

D YOUNG & CO **INTELLECTUAL** **PROPERTY**

**European patent prosecution & litigation:
EPO case law and procedure**

21 January 2020

Speakers, slides & questions



Catherine Keetch
Senior Associate,
Patent Attorney
cak@dyoung.com



Bénédicte Moulin
Partner,
Patent Attorney
bxm@dyoung.com

We welcome your questions by email after the webinar.

Webinar agenda

- Amended Rules of Procedure of the Boards of Appeal
- Enlarged Board Decision G2/19 – third party's right to oral proceedings
- Enlarged Board referral G3/19 – plants produced by an essentially biological process
- Enlarged Board referral G1/19 – computer implemented simulations
- Enlarged Board Decision G1/18 – reimbursement appeal fee
- T844/18 – CRISPR decision on validity of priority claims

Revised Rules of Procedure Boards of Appeal

- New rules came into force on 1 January 2020
- Objective to make appeals more efficient and predictable
- Significant changes: more challenging to have new requests, facts, objections, or arguments admitted into proceedings at the appeal stage.

Key Changes

- Basis of appeal proceedings
- Convergent approach – amendment party's case
- Remittal
- Acceleration of appeal proceedings now codified
- Abridged decisions
- Board must issue a communication

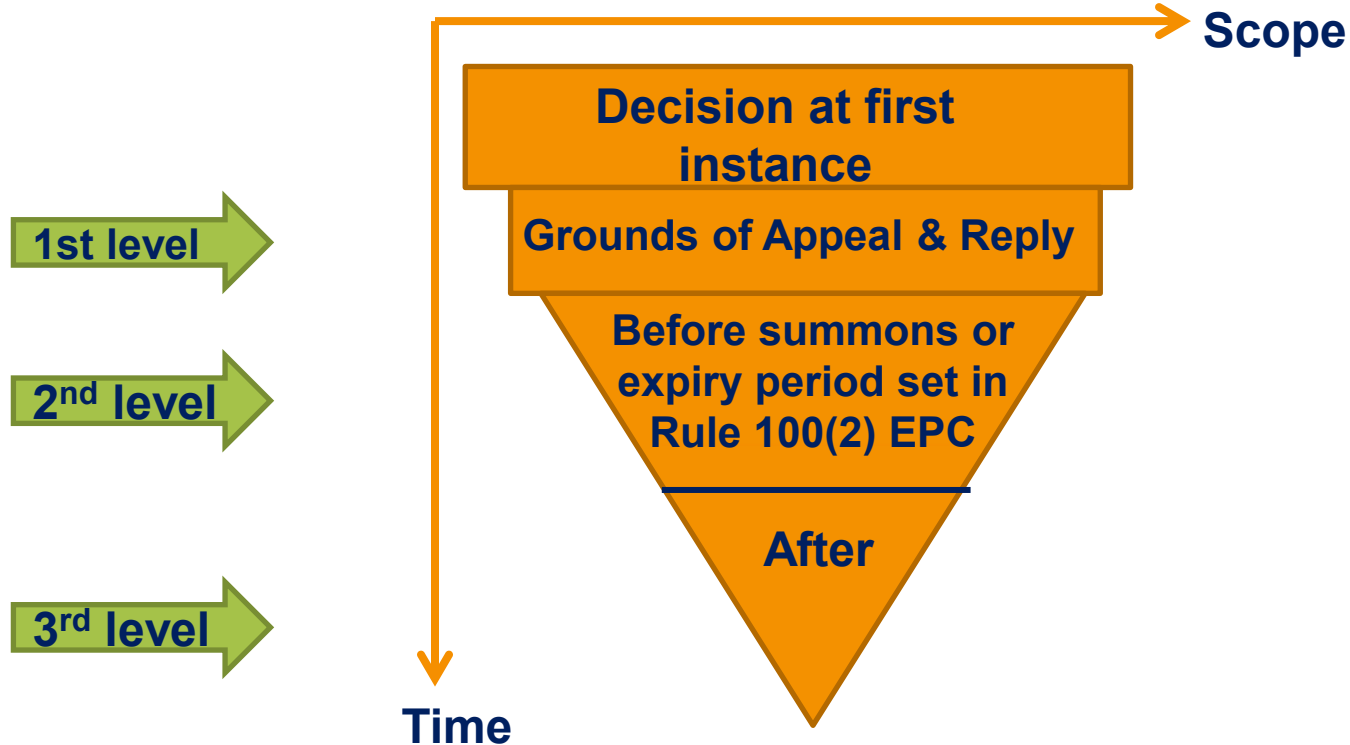
Basis of Appeal Proceedings (Art 12(1))

