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File Number: T 934/91 - 3.3.1
Application No.: E2 306 970.3
Publication No.: O 083 239
Title of invention: Multi-layer light-sensitive silver halide color
photographic material
Classification: G03C 7/26

D E C I S I O N
of 4 August 1992

Proprietor of the patent: KONICA CORPORATION

Opponent: Agfa-Gevaert AG, Leverkusen

Headword: Photographic material/KONICA

EPC Articles 104(1) & (2); 111(1) and 113(1); Rule 67

Keyword: Status of Boards of Appeal; RES JUDICATA; RATIO DECIDENDI;
Admissibility of an appeal; Power to fix as well as to apportion
costs; Meaning of decision

Headnote

Headnote follows



Case Number : T 934/91 - 3.3.1

D E C I S I O N
of the Technical Board of Appeal 3.3.1
of 4 August 1992

Appellant : Agfa-Gevaert AG, Leverkusen
(Opponent) -Patentabteilung-
Postfach
W - 5090 Leverkusen 1 (DE)

Respondent : KONICA CORPORATION
(Proprietor of the patent) 26-2, Nishi-shinjuku 1-chome
Shinjuku-ku
Tokyo (JP)

Representative : Wood, Anthony Charles
Urquhart-Dykes & Lord
91 Wimpole Street
London W1M 8AH (GB)

Decision under appeal : Decision of Opposition Division of the European
Patent Office of 11 October 1991 refusing the
Opponent's request dated 7 November 1990 pursuant
to Articles 104(2) and 111(2) EPC.

Composition of the Board :

Chairman : K. Jahn
Members : J. Stephens-Ofner
P. Krasa

Summary of Facts and Submissions

- I. European patent No. 0 083 239 entitled "Multi-Layer Light Sensitive Silver Halide Colour Photographic Material" was granted to Kunishiroku Photo Industry Co. Ltd. of Tokyo, Japan.
- II. Agfa Gevaert AG of Leverkusen, Germany filed a notice of opposition to the above patent, which opposition was eventually rejected on 15 March 1989.
- III. The Opponent appealed on 10 May 1989, citing certain additional prior art in his Statement of Grounds of Appeal. The Patentee (Respondent) asked that this new matter should be disallowed because it had been submitted out of time. The Opponent (Appellant), by letter filed 18 January 1990, withdrew his opposition, and the Patentee (Respondent) then applied for an apportionment of costs under Article 104(1) EPC, basing his claim on the considerable expense to which he alleged to have been put in dealing with the late filed matter. The Opponent, who was duly notified of the request for apportionment of costs, made no comment on it. By its decision T 323/89 of 24 September 1990, Technical Board of Appeal 3.3.2 decided not only that an apportionment of costs was justified but also upon its quantum, ordering that the Opponent should pay to the Patentee the sum of DM 200.
- IV. By a letter filed on 10 November 1990, the Opponent submitted to the Opposition Division that pursuant to Article 104(2) EPC, it was the Opposition Division, and not the Board of Appeal, who had the task of fixing the costs that had been ordered to be apportioned by that Board of Appeal. The Opponent accordingly requested that the Opposition Division should issue a separate decision

fixing these costs, thereby, in effect, setting aside the earlier decision made by Technical Board of Appeal 3.3.2.

- V. By communication dated 29 May 1991, the Opposition Division stated that this request could not be legally complied with, to which, by letter filed 8 June 1991, the Opponent responded by maintaining his request, and asking what legal remedy was open to him in the event that his request was refused.

The Opposition Division accordingly did, on 11 October 1991, issue a document entitled "Decision", in which it stated that the EPC did not provide for the further possibility of an appeal against an earlier decision of a Board of Appeal. It also went on to explain that the relevant decision of the Board of Appeal had obviously been exercised pursuant to that Board's powers under Article 111(1) EPC, and since the Opposition Division was bound by the ratio decidendi of the earlier decision of that Board of Appeal (Article 111(2) EPC), the Opponent's request that the Opposition Division should itself fix the costs, thereby in effect setting aside the decision on the quantum of those costs delivered by the Board of Appeal, was inadmissible.

On 11 November 1991 the Opponent lodged a formal appeal against the above "decision" of the Opposition Division, relying, inter alia upon certain legal arguments concerning the interpretation of Articles 104(1), 117(1) and Rule 72(1) EPC.

- VI. The Opponent also specifically requested as follows:

"Es wird beantragt diese Beschwerde einer anderen Beschwerdekammer vorzulegen als der Beschwerdekammer 3.3.2. Insbesondere wird beantragt, diese Beschwerde der

Großen Beschwerdekammer vorzulegen, da es sich bei der vorliegenden Beschwerde um eine Rechtsfrage von grundsätzlicher Bedeutung handelt."

