

R 0016/13 – A truly positive decision!

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Abstract

The EPC 2000 introduced an extraordinary means of redress against decisions of the Boards of Appeal. Since then the Enlarged Board of Appeal no longer decides in an only abstract manner on questions referred to it, but in specific cases whether fundamental procedural rights, in particular the right to be heard, have been respected or not. The number of decisions on the subject now runs into three figures, but only very few cases have been decided in favour of the petitioner. R 0016/13 is one of these and the first providing detailed positive guidelines for compliance with the right to be heard.

I. Introduction

It is now almost eight years since the EPC 2000 introduced an extraordinary means of redress against decisions of the Boards of Appeal. According to the law applicable until that time, *i.e.* under the EPC 1973, there was simply no legal remedy against decisions of the Boards of Appeal. The decisions of the Boards of Appeal were always truly final under the old law. Article 112a EPC 2000 now opens up the possibility of filing a petition for review of decisions of the Boards of Appeal by the Enlarged Board of Appeal based on a number of selected grounds, which are substantially limited to compliance with the fundamental procedural rights of the parties. A successful petition cancels the final nature of a decision of the Boards of Appeal and it is therefore no longer completely *res judicata*. It is not surprising that, even if narrow limits are placed on this means of redress, its effects in practice are far-reaching. First of all, the Enlarged Board of Appeal has been given a completely new task, namely that of monitoring fundamental procedural rights, and hence now has sovereignty over the definition of those fundamental rights under the EPC in individual cases. The Enlarged Board of Appeal thus no longer decides in an only abstract manner on questions referred to it,² but now decides in specific cases whether those fundamental rights have been respected or not.³ Secondly, it is now the parties who have the freedom to play an active role in having a question of fundamental procedural rights reviewed by the Enlarged Board of Appeal in petition proceedings, rather than the Boards of Appeal, which under the old law ultimately always decided for themselves whether to refer a question to the Enlarged Board of Appeal and how to apply it in the case at issue.

II. The importance of Article 112a EPC 2000

When Article 112a EPC 2000 was introduced, it was made clear that the field of application of the new means of redress was limited to decisions that had been handed down on the basis of intolerable situations. The intention was to avoid, at all costs, configuring the new petition proceedings as a further instance.⁴ Considering the reasons for the impugned decision *per se* must therefore be avoided without exception. The strict criterion therefore applies that solely procedural errors may constitute grounds for a petition for review.⁵

By far the most important ground for review in practice is Article 112a (2) c) EPC, namely the existence of a fundamental violation of the right to be heard enshrined in Article 113 EPC. Article 112a (2) c) EPC is limited to "fundamental" violations of Article 113 EPC, which has so far been interpreted to require that a defect only leads to an intolerable situation of this kind if it is also causal for the decision,⁶ *i.e.* the decision could not survive had it not been for these grounds based on the procedural defect.

Article 113 (1) EPC is directed towards the right to be heard, but at the same time it is also the basis in the EPC for the principle of the right to a fair trial, which is recognised in all the Member States and is laid down in the European Convention on Human Rights.⁷ It is thus of far-reaching importance as the central guarantee of fundamental procedural rights under the EPC. Article 113 (1) EPC stipulates that decisions of the EPO may only be based on grounds or evidence on which the parties concerned have had an opportunity to present their comments. This is intended to ensure that the parties are not taken by surprise by a decision, and above all to guarantee that the parties can play an active role in considering the facts and legal issues in dispute. This guarantees a fair opportunity for attack and defence and ensures that a party does not become a mere object of the proceedings. First of all it is clear that a violation of this principle protected in Article 113 EPC leads to intolerable situations and is thus always fundamental. Additionally, Article 113 EPC already makes clear that the defect needs to be firmly linked to the decision⁸ and is already therefore always fundamental. The requirement of a "fundamental" violation of Article 113 EPC in Article 112a (2) c) EPC seems to be more a confirmation than a further condition. In essence Article 112a (2) c)

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2 To answer questions of fundamental importance referred under Article 112 EPC had been the only task of the Enlarged Board of Appeal under the old law

3 Petition for review filed by a party under new Article 112a EPC

4 Travaux Préparatoires MR/2/00 of 13th October, 2000, and CA/PL 17/00

5 Peter Messerli, GRUR 2001, 979

6 R 0001/08, Reason No. 3, regarding the so-called causal link

7 ECHR Article 6

8 Article 113(1) EPC already requires a causal link between the defect and the decision

EPC protects the principle enshrined in Article 113 EPC, no more and no less.