- Appeal proceedings shall be based on
- **the decision under appeal and minutes of any oral proceedings**
- the notice of appeal and statement of grounds of appeal
- in cases where there is more than one party, any written reply of the other party or parties to be filed within four months of notification of the grounds of appeal;
- any communication sent by the Board and any answer thereto filed pursuant to directions of the Board;
- **minutes of any video or telephone conference with the party or parties sent by the Board.**

Article 12(2) – Judicial Review

In view of the primary object of the appeal proceedings to review the decision under appeal in a judicial manner, a party's appeal case shall be directed to the requests, facts, objections, arguments and evidence on which the decision under appeal was based.

The Convergent Approach



Article 12(4) – Convergent approach – first level

- Any part of a party's appeal case which does not meet the requirements in paragraph 2 is to be regarded as an amendment, **unless the party demonstrates that this part was admissibly raised and maintained in the proceedings leading to the decision** under appeal. Any such amendment may be admitted only at the discretion of the Board.
- The party **shall clearly identify each amendment and provide reasons for submitting it in the appeal proceedings**. In the case of an amendment to a patent application or patent, the party shall also indicate the basis for the amendment in the application as filed and provide reasons why the amendment overcomes the objections raised.

First level - discretion

The Board shall exercise its discretion to admit an amendment to the case in view of, inter alia:

- **The complexity of the amendment**
- **The suitability of the amendment to address the issues which led to the decision under appeal**
- **The need for procedural economy**

Article 12(6)

- The Board shall not admit requests, facts, objections or evidence which were not admitted in the proceedings leading to the decision under appeal, unless the decision not to admit them suffered from an error in the use of discretion or unless the circumstances of the appeal case justify their admittance.
- The Board shall not admit requests, facts, objections or evidence which should have been submitted, or which were no longer maintained, in the proceedings leading to the decision under appeal, unless the circumstances of the appeal case justify their admittance.

Art 13(1) – Convergent approach – second level

- Any amendment to a party's appeal case **after it has filed its grounds of appeal or reply** is subject to the party's justification for its amendment and may be admitted only at the discretion of the Board.
- The party shall provide reasons for submitting the amendment at this stage of the appeal proceedings.

Second Level - Discretion

The Board shall exercise its discretion in view of, inter alia:

- **the current state of the proceedings,**
- **the suitability of the amendment to resolve the issues**
- **whether the amendment is detrimental to procedural economy**
- in the case of an amendment to a patent application or patent, whether the party has demonstrated that any **such amendment, prima facie, overcomes the issues raised** by another party in the appeal proceedings or by the Board and **does not give rise to new objections.**

Article 13(2) – convergent approach – third level

- Any amendment to a party's appeal case made after the expiry of a period specified by the Board in a communication under Rule 100, paragraph 2, EPC or, where such a communication is not issued, after notification of a summons to oral proceedings shall, in principle, not be taken into account unless there are **exceptional circumstances**, which have been justified with cogent reasons by the party concerned

Remittal (Article 11)

Current A(11):

- A Board shall remit a case to the department of first instance if fundamental deficiencies are apparent in the first instance proceedings, unless special reasons present themselves for doing otherwise.

