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R E F E R R A L - D E C I S I O N
of 2 July 1996

Case Number: T 0649/92 - 3.3.4

Application Number: 82304478.9

Publication Number: 0073646

IPC: C12N 15/00

Language of the proceedings: EN

Title of invention:

Construction of DNA sequences and their use for microbial production of proteins, in particular human serum albumin

Patentee:

GENENTECH, INC.

Opponent:

Delta Biotechnology Limited
RIATAL GmbH
Naohito Oohashi

Headword:

DNA for HSA/GENENTECH

Relevant legal provisions:

EPC Art. 99
EPC R. 55, 65

Keyword:

"Nominal opponent"
"Strawman"
"Referral to Enlargement Board (yes)"

Decisions cited:

G 0001/84, G 0010/91, G 0001/95, G 0009/93, T 0010/82,
T 0025/85, T 0219/86, T 0635/88, T 0289/91, T 0339/93,
T 0590/93, T 0798/93

Catchword:

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Case Number: T 0649/92 - 3.3.4

R E F E R R A L - D E C I S I O N
of the Technical Board of Appeal 3.3.4
of 2 July 1996

Appellant:
(Opponent 03)

Naohito Oohashi
32, Yagi, Izushi-cho
Izushi-gun
Hyogo 668-02 (JP)

Representative:

Woods, G.C.
J.A. Kemp & Co.
14 South Square, Gray's Inn
London WC1R 5LX (GB)

Respondent:
(Proprietor of the patent)

GENENTECH, INC.
460 Point San Bruno Boulevard
South San Francisco
California 94080 (US)

Representative:

Armitage, Ian Michael
MEWBURN ELLIS
York House
23 Kingsway
London WC2B 6HP (GB)

Third Party:
(Opponent 01)

Delta Biotechnology Limited
Castle Court
Castle Boulevard
Nottingham NG7 1FD (GB)

Representative:

Bassett, R.S.
Eric Potter & Clarkson
St. Mary's Court
St. Mary's Gate
Nottingham NG1 1LE (GB)

Third Party:
(Opponent 02)

Riatal GmbH
Magnolienweg 4
81377 München (DE)

Representative:

Kolb, Helga Dr. Dipl.-Chem
Hoffmann, Eitle & Partner
Patentanwälte
Arabellastrasse 4
81925 München (DE)

Decision under appeal: Decision of the Opposition Division of the
European Patent Office dated 8 May 1992 rejecting
the opposition filed against European patent
No. 0 073 646 pursuant to Article 102(2) EPC.

Composition of the Board:

Chairwoman: U. M. Kinkeldey
Members: S. C. Perryman
 L. Galligani

Summary of Facts and Submissions

- I. European patent application No. 82 304 478.9 claiming priority from US 297380 of 28 August 1981 was granted as European patent No. 0 073 646 on 17 May 1989. It relates to DNA isolates, expression vehicles comprising such DNA, microorganisms transformed with said vehicles, and a process which comprises microbially expressing human serum albumin (HSA) of a particular amino acid sequence and genetic variants thereof.
- II. Notice of opposition against the European patent was filed by three parties (opponents 01 to 03) who requested the revocation of the patent on the grounds of Article 100(a) to (c) EPC.
- III. With its decision issued on 8 May 1992, the opposition division rejected the oppositions pursuant to Article 102(2) EPC and, thus, maintained the patent on the basis of the claims as granted.
- IV. The appellant (opponent 03) lodged an appeal against this decision and filed a statement of grounds. The respondent filed a response to this statement of grounds.
- V. With letter dated 20 January 1994, the appellant filed new evidence (declarations of Drs. Dugaiczuk and Hawkins) allegedly proving that a disclosure in the form of a poster of the entire nucleotide sequence of the HSA gene including the prepro-sequence had taken place at the First Annual Congress for Recombinant DNA Research held on 25 to 27 February 1981 in San Francisco.