It may justifiably be claimed that the basic procedural principle enshrined in Article 113 EPC and Article 6 ECHR and given particular protection in Article 112a (2) c) EPC is something which ought normally to be taken for granted in our society and hence does not require any further discussion. However, the appropriate and correct organisation of the procedure in a particular case and above all the definition of the limits between tolerable circumstances and circumstances which are no longer tolerable is not quite so obvious. On top of that these aspects have a considerable influence on the practical organisation of the proceedings by the Boards of Appeal and by the parties, *i.e.* the necessity of a communication accompanying the summons and the provision of an adequate opportunity for response thereto, the documentation of oral proceedings, the decisions on postponements of oral proceedings and the decisions on rejections of late filed requests, evidence and arguments on the side of the Boards of Appeal⁹ and the timing as well as the dimensions of the preparation of evidence, facts, arguments and requests on the side of the parties.¹⁰ There is a need for a reliable guidance, as it were, which the parties to proceedings before the EPO can follow, the definition of which is now a task assigned to the Enlarged Board of Appeal. A too strict approach towards the parties is in danger of lowering the standard of the right to be heard and thus in danger of lowering transparency and predictability of proceedings, thereby burdening the parties with uncertainties, since it not only limits the applicability of Article 112a EPC but also creates a restrictive case law on Article 113 EPC in appeal proceedings as such.

In addition, it must be borne in mind that the fundamental procedural rights apply equally in all stages of procedure under the EPC; so that Article 113 EPC, for example, does not take on a different scope, depending on whether the proceedings are conducted before an Examining Division, an Opposition Division or a Board of Appeal. In the long term, the case law of the Enlarged Board of Appeal will thus define the contours of the right to be heard for all proceedings before the EPO and may thus have much more impact than initially intended. A too strict approach towards the parties may cause an erosion of fundamental procedural rights in principle in proceedings before the EPO.

So far, the case law of the Enlarged Board of Appeal in proceedings under Article 112a EPC since the beginnings in 2008 has been perceived as rather restrictive and formalistic.^{11,12} With the decision recently handed down in case R 0016/13, the Enlarged Board of Appeal has countered this restrictive and formalistic impression

with a ruling that now establishes in detail important contours for the right to be heard.

III. R 0016/13, the constellation of the case

The case underlying the decision was concerned with the question of inventive step in opposition appeal proceedings. As evidence of an inventive step, the patent proprietor had filed a document with comparative experiments *vis-à-vis* the state of the art and had based himself on the technical effect shown there of the products in accordance with the invention compared to those of the state of the art.¹³ Those experimental data had clearly never been doubted throughout the entire proceedings.¹⁴ In the oral proceedings, those experimental data were only discussed in general terms and the opponent did not doubt them. Following the discussion the main request was rejected for lack of inventive step. The patent proprietor was taken by surprise by that decision, and asked for the grounds, but seemingly did not receive any indications as to the reasons until after the decision on the first auxiliary request was announced, which was likewise negative, and he did not become aware of the details until he received the written decision.¹⁵ The written reasons given by the Board of Appeal for revoking the patent were that the comparative data were incomplete and could not therefore support an inventive step.¹⁶ According to the patent proprietor, that assessment was based on a misunderstanding, which he was unable to clarify or respond to by means of auxiliary requests, because he was unaware of the reasons.¹⁷ The patent proprietor thereupon filed a petition for review under Article 112a (2) c) EPC, *i.e.* on the grounds of a fundamental violation of his right to be heard. That petition was considered allowable by the Enlarged Board of Appeal. For a petition, and in particular this petition, to be allowable, the decisive criterion is the amount of information – or to use the wording of Art. 113 EPC: the level of detail of the grounds or evidence on which the decision is based – to which a party has a procedural entitlement before the decision is reached and thus affects the definition of and the specific form given to the term “grounds” in Article 113 (1) EPC. The reasoning is presented in the following against the backdrop of the case law so far.

