D YOUNG & CO PATENT NEWSLETTER^{no.82}

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Editorial

We continue to live as part of a real-time experiment as the speed of vaccination programmes varies internationally. While there is emerging optimism in the UK, US and Israel, many countries lag behind and some remain with serious levels of infection. We are all learning more each week, cautiously reengaging with those around us as permitted. Professionally, ViCobased oral proceedings and court hearings will continue for some time and we report on further legal developments in the area at the EPO. On a more substantive level. we present a detailed analysis of G1/19 relating to computer simulations and the application of UK patent law to AI-related inventions in the light of the UKIPO consultation. Finally, I draw your attention to our Special Report directed to IP in the pharma/biotech industry in a post-Brexit Europe.

Neil Nachshen, Editor

Events

Advanced Therapies in the South West Virtual conference, 22 April 2021 Partner Tamara Milton and Senior Associate Anthony Latham will attend this BIA regional event.

European Biotech Patent Case Law Webinar, 27 April 2021

Partners Jennifer O'Farrell and Simon O'Brien present our regular webinar round up of important and recent European biotech case law. For further information please see page xx of this newsletter or our website events page.

AIPLA 2021 Spring Meeting

Virtual event, 12-14 May 2021 Partner Jana Bogatz will be speaking at AIPLA's Spring Meeting.

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G1/19 Patenting computer simulation inventions

he EPO's Enlarged Board of Appeal recently announced its decision in respect of G1/19, which relates to the patentability of computer simulation inventions. Simulation is a widely used tool in many fields of electronics, design and manufacturing, computer engineering, bioengineering, and chemistry to name but a few. Simulation is used to design products, understand and simplify complex processes, and is integrated into commercial and consumer technology. This decision therefore has far-reaching consequences across numerous fields of technology.

Background to G1/19

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The application at issue concerned the modelling of "pedestrian behaviour" through a simulated environment (for example, a shopping centre or train station). Crucially, the claims did not contain either direct "input" from a real-world environment/ building or "output" to the real-world, for example, using the modelling to inform a design of an environment/building.

The Technical Board of Appeal (T489/14), found that "a technical effect requires ...a direct link with physical reality, such as a change in or measurement of a physical entity." Accordingly, the Technical Board of Appeal found that modelling pedestrian behaviour through a simulated environment was non-technical and therefore excluded from patentability because it had no link with physical reality.

This, however, appeared to contradict the finding of T1227/05, in which the numerical simulation of a noise-affected circuit was considered to be technical. The Technical Board of Appeal noted that in both the present case and T1227/05, the inventions produced accurate and repeatable results and neither invention was any better suited to being carried out mentally. The Board of Appeal therefore intended to deviate from the interpretation of the EPC that was arrived at in T1227/05 and for that reason referred the following three questions to the Enlarged Board of Appeal which form the basis of G1/19:

- 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 computerimplemented 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 computerimplemented simulation is claimed as part of a design process, in particular for verifying a design?

Admissibility

When answering the referred questions, the Enlarged Board of Appeal first considered their admissibility. While the Enlarged Board of Appeal was satisfied with the admissibility of the first and third questions it took exception to the second question.

The Enlarged Board of Appeal considered that question 2 should be separated into its two sub-questions, labelling the first sub-question as question 2A and the second sub-question as question 2B.

In respect of question 2A "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?" the Enlarged Board of Appeal considered that in view of current EPO practice in this area (as defined in COMVIK), and the presence of question 2B, question 2A exceeded the "real need for clarification" and therefore found it to be inadmissible.

In contrast, the Enlarged Board of Appeal admitted question 2B "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?" stating that this question was both sufficiently specific and, in its assessment, would provide helpful guidance.

Answers

A first key theme throughout the decision was the Enlarged Board of Appeal's approval of the COMVIK case law, which informs current EPO practice in the field of computer-implemented inventions. COMVIK states that features that do not contribute to the technical character of the invention should be disregarded when determining the technical effect for the purposes of inventive step when using problem/solution.