The above request clearly attempts to have a decision of a particular Board of Appeal re-considered by another one and/or to submit the whole matter to the Enlarged Board.

VII. In the course of oral proceedings, which took place on 4 August 1992, which the Patentee (Respondent) did not attend, the Opponent made a number of legal submissions which can be summarised as follows:

- (a) The power conferred by Article 104(2) EPC upon the Opposition Division to fix the amount of costs to be repaid under a decision apportioning them took precedence ("Vorrang") over the general provisions of Article 111(1) EPC, with the result that it was not open to any Board of Appeal to fix a specific quantum, and also by implication, any proportion, of the costs.
- (b) Technical Board of Appeal 3.3.2 did, in fixing the amount of costs, infringe Article 113(1) EPC, by preempting comments and arguments that the Opponent may have brought forward, had the Article 104(2) EPC route been followed.
- (c) The Opposition Division in issuing a document entitled a decision, accompanied by the usual formal legal advice relating to appeals, had mislead the Opponent into believing that the document was indeed an appealable decision, and that this procedural step amounted to a substantial procedural violation justifying the repayment of the appeal fee pursuant to Rule 67 EPC.

(d) The legal issues involved in this case were serious enough to warrant a reference to the Enlarged Board of Appeal.

VIII. In the course of the oral proceedings the Opponent withdrew his request for a reference to the Enlarged Board, by accepting that such a reference was inappropriate in the present proceedings under Article 112 EPC, since any infringement of Article 113 EPC could only have taken place not in these proceedings, but in those which had preceded it. Accordingly, the Opponent's two requests were that the Opposition Division's "decision" of 11 October 1991 be reversed, and the matter be referred to the Opposition Division with the order to refix the costs previously specifically awarded by Technical Board 3.3.2. His further request remained the original one for the reimbursement of the appeal fee upon the grounds of substantial procedural violation.

The Patentee (Respondent), without presenting substantive comments, requested that the decision of 11 October 1991 should be upheld.

Reasons for the Decision

1. The first issue that falls to be decided in these proceedings is the admissibility of the appeal. Since all the formal requirements of Articles 106 to 108 EPC have been met, admissibility hinges solely upon the interpretation of the term "decision" in Article 106(1) and Article 107 EPC, for it is settled law that appeals lie only against decisions of a first instance and not against mere communications from them. The meaning of the term "decision" had been dealt with by a Board of Appeal

in case T 26/88, and this point of law was subsequently referred to the Enlarged Board of Appeal, whose decision (G 1/90, reported in OJ EPO 1991, 275), was handed down on 5 March 1991. The facts and circumstances of that case concerned the revocation of a patent pursuant to Article 102(4) and (5) EPC, and centred on the legal status of an order revoking a patent on the ground of the infringement of that Article. The specific finding of the Board in case T 26/88, namely that an order revoking a patent on those particular grounds functioned (automatically) by operation of law, and therefore did not have the status of a decision, was reversed by the Enlarged Board, which held that such orders for revocation did rank as decisions under the relevant provisions of the EPC.

The decision of the Enlarged Board dealt solely with the legal status of an order revoking a patent under Article 102(4) and (5) EPC, and expressly left open the broader question of the meaning of the term "decision" in other cases, cf. paragraph 20 of the reasons: "Schlußfolgerung zur zweiten Rechtsfrage". It does not, therefore, in any way alter the general legal meaning and import of the term "decision" in the EPC, nor of the interpretation of such generally accepted legal concepts as RES JUDICATA and RATIO DECIDENDI.

2. The Opposition Division did, in fact, refer to one of these legal concepts, namely to "RATIO DECIDENDI" (see paragraph V above). This term is contained in Article 111(2) EPC, which states "If the Board of Appeal remits the case for further prosecution to the department whose decision was appealed, that department shall be bound by the ratio decidendi of the Board of Appeal, insofar as the facts are the same".

It is well accepted that the "ratio" of any decision is the ground or the reason for making it, in other words, the point in a case which determines the outcome of the judgment (Blacks law dictionary, 5th Edition). In the present case, the pertinent ratio decidendi of the decision of the Technical Board of Appeal was the belatedness of the new matter filed by the Opponent (cf. paragraphs 3, 4 and 5 of the reasons), where it was stated, inter alia, "the introduction of this new prior art more than two years after expiry of the opposition period meant that the Respondents and Patent Proprietors once again had to devote time and energy to countering objections which the Appellants could easily have advanced within the opposition period. This put the Patent Proprietors to extra expense ..., these additional costs were incurred in accordance with 'taking of evidence' within the meaning of Article 104(1) EPC .. the Board believes costs should be awarded if a party to proceedings can be held to have caused unnecessary expense that could well have been avoided with normal care. In its opinion, these criteria have been met in the present case since the Appellants could easily have come forward with the above-mentioned prior art during the opposition period ..., nor have the Appellants explained why the new state of the art was only cited so late in the day."