IV. The case law of the Enlarged Board of Appeal so far

First of all, the entitlement to information just referred to appears to have been shaped by the first R decision R 0001/08 more than by any other decision. That decision was likewise occasioned by a decision in opposition appeal proceedings, revoking a patent. The decision of

9 On the one hand there may be limits to the discretion of the Boards of Appeal regarding procedural decisions and there may be certain procedural obligations on the Boards of Appeal

10 On the other hand there may be an obligation on the parties to file voluminous precautionary evidence, arguments and requests

11 H. Wegener, P.K. Hess, *epi information* 1/2014, pages 32 to 37

12 R. Teschemacher, *Mitt.* 2009 pages 297 to 302

13 R 0016/13 Summary of Facts and Submissions I, 4, the effect is improved storage stability of the micronised and conditioned tiotropium bromide of the invention

14 R 0016/13 Summary of Facts and Submissions I, 5 and 6

15 R 0016/13 Summary of Facts and Submissions I, 7

16 R 0016/13 Summary of Facts and Submissions I, 2

17 R 0016/13 Summary of Facts and Submissions II, 1

the Board of Appeal was based on a main request and an auxiliary request. Until the conclusion of the oral proceedings before the Board of Appeal, neither the opponent, who did not attend the oral proceedings, nor the Board of Appeal had commented on the auxiliary request. The patent proprietor was merely invited to state his position on inventive step in the context of the main and auxiliary requests. Only in the written decision, the grounds for revocation of the patent in its entirety based on Article 56 EPC were set forth.¹⁸ The patent proprietor thereupon filed a petition for review in accordance with Article 112a (2) c) EPC. The Enlarged Board of Appeal observed on this subject that a petition under Article 112a (2) c) EPC could only be successful if it was shown, firstly, that the decision was based on an analysis or reasoning relating to grounds of which the party adversely affected by the decision was unaware or on which it had not had an opportunity to comment, and, secondly, if it was shown that that procedural defect was causal for the decision.¹⁹ Applying this principle to the underlying facts of the case, the Enlarged Board of Appeal arrived at the conclusion that there was a direct link between the reasons given by the Board of Appeal and the patent proprietor's arguments and that they were therefore based on grounds on which the patent proprietor had had an opportunity to comment. It further noted that the EPC did not contain any provision obliging a Board of Appeal to inform the parties about all the foreseeable arguments for and against a request. The Board of Appeal's line of reasoning on inventive step corresponded to the classic approach and was therefore foreseeable.²⁰

According to decision R 0001/08, the right to information on the grounds would appear to be largely limited to their legal basis in the EPC, *i.e.* in the case underlying decision R 0001/08: Article 56 EPC. All aspects relating to the legal basis are deemed to be foreseeable, and a party must not be surprised by them. This reading of R 0001/08 seems to be confirmed by the fact that in all the other comparable cases so far decided by the Enlarged Board of Appeal, except two,²¹ no deficiency in the information was found.

Such a restrictive reading of Article 113 (1) EPC burdens the parties with a high degree of unpredictability and uncertainty. Furthermore, such a reading of Article 113 (1) EPC is in contradiction with the definition of the right to be heard according to the case law of the Boards of Appeal regarding the first instance, according to which the grounds include not only the legal basis in the EPC, but also the most important considerations regarding the facts and legal issues.²²

18 R 0001/08, Summary of Facts and Submissions III to VI

19 R 0001/08, Reasons No. 3

20 R 0001/08, Reasons No. 3.1

21. These decisions are R 0015/11 and R 3/10, wherein Article 84 EPC and Article 56 EPC, respectively, were the basis for revocation but not communicated to the parties, the remaining two positive decisions are concerned with different subject matter *i.e.* R 0007/09 was concerned with a mailing mistake and R 0021/11 was concerned with failure to decide on a request