- VI. In reply thereto, inter alia, the respondent (patentee) drew the Board's attention to the fact that the identity of the true appellant was not clear. In the circumstance that no-one had had any knowledge of the appellant, a Japanese gentleman, it had instructed an investigation in Japan which showed that he was a small entrepreneur in the retail and catering field, whose sales typically included umbrella and leather goods. Further it provided evidence that the use of a "straw man" in Japanese oppositions was extremely common where an opponent wished to remain anonymous, and this practice was legal as Article 55 of the Japanese Patent Law read "any person may file opposition to the grant of a patent". This was however against the law and practice of the EPO, and the respondent accordingly asked the Board to seek confirmation that he was acting entirely on his own behalf and not for an unnamed third party and to seek confirmation from the appellant's representative that he had no reason to believe that the named appellant may be acting for someone else.
- VII. The Board issued a summons to oral proceedings, and in an accompanying communication dated 22 April 1996 indicated its preliminary view.
- VIII. In response the respondent indicated that it was requesting (a) dismissal of the appeal on the basis that the true opponent (appellant) has not been correctly identified, or in the alternative (b) a reference of a question of law to the Enlarged Board of Appeal relating to the identification of the true opponent, and (c) referral of the case back to the first instance for the consideration of the new evidence relating to the alleged disclosure of Dr. Dugaiczyc, and an apportioning of costs in favour of the proprietor in view of the conduct of the opponent/appellant.

The appellant too requested referral back of the case to the first instance for consideration of the new evidence, and also requested that no costs be awarded against him in relation to this remittal. Further the appellant requested that the respondent's requests for dismissal of the appeal or for referral of a request to the Enlarged Board be rejected. Further the appellant requested an award of costs in his favour if a question be referred to the Enlarged Board of Appeal.

IX. The Board issued a further communication dated 26 June 1997 by facsimile, indicating that at the oral proceedings only the issues of the respondents' request that the appeal be dismissed on the basis that the true appellant (opponent 03) had not been correctly identified, and of any referral of a question of law on this to the Enlarged Board of Appeal under Article 112 EPC were to be discussed. The Board further indicated that if a question of law were to be referred to the Enlarged Board of Appeal, any question of costs would arise only after the answer had been given.

X. Oral proceedings took place on 2 July 1996. The appellant was not represented at these, and had indicated this was because substantive patentability matters were not to be discussed. On the issue of inadmissibility he had further submitted in writing that since no concrete evidence had been put forward by the respondent to substantiate its allegations, and since it was accepted that interests and motives of the opponent were irrelevant, the respondent's requests (a) and (b) should be rejected, and the case should be remitted to the opposition division.

XI. The appellant had requested in writing:

- (a) rejection of the respondent's (patentee's) request that the appeal should be dismissed on the basis that the true opponent (appellant) had not been correctly named;
- (b) rejection of the respondent's (patentee's) request that a question of law relating to identification of the true opponent should be referred to the Enlarged Board of Appeal;
- (c) if a question of law is referred to the Enlarged Board of Appeal, an award of costs in favour of the appellant;
- (d) that the decision under appeal should be set aside and that the case be remitted to the opposition division for consideration of the poster presentation given by Dr. Dugaicznyk at the First Annual Congress for Recombinant DNA Research, San Francisco, 25 to 27 February 1991;
- (e) no award of costs against the appellant in relation to (d).

The respondent requested

- (1) that the following questions be referred to the Enlarged Board of Appeal:
 - (a) Is it an objection to the admissibility of an opposition that the named opponent is acting on behalf of another party ("the true opponent") and not on his own account ?

If yes:

- (b) Where the admissibility of an opposition is challenged by the patent proprietor upon the ground that the named opponent is not acting in his own capacity but as a nominee on behalf of another person ("the true opponent")
- (i) To what standard of proof must the patent proprietor establish his challenge for it to succeed ?
- (ii) In particular is it enough to establish "a legitimate doubt" (T 635/88) as to the true capacity of the named opponent or must the challenge be supported by evidence which "demonstrates close to certainty that a particular legal or natural person, other than the named opponent, was in truth responsible for the opposition" (T 530/90)?
- (iii) Does Article 99(1) EPC which provides that "any person" may oppose the grant of a European patent, necessarily mean that evidence proving that it is extremely unlikely that an opponent is opposing in his own name is inadmissible **for the purpose of supporting the challenge that the named opponent is acting as a nominee or representative?**

- (iv) In particular where there is evidence that the named opponent
 - (a) can have no interest on his own account for opposing a patent;
 - (b) is unlikely to have the technical competence to mount an opposition to the subject matter of the case;
 - (c) comes from a jurisdiction where "straw man" oppositions are common;
 - (d) has declined to confirm that the opposition is not being conducted on someone else's behalf, when expressly challenged by the proprietor;

and there is no evidence to the contrary is the objection established?