It is only this finding, and nothing else, that constitutes the ratio of the above decision, and from which a first instance cannot depart in the case of a referral to it by Board of Appeal under Article 111(1) EPC.

3. No such referral, however, was ordered by the Board which, instead, exercised the powers conferred upon it by the first part of Article 111(1) EPC, to do that which the Opposition Division had the power to do, namely, to fix

the quantum of "penal" costs. Once it had done so, the whole issue had become definitively settled, in other words became RES JUDICATA.

The meaning of the legal term RES JUDICATA, is old and well established: it defines "... a matter finally settled by a Court of competent jurisdiction, rendering that matter conclusive as to the rights of the parties and their privies" (see Blacks Law Dictionary, 5th Edition). Such a final judgment by a Court of competent jurisdiction therefore constitutes an absolute bar to a subsequent legal action involving the same claim, demand or cause of action, and the same parties or their privies.

4. In the present case, both the finding that apportionment of costs should be ordered under the provisions of Article 104(1) EPC, as well as the order specifying the quantum of those costs so ordered to be apportioned, was made by a Court of competent and final jurisdiction under the EPC, namely Technical Board of Appeal 3.3.2. That the Boards of Appeal are Courts was made clear a long time ago by the Enlarged Board of Appeal in G 1/86 OJ EPO 1987, 447, paragraph 14 of the reasons (both in the official German as well as the French texts). The English translation of the relevant part of this paragraph, stating that "... the Boards act as courts ..." is therefore inaccurate, both in the original published, as well as the amended version (OJ EPO 1987, page 527). It is perhaps worth noting that the Opponent never asserted or implied that the above legal analysis of the function of the Boards of Appeal, and of the effect of that analysis, was incorrect.

In this connection the Board rejects the Opponent's submission that Article 111(1) EPC, insofar as it enables a Board of Appeal to exercise any power within the competence of the department which was responsible for the

decision appealed from, does not cover those powers which the Opposition Division has under Article 104(2) EPC. Accordingly, the Board specifically finds that the Boards of Appeal are competent to fix the quantum of costs, either in a specific amount, or in terms of a specific fraction of the total costs. In exercising this power, the Boards of Appeal must, of course, abide by all the relevant provisions of the EPC, in particular Article 113(1).

It is thus abundantly clear that this decision constituted an absolute bar to the Opposition Division's considering afresh, let alone deciding upon, either the fact or the quantum of the apportionment, or their reviewing the reasons (ratio decidendi) for which the apportionment had been made.

5. In conclusion, the Board finds that leaving aside the special circumstances of the point of law before the Enlarged Board in G 1/90, a "decision" does need to involve a reasoned choice between legally viable alternatives and where, as is the case here, there is, by reason of the doctrine of RES JUDICATA no alternative at all, there can by definition be no such choice, and hence there can be no "decision" either within the meaning of that term in the EPC. This conclusion applies regardless of the title or form of the document that purports to be a decision, for clearly the legal status of that document must depend on its substance, rather than its mere form or title.

It follows that the document issued by the Opposition Division on 11 October 1991, entitled "Decision pursuant Article 104(2) and Article 111(2) EPC" was in law a mere communication of the clear and immutable legal position brought about by the earlier decision of a final Court of

competent jurisdiction, namely Technical Board of Appeal
3.3.2.

It follows that, in the Board's judgment, the appeal of 11 November 1991 by the Opponent is not admissible and the question of the allowability of the appeal does not therefore arise.

6. Turning to the Opponent's further request for the reimbursement of the appeal fee, the Board can find no way within the provisions of Rule 67 EPC to make such an order, since a finding of inadmissibility clearly precludes any finding of allowability upon which the reimbursement of the appeal fee is contingent. As was explained in the summary of facts and submissions, the Opponent submitted, in the Board's view rightly, that the title of the document issued by the Opposition Division on 11 October 1991, as well as the pro-forma indication of the right to appeal (EPO Form 2901.10.80, were misleading. In the Board's view the Opposition Division should have refrained from any comment on the matter, and any response to the letter filed by the Opponent on 10 November 1990 should have come from some other organ of the EPO, if at all.

Order

For these reasons, it is decided that:

1. The appeal is inadmissible.
2. The request for the reimbursement of the appeal fee is refused.

The Registrar:

The Chairman:

E. Görgmaier

K. Jahn