22 Case law of the Boards of Appeal of the EPO 7th edition 2013, III.B.1. 1.2, first paragraph

V. R 0016/13, the reasoning

For its reasoning, the Enlarged Board of Appeal takes the principles laid down in R 0001/08²³ as its point of departure and concludes from that that a Board of Appeal does not need explicitly to address all the considerations taken into account in the later decision, provided that their relevance at least became clear and that a party with technical expertise and training in patent law can be expected to realise their importance. It goes on to state on the basis of the case law that these principles must be applied not only to the grounds in their entirety, but also to part-aspects.²⁴ The Enlarged Board of Appeal then emphasises the fact that the parties must be given an opportunity to comment on the aspects on which the decision is based, by ensuring that they are addressed in the appeal proceedings and therefore cannot surprise the parties.²⁵ The emphasis now no longer appears to be placed on the foreseeability of all aspects, which, as held in decision R 0001/08 and seemingly until now never in fact contested, can be assumed without any further consideration, but rather on the requirement that those aspects have actually been addressed. R 0016/13 is the first decision which acknowledges a violation of the right to be heard based on a lack of information regarding a specific aspect. In view of R 0016/13 it is now clear that the grounds mentioned in Article 113 (1) EPC relate not only to the legal basis in the EPC, but also to the aspects on which the decision is based, *i.e.* the most important considerations regarding the facts and legal issues as the Boards of Appeal have already ruled for the first instance. This means that the right to be heard is now expressly defined more positively for proceedings before the Boards of Appeal and a uniform application of Article 113 (1) EPC is ensured for all instances. Thereby the procedural rights of the parties are strengthened and uncertainties are reduced.

VI. R 0016/13, *ex officio* reasoning

In assessing the facts of the case, the Enlarged Board of Appeal also discusses a problem in connection with Article 113 (1) EPC, which is repeatedly raised in proceedings under Article 112a (2) c) EPC, namely the relationship between Article 113 (1) EPC, the protection of the right to be heard, and Article 114 (1) EPC, the principle of examination by the EPO of its own motion.²⁶ It acknowledged that it is not difficult to understand that difficulties in *inter partes* proceedings usually arise when a Board of Appeal bases its decision on grounds that have not been raised by either of the parties and when the Board of Appeal has not itself explicitly informed the

23 R 0001/08, Reasons No. 3 and 3.1

24 R 0016/13, Reasons No. 3.2, a specific part-aspect (or aspect) of the grounds could be for example an interpretation of a passage in the prior art as in cited R 0019/11. None of the cited R-decisions and in fact none at all so far in fact acknowledged a violation of the right to be heard based on a part-aspect

25 R 0016/13, Reasons No. 3.3 with reference to R 0021/10, R 0015/09 and R 0003/13

26 R 0016/13, Reasons No. 4

parties of these *ex officio* grounds which have not been addressed by anyone.²⁷ In R 0016/13 the Enlarged Board of Appeal arrives at the conclusion that the impugned decision is largely based on the Board of Appeal's own considerations and hence on *ex officio* grounds for the purposes of Article 114 (1) EPC.²⁸ It is emphasised that there is of course nothing objectionable in principle about grounds on the part of the Board of Appeal under Article 114 (1) EPC, but that those *ex officio* grounds must then be brought to the attention of the parties in the communication accompanying the summons or at the latest in the oral proceedings. The Enlarged Board of Appeal goes on to state that the only time when this does not apply is when there can be no doubt that the party was able to recognise the Board's line of argument concerned. In contrast to the reasoning in R 0001/08 and previous case law this reasoning of R 0016/13 seems to be related to exceptions only and requires clear evidence. The party in R 0016/13 was regarded to have been unable to recognise for itself these own considerations on the part of the Board of Appeal, and in particular it was regarded not sufficient for the documents underlying the line of argument in question to be merely mentioned in the communication accompanying the summons. Finally, the ruling held that another reason why the line of argument in question could not be recognised was that the party asked in vain for the reasoning behind the decision when it was taken by surprise by the negative decision, and it ought to have been obvious to the Board that the party was unclear about the Board's grounds.²⁹ According to that reasoning of the Enlarged Board of Appeal, the parties can now rely on having their attention specifically drawn to the *ex officio* considerations central to the decision, and in particular a party which is obviously and demonstrably baffled must not be left in the dark. It may be further considered that normally the relevant information will already be contained in the communication accompanying the summons, because if it is notified at the last possible moment, namely during the oral proceedings, the new *ex officio* grounds would, depending on their complexity, lead to a postponement that could otherwise have been avoided.