New A(11):

- The Board shall not remit a case to the department whose decision was appealed for further prosecution, **unless special reasons present themselves for doing so**. As a rule, **fundamental deficiencies which are apparent in the proceedings** before that department constitute such special reasons.

Accelerated Appeals

- New Article 10(3) - Board may accelerate appeal proceedings on the request of a party. Reasons and supporting evidence must be provided.
- A court can also request acceleration of proceedings (Article 10(4)), and the Board may also accelerate proceedings of its own motion (Article 10(5)).

Extensions at the Board's discretion

- Periods specified by the Board may exceptionally be extended at the Board's discretion upon a written and reasoned request, presented before the expiry of such period.
- Period for reply to grounds may be extended up to maximum of six months

Article 15 (1) – Oral proceedings

- Board shall endeavour to give **at least four months' notice** of oral proceedings.
- In cases where there is more than one party, the Board shall endeavour to issue the summons no earlier than two months after receipt of the written reply or replies to the GoA
- **Board now required to issue a communication** drawing attention to matters that seem to be of particular significance for the decision to be taken. The Board **may** also provide a preliminary opinion.
- **The Board shall endeavour to issue the communication at least four months in advance of the date of the oral proceedings.**

Article 15(7) - Abridged Decisions

- The reasons for the decision, or parts thereof, may, **with the explicit consent of the parties**, be put in writing in abridged form.
- **Third party** or a **court** can object
- If the Board agrees with the finding of the department which issued the decision under appeal, on one or more issues, and with the reasons given for it in the decision under appeal, the Board may put the reasons for its decision in abridged form in respect of that issue.

Decision within 3 months of OP

The Board will aim to issue a Decision within 3 months of the oral proceedings, and if it is unable to do so it will inform the parties of when the decision will be despatched.

Transitional Provisions

- New article 12(4) to (6) RPBA in the first stage described above will not apply to any GoA filed before 1 January 2020 or response thereto filed in due time.
- New Article 13(2) RPBA in the third stage discussed above will not apply if the summons or Rule 100(2) EPC communication was notified before 1 January 2020.

Take Home Messages – first instance

- File complete case at first instance including all reasonable claim requests, evidence and arguments
- If filing documents late in first instance – take time to set out all arguments for admissibility
- Review minutes of oral proceedings – request correction if necessary
- Review pending opposition/appeal cases now – consider whether any additional claim requests, data, citations etc can be filed

Take Home Messages - Appeal

- Justify all amendments to the case – why was it not possible to submit earlier, why they address outstanding issues, why they do not give rise to new objections
- Convergent approach – the later in an appeal an amendment to the case is submitted the less likely it is to be admitted – look at requirements for admittance at each stage – provide appropriate level of justification
- Consider the implications of abridged decisions

Enlarged Board of Appeal Decision G2/19

- Third Party Right to Oral Proceedings
- Location of Board of Appeal

Board of Appeal in T0831/17

Questions referred to the Enlarged Board:

1. In appeal proceedings, is the right to oral proceedings under Article 116 EPC limited if the appeal is manifestly inadmissible?
2. If the answer to the first question is yes, is an appeal against the grant of a patent filed by a third party within the meaning of Article 115 EPC, relying on the argument that there is no alternative legal remedy under the EPC against the examining division's decision to disregard its observations concerning an alleged infringement of Article 84 EPC, such a case of an appeal which is manifestly inadmissible?
3. If the answer to either of the first two questions is no, can a board hold oral proceedings in Haar without infringing Article 116 EPC if the appellant objects to this site as not being in conformity with the EPC and requests that the oral proceedings be held in Munich instead?

Enlarged Board Answers:

1. A third party within the meaning of Article 115 EPC who has filed an appeal against a decision to grant a European patent has no right to have its request for an order that examination proceedings in respect of the European patent are re-opened for the purpose of removing allegedly unclear claims (Article 84 EPC) heard at oral proceedings before a board of appeal of the European Patent Office. An appeal filed in such a way has no suspensive effect.
2. Oral proceedings before the boards of appeal at their site in Haarlem do not infringe Articles 113(1) and 116(1) EPC.