In answering the questions, the Enlarged Board of Appeal largely endorsed this preexisting case law, although, as discussed elsewhere in this article, specific elements of the Enlarged Board of Appeal's reasoning provide key guidance and practice points for applicants patenting in this area.

A second key theme of the decision is that one should "assess things on a caseby-case basis". Not only is this spelled out in several of the Enlarged Board of Appeal's reasons given for its answers, but is also essentially their reasoning behind their refusal to answer question 2A.

The Enlarged Board of Appeal answered the questions as follows:

Question 1: A computer-implemented simulation of a technical system or process that is claimed as such can, for the purpose of assessing inventive step, solve a technical problem by producing a technical effect going beyond the simulation's implementation on a computer because (paragraph 139): "No group of computer-implemented inventions can be *a priori* excluded from patent protection".

Question 2[B]: For that assessment it is not a sufficient condition that the simulation is based, in whole or in part, on technical principles underlying the simulated system or process because (paragraph 141):



there is no legal basis for "computerimplemented simulations [to] hold a privileged position within the wider group of computer-implemented inventions". The Board of Appeal also noted that not only is this feature not sufficient but also (paragraph 142) it is not necessary.

Question 3: The answers to the first and second questions are no different if the computer-implemented simulation is claimed as part of a design process, in particular for verifying the design because (paragraph 144): there is not "any need for the application of special rules if a simulation is claimed as part of a design process".

Guidance from the Enlarged Board of Appeal - routes for inventiveness The Enlarged Board of Appeal confirmed that there are, in principle, a number of different routes by which a simulation invention may provide a technical contribution.

 A first route is if the simulation is particularly adapted to the computer or its functioning, for example through the division of aspects of a calculation across specific hardware components. Applicants should question whether the simulation is particularly well suited to operating on specific underlying hardware architectures. One example given by the Enlarged Board of Appeal is a simulation that requires execution on a quantum computer, which might therefore have to be designed in a particular way. Underlying software considerations could also be decisive, provided the software considerations relate to the low-level functioning of the computer, as opposed to application-level software. If a simulation has been created based on these kinds of considerations, then applicants could be in a good position regarding patentability.

- A second route is where the output of the simulation "form[s] the basis for a further technical use of the outcomes of the simulation (e.g. a use having an impact on physical reality)". For instance, a hardware device could be controlled based on the results of the simulation. Whether or not this feature needs to be specified in the claims, however, is a further complication (see below).
- 3. A third route is how inputs to the simulation are obtained. In particular, the Enlarged Board acknowledged (paragraph 99) that measurements are generally considered to have technical character. Of course, the regular hurdles of inventive step must still be overcome. In particular, a system that does nothing but take measurements using known systems and inputs those values into a known simulator is unlikely to be inventive.

4. A fourth route may exist in the underlying real-world system that is being simulated if that system is technical. For instance, a drill bit is a physical real-world device and therefore technical. The simulation of the performance of a drill bit could therefore be technical. However, the Enlarged Board noted that a system being simulated is often prior art. Consequently, merely simulating (using standard techniques) a known system is unlikely to itself be patentable.

Guidance from the Enlarged Board of Appeal - implicit technical effects in "pure" simulations

Interestingly, with regard to the second route, the Enlarged Board of Appeal confirmed that this "further technical effect" output need not be explicitly set out in the claim and that in principle claims to pure simulations without a real-world application of an output could be patentable. It did, however, state that "only in exceptional cases may such calculated effect be considered implied technical effects (for example, if the potential use of such data is limited to technical purposes [...])". The Enlarged Board of Appeal has therefore made clear its view that if the results of the simulation have a variety of purposes then those results cannot contribute to inventive step. The reasoning given is that under the analysis of inventive step the claim would not produce the technical effect over substantially the whole scope of the claim and so a technical effect cannot be acknowledged. In other words, implied further technical effects resulting from output data would normally only lead to a claim being found inventive "if the potential use of such data is limited to technical purposes".

Guidance from the Enlarged Board of Appeal - simulation quality

While the Enlarged Board of Appeal found that the accuracy of the simulation did not matter *per se* when considering whether technical character existed it noted that accuracy must exist to the extent that the further technical effect can be achieved (paragraph 111).