VII. R 0016/13, further possible implications

A further reason for mentioning new *ex officio* grounds no later than in the communication accompanying the summons is presumably the problem of proof concerning the events during oral proceedings.³⁰ In the case underlying R 0016/13, there were seemingly no differences of opinion regarding the events during the oral proceedings and hence no problem of evidence. The question of the burden of proof is therefore left open by

the Enlarged Board of Appeal. As a matter of principle, however, it should be noted that the minutes of the oral proceedings tend to be kept fairly brief and there are usually no detailed records or verbatim recordings, and the party has no right to them. Furthermore, the parties do not have any direct influence on the minutes or on the facts and submission part of the decision.³¹ Objective evidence concerning the events during the oral proceedings is thus not available as a rule. It should be considered whether the party negatively affected ought to benefit from a reversal of the burden of proof in that a petition for review should be allowed unless it can be established beyond doubt that the party concerned had positive knowledge of the grounds in question. A complete written preparation of the oral proceedings including a communication accompanying the summons mentioning clearly all relevant aspects and an adequate opportunity for response thereto would not only avoid the evidence problem in petition proceedings but at the same time also eliminate most reasons for petitions as such. Such an approach would also be in line with the spirit of Rule 116 EPC and Articles 12, 13 and 14 of the Rules of Procedure of the Boards of Appeal of the European Patent Office and thus help to concentrate the proceedings on the points considered essential and thereby enhance efficiency.³² It has been recently suggested that in particular an obligation to pre-emptively prepare a defence of a patent as early as possible in all possible directions in view of later potential preclusion unnecessarily blows up a case and works against efficiency and the initial good intentions behind the Rules of Procedure.³³ Late raised *ex officio* objections create in particular difficult procedural situations to manage and uncertainties if not communicated clearly and/or combined with preclusion. The mere threat of being exposed to such late raised or even never expressly communicated *ex officio* objections must lead to even more precautionary expanded arguments and auxiliary requests which to a great extent may later turn out to be unnecessary, are no guarantee for the right to be heard and simply burden the proceedings. In summary, procedural uncertainties are not only detrimental to the fundamental procedural rights but also to efficiency.

Disputes over patents deal with complex legal and factual aspects which are rarely foreseeable in their entirety. This does not mean that full reasons need to be given at any point in time before the written decision. But all aspects relevant for the decision need to be transparent to an extent that they can be fully understood by all parties. In case a Board of Appeal intends to rely on a line of argumentation not provided by any party it needs to communicate this line of argumentation in as much detail as a party would be required to do in order to avoid an imbalance between the parties arising from

27 It is the author's impression that most petition cases are based on an alleged surprise decision concerned with *ex officio* grounds

28 R 0016/13, Reasons No. 5,1

29 R 0016/13, Reasons No. 5,3 to 5,5

30 G 6/95 has been interpreted to allow much discretion on the providing of such a communication so that Appeal Boards may not provide such a communication or one with limited content

31 There is no formal procedure for a request for correcting the minutes and such requests seem to be rarely granted if nevertheless filed

32 Complete communications accompanying the summons was the former well respected and reliable praxis of the Boards of Appeal which was adopted by national courts like the German Federal Patent Court

33 G. Anetsberger, H Wegner, C. Ann, K. El Barbari, T. Hormann, epi information 2/2015, pages 63 to 70, item D.3.

Article 114 EPC. A thorough preparation of the case by a written procedure is an essential element to ensure transparency, predictability and fairness.