No Appeal by third party re Clarity

- First answer relates to situation where a third party files an appeal against a decision to grant the patent on the basis that the claims lack clarity.
- Enlarged Board has decided that such a third party does not have the right to be heard at oral proceedings before the Board of Appeal.
- Referred to G3/14 – un-amended claims cannot be examined post grant
- Also referred to G1/97 and held such an appeal is inadmissible – can be immediately rejected in writing

Appeal Board in Haar

- Enlarged board ruled holding oral proceedings in Haar does not infringe a party's right to be heard and that a perceived inconvenience does not injure the right to be heard.
- Article 6(2) EPC, states “The European Patent Office shall be located in Munich. It shall have a branch at the Hague.”
- Enlarged board held that main EPO body responsible for granting patents is in Munich => Article 6(2) requirements met
- Separation of first instance and Appeal Board maintains independence
- Haar “only located slightly outside the boundaries of the city of Munich”.

Enlarged Board Referral G3/19

- Patentability of plants produced by essentially biological processes
- Referral by President following T1063/18

G3/19 - Background

- Article 53 (b): European patents shall not be granted in respect of: plant or animal varieties or **essentially biological processes for the production of plants or animals**; this provision shall not apply to microbiological processes or the products thereof.
- G2/13 and G2/12 the so-called “Broccoli and Tomatoes II” decisions from 2015 held that although essentially biological **processes** for the production of plants are patent-ineligible according to Article 53(b) EPC, the **products** of such processes are not ineligible just because the processes themselves are not patentable.

G3/19 - Background

- Subsequently in 2017, Rule 28(2) EPC:
 - Under Article 53(b), European patents shall not be granted in respect of plants or animals exclusively obtained by means of an essentially biological process.
- Examiners began requesting amendments to include disclaimers to plants exclusively obtained by means of an essentially biological process.
- Conflict with G2/13 and G2/12?

T1063/18

- T1063/18 then held Rule 28(2) EPC invalid as in conflict with Article 53(b) in light of Broccoli/Tomatoes II.
- The Board in case T2734/18 also came to the same conclusion.

Questions referred by President

- Having regard to Article 164(2) EPC, can the meaning and scope of Article 53 EPC be clarified in the Implementing Regulations to the EPC without this clarification being a priori limited by the interpretation of said article given in an earlier decision of the boards of appeal or the Enlarged Board of Appeal?
- If the answer to question 1 is yes, is the exclusion from patentability of plants and animals exclusively obtained by means of an essentially biological process pursuant to Rule 28(2) EPC in conformity with Article 53(b) EPC which neither explicitly excludes nor explicitly allows said subject-matter

Stay of Proceedings

- All proceedings before the EPO examining and opposition divisions in which the **decision depends entirely on the outcome of the Enlarged Board of Appeal's decision** will be stayed *ex officio* until the Enlarged Board of Appeal issues its decision
- EPO currently appears to be taking a very conservative approach – applications including any claims directed to plants including mutations being stayed

Options for applicants re Stay

- Accept stay for non-time sensitive cases
- Limit to method claims (including technical features)
- Plant cell claims?
- File divisional application directed to plants

Enlarged Board Referral G1/19

- Patentable inventions: simulation methods
- Referral from the Board of Appeal in T 489/14

G1/19 – Background

- According to the practice of the EPO for unpatentable subject matter: mental acts, business methods, mathematical methods, computer programs and other aspects deemed “non-technical” by the EPO cannot as such contribute to an inventive step.
- Simulation methods can be difficult to protect at the EPO
- The claims relate to modelling pedestrian crowd movement in an environment or building
 - Some claims include the simulation only
 - Some claims include modifying the environment/building accordingly