The Enlarged Board of Appeal also noted

that simulation accuracy or speed could lead to a technical effect. For instance, if simulation accuracy now makes it possible to do something that was not previously possible then a technical effect could arise. Similarly, a technical effect could arise if the invention leads to a simulation being performed sufficiently quickly that it can be used in a time-critical system, for instance.

Implications - AI and machine learning

At a high level, machine learning techniques involve the use of algorithms to learn specific behaviours. These techniques find uses in a wide range of subject areas including product design, testing and implementation. In some cases, AI can be said to be carrying out a type of simulation (albeit, possibly one in which the underlying physical system is either not explained/represented or might even be impossible to explain/represent).

As machine learning is widely used in the design of products and is implemented with specific purpose within commercialised end products, the potential to gain patent protection of such simulations may be of interest to companies employing AI in their design process or products.

This decision suggests that the use of machine learning to produce a design or other output, where the output is limited to a technical purpose, may be patentable. What is perhaps less clear is whether the machine learning algorithms themselves would be considered by the EPO to reflect the physical behaviour of a system and whether, in the broadest sense, the generic use of a new machine learning algorithm would be considered as being limited to technical purposes.

Implications - cross-jurisdiction considerations

Simulation of a physical system is highly portable, particularly for claims which do not require the actual use of a simulated result, and a simulation protected in one jurisdiction could be run on a server or high-performance computing cluster available in a different jurisdiction where the patent is not in force. Patent protection for a process extends to cover products obtained via that process. However, where the product that is obtained is a design or a parameter based on a simulation that is carried out outside of the protected jurisdiction, proving that the design or parameter was obtained via the protected process, and not independently via a different method, may prove challenging. Furthermore, once the design or parameter is known, a person wishing to use the parameter could conduct a standard design process, albeit biased by the knowledge of the design or parameter, and arrive at the known result.

For example, if the protected process is the fabrication of a particular circuit based on a netlist, the production of a netlist itself would not constitute direct infringement of the patent. Rather, the infringement would be the fabrication itself which is typically carried out by a smaller number of chip manufacturers who may not be in a position to determine whether the fabrication of a particular integrated circuit would constitute infringement.

On the other hand, it is clearly more difficult to avoid infringement of a claim that does not require the actual use of a simulated result. For example, a claim directed towards the simulations of a structure for a particular type of drug would be infringed regardless as to whether the particular drug was actually produced. Had the actual production of the end product been required to infringe, this process could have been carried out in a different jurisdiction resulting in the simulation only constituting contributory infringement.

These questions of infringement are for national courts to decide. However as discussed, this decision provides a number of routes for patentability and offers the potential for an increased scope of protection for simulation claims and potentially paves the way for further developments in this area.

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Follow our series of AI-related articles, the first of which publishes in this newsletter. See page 06: How does AI interact with UK excluded subject matter provisions?

Special report

Patents and SPCs post-Brexit Pharma's big opportunity?

n this 32 page special report patent specialists Garreth Duncan and Jennifer O'Farrell shine a spotlight on the impact of Brexit on the pharmaceutical industry, focusing on the challenges ahead as well as areas of opportunity for the UK.

Implementing the trade agreement the UK has made with the EU, and working through the inevitable snags, is the next challenge facing the pharmaceutical industry. Coupled with the additional pressures of the Covid-19 pandemic, this represents a significant challenge, but one to which, we believe, the UK's pharmaceutical industry will rise.

Intellectual property and the pharmaceutical sector are significant considerations for both the UK and the EU following Brexit. This is apparent from the publication of the EU's Intellectual Property Action Plan to support the EU's recovery and resilience, as well as its Pharmaceutical Strategy policy document, shortly before the trade agreement was signed.

In this special report we consider how the pharma industry should adapt its IP strategy.

We examine the following key topics:

- Brexit's impact on the supplementary protection certificate (SPC), unitary patent (UP) and Unified Patent Court systems.
- What's in and out of the EU Pharmaceutical Strategy – and will the UK follow?
- What can the UK gain from the EU IP action plan?
- Regulatory independence for the UK – what's the role for the MHRA post-Brexit?
- Implications of the rules of origin on the pharma industry.