VIII. Conclusion

Against the backdrop of the case law so far, the new decision R 0016/13 establishes a positive framework for the right to be heard and thus creates more legal certainty and reliability in proceedings before the EPO. It can be concluded that the aspects on which decisions are based must either be explicitly communicated or there must be no doubts that they were foreseeable, and any questions about them from the party concerned which is obviously unclear about the grounds must not simply be disregarded. This makes the factual and legal framework of a case for the parties more transparent and the proceedings more predictable. R 0016/13 reduces procedural

uncertainties and thus strengthens basic procedural rights and has the potential to enhance efficiency. This is a truly positive signal for the users of the EPC.

Zusammenfassung

Mit dem EPÜ 2000 wurde ein außerordentliches Rechtsmittel gegen Entscheidungen der Beschwerdekammern eingeführt. Die Große Beschwerdekammer entscheidet seither nicht nur in abstrakter Weise über Vorlagefragen, sondern in konkreten Fällen, ob Grundrechte, insbesondere das rechtliche Gehör, eingehalten wurden oder nicht. Mittlerweile gibt es schon Entscheidungen im dreistelligen Bereich, jedoch nur wenige Fälle, die für den Antragsteller erfolgreich verlaufen sind. R 0016/13 ist einer dieser wenigen Fälle und die erste Entscheidung, die eine detaillierte positive Vorgabe für die Einhaltung des rechtlichen Gehörs skizziert.

eDrex – the new T-Rex?

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Introduction

Before the Examining Division decides to grant a European patent, it shall inform the applicant of the text in which it intends to grant it (R 71(3) EPC). The Examining Division sends the allowed application in the form of a "Druckexemplar" and invites the applicant to either approve it or request reasoned amendments. Until now the Druckexemplar has been a collection of facsimile copies of applicant-supplied pages, some of which may have been overlaid with handwritten amendments. Before approving the Druckexemplar, the Applicant had to check that it contained all pages in their most recent versions. This meant one check for each page.

The new electronic Druckexemplar "eDrex" will significantly change the way the applicant is informed of the forthcoming patent. One of the changes relates to marking of amendments. Handwritten amendments will be replaced by computer-generated correction marks. As said in an EPO poster titled "Recent Procedural Changes" and dated 26th January 2015, the eDrex will implement "Electronic Version Tracking ... to reduce (sic) errors in printing process".

What the EPO poster does not say is that the eDrex will include not facsimile copies of applicant-supplied pages but their electronic versions processed by optical character recognition (OCR). Over a transition period, only pages amended during prosecution may be OCR-processed, but the EPO is likely to favour "early OCR processing" to have an editable text when examination begins.

The EPO outsources the OCR process to a company called Jouve, and claims 99.995% accuracy for "publication quality OCR". This translates to approximately 1 error per 20,000 characters, or 1 error per 10 pages. Most scanning errors will be harmless and mentally corrected by the reader. But the quoted accuracy is an average which does not apply for all documents. Furthermore, there are several reasons why errors are likely to concentrate in critical places.

If the eDrex includes OCR-processed pages, the amount of checking required from the applicant will increase dramatically. Instead of checking individual pages the applicant has to check individual characters! Each OCR-processed character is a source of an unmarked error. The eDrex thus hides a monster the size of a T-Rex.

What is OCR anyway?

Optical character recognition is a misnomer because character recognition is not an optical process. OCR traditionally stands for optical scanning, followed by character recognition. Character recognition is a process in which a computer segments the pixels on a page into individual characters, detects shapes and finds best-matching glyphs for the shapes. OCR scanning is also applied to computer-generated documents that have never undergone optical scanning, such as character-based PDF (portable document format) documents, whose metamorphosis has never required a paper substrate. This distinction may be significant for the correct