2014 was not intercepted because it was also sent to Mr Daley of Venable. Mr Daley was on a whitelist of allowed senders created in Mr Harrison's email system. The spam filters approved an email comprising a whitelisted contact as an addressee. Mr Harrison had to employ a high degree of computer security due to his involvement in other companies dealing with sensitive information.

(b) A less strict standard of care should be required from unexperienced applicants who are represented by professional representatives but are required to arrange themselves for the payment of renewal fees. These persons are unaware of the international, regional and national authorities involved in the grant of patents and the respective procedures. They are also unfamiliar with the use of application and publication numbers as a means of identifying the respective protective rights. Therefore, they cannot be expected to display the same degree of attentiveness to application and publication numbers as a professional specialised in patent matters. They are less observant to differences in application and publication numbers and also more prone to confusion. In a situation where an unexperienced applicant receives a large number of renewal fee reminders from different local representatives for different patent applications in different countries and also fraudulent payment requests, an isolated error with respect to the payment of a single renewal fee should be excused.

XVI. Oral proceedings were held on 16 October 2019 at the end of which the decision was announced.

XVII. As its final request, the appellant requested that the decision of the Examining Division dated 22 December 2016 be set aside, the request for re-establishment be granted, and the examination of the application be continued.

Reasons for the Decision

1. The appeal is admissible.
2. Under Article 122(1) EPC, an applicant for a European patent who, in spite of all due care required by the circumstances having been taken, is unable to observe a time limit vis-à-vis the EPO, with the direct consequence of a loss of rights, will have their rights re-established upon request. The duty of due care under Article 122(1) EPC applies first and foremost to the applicant. If an applicant is represented by a professional representative, a request for re-establishment cannot be granted unless the representative themselves can show that they have taken the due care required of an applicant or proprietor by Article 122(1) EPC (J 5/80 of 7 July 1981, OJ EPO 1981, 343, Reasons 4).
3. In the present case, the Examining Division found that the appellant's US and European representatives (Venable LLP and Withers & Rogers LLP, respectively) had exercised all due care required by the circumstances by satisfactorily monitoring the relevant deadlines and by duly informing the appellant. However, the appellant, who had failed to give instructions with respect to the payment of the renewal fee for the sixth year, had not taken all due care required.

The Board sees no reason to question the Examining Division's finding that the appellant's US and European representatives had exercised all due care required by the circumstances. Therefore, the issue to be decided is whether the appellant, acting through its

administrator, Mr Harrison, complied with its duty of due care under Article 122(1) EPC.

4. As from 2010, renewal fee payment reminders were sent by Withers & Rogers Renewals LLP to Mr Harrison who arranged for the payments. The renewal fee for the sixth year for the present application fell due on 31 May 2013 and payment of that fee, together with a surcharge, could still have been validly effected within the subsequent six-month period. The final reminder notice from Withers & Rogers Renewals LLP for the renewal fee for the sixth year was sent by post on 4 June 2013 (D3). A warning in the title underlines the importance of the reminder: "Your Intellectual Property Rights Will Be At Risk If You Ignore This Notice". The application is identified not only by its application number, but also by its title ("Electrocardiograph Monitoring Device and Connector"). In addition, the renewal year and the missed due date for the renewal fee are indicated. The reminder also clearly states the consequences of a failure to pay the fees: "Please reply promptly to this notice since failure to do so could result in the loss of Intellectual Property rights." Mr Harrison should therefore have been prompted by this letter to check the status of this application and to give the appropriate instructions for the payment of the renewal fee for the sixth year. He could not expect any further warning or reminder either. The fact that the email of 16 August 2013 sent by Withers & Rogers LLP to Mr Harrison (D7) was blocked by the spam filters of his email software is therefore irrelevant for the assessment of whether Mr Harrison took all due care required by the circumstances with respect to the payment of renewal fees for the sixth year for the present patent application.

