

Internal distribution code:

- (A) Publication in OJ
(B) To Chairmen and Members
(C) To Chairmen

D E C I S I O N
of 15 February 1995

Case Number: T 0951/92 - 3.4.1

Application Number: 86116953.0

Publication Number: 0224935

IPC: G01R 19/00

Language of the proceedings: EN

Title of invention:
Amplitude detection circuit

Applicant:
NEC CORPORATION

Opponent:

-

Headword:
Opportunity to comment/NEC

Relevant legal provisions:
EPC Art. 96, 97, 113(1), 123(2)
EPC R. 51(2) and (3), 67

Keyword:
"Amendment to claims of application"
"Invitation to file new claims which no longer infringe
Article 123(2) EPC"
"Lack of essential reasoning in communication"
"Substantial procedural violation"
"Amended claims do not contravene Article 123(2) EPC"
"Appeal fee reimbursed"

Decisions cited:
G 0004/92; J 0020/85; J 0003/90; T 0222/85; T 0550/88;
T 0640/91

Headnote:

I. In the context of the examining procedure under Articles 96 and 97 EPC, Article 113(1) EPC is intended to ensure that before a decision refusing an application for non-compliance with a requirement of the EPC is issued, the applicant has been clearly informed by the EPO of the essential legal and factual reasons on which the finding of non-compliance is based, so that he knows in advance of the decision both that the application may be refused and why it may be refused, and so that he may have a proper opportunity to comment upon such reasons and/or to propose amendments so as to avoid refusal of the application.

II. If a communication under Rule 51(3) EPC and pursuant to Article 96(2) EPC does not set out the essential legal and factual reasoning which would lead to a finding that a requirement of the EPC has not been met, then a decision based upon such a finding cannot be issued without contravening Article 113(1) EPC, unless and until a communication has been issued which does contain such essential reasoning. If a decision is issued in the absence of a communication containing such essential reasoning, Article 96(2) EPC is also contravened, since in order to avoid contravening Article 113(1) EPC it was "necessary" to issue a further communication (following decision T 0640/91, OJ EPO 1994, 918).

Case Number: T 0951/92 - 3.4.1

D E C I S I O N
of the Technical Board of Appeal 3.4.1
of 15 February 1995

Appellant: NEC CORPORATION
7-1, Shiba 5-chome
Minato-ku
Tokyo (JP)

Representative: Glawe, Delfs, Moll & Partner
Patentanwälte
Postfach 26 01 62
D-80058 München (DE)

Decision under appeal: Decision of the Examining Division 039 of the
European Patent Office dated 5 June 1992 refusing
European patent application No. 86 116 953.0
pursuant to Article 97(1) EPC.

Composition of the Board:

Chairman: G. D. Paterson
Members: U. G. O. Himmler
R. K. Shukla

Summary of Facts and Submissions

- I. This European patent application was refused by a decision of the Examining Division which was based on the objection that Claims 4 to 6 of a set of amended claims forming the Applicant's request contained added subject-matter and therefore violated Article 123(2) EPC.
- II. The set of amended Claims 1 to 6 were filed in response to the first communication of the Examining Division, in which objections to the claims of the application had been raised under Article 84 EPC, and in which it was stated that a full substantive examination was not yet possible. Following the filing of this set of new claims, a telephone consultation took place on 14 October 1991, between the primary examiner and the Applicant's representative. According to the minutes of this consultation, which were sent to the Applicant under cover of an invitation dated 18 October 1991 pursuant to Article 96(2) and Rule 51(2) EPC, the Applicant's representative was informed that the changed wording of new Claims 1 and 4 to 6 should be commented upon as set out in the Guidelines EII, 1, and in this connection a number of passages in such claims were identified. The minutes also stated that "The substantive examination cannot take place unless new claims have been filed which do no longer infringe Article 123(2) EPC".