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Artificial intelligence

Al (part one) How does Al interact with UK excluded subject matter provisions?

ecently the UK Intellectual Property Office ran a consultation on artificial intelligence and intellectual property, to which D Young & Co responded with a discussion of the issues raised. In this first article reporting on the consultation, we highlight our view of the definition of "AI" and how this interacts with excluded subject matter provisions in UK (and European) patent law.

Al consultation outcome - updated 23 March 2021 http://dycip.com/ ai-consultation-outcome

The UKIPO's stated motivation for the consultation was to look ahead to the challenges that new technologies bring, and to ensure that "the UK's IP environment is adapted to accommodate them". In this regard, AI is particularly significant as it is so broadly applicable to other areas of technology, but also sits close to technologies that have been problematic in the past, such as computer programs and mental acts.

Defining artificial intelligence

Because of this, as a preliminary step it is important to define what AI is, pending any paradigm shift in the capabilities of modern AI systems, as this may significantly influence any response to the consultation. Previously the UK Government has defined AI as: "technologies with the ability to perform tasks that would otherwise require human intelligence, such as visual perception, speech recognition, and language translation."

Whilst this might be a good generalpurpose definition, it is ill-suited to patent law as it defines AI by its technical effect. This risks fragmenting the definition of AI according to the field of endeavour, or automatically excluding AIs in some fields irrespective of any other technical merits.

Furthermore by defining AI only by what it can do, it does not capture what AI is. We therefore propose that a better definition of AI for the purposes of patents is: Part one of a series of AI-related articles: AI and UK excluded subject matter



"Any technology whose output or functionality is at least in part a consequence of training rather than programming."

This captures the unique aspect of (modern) AI that it attempts to replicate the natural processes by which intelligence is achieved, in particular the use of training or experience rather than programming or hard-coded rules. A notable consequence for such Als is their ability to respond to novel inputs for which no rule has been coded; a property referred to as "generalisation".

Our definition may also help to differentiate Als from computer programs "as such". The punch cards and listings of the 1970s computer era were considered by the legislators of the time to be literary works protectable by copyright, and thus excluded from patent protection – a decision that has made life interesting for those in the patent profession ever since.

By contrast, a machine-learning based Al system is qualitatively different. Such systems learn by training on examples. Different Al architectures use such examples in different ways, but share the property that the examples contribute to a modification of the AI's functional structure, for example in the strength of connections within the system. Another shared property is that the training examples themselves are not preserved within the AI system in a manner that permits independent access; the trained AI system is also not simply a database.

Instead an AI system is different to both, not being an authored rule-based program that may consume data in operation, nor a database that stores data for independent access; an AI learns an output or function by internalising an abstraction of such data within its own structure. It then functions based on this abstraction, either in response to new inputs or spontaneously (depending on the architecture).

With our pragmatic definition of AI, which is likely to apply in the near to medium terms envisaged by the consultation, we can now look at some of the questions the consultation poses.

Al patentable subject matter Probably the most basic question relates to the patentability of AI inventions and their technical character.

We think that the application of Als to solve technical problems (for example, machine vision), or the solving of technical problems to facilitate Als (for example, parallelisation on graphics cards) can both provide patentable subject matter. However for this consultation the more fundamental question is whether and to what extent Als naturally fall, as a matter of policy, under the existing exclusions of "a scheme, rule or method for performing a mental act, ... or a program for a computer ... as such", as found in Section 1(2)(c) of the UK Patents Act (and corresponding Article 52(2)(c) EPC).

There is a clear temptation to suggest that the technical effect of an AI is the performance of a mental act, as is perhaps reflected in the UK Government's own definition of AI. However, the purpose of the mental act exclusion is to ensure, as a matter of policy, that people are free to conduct their thoughts, in a similar way that the purpose of the treatment and diagnosis exclusions of section 4A UKPA are to ensure as a matter of policy that people are free to conduct medicine.