5. The appellant argued for the first time during the oral proceedings before the Board that there was no proof that Mr Harrison had actually received the final reminder notice from Withers & Rogers Renewals LLP. However, this final reminder was submitted in the appeal proceedings by the appellant's representative. Moreover, it is inherently contradictory to the appellant's case and therefore not credible that the letter of 4 June 2013 was lost in the mail. Mr Harrison never contested that he continued to receive renewal fee payment reminders from Withers & Rogers Renewals LLP (D1, point 7). On the contrary, it follows from Mr Harrison's first witness statement that he received but disregarded the reminders by Withers & Rogers Renewals LLP (D1, points 7 and 9). As justification, the appellant put forth that
 - (a) Mr Harrison was confused and misled by unsolicited payment requests of potentially fraudulent nature and therefore failed to respond to the renewal fee payment reminders sent by Withers & Rogers Renewals LLP;
 - (b) Mr Harrison did not realise that the applicant's European patent applications were handled by different professional representatives and believed that representation had changed from Withers & Rogers LLP to Von Kreisler Selting Werner and that the renewal fees had been paid by Von Kreisler Selting Werner.

6. The question is whether or not Mr Harrison failed in his duty of all due care by disregarding the renewal fee payment reminders sent by Withers & Rogers Renewals LLP, in particular the final reminder notice from Withers & Rogers Renewals LLP for the renewal fee for the sixth year sent on 4 June 2013 (D3).

Confusion by fraudulent payment requests?

7. Warnings issued by the EPO (<https://www.epo.org/applying/fees/payment/warning.html>) and other organisations and offices entrusted with the processing of patent applications and patents show that numerous patent applicants and proprietors receive invoices from individuals and companies inviting them to pay for services in relation to the publication and/or registration of their applications and patents which are unrelated to the processing by the competent organisation or office. Such requests for payment are designed to make it appear that the invoice has been issued by an official source. The Board agrees with the appellant that such deceptive payment requests are confusing for persons who are not familiar with the patent system and the organisations and offices involved, and that they give rise to suspicion. This is also true in the present case, with Mr Harrison being warned by his US patent attorneys and instructed not to pay any invoice sent by a scam organisation (see D2b). Suspicion of fraud might have been a reason for ignoring reminders coming from unknown entities with whom Mr Harrison had not previously been in contact. Withers & Rogers Renewals LLP was, however, familiar to Mr Harrison since he had been in contact with this firm for three years and had relied on their services to pay the third to fifth renewal fees for the present patent application (see D1, point 7). Therefore, there was no reason to suspect that the reminders sent by Withers & Rogers Renewals LLP were fraudulent. In case of doubt, Mr Harrison should not have simply disregarded these further reminders but should have at least inquired about their validity with Mr Daley of Venable LLP.

Excusable error as to the representation?

8. It follows from Mr Harrison's first witness statement that the appointment, by Venable LLP, of different European representatives for the appellant's European patent applications caused confusion and misled Mr Harrison to believe that Von Kreisler Selting Werner had taken over representation for all of the appellant's applications:

"..., I misunderstood which European attorney firm was handling my application EP 08754224.7. I had assumed that both of the European patent applications were being handled by the same firm, and that firm had changed from Withers & Rogers LLP to Von Kreisler Selting Werner because renewal reminders now seemed to be coming from the German firm. It will be appreciated that Venable appointed the two European patent attorney firms, and the relationship with those European patent attorney firms was principally from Venable. I realise now that my two applications are being handled by different European patent attorney firms and that the German patent attorney firm is not sending me renewal reminders in respect of EP 08754224.7 because they are not responsible for it." (D1, point 9, emphasis by the Board).

9. The appellant explained at the oral proceedings that, in 2013, there were more Office actions in respect of the applicant's second European patent application No 10802858.0 than with respect to the present application No. 08754224.7. Mr Daley of Venable LLP reported these activities to Mr Harrison. This gave the impression that Venable LLP was now instructing Von Kreisler Selting Werner.