In response to this invitation with accompanying minutes of the consultation which constituted the second communication from the Examining Division, the Applicant filed a letter dated 25 February 1992, which

indicated passages in the application as filed which were said to form a basis for the amended Claims 4 to 6. The decision refusing the application was issued on 5 June 1992.

III. Claims 4 to 6 which form the basis of the objections under Article 123(2) EPC read as follows:

"4. The detection circuit as claimed in claim 1, characterized in that said comparison output signal takes said first logic level when said first digital data is equal to or larger than said second digital data and said second logic level when said first digital data is smaller than said second digital data, that said detection circuit further comprises third means (13-17) responsive to said second logic level of said comparison output signal for generating a timer signal in a predetermined cycle, and that said first means includes means (11) for generating said fourth digital data by use of said second value being positive, a first multiplexer (12) for outputting said second digital data when said timer signal is not generated and for outputting said fourth digital data when said timer signal is generated, and a second multiplexer (6) for outputting said first digital data when said comparison output signal takes said first logic level and for outputting data derived from said first multiplexer (12) when said comparison output signal takes said second logic level, whereby said detection circuit operates as a peak envelope detector.

5. The detection circuit as claimed in claim 1, characterized in that said comparison output signal takes said first logic level when said first digital

data is equal to or smaller than said second digital data and said second logic level when said first digital data is larger than said second digital data, that said detection circuit further comprises third means (13-17) responsive to said second logic level of said comparison output signal for generating a timer signal in a predetermined cycle, and that said first means includes means (11) for generating said fourth digital data by use of said second value being negative, a first multiplexer (12) for outputting said second digital data when said timer signal is not generated and for outputting said fourth digital data when said timer signal is generated, and a second multiplexer (6) for outputting said first digital data when said comparison output signal takes said first logic level and for outputting data derived from said first multiplexer (12) when said comparison output signal takes said second logic level, whereby said detection circuit operates as a bottom envelope detector.

6. The detection circuit as claimed in claim 1, characterized in that said comparison output signal takes said first logic level when said first digital data is equal to or larger than said second digital data and said second logic level when said first digital data is smaller than said second digital data and that said first means includes a first register (55) for temporarily storing said first value, a second register (56) for temporarily storing said second value, a selector (54) for selecting and outputting said first value stored in said first register when said comparison output signal takes said first logic level and said second value stored in said second

register when said comparison output signal takes said second logic level, and an arithmetic operation unit (57) for performing an adding operation on said second digital data and data derived from said selector (54) to produce said third digital data when said comparison output signal takes said first logic level and for performing a subtracting operation on said second digital data and data derived from said selector (54) to produce said fourth digital data when said comparison output signal takes said second logic level, the data produced by said arithmetic operation unit (57) being supplied to said second means (58)."

IV. The decision of the Examining Division identifies the following features of Claims 4 to 6 which were said to constitute added subject-matter and therefore to cause violation of Article 123(2) EPC:

In Claims 4 and 5: (i) "for generating a timer signal **in a predetermined cycle**"

In Claim 6: (ii) "a first/second register for **temporarily** storing said first/second value"

and (iii) "an arithmetic **operation** unit".

The decision also indicates a number of terms in Claim 1 of the amended set of claims which appeared to violate Article 84 EPC.

V. The Applicant duly filed an appeal against such decision. The Statement of Grounds of Appeal raised the following points in respect of the decision under appeal:

1. The decision had violated Article 113(1) EPC, in particular because the Applicant had never been notified in advance of the decision of the particular features of the claims (see paragraph IV above) which were said in the decision to violate Article 123(2) EPC. Before issue of a decision, the Applicant should have been informed of these particular features which were considered by the primary examiner to violate Article 123(2) EPC, and should have been invited to comment upon such potential objections.

Such violation of Article 113(1) EPC was a substantial procedural violation justifying reimbursement of the appeal fee in accordance with Rule 67 EPC.