Despite this, in the same way that section 4A UKPA nevertheless does not prevent the patenting of tools that may be essential for such medical practices, section 1(2)(c) UKPA should not prevent the patenting of tools that produce similar effects to mental acts, without being such acts themselves.

Hence we would assert, for example, that a claim to an AI that performs text recognition does not have as its sole effect a mental act of text recognition as such, precisely because it is a claim first and foremost to an AI. Pragmatically it is only by using an AI that performs text recognition that a third party could infringe the claim, and hence the claim scope does not encompass a mental act conducted independent of an AI. More philosophically, the operation of the AI should not be construed as having the technical effect of a mental act not just because it typically operates in a different way to a true mental act, but fundamentally because its broader technical effect is to imbue

a non-human system with this capability. No mental act does this, by definition.

This is important because one area where Als may have their greatest use is in replicating human activities that are seen as *prima facie* non-technical mental acts. Whether this is reading, speaking, driving, walking, sorting, or any other field, the presence of an Al in the claim should mean that the technical effect encompasses producing a non-human system that performs this activity, and not merely the activity itself.

Meanwhile, for computer programs, our definition specifically distinguishes AI from programming as such. In particular, a trained Al embodies an abstraction of external data within its structure to become a bespoke computing system with a beneficial ability to generalise its behaviour in response to new inputs, unlike a standard programmed computer. This can be seen as consistent with patentability from the decision in Macrossan, in which the court rejected an application on the grounds that its system had not contributed a new form of hardware, unlike in the parallel Aerotel case (see paragraphs 53 & 63 of Aerotel Ltd v Telco Holdings Ltd & Ors Rev 1 [2006] EWCA Civ 1371).

In terms of hardware, and defining itself through internal connectivity, an AI as a computing system is similar to a field programmable gate array where functionality is encoded physically in the architecture of the system. Indeed it will be appreciated that there are already dedicated neural chips with similar properties for a similar purpose. In this sense, a software implementation of an AI is an emulation of a computer, not a program for a computer.

Hence there are plausible grounds for arguing that a trained AI is not a computer program as such. The current UK case law does not yet reflect this, with the current five Symbian /AT&T signposts for software patentability begging the question by assuming that the subject matter is a computer program in the first place. Yet even if forced into this constraint there is scope to overcome the exclusion (see paragraph 40 of AT&T Knowledge Ventures LP, Re [2009] EWHC 343 (Pat), and section

Considering AI & IP

Following publication of the UKIPO's consultation on AI and IP we are considering some of the issues raised in a series of articles. In our next (June) newsletter we will look at inventorship and ownership for inventions arising from AI, in particular whether patent law should allow an AI to be identified as a sole or joint inventor.

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1.37 of the UK Manual of Patent Practice).

In many cases, the application of the AI will result in a technical effect external to a computer (the first signpost). Even where the effect may be superficially non-technical (such as a mental act like driving or walking), there is the argument that the appropriate effect is imbuing the system itself with this capability. The other signposts relate to improving the computer itself in the absence of external technical effects, and generally assume that the benefits are independent of any one program. Whilst AIs tend to be task-specific, if this task can in principle be accessed by any program that needs it then the AI could in these cases be treated as a beneficial emulated co-processor.

In conclusion, it is clear that an appropriate definition of AI may be critical to the patentability of some cases, and it is also clear that there is scope for patent law to evolve so as to distinguish AIs from computer programs and mental acts as such.

The UK Government's recent response to the consultation is to propose to "publish enhanced IPO guidelines on patent exclusion practice for AI inventions and engage AI interested sectors, including SMEs, and the patent attorney profession to enhance understanding of UK patent exclusion practice and AI inventions". We intend to fully engage with this process and any discussions that follow.

Author: Doug Ealey

> The second article in this series will publish in our June patent newsletter. We will take a look at inventorship and ownership for inventions arising from AI, in particular whether patent law should allow an AI to be identified as a sole or joint inventor.

EPO videoconferencing

T2320/16 Are ViCo oral proceedings compatible with Art 116 EPC?