10. Although the higher level of activity in respect of the applicant's second European patent application No 10802858.0 might explain Mr Harrison's confusion, they do not justify Mr Harrison's assumption that representation had changed from Withers & Rogers LLP to Von Kreisler Selting Werner. The renewal fee for the third year for the applicant's second European patent application No 10802858.0 fell due on 31 July 2012 and was paid on 30 January 2013 by Von Kreisler Selting Werner. In January 2013, Withers & Rogers LLP also filed a response to a communication by the Examining Division regarding the present patent application. In 2012 and at the beginning of 2013, Mr Harrison thus received renewal fee reminders from both associations and was also copied into their submissions in the prosecution of the appellant's European patent applications. Mr Harrison must by then have been well aware of the identity of the two associations and their respective involvements. None of these circumstances pointed to a change in representation. Furthermore, the correspondence from Withers & Rogers Renewals LLP and Von Kreisler Selting Werner clearly identified the respective patent applications by their number and title (see the reminders D3 and D4, and the email correspondence D7 to D10). Even if Mr Harrison was unfamiliar with the use of application and publication numbers as a means of identification of the respective protective rights and less observant to differences in numbers, he must have realised that the titles of the applications ("Electrocardiograph Monitoring Device and Connector" and "Magnetic switching device") were substantially different. Mr Harrison should also have noted that the reminders indicated different renewal fee due dates, different renewal periods, and different amounts to be paid. Being in doubt and lacking experience in patent matters, Mr Harrison should not

have made assumptions about a change in representation, but should have at least sought clarification from the appellant's US patent attorneys. A prospective loss of rights due to non-payment of renewal fees far outweighed possible costs involved with such an inquiry.

11. In view of the above, the Board judges that the applicant has failed to show that it took all due care with respect to the payment of renewal fees for the sixth year for the present patent application. Mr Harrison failed to meet the required standard of care by deliberately disregarding the renewal fee payment reminders sent by Withers & Rogers Renewals LLP without at least seeking professional advice beforehand. Neither the receipt of fraudulent payment requests nor the appointment of different professional representatives for the prosecution of the appellant's European patent applications are sufficient reasons to justify Mr Harrison's assumption of a change of representation and his failure to ask the appellant's US patent attorneys for advice.

12. The appellant argued that it should be subject to a less stringent standard of all due care, as applied to unrepresented individuals, since Venable's policy not to offer renewal services required the appellant to arrange itself for the payment of renewal fees.

Applicants who employ the services of a payment service provider or a professional representative for monitoring the time limits for renewal fees cannot be considered to be unrepresented individuals with respect to the payment of renewal fees since the observance of time limits is organised with the help of professionals. Of course, the applicants'

responsibility is not the same as that of the service provider or professional representative. The applicants must merely ensure that they can properly and punctually respond to requests for instructions expected of them with a view to observing time limits for the payment of renewal fees. The appellant was aware of this responsibility which, *de facto*, it accepted. In particular, it accordingly gave instructions for payment of some renewal fees for EP applications.

The Board agrees with the appellant that, in principle, a layperson is not expected to show the same attention to detail as is expected of a professional representative when dealing with correspondence in patent matters, since a layperson cannot be expected to have the same level of knowledge. Depending on the circumstances, an error on the part of a layperson might therefore be excusable whereas the same error by a professional representative may not. Nevertheless, even a layperson is obliged to exercise all due care in matters for which they have taken responsibility, and must take all steps that can be reasonably expected of a diligent person.

In the present case, Mr Harrison apparently had doubts about which association of professional representatives was handling the appellant's patent applications in Europe. As explained above, he should have at least sought advice from Venable LLP. He did so (see D10) but too late.

13. For the above reasons, the appeal is to be dismissed.

Order

For these reasons it is decided that:

The appeal is dismissed.

The Registrar:

The Chairman:



D. Hampe

E. Dufrasne

Decision electronically authenticated