2. Further procedural violations were as follows:
 - (a) Since substantive examination had not been carried out, the examiner should have considered how further objections could be resolved, before issuing a decision (Guidelines CVI, 4.3 and CVI, 7.6), and the interview requested in the Applicant's letter dated 25 February 1992, should have been granted (Guidelines CVI, 6.1a).

(b) The decision under appeal does not contain reasons why the specified features of Claims 4 to 6 violate Article 123(2) EPC, and it is doubtful that Rule 68(2) EPC is therefore satisfied.

Such accumulation of procedural violations indicates a further substantial procedural violation in the sense of Rule 67 EPC.

3. The finding that Claims 4 to 6 contain added subject-matter was not justified.

As to feature (i), "in a predetermined cycle", a consideration of the apparatus described with reference to Figure 1 of the application shows that the timer signal is in fact generated in a predetermined cycle.

As to feature (ii), "temporarily storing", the registers 55 and 56 of Figure 6 of the application necessarily store data temporarily.

As to feature (iii), "an arithmetic operation unit", such a unit is capable of conducting arithmetical operations only, and this term is therefore more limited than Claim 6 as filed.

4. As to the suggested contravention of Article 84 EPC, the objections are mainly concerned with reference signs per se which do not influence the scope of the claims.

The grounds of appeal also indicated three auxiliary requests.

Reasons for the Decision

1. *Added subject-matter - Article 123(2) EPC*

- (i) The generation of a timer signal "in a predetermined cycle" is not expressly described in the application as filed, but in the Board's view this feature is implicitly included in the description of specific embodiments of the invention which was contained in the application as filed.

In particular Claims 4 and 5 are each concerned with a "third means" comprising a timing circuit formed by the units 13 to 17 shown in Figure 1. This circuit comprises a counter 14 counting clock signals of a first clock $\bar{\Phi}_1$, a comparator 15 and a reference data register 16, and is activated by resetting the counter 14 when the amplitude of the input signal has reached a maximum and starts with decreasing values for the amplitude. The time of activation is preset in the data register 16 of Figure 1; consequently there is a **"predetermined"** time. The time period for which the multiplexer 12 receives a low level signal lasts until the counter 14 counts the first clock $\bar{\Phi}_1$ up to the reference value of the reference data register 16. During this time the multiplexer 12 selects the data from register 8, i.e. the output data D_{out} . This period is determined by the cycle of the

first clock $\bar{\phi}_1$ and the reference data in register 16; cf. page 7, line 22, to page 8, line 12 and page 10, line 3 to page 10, line 26 in combination with Figures 1 and 2 concerning Claim 4 and additionally page 12, line 23 to page 13, line 10 in combination with Figures 1 and 3 concerning Claim 5.

In the Board's judgment it follows that the addition of the expression "**in a predetermined cycle**" to Claims 4 and 5 of the application does not contravene Article 123(2) EPC.

- (ii) Similarly, the "temporary" storage of values as defined in Claim 6 is not expressly described in the application, but is implicit in the embodiments of the invention there described. Claim 6 concerns a peak envelope or a bottom envelope detector circuit as shown in Figure 6. In this circuit the increment data and decrement data are "**set**" (see page 18, line 24 and page 19, line 5) into the storing registers 55 and 56. Consequently, the registers 55 and 56 store data for a limited time and after that time a new set of data is "**set**" in each of the two registers. This fact is explicitly stated in the paragraph bridging page 18, line 24 to page 19, line 10, where the change of data in the registers 55 and 56 is described when changing the operational mode of the circuit from a peak envelope detector to a bottom envelope detector. Consequently, the previously stored data set had only been temporarily stored.

Hence, in the Board's judgment the inclusion of the feature "a first/second register for **temporarily** storing said first/second value" in Claim 6 does not contravene Article 123(2) EPC.

- (iii) Furthermore, in the Board's judgment the replacement in Claim 6 of the term "arithmetic **logical** unit" by the term "arithmetic **operation** unit" does not contravene under Article 123(2) EPC for the reasons which follow.