In T2320/16 the EPO Board of Appeal held that ViCo oral proceedings is consistent with the requirements of Article 116 EPC



hile we wait for a decision in G1/21 on whether consent of all parties is required for oral proceedings to be held by videoconference (ViCo), we have been provided with a warm-up act of sorts, thanks to the recent publication of the decision in T2320/16.

In a decision that predates the referring decision for G1/21 (T1807/15), the Board of Appeal in T2320/16 held that holding oral proceedings by ViCo is consistent with the requirements of Article 116 EPC (the right to oral proceedings), even when one of the parties has not consented to the use of ViCo.

Background

It has been possible to request oral proceedings by ViCo in examination proceedings since 1997, but uptake has historically been low. As recently as 2019, only 14% of oral proceedings were held by ViCo. However, this trickle of cases became a flood in 2020, when the ongoing Covid-19 pandemic forced a rapid change in policy.

In April 2020, ViCo became the default www.dyoung.com/newsletters for oral proceedings in examination, with only "serious reasons" being sufficient to allow the proceedings to be held in person. Shortly afterwards, the EPO launched a pilot project to allow oral proceedings to be held by ViCo in opposition proceedings, but only with the consent of all parties (both the summoned parties and the opposition division themselves).

In November 2020, the EPO confirmed that the pilot project for ViCo in opposition oral proceedings would continue and, crucially, decided that from 04 January 2021 this would become the default as in examination proceedings. In short – the EPO no longer required the consent of all parties for oral proceedings before the first instance to be held by ViCo. Where serious reasons exist as to why ViCo could not be used, the oral proceedings would be postponed until after 15 September 2021.

It has been a similar story for oral proceedings before the Boards of Appeal, with ViCo being permitted with the consent of all parties as of May 2020, and without consent since January 2021. Justification for this most recent change in practice - in which the agreement of the involved parties would no longer be required - was based on the new Article 15a of the Rules of Procedure of the Boards of Appeal (RPBA), which stipulates that the Board of Appeal "may decide to hold oral proceedings pursuant to Article 116 EPC by videoconference if the Board considers it appropriate to do so, either upon request by a party or of its own motion." The EPO argued that "[s]ince the new provision merely clarifies an existing possibility. Boards may adapt their practice as regards dispensing with the need to obtain the agreement of the parties concerned even before the date of its entry into force".

So it seems that, with a few swift notices from the EPO, oral proceedings by ViCo are now – and will continue to be, even after the Covid-19 pandemic – the norm before both the first instance and the Board of Appeal.

T2320/16

In an otherwise fairly run-of-the-mill appeal (an opponent appealing the decision, in oral proceedings, to maintain a patent), a party decided to question the legality of the ViCo policy. In this case, the proprietor (who, it is worth noting, was able to successfully defend their patent in opposition, despite the oral proceedings being held by ViCo) argued that holding opposition proceedings by ViCo without the consent of the parties concerned was a contravention of Article 116 EPC, and that their patent was inventive.

The arguments provided by the proprietor (the respondent in this case) were largely based on their interpretation of Article 116(1) EPC – namely, that "oral proceedings" referred to an in-person face-to-face hearing. In particular, their arguments can be broadly grouped into three categories:

1. It is established practice for oral proceedings to be held inperson and face-to-face.

The proprietor argued that oral proceedings had historically been considered to refer to in-person face-to-face hearings.

They also cited T1012/03, which established that oral proceedings must take place where the relevant department of the EPO was located. T1012/03 dealt with the question of whether a party is entitled to having oral proceedings in Munich rather than at The Hague; it was decided that the oral proceedings were to be held in the location where the relevant department is located. The proprietor argued that this provided evidence that oral proceedings must be held in-person, wherever the relevant department (or, in this case, the Board of Appeal) was located.

2. The wording of Article 116 EPC, and discussions in the preparatory documents for the EPC (the travaux préparatoires) suggest that oral proceedings were intended to be held in-person, not by ViCo. According to Article 116 EPC, oral proceedings are held "before" the relevant department, and the proprietor in this case argued that "before" refers, in a judicial context, to attendance in person. Indeed, the proprietor noted that this is not entirely different to what was argued in T1012/03.

