

Dear Sirs,

I will deal with each of your questions in turn in the order given in your letter:

- A. The decision was sent to you on 14.11.90. Since you are resident in a Contracting State the EPO deem you to have been notified ten days later i.e. 24.11.90 (R. 78(3)). Since this ten day period is not a time limit, its end is not affected by weekends or "dies non" i.e. R. 85(1) does not apply and so the fact that the 24.11.90 was a Saturday has no effect.

The time limit for filing an appeal notice and paying the fee therefore is 2 months from the notification of the decision (Art. 108). Thus the time limit expired on 24.01.91 (R.83(4)). You filed the appeal notice and submitted a cheque to the EPO, I presume from your letter directly, on the 23.01.91 and therefore met the time limit, in particular since cheques actually filed at the EPO provided they are met mean that payment is made on the date they are handed over Art. 8(1)(c) RRF.

Article 108 also gives a period of 4 months for filing the statement of grounds for the appeal. This takes us to the 24.03.91 but since this is a Sunday, as your patent expert said, the grounds were due on 25.03.91 (R. 85(1)).

.../...

This date has been missed. Unfortunately also your request for extension will do no good since only time limits set by the European Patent Office, as opposed to being laid down in the Convention, can be extended on request (R. 84) even though your telex would have got there in time if an extension had been available (R. 84).

We cannot apply for an interruption of proceedings under R. 90(1)(c) due to your attorneys illness since this provision is only for applicants' not opponents' representatives.

We can however, apply for restoration of your rights, that is, we can apply for the appeal to be reinstated. At present, R. 65(1), it will be rejected as inadmissible. Although the provisions regarding restoration (Article 122) mention applicants and proprietors only, the Enlarged Board of Appeal has held, in decision G01/86, that an opponent, under the principle of equal treatment to all parties, can have his rights restored in limited circumstances. One of these is if he has had his appeal deemed inadmissible due to failure to file the statement of grounds.

To get your rights restored we must show that the time limit was missed despite all due care being taken, Art. 122(1). We should be able to do this hopefully on the basis of your patent expert being seriously ill. Further it will be persuasive of your intent to maintain the ... and indicative of care on your part that you requested the extension so promptly on your representative's being taken ill. Since your representative was not able to meet the time limit and you took all care to try and do so, a successful application should be achievable.

The time limit for filing the application is 2 months from "the removal of cause of non-compliance", (Art. 122(2)). What this means essentially is the date when you became aware that the act was not done and the time limit has been missed. Whilst arguably that was the actual due date I think that realistically it must be your receipt of this letter. However, for safety I suggest we file the application for restoration within 2 months of the due date i.e. by 25.05.91 or at the latest within 2 months of this letter.

We will need to file evidence of your experts illness, what you did, and the system he was working under before he was taken ill, i.e. to show that normally all would have been well.

- B1. Your European Patent Application was filed on 09.01.91 which is later than the date of filing of X's EPA of 31.08.90. If neither application claimed priority then by Art. 60(2) X would have "first rights", depending however on publication of their application before yours.

However by Art. 89 for the purposes of Art. 60(2) if there is a claim to priority, then the priority date must be considered as the filing date. This only holds, case law shows, if there is a valid right to priority. X's application does not have

such a valid right since there are features now presented as essential in their application which were not present in the German Patent Application (T65/87 and T81/87). Their European Application is only entitled to its filing date 31.08.90 whereas yours is entitled to its priority date of 10.01.90. Thus you have "first rights" (putting it rather casually).

As noted above, the effect of this "first right" is dependent inter alia on publication. Your application should publish in June. The published application will have no effect on X's EPA since publication will be later than the date of filing of that application. However, under Art. 54(3) your unpublished application is relevant to the novelty of X's EPA because your priority date is before their filing date (which is all they can validly claim as noted above). This is only true by Art. 54(4) for the countries which are commonly designated, i.e. CH, DE, FR, GB, that is, in so far as X's EPA covers NL, your EPA has no effect thereon. If this is drawn to the attention of X's EPA examiners, by I would suggest making "observations" under Art. 115 on X's EPA now if published or when it publishes, the Examiner will cite your application and force X to limit theirs to distinguish it therefrom. They will therefore not be able to cover the subject matter which they first disclosed in EPA i.e. the specific temperature range and time. You only will be able to obtain protection for this in the countries in which you are interested. Because of Art. 54(4) your application only affects X's in the commonly designated states, they will be able to protect the method with the selected temps in the NL but presumably this will not upset you. However they do this you will be able to proceed with your application and they will not be able to protect the method in the countries in which you are interested.

Please note that X's EPA if this has published has no effect on your application since the publication will have been after both the filing and priority date of your application.