In the originally filed application, the term "arithmetic logical unit" and its abbreviation "ALU" is exclusively used.

Such an ALU constitutes that part of a computer which performs all kinds of arithmetical and logical operations. According to acknowledged textbook definitions an ALU performs

- logical operations between two operands or on only one operand, such as OR, AND, EXCLUSIVE-OR and further BOOLEAN operations, INVERT, forms a COMPLEMENT, SHIFTS data and TESTs for minus or zero.

- arithmetic operations, such as ADD, MULTIPLY, SUBTRACT or DIVIDE;
cf. "Electronics engineers' handbook", published by McGRAW-HILL Book company, 1989, Section 8-110, No. 106 and Section 23-24, No. 24.

Consequently, an "ALU" performs the operational functions of both logical **operations** and arithmetic **operations**.

Therefore, in the Board's view the term "arithmetic operation unit" falls within the term "arithmetic logical unit", and does not extend the content of the application as filed.

2. *Article 84 EPC*

- (i) As proposed by the Appellant, Claim 1 at lines 3 and 19 should read "(4; 52)".
- (ii) In the Board's view the Examining Division's objection concerning latches 5 and 53 and concerning the first and second digital data respectively do not support findings that Article 84 EPC is infringed.

3. *Request for refund of the appeal fee - Rule 67 EPC*

- (a) Alleged substantial procedural violation by contravention of Article 113(1) EPC
 - (i) The main point taken by the Applicant in support of this contention is that the particular features of Claims 4 to 6 (features (i) to (iii) in paragraph IV above) were not specifically identified by the primary examiner either during the telephone consultation on 14 October 1991, or in the minutes of such consultation which formed the substantive content of the invitation dated 18 October 1991, so that the Applicant was unaware

of the potential objections under Article 123(2) EPC based upon the addition of these features to Claims 4 to 6, and had no opportunity to comment on the grounds on which the decision of refusal is based, as required by Article 113(1) EPC.

- (ii) As indicated in paragraph II above, the invitation dated 18 October 1991, stated in its paragraph I.1 that the changed wording of new Claims 4 to 6 should be commented on as set out in the Guidelines, and inter alia identified passages in Claims 4 to 6 which were included for the first time in such claims, namely:

Claims 4 and 5: "in a predetermined cycle ... peak envelope detector", being the last 14 lines of such new claims which are set out in paragraph III above.

Claim 6: "a first register ... to said second means (58)", being the last 18 lines of such claim.

Paragraph 1 of the invitation also identified a number of passages in Claims 4 to 6 which had been omitted, compared to Claims 4 to 6 as originally filed.

The invitation also indicated in its paragraph I.2 that new claims should be filed "which do no longer infringe Article 123(2) EPC".

In a general way, it could be said that the invitation dated 18 October 1991, did state the "ground" of objection to the amended Claims 4 to 6 in the narrow sense of this word, namely

Article 123(2) EPC, on which the decision of the Examining Division was later based, and that the Applicant did have an opportunity to present comments upon such "ground" in reply to the invitation. The question to be considered is whether or not the indication of such "ground" of objection in the invitation, together with the indication of passages in Claims 4 to 6 which were added to and omitted from the claims as filed, is sufficient to satisfy the requirement of Article 113(1) EPC.

- (iii) Article 113(1) EPC states that decisions "may only be based on grounds or evidence on which the parties concerned have had an opportunity to present their comments". This provision has been recognized in a number of previous Board of Appeal decisions as being of fundamental importance for ensuring a fair procedure between the EPO and parties conducting proceedings before it (see in particular Opinion G 4/92, OJ EPO 1994, 149, Decision J 20/85, OJ EPO 1987, 102, and Decision J 3/90, OJ EPO 1991, 550), and reflects the generally recognized principle of procedural law that a party to proceedings has "a right to be heard" before a decision is issued.