- (2) that consideration of the other requests on file be postponed until after the answer of the Enlarged Board is received.

Reasons for the Decision

1. *Time for challenging admissibility*

- 1.1 The number of challenges to admissibility of an opposition on the basis of non-disclosure of the true identity of an opponent appears to be increasing. It thus appears appropriate in order that parties have authoritative guidance, to afford the Enlarged Board of Appeal an opportunity to review the existing jurisprudence, not only as to the circumstances where such a challenge can succeed, but also as to any time limits on bringing such a challenge.

1.2 In this case, the admissibility of the opposition and appeal by the appellant were challenged only at the appeal stage. It has been stated in decision T 0289/91 (OJ EPO 1994, 649, in particular point 2.1 of the Reasons), that an objection that the opposition is inadmissible because e.g. the opponent is not entitled to file it, can be raised at any stage of the proceedings, i.e. even at the appeal stage. In that case it was noted that the challenge could have been raised much earlier as the facts on which it was based were known to the patentee, but though this late challenge was censured, it was considered that the challenge had to be dealt with.

1.3 Rules 56 and 65 EPC on admissibility relate to matters apparent from the face of the file. This Board would agree that it is correct to decide at any time whether inadmissibility is apparent from the facts on file, for example if there is an admission by the named opponent that he is a representative who filed the opposition for a client (cf. T 0010/82, EPO OJ 1983, 407). However, there is no equally strong case for the Boards of Appeal being required at any time either themselves to start an inquiry involving asking for further evidence to resolve the question of admissibility due to doubts as to the real identity of the opponent, or remitting the case to the first instance to carry out such inquiry. It is not the function of the Boards to start such inquiries. Rather this is an appropriate task for the opposition division. Yet remittal may involve considerable delay as there may be another appeal before the question is finally resolved.

1.4 By analogy with opponents not being allowed to raise a new ground of opposition for the first time on appeal (cf decisions G 0010/91 (EPO OJ 1993, 420) and G 0001/95 (EPO OJ 1996, 615)), there is a case for patentees not being entitled to require that doubts as

to the identity of an opponent be investigated, if the point has not been raised before the opposition division. Exceptions might be made where the patentee could not reasonably be expected to be aware of or to have investigated earlier the facts on which the challenge is based.

1.5 Questions 1 and 2 set out in the order thus relate specifically to whether a challenge to the admissibility requiring further investigation, which challenge had not been raised before the opposition division, should not be gone into simply on the ground that it had been raised too late in the proceedings.

2. *Identity of opponent: a matter of little significance?*

2.1 It would be quite consistent with the scheme of the European Patent Convention to treat the identity of the opponent extremely formally and practically as a matter relating only to the correct completion of the notice of opposition, so that the opponent is merely the person whose name and address and residence or principal place of business is pursuant to Rule 55(a) EPC stated in the notice of opposition. Even as Article 60(3) EPC requires the instances of the European Patent Office to work on the assumption that for the purposes of proceedings before the European Patent Office, the applicant shall be deemed to be entitled to exercise the right to the European patent, it is possible to work on the presumption that the named opponent is for all purposes **the** opponent. Article 99(1) EPC states that "any person" may give notice of opposition. There is no requirement that such person have any interest of any particular kind for opposing. By Article 99(4) EPC an opponent, that is the

person named in the notice of opposition, becomes a party to the opposition as well as the proprietor. It is the fact of being named that makes him a party, not any interest that he may have.

2.2 On this approach the opposition would only be inadmissible in connection with the identity of the opponent, if no opponent is named at all (cf. T 0025/85 EPO OJ 1986, 81), or there is uncontroverted evidence that no such person as the named opponent exists at all, or the named opponent denies that he is the opponent and/or admits that some other person is the opponent (cf T 0010/82, supra), and there was no case of a genuine mistake when naming the opponent which was considered correctable (cf. T 0219/86, EPO OJ 1988, 254).