If there was any disclosure by X, after filing their German application it should not affect you since I believe your claims are novel over the broad range X originally disclosed, as a selection T198/84.

- B2. Your member of staff is the inventor of invention B and under Art. 60(1) as his employer you have the right to a European patent for the invention. Y have no such rights. You told them, via your staff member, about invention B in confidence and this implies that they had no right to use the invention or disclose it to others. Further your telling them about it gives them no right to a patent for it since that right belongs to the inventor or his legal successor in title only.

I therefore think that you could bring a case against Y on the basis that you are entitled to the grant of the patent. By the Protocol on Recognition Article 2 the case would have to be brought in Sweden since that is where Y is resident. To be successful you would have to show clearly how Y "obtained" the invention from you and we would need a declaration from your staff member. The statement by Y, which I presume is in

writing, would be very valuable as evidence that they in fact are not entitled.

Once proceedings are commenced, we can give notice of them to the European Patent Office. If we do so R. 13(1) they will then suspend proceedings on Y's application since it has published on Y will be unable to withdraw it (R. 14). We ought to move quickly to get this bar on withdrawal in place. Also we must watch the renewal fees since these are not suspended R. 13(5).

If you are successful in the Swedish Courts then by Art. 9 of the Protocol of Recognition their decision will have to be recognised by the courts of all other Contracting States. Thus success will put you in a position of having a final decision recognised or which will be so in all the states designated in Y's application. You then have three options. You can:

- (a) prosecute Y's application in his place Art. 61(1)(a),
- (b) file a new application in respect of the invention of Y's application, Art. 61(1)(b),
- (c) request that Y's application will be withdrawn, Art. 61(1)(c).

For all of these options, you must do them within 3 months of the final decision in the Swedish Court, Art. 61(1).

Y's application has published and therefore you cannot prevent its effect under Art. 54(3) (as explained re. B1) on your application which is of a later date. Thus option c would be pointless, since it will achieve nothing.

Option b is expensive and I believe unnecessary since you will not gain anything except an earlier date for some only of the countries in which you are interested.

The new application would only be able to cover embodiment one and could only designate the countries which Y originally designated (Art. 61(1) and Art. 76(1) as applied by Art. 61(2)). Thus all you would get is protection for embodiment one in CH, DE, FR, GB, SE.

Option a is the best to my mind. You will then have Y's application to protect one embodiment of your two in CH, DE, FR, GB and SE. You will not be able to protect that embodiment in your application for those countries (because of the effects of Y's application under Art. 54(3) and (4)) but you can still protect it therein for BE and NL since Y's application will have no effect in relation to these (Art. 54(4)). You can also continue with your application for the second embodiment for all states originally disclosed since this is apparently novel in light of the disclosure of Y's application which is all that is required because theirs was not published until after your date of filing.

The steps for now therefore are to open proceedings and have proceedings on Y's application suspended. For the future take over the prosecution of Y's application and limit yours so

that claims directed to embodiment one exist only for BE and NL under R. 87. You may possibly also have to file a divisional for embodiment two since there does not seem to be any unity of invention between this and embodiment one as required by Art. 82.

- C. By Art. 79(2) the designation fees on a European Patent Application are due on the latest of either 12 months from priority or one month from filing. In your case the latest is 12 months from priority, i.e. by 26.01.91. This was a Saturday so the fees were not actually due till the following Monday 28.01.91. You did not designate any Contracting States in the request. The effect of this is that you dispensed with notification under R. 85(a)(1) and simply had 2 months from the original due date to pay the designation fees for those countries to be protected with a fine (equal by Art. 2(3)(b) RRF to 50% of the relevant fees). This is an aggregate time limit which expires 28.03.91 (LA No. 5).

Your money order was deposited on the 18.03.91. This was ten days before the due date (following the way days are to be counted as per R. 83(2)). Thus by Art. 8(3)(a) RRF since you effected payment in a Contracting State ten days before the due date your payment is deemed received in time even though in fact made late. Thus you have paid 3640 DM in time. However, this would have covered 13 designations at the standard rate, not however when the fine is added for late payment.

By J23/82 when payment is not enough for designations Art. 9(2) RRF is to be applied following consultation with the client (if necessary). Article 9(2) states that the fees should be used to pay for the designations of the States in the order you have put them plus fine until there is insufficient for a full designation.

Therefore they will allow you 9 designations (= 2520 DM + a maximum fine of 1100) since these will all be covered by the money you have paid. Luckily given the order you choose this will mean the countries you did not want will not be covered. You will receive a notification from the EPO R. 69(1) to this effect.

Please let me have any instructions re. B2.