- (iv) Article 113 EPC is one of the "Common provisions governing procedure" set out in Chapter I of Part VII of the EPC. Such "common provisions" are "common" to all procedures before the EPO; in particular, to proceedings before the Examining Divisions, the Opposition Divisions, and the Boards of Appeal.

Procedure before an Examining Division during the substantive examination of an application is governed by Article 96 EPC and Rule 51 EPC. In particular, Article 96(2) EPC provides that "If the examination of a European patent application reveals that the application or the invention to which it relates does not meet the requirements of this Convention, the Examining Division shall invite the applicant, in accordance with the Implementing Regulations and as often as necessary, to file his observations within a period to be fixed by the Examining Division". Rule 51(3) EPC provides that "Any communication pursuant to Article 96, paragraph 2, shall contain a reasoned statement covering, where appropriate, all the grounds against the grant of the European patent".

In the context of Article 96(2) EPC, Rule 51(3) EPC thus involves two requirements. Firstly, the applicant should be informed, if appropriate, of each requirement of the EPC which is considered as not being met. Secondly, for each such requirement of the EPC which is referred to, the applicant should be informed of the legal and factual reasons which are considered to lead to the conclusion that the requirement of the EPC is not met.

- (v) In the context of the examining procedure under Articles 96 and 97 EPC, Article 113(1) EPC is clearly intended to ensure that before a decision refusing an application for non-compliance with a requirement of the EPC is issued, the applicant

has been clearly informed of the essential legal and factual reasons on which the finding of non-compliance is based, so that he knows in advance of the decision both that the application may be refused and the legal and factual reasons why the application may be refused; furthermore, before issue of a decision, the applicant must have a proper opportunity to comment upon such reasons, and if he wishes, to give counter-arguments and reasoning in support of the allowance of the application, and/or to propose amendments to the application so as to avoid refusal of the application.

Thus the term "grounds or evidence" in Article 113(1) EPC should not be narrowly interpreted. In particular, in the context of examination procedure the word "grounds" does not refer merely to a ground of objection to the application in the narrow sense of a requirement of the EPC which is considered not to be met. The word "grounds" should rather be interpreted as referring to the essential reasoning, both legal and factual, which leads to refusal of the application. In other words, before a decision is issued an applicant must be informed of the case which he has to meet, and must have an opportunity of meeting it.

Such an interpretation of Article 113(1) EPC corresponds to the way in which the general procedural principle of a "right to be heard" mentioned in sub-paragraph (iii) above is normally

applied in the procedural law of the Contracting States.

- (vi) The above interpretation of Article 113(1) EPC relates to Rule 51(3) EPC in the following way:

As mentioned in sub-paragraph (iii) above, Rule 51(3) EPC requires that every communication pursuant to Article 96(2) EPC shall contain a "reasoned statement" supporting each potential objection to the application. Such a reasoned statement should be sufficiently reasoned to satisfy Article 113(1) EPC. If it is so reasoned, then if the observations filed by the Applicant in reply do not overcome such reasoning and satisfy the Examining Division that the application meets the requirements of the EPC, a decision refusing the application on the basis of the reasoning previously set out in the communication can be issued.

If, on the other hand, a communication under Rule 51(3) EPC and pursuant to Article 96(2) EPC does not satisfy the requirements of Article 113(1) EPC, in that it does not set out the essential legal and factual reasoning which would lead to a finding that a requirement of the EPC has not been met, then a decision based upon such a finding cannot be issued without contravening Article 113(1) EPC unless and until a communication has been issued which does contain such essential reasoning. In other words, in such circumstances having regard to Articles 96(2) and 113(1) EPC there is a "necessary" legal obligation

to send a further communication and to invite further observations, before issuing an adverse decision - see Decision T 640/91, OJ EPO 1994, 918.