2.3 The Board has noted only two cases where both the result and the reasoning are inconsistent with this approach. The first is the special case of an opposition by the proprietor where the Enlarged Board in G 0009/93 (EPO OJ 1994, 891) held such an opposition inadmissible, overruling the earlier decision G 0001/84 (EPO OJ 1985, 299). Paragraph 2 of the reasons of the earlier decision G 0001/84 is still worth quoting for its relevance to matters now under consideration:

"... If the proprietor of the patent is not allowed to file the opposition himself, he would, no doubt, hesitate to induce a third with whom he was not on close and reliably friendly terms to file an opposition. The only practical thing that he might do is to try to employ the very ancient lawyers' device of having a "man of straw" as the opposing party. The procedure may reduce the proceedings to a sham, since the "man of straw" in this case is no really third party but the puppet of the proprietor. If the connection between the proprietor and his puppet is not

known to the European Patent Office and the general public, possibilities of deceit and abuse of the opposition procedure for ulterior purposes, e.g. delaying procedure in other jurisdictions, exist. It is not necessary, for present purposes, that the Board should decide the question whether an opposition filed in the name of a "man of straw" is or is not admissible in any circumstances and the Board does not now do so. Suffice it to observe that the Board sees no reason to question the rightness of the Decision in Case T 10/82, "Opposition: admissibility/BAYER" (OJ EPO 10/1983, p. 407) that a professional representative is not entitled to give his own name as opponent when he is acting for a client."

2.4 The fear expressed in G 0001/84 relates to collusion between the puppeteer proprietor and his puppet opponent, being used to delay proceedings. However where the puppeteer is not a party to the opposition proceedings there seems no basis for fearing delay. Decision G 0009/93 may require the investigation of opponents who are too friendly as to their relationship to the proprietor, or who seem to be cooperating with the patentee to delay proceedings, but probably any ill effects of such sham proceedings would be avoided by taking a strict view of the amendments that are necessary and appropriate to meet the grounds of opposition, and strict measures to speed up proceedings.

2.5 The second case whose outcome is not consistent with the approach discussed in point 2.1 above is decision T 0635/88 (EPO OJ 1993, 608). Here the patentee had already objected to admissibility before the opposition division on the ground that the named opponent, who were international consultants and brokers in industrial property, had filed the opposition on behalf of a specific third party, and the opposition division

found the appeal inadmissible on this ground. The named opponent appealed, and maintained throughout the appeal proceedings that it was only acting in its own name and not on behalf of the specific third party. The Board nevertheless concluded that a serious doubt existed as to the real opponent's identity and that this doubt did not comply with Rule 55(a) EPC. In these circumstances the Board considered that it was for the appellant to contribute to dispelling the doubt. Using the provisions of Article 117(1)(g) EPC, the Board asked the appellant for a sworn statement in writing, pointing out that named opponent was acting in its own name and not on behalf of anyone, but this request was not complied with, on the grounds that such a demand was legally inadmissible under any legal system. The Board considered that the doubt remained, and therefore decided that the opposition was inadmissible.

- 2.6 In decision T 0635/88 the above cited paragraph 2 of decision G 0001/84, was referred to in relation to the danger of sham proceedings, but without discussion of whether there really was any analogy between a sham fight between a puppeteer proprietor and a puppet opponent, and a genuine fight between a proprietor and a named opponent who took his instructions from an outside party. Further in T 0635/88 a distinction is seen between a named opponent and a "real" opponent. But actual situations can be complex, with a group of people having varying degrees of interest in opposing a patent, and only one of these doing so in his own name, but with the support of others (cf. decision T 0339/93 of 18 April 1996). There is no provision for the assignment of the status of opponent. As an interest is not required to be stated, it is difficult to show even that an interest to which the opposition is attached has been transferred, and to ask for the name of the opponent to be changed on this basis. It seems reasonable to assume that numerous oppositions are

being pursued where the named opponent as a result of events occurring since the filing of the opposition, is no more than a cipher in whose name others are acting as they see fit. Yet any supposed evils arising from there being a hidden "real" opponent would also exist in such cases.