G1/19 – Background

- In T 1227/05, the Board of Appeal found that
 - “such simulation methods cannot be denied a technical effect merely on the ground that they do not yet incorporate the physical end product” (Headnote II., emphasis added)
- T489/14 recites: “the Board agrees with the appellant that decision T 1227/05 supports his case. However, the Board is not fully convinced by the decision's reasoning. Its doubts are twofold.” (para 15)
 - Here, the validation of the simulation was cognitive where it was in fact technical in T1227/05 (which related to circuit simulation)
 - The Board also doubts of the relevance of a greater computing speed in assessing the technical character of an invention

G1/19 – Background

- T489/14 (cont.)
 - “Although the Board would tend to consider the subject-matter of claim 1 of the main request to lack inventive step over a general-purpose computer, it recognises that the approach developed in case T 1227/05 suggests a different finding. That approach has so far not been adopted in a great many decisions of the boards of appeal, but it is the approach which currently prevails in the jurisprudence (see Case Law of the Boards of Appeal, 8th edition, 2016, I.A.2.4.3, under f)). It is also included in Part G, Chapter II, 3.3.2, of the Guidelines for Examination in the EPO (November 2018).” para 17)

G 1/19 – Background

- Referred questions:
 1. In the assessment of inventive step, can the computer-implemented simulation of a technical system or process solve a technical problem by producing a technical effect which goes beyond the simulation's implementation on a computer, if the computer-implemented simulation is claimed as such?
 2. If the answer to the first question is yes, what are the relevant criteria for assessing whether a computer-implemented simulation claimed as such solves a technical problem? In particular, is it a sufficient condition that the simulation is based, at least in part, on technical principles underlying the simulated system or process?
 3. What are the answers to the first and second questions if the computer-implemented simulation is claimed as part of a design process, in particular for verifying a design?

Enlarged Board of Appeal Decision

G1/18

- Is an appeal to be treated as not filed or as inadmissible in cases of a failure to pay appeal fee or file notice of appeal in time?
- Relevant to refund of appeal fee

G1/18

1. An appeal is deemed **not to have been filed** in the following cases:

(a) where notice of appeal was filed within the two-month time limit prescribed in Article 108, first sentence, EPC AND the appeal fee was paid after expiry of that two-month time limit;

(b) where notice of appeal was filed after expiry of the two-month time limit prescribed in Article 108, first sentence, EPC AND the appeal fee was paid after expiry of that two-month time limit;

(c) where the appeal fee was paid within the two-month time limit prescribed in Article 108, first sentence, EPC for filing notice of appeal AND notice of appeal was filed after expiry of that two-month time limit.

2. In the cases referred to in answers 1(a) to (c), reimbursement of the appeal fee is to be ordered ex officio.

3. Where the appeal fee was paid within or after the two-month time limit prescribed in Article 108, first sentence, EPC for filing notice of appeal AND no notice of appeal was filed at all, the appeal fee is to be reimbursed.

T844/18 – CRISPR decision

- Change of parties between the priority application and the later application
- No referral to the Enlarged Board of Appeal
- Full decision yet to be issued

CRISPR decision – priority claims

- EP 2771468 relates to the CRISPR gene editing technology
- Patent revoked for lack of novelty as the priority claim was not found valid by the EPO
- The priority application filed by more parties than the later PCT application (from which the EP application originates)
- No indication of a transfer of rights from the omitted applicant to the remainder of the applicants

CRISPR decision – priority claims at EPO

Allowed ✓

- First application A and B
 - Second application A and B
- First application A
 - Second application A and B

Not allowed ✗

- First application A
 - Second application B
- First application A and B
 - Second application A

We welcome your follow up questions by email after the webinar.



Catherine Keetch
Senior Associate,
Patent Attorney
cak@dyoung.com



Bénédicte Moulin
Partner,
Patent Attorney
bxm@dyoung.com

Send your details to registrations@dyoung.com to receive invitations to future webinars.