- (vii) The legal principles which are applicable in the context of examining procedure under Articles 96 and 97 EPC are thus partially analogous to those which are applied in the context of Article 99 EPC in combination with Rule 55(c) EPC to a Notice of Opposition, namely that if it is to be admissible, such a notice should contain a "reasoned statement" which states the legal and factual reasons why the alleged grounds of opposition should succeed (Decision T 550/88, OJ EPO 1992, 117), and such reasoned statement should be sufficient for the Opponent's case to be properly understood on an objective basis (Decision T 222/85, OJ EPO 1988, 128).

- (viii) In the present case, although it appears from the passages of the invitation dated 18 October 1991 which are quoted in sub-paragraph (ii) above that the Applicant was informed by such invitation that there were features in Claims 4 to 6 whose addition or omission were considered to violate Article 123(2) EPC, nevertheless the Applicant was not informed in this communication either what these features were or why they were considered to constitute added subject-matter. The communication therefore contained no legal or factual reasoning at all. The contents of the decision in effect informed the Applicant for the first time that the various features which were omitted from the

amended Claims 4 to 6 as compared to Claims 4 to 6 as originally filed did not cause violation of Article 123(2) EPC, but that the addition to Claims 4 to 6 of each of the three specific features (i) to (iii) set out in paragraph IV above was considered to violate Article 123(2) EPC. Thus the Applicant had no opportunity to comment upon these alleged violations of Article 123(2) EPC before the decision was issued.

In connection with the passage in the Guidelines at EII,1, which was referred to in the invitation dated 18 October 1991 and which states that "Where replacement pages are filed and it is not obvious how the text has been amended, the applicant...should, for example, indicate in the margin or explain from which points of the original application documents...the amendments are derived," the Board would comment that a reference to this passage in a communication to an applicant (such as in the above-identified invitation) while it may help to expedite the examining procedure, cannot create any legal obligation upon the applicant, nor can it in any way affect the obligations upon the Examining Division to comply with the requirements under Articles 96 and 113(1) EPC.

In the Board's judgment, the invitation dated 18 October 1991 did not contain the essential legal and factual reasoning leading to the finding in the subsequent decision that the amendments added to Claims 4 to 6 violated Article 123(2) EPC. The decision dated 5 June 1992, was therefore

issued in violation of Article 113(1) EPC. Furthermore, having regard to what is stated in sub-paragraph (vi) above, and having regard to the lack of reasoning in the invitation dated 18 October 1991, it was legally "necessary" to send a further communication before issuing a decision, within the meaning of Article 96(2) EPC, and the failure to send such a communication constituted a violation of Article 96(2) EPC.

Such violations were clearly substantial procedural violations within the meaning of Rule 67 EPC, and in the Board's judgment it is clearly equitable that the appeal fee should be refunded in the circumstances of this case.

- (ix) In view of the above finding it is unnecessary to discuss in detail the other procedural violations which were alleged by the Appellant. However, it is well established that the appointment of an interview is a discretionary matter for the examiner concerned, and the Board would not regard the failure to appoint an interview in the present case as a procedural violation. As to the allegation that the decision of the Examining Division may have contravened Rule 68(2) EPC in view of its lack of reasoning, the Board considers that the decision contained just sufficient reasoning to satisfy Rule 68(2) EPC. In the Board's view, in order to be "reasoned" in the sense of Rule 68(2) EPC, a decision should contain the essential legal and factual reasons which lead to the finding on which the decision is based. What was stated in the decision was just

sufficient to inform the Appellant of the reason why the Examining Division considered Article 123(2) EPC to be violated, - in contrast to the invitation dated 18 October 1991.

4. Since the Examining Division has not yet examined the application in connection with other requirements of the EPC, the case is remitted to the Examining Division pursuant to Article 111(1) EPC.

Order

For these reasons it is decided that:

1. The decision of the Examining Division is set aside, and the appeal is allowed.
2. The case is remitted to the Examining Division for further examination under Article 96 EPC.
3. The appeal fee shall be refunded.

The Registrar:

The Chairman:

M. Beer

G. D. Paterson