- 2.7 This Board can see that there may be grounds of public policy for preventing a proprietor using a puppet to file an opposition, or for a professional representative to file an opposition in his own name while acting in his ordinary capacity as agent for another. But for the purposes of EPO opposition proceedings there seems no strong reasons otherwise for adopting anything other than the approach outlined in point 2.1. If to prevent strawmen filing oppositions the instances of the EPO are to be required to start, on request by the proprietor, inquiries into the motives behind every opposition, and to develop a jurisprudence of when reasonable doubt as to the identity of the opponent exists, the cure seems worse than any evil entailed in allowing a strawman opponent.
- 2.8 To state that the question of the identity of the opponent is a matter of importance, but to refuse to investigate the matter ex officio except where there is nearly conclusive evidence that someone other than the named opponent is controlling the opposition, is more likely to frustrate proprietors than help them.
- 2.9 Further the question does not seem of importance to the EPO proceedings. Before the EPO there is free evaluation of evidence, so that evidence cannot simply be accepted or rejected or treated differently solely because it is by a party, or is sworn or unsworn.

2.10 The question of res judicata might arise in national nullity or revocation proceedings, depending on what parties are opponents. But this is a question for national courts. Prima facie it would be up to these courts to investigate whether the parties before them should be treated as if they had been opponents in EPO proceedings. If such a court made a request to the EPO for assistance in clarifying the point, the instances of the EPO might have to consider what powers they had, but if "any person" may oppose, it seems a legitimate ruse to select as opponent someone not likely to be involved in national proceedings. There is no need for the EPO to treat such selection of the opponent as a ground of inadmissibility for the purpose of opposition proceedings.

2.11 If a court with competent jurisdiction declares that the opponent was contractually, and consistently with European competition law, disentitled to oppose, the European Patent Office might then act on such court declaration, or consider suspending the proceedings where such an order is being sought. However, the Convention does not appear to give the instances of the European Patent Office themselves jurisdiction to consider such questions, whether under the heading of admissibility or otherwise.

2.12 The device of a "man of straw" as a litigant was historically sometimes used to render worthless any rights others might have to obtain damages or costs against such litigant. It has not however been suggested either specifically in this case, or in any discussion that the Board is aware of in other cases, that any such risk exists in connection with opposition proceedings before the European Patent Office, or that any such risk should be taken into account when determining admissibility. Awards of costs under Article 104 EPC are the exception rather than the rule,

so that the Board considers insignificant any additional risk of not being able to recover awarded costs that other parties might be exposed to as a result of the EPO treating the named opponent as the opponent for all purposes.

3. *Preparatory material for European Patent Convention*

3.1 No discussion of the question of nominal opponents has been found in the preparatory material for the European Patent Convention. Even the earliest drafts provide that any person ("jedermann") can file an opposition.

3.2 The one discussion of some remote relevance is to be found in the papers of the Munich Diplomatic Conference (10 September to 5 October 1973) in documents M/PR/I at points 390 to 394 (page 48 in English version) and document M/PR/G in Section 8 on opposition procedure (pages 185 to 186 English version). It is stated that the provisions concerning opposition procedure gave rise to little discussion. A proposal to delete the opposition fee on the ground that the opponent was to be considered a person helping to establish the legal facts of the matter was rejected by a majority as if the fee were to be dispensed with, dilatory opposition would be encouraged. Furthermore the interests of the opponent were considered his main incentive.

4. *Questions suggested by respondent*

4.1 The Board has not adopted the form of the questions proposed by the respondent (see point XI. supra) because they do not focus precisely on the Board's concerns in relation to the interpretation of Article 99(1) EPC.

4.2 The suggested question (a) does not bring out on what the Board would see as a substantial difference between the situation of a named opponent who merely lends his name for the proceedings while allowing them to be controlled by another, and a named opponent who is acting in a professional capacity for another, possibly for the purpose of circumventing the provisions of Article 133(2) EPC as to representation of persons having no residence or principal place of business in a contracting state. This latter might be considered to make the opposition inadmissible on grounds of public policy, but the situation does not arise in this appeal.