Regarding the travaux préparatoires, the proprietor argued that these documents describe discussion in which it was determined that, despite the need for travel being acknowledged, oral proceedings would be a right to which the parties were entitled. According to the proprietor, this reference to "travel" indicated that the legislator of the EPC intended oral proceedings to be held in-person. They also noted the fact that Article 116 EPC was not amended by the act revising the EPC in 2000 - according to the proprietor, this suggested that the legislator intended to maintain the status quo in Article 116 EPC, that is that oral proceedings were to be understood to be in-person proceedings.

3. ViCo proceedings are "inferior" to inperson hearings, and are therefore unfair. In this final category of arguments, the

proprietor argued that ViCo oral proceedings were fundamentally different – and indeed inferior – to in-person oral proceedings, since non-verbal communication was "almost impossible" in ViCo proceedings.

The Board of Appeal's decision

In a thorough decision, which acts as an interesting and recent example of how the EPC is interpreted, the Board of Appeal came to the conclusion that ViCo did not contravene Article 116 EPC.

After summarising the history of ViCo at the EPO, the Board of Appeal provided a detailed rebuttal to the proprietor's arguments.

Responding to the first argument, the Board of Appeal agreed that until recently, oral proceedings at the EPO had traditionally been held in-person, but stated that this was "not sufficient grounds to conclude that oral proceedings by videoconference are not in line with Article 116 EPC."

The Board of Appeal argued that the

> Related case: G1/21

In T1807/15 the Technical Board of Appeal referred, in an interlocutory decision of 12 March 2021, this question the Enlarged Board of Appeal: "Is the conduct of oral proceedings in the form of a videoconference compatible with the right to oral proceedings as enshrined in if not all of the parties to the proceedings have given their consent to the conduct of oral proceedings in the form of a videoconference?" As anticipated, this case will be handled under G1/21, the oral proceedings for which will be held using Zoom on Friday 28 May 2021.

decision in T1012/03 was taken in an entirely different context to the context of T2320/16. According to the Board or Appeal, the interpretation of Article 116 EPC in T1012/03 arose as a consequence of the perceived necessity, at the time, for the division to be located at a specific place. The Board of Appeal in T1012/03 did not consider (and, therefore, did not exclude) the possibility of holding oral proceedings by ViCo.

This reasoning regarding T1012/03 was equally applied to the second argument, with the Board of Appeal noting that the interpretation, in that case, of the term "before" was simply not relevant to determining whether ViCo oral proceedings were consistent with the EPC.

In addition, the Board of Appeal held that the reference to "travel" in the travaux préparatoires could not be interpreted as an indication that the legislator of the EPC intended to exclude ViCo oral proceedings, since the discussions referred to in the documents were held in the early 1960s, at a time when ViCo oral proceedings would not reasonably have been contemplated. The Board of Appeal also argued that the fact that Article 116 EPC was not amended in the EPC 2000 was evidence that the legislator of the EPC 2000 did intend the article to cover ViCo oral proceedings. As noted by the Board of Appeal, the preparatory work for the EPC 2000 was carried out in 1998-2000, at a time when the EPO had already begun to allow parties to request the use of ViCo in oral proceedings.

Therefore, since Article 116 EPC does not explicitly exclude ViCo oral proceedings, and since the legislator of the EPC 2000 would have been fully aware of the possibility of oral proceedings being held by ViCo, the Board of Appeal reasoned that it was perfectly reasonable to interpret "oral proceedings" in Article 116 EPC to refer to either an in-person or ViCo hearing.

Indeed, since Article 116 EPC does not provide a definition for the exact form that oral proceedings should take, the Board of Appeal decided to provide its own interpretation. In



particular, it argued that in oral proceedings:

- the parties should be able to see the members of the Board of Appeal and vice versa; and
- it must be possible in real time for the Board of Appeal to interrupt or question the parties where necessary.