4.3 As regards suggested question (b) the Board is not so much concerned with the standard of proof, but the basis for and the extent of the powers of an EPO instance to investigate the identity of the opponent at all. If an opposition by a nominal opponent is inadmissible, then so that all parties know where they stand the only satisfactory long term solution would appear to be for the Administrative Council to exercise its competence under Article 33(1)(b) EPC to amend Rule 55 EPC on lines such as requiring an opponent to file a declaration that he is filing the opposition on his own behalf and not under the control of another party, and providing for this to be verified on oath or in other equally binding form if it is challenged.

4.4 The present position which leaves it on an ad hoc basis to the individual EPO instance to decide whether anything needs investigation, to decide what questions the opponent should answer, and to decide what sworn answers are satisfactory makes it difficult for the parties to foresee the likely outcome. It also makes it difficult for the EPO instance to reach a satisfactory decision without overstepping the mark as to what information can be demanded of an opponent. On the one

hand, knowledge of the full facts of the named opponent's interest is needed to be confident of reaching the correct decision, while on the other hand this would require the opponent to divulge matters, such as a shareholding or plans to work in the area of the patent, which he might legitimately not wish to disclose and for the forced disclosure of which the European Patent Convention provides no obvious basis.

- 4.5 Unlike the respondent in his question (b)(ii), the Board would not see a conflict between the requirements in decision T 0635/88 and decision T 0590/93 (EPO OJ 1995, 337 - the actual number 530/90 cited in the proposed question seems an error for 590/93 where the citation appears). In the context of its use in T 0635/88 the term "legitimate doubt" was used to refer to concrete evidence that someone else had stated that he was the opponent in the European opposition proceedings, and not to any supposition based on circumstantial evidence. The further decision T 0798/93 of 20 June 1996 again confirms this extremely restrictive view of what is meant in decision T 0635/88.

5. *The questions referred*

- 5.1 Question 3, as set out in the order, relates to the interpretation of Article 99(1) EPC and corresponds broadly to the respondent's question (a). Question 3, is dependent on the answer to Question 1, as logically if it is considered that the appeal stage is too late for raising the challenge then Question 3 requires no answer for the present appeal to be disposed of. However, if the answer to Question 3 should deny any legal basis for an inadmissibility challenge on grounds relating to the opponents identity, then Questions 1 and 2 require no answer.

5.2 Question 4 in the order is dependent on the answer to Question 3 precluding a nominal opponent, and relates to the circumstances when an inquiry into the identity is called for. If the identity of the opponent is so important, then the limits set on the circumstances when an inquiry is called for may have been too narrowly defined in decisions T 0635/88 and T 0590/93, under which even a preponderant likelihood based on life experience would be insufficient.

5.3 Question 5 is put to cover the possibility that if, contrary to the established view, the challenge to admissibility cannot be raised at any stage of proceedings, such restriction might, on the principle of legal certainty, not apply in already pending opposition proceedings.

Order

For these reasons it is decided that:

The following questions are referred to the Enlarged Board of Appeal for decision:

1. Is a respondent patentee entitled to challenge the admissibility of an opposition on grounds relating to the identity of an appellant opponent during the course of the appeal, where no such challenge to admissibility had been raised before the opposition division?
2. If the answer to Question 1 depends on the particular circumstances, what are the legal principles governing the circumstances that the Board of Appeal should take into account in assessing whether a challenge to the admissibility of the opposition is allowable at the appeal stage?

3. If the answer to Question 1 can be yes, how is the requirement of Article 99(1) EPC to the effect that any person may give notice of opposition to the European Patent to be interpreted, and in particular should it be interpreted to the effect that anybody may give notice of opposition in his own name, but not in the name of a nominal opponent, that is an opponent who merely lends his name for the proceedings while allowing the proceedings to be controlled by another?
4. If the answer to Question 3 means that Article 99 EPC precludes a nominal opponent, in what circumstances, if any, can a suspected nominal opponent be required to provide evidence to establish that the opposition is genuinely his own, and what evidence can such a suspected nominal opponent be required to give to prove that he is a genuine opponent?
5. If the answers to the above questions involve a restriction on the right to challenge admissibility, is such restrictive view to be applied immediately in all pending proceedings?

The Registrar:

A. Townend



The Chairwoman:

U. M. Kinkeldey

Geschäftsstelle
Beglaubigt/Certified Registry/Greffe
Certifiée conforme:
Wünchen/Munich **23. JULI 1997**