Regarding the third argument, the Board of Appeal maintained that ViCo proceedings were not inferior to in-person hearings and disputed the proprietor's argument that "nonverbal communication was almost impossible" in ViCo proceedings. The Board of Appeal argued that, while the types of non-verbal communication that are possible in ViCo proceedings differ from those possible in person, non-verbal communication was still possible, and ViCo proceedings were not inherently inferior to in-person proceedings.

In conclusion, the Board of Appeal decided that holding oral proceedings by ViCo did not contravene the EPC - and that the patent was inventive.

What next?

This decision appears to be the first time that the Board of Appeal has been asked to consider whether ViCo oral proceedings are consistent with the EPC, but it is certainly not the final word on the matter. G1/21 is set to consider the same issue, with oral proceedings for that case being scheduled to take place on 28 May 2021.

However, while a decision in G1/21 may well supersede T2320/16, this currently appears to be the only case law relating to this issue. In the meantime, it looks as though ViCo is here to stay, and the EPO can continue to hold oral proceedings by ViCo with or without the consent of the involved parties. Indeed, the EPO has already confirmed that oral proceedings before the examining and opposition divisions will continue to be held by ViCo during the pendency of the referral. Therefore, unless there are serious reasons against holding oral proceedings by ViCo for example, reasons relating to a participant to the oral proceedings as an individual (such as a proven visual impairment that prevents a representative from following oral proceedings on screen) and reasons related to the nature and subject matter of the proceedings (for example, where they involve the demonstration or inspection of an object where the haptic features are essential, to the extent that this is possible in accordance with the applicable provisions) - applicants, proprietors and opponents alike can expect to be required to use ViCo in oral proceedings.

Meanwhile, new Article 15a (in force from 01 April 2021) in the amended Rules of Procedure of the Boards of Appeal (RPBA), allows the Board of Appeal to decide to hold oral proceedings by ViCo of its own motion. While the wording "of its own motion" appears to be intended to suggest that consent of the parties involved will not be required, the precise interpretation of this article may well depend on G1/21.

In full, new Article 15a RPBA reads:

Article 15a

Oral proceedings by videoconference (1) The Board may decide to hold oral proceedings pursuant to Article 116 EPC by videoconference if the Board considers it appropriate to do so, either upon request by a party or of its own motion.

(2) Where oral proceedings are scheduled to be held on the premises of the European Patent Office, a party, representative or accompanying person may, upon request, be allowed to attend by videoconference.

(3) The Chair in the particular appeal and, with the agreement of that Chair, any other member of the Board in the particular appeal may participate in the oral proceedings by videoconference.

Author: Jessica Steven-Fountain

Guide to ViCo at the EPO

We have drawn from our experience of *ex parte* and *inter partes* oral proceedings before the EPO by video conference to prepare a guide for participants covering what to expect and how best to prepare.



The guide includes our handy client "Checklist for ViCo": www.dyoung. com/vico-guide

Information

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And finally...

Webinar invitation

European biotech patent case law Tuesday, 27 April 2021



ur regular European biotech patent case law webinar returns on Tuesday 27 April at 9am, noon and 5pm UK time (BST) with a round up of recent and significant EPO decisions presented by European Patent Attorneys Simon O'Brien and Jennifer O'Farrell.

Speakers

Simon O'Brien was appointed partner in 2010 and is a Chartered and European Patent Attorney. His area of expertise encompasses both biological and chemical subject matter including the fields of molecular biology, biotechnology, biochemistry, food technology and nutrition, diagnostics, pharmaceuticals, and polymer chemistry. Simon advises on all aspects of patent law, including patent drafting and prosecution,

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Jennifer O'Farrell joined D Young & Co as a partner in September 2020. Jennifer specialises in the fields of immunology, molecular biology, biotechnology and biochemistry. A Chartered Patent Attorney and European Patent Attorney, Jennifer's work includes prosecuting patent applications before the EPO and UKIPO, defending and challenging patents before the opposition divisions and Appeal Boards of the EPO, and co-ordinating worldwide patent portfolios and filing SPC applications.

Registration

Find out more and sign up to attend at a time convenient to you: http://dycip.com/web-bio-apr21

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