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Registry of the Enlarged Board of Appeal

For the attention of Mr Wiek Crasborn ((EBAamicuscuriae@epo.org).

Eindhoven, 10 July 2019,

Your reference: G 2/19
Our reference: case number G 2/19 - written statements in accordance with Article 10(1) RPEBA

Dear Sirs,

In OJ 2019, A51 (Online publication date: 31.05.2019), "Communication from the Enlarged Board of Appeal concerning case G 2/19 ", reference was made to a message of 9 May 2019 on the website of the Board of Appeal, in which third parties were given the opportunity to file written statements in accordance with Article 10(1) of the Rules of Procedure of the Enlarged Board of Appeal.

Topic is the referral Technical Board of Appeal 3.5.03 in accordance with Article 112(1)(a) EPC. The Board referred the following points of law to the Enlarged Board of Appeal by interlocutory decision of 25 February 2019 in case T 831/17:

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?

In my opinion:

1. the first question is phrased so broadly that it cannot be answered with a simple yes or no, unless it is rephrased. However, in general, the decision on inadmissibility of an appeal cannot be taken without hearing the persons concerned, such that a request for oral proceedings shall be granted. In these oral proceedings, the admissibility as well as the proper taking into account of what was submitted shall be topic of the proceedings;
2. the answer to the second question is that by a third party within the meaning of Article 115 EPC has the right to be heard when a decision to not admit his observations is taken and can appeal the decision as to the admissibility of his observations and whether the these observations were duly taken into account. Art. 115 gives a third party the right to file these observations, Art. 114(1) requires the EPO to take them into account, and Art. 113 -although strictly speaking not directly applicable as he is not a party to the proceedings- provides the third party, as well as the public, with the right that the observations are to be admitted (if satisfying the requirements of Art.115) and, together with Art. 114(1), that these observations are taken into account. The latter (admissibility and taking into account) should be subject to review by the Boards of Appeal when the third party appeals;
3. as the answer to at least the second question is not no, question 3 does not need to be answered. But in my opinion, a Board is free to hold oral proceedings in whatever location it considers appropriate, as long as this does not violate the right to be heard as well as -where applicable- the confidential nature of the oral proceedings.

I submit my observations and viewpoints on the next pages.

Yours faithfully,

Roel van Woudenberg
European Patent Attorney

Referred questions

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?

First question

4. The first question reads:
In appeal proceedings, is the right to oral proceedings under Article 116 EPC limited if the appeal is manifestly inadmissible?
5. In my opinion, the first question is phrased too broadly and cannot be answered with a simple yes or no if it is not rephrased.
6. However, in general, the decision on inadmissibility cannot be taken without hearing the persons concerned, such that a request for oral proceedings shall be granted at least as to the admissibility.
7. The first question may be rephrased as:
In appeal proceedings, is the right to oral proceedings under Article 116 EPC limited if the appeal is manifestly inadmissible:
a) where it is filed by a party to the proceedings, e.g. because he is not adversely affected within the meaning of Art. 107 EPC;
b) where it is filed by a third party within the meaning of Article 115 EPC, for the mere reason that such third party is not a party to the proceedings?
8. Both situations are addressed in detail below. Emphasis is given to the second situation in view of the underlying case.

a) Person concerned is a party to the proceedings

9. Where the person concerned is a party to the proceedings, i.e. the applicant before grant or the proprietor or opponent after grant, deciding on inadmissibility without hearing the party

is a clear violation of Art. 113 EPC when the party requested oral proceedings and the decision on inadmissibility has an effect on the outcome of the proceedings.

10. In view of the possibly important difference, during appeal, of the person concerned being a full party of a party as of right, the possibility should exist to discuss an objection as to not being adversely effected in oral proceedings at an early stage in the proceedings.

b) Person concerned is a third party that filed observations under Art. 115 EPC

11. Where the person concerned is but a third party that field observations under Art.115 EPC, that person is not a party to the proceedings [Art. 115 EPC, last sentence]. However, Art. 115 EPC provides that person with the right to file observations, which implies those observations must also be considered by the competent department. Thus, Art. 113 EPC may be considered to apply mutatis mutandis for decisions affecting the admissibility of the observations as well as the examination of the relevance of those observations for the outcome of the proceedings. The rationale of Art. 113 is not consistent with a lack of possibility to challenge whether a right of a person to perform an act provides for in the EPC is correctly dealt with by the competent department.
12. It is noted that Art. 114(1) requires ("shall") the EPO to examine the facts of its own motion. Art. 114(1) even explicitly states that the EPO shall **<u>not be restricted</u>** to the facts, evidence and arguments **<u>provided by the parties</u>** and the relief sought. Thus, Art. 114(1) requires the EPO to take observations under Art. 115 into account. This even applies if the observations are not submitted in due time , as Art.114(2) only allows the EPO to disregard late-filed facts submitted by the parties.
13. If is further observed that Art. 116 does not limit the right to let oral proceedings take place to the parties to the proceedings. Art. 116 also allows oral proceedings to take place if the EPO considers this to be expedient. In view of the arguments given just above, it may be argued that the EPO should consider it expedient to let oral proceedings take place if the admissibility of the of the observations as well as the relevance of those observations for the outcome of the proceedings needs to be discussed, and to also let the third party that submitted the observations take part in those as he has the right to be heard, at least as far as it effects his right to file observations [Art.115] and his right to have those considered [Art. 114(1)].
14. Thus, with the third party that filed observations having the right to file observations, the EPO being required to admit those observations (as long as they satisfy Art. 115), the EPO being required to examine those observations, and the rationale of Art. 113, the third party

should have the right for oral proceedings, which are formally held because the EPO will need to consider it expedient under Art.116.

15. In the oral proceedings, the admissibility as well as the proper taking into account of what was submitted shall be topic of the proceedings. I.e., both the admissibility of the observations as such as well as the (procedural and substantive) examination of the relevance of those observations for the outcome of the examination or opposition proceedings shall be topic of the oral proceedings.

Second question

16. The second question reads:
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?
17. As argued below, lack-of-alternative-legal-remedy argument is in my view not a valid argument, such that I propose to rephrase the second question as:
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 the examining division's decision disregarded its observations, such a case of an appeal which is manifestly inadmissible?
18. In my opinion, the answer to the second question is that by a third party within the meaning of Article 115 EPC has the right to be heard when a decision to not admit his observations is taken and can appeal the decision as to the admissibility of his observations as well as the proper taking into account of what was submitted shall be topic of the proceedings.
19. Art. 115 gives a third party the right to file these observations, and Art. 113 -although strictly speaking not directly applicable as he is not a party to the proceedings- provides the third party, as well as the public, with the right that the observations are admitted and are taken into account.
20. The latter shall be apparent from the next communication or the decision from the Examining Division in view of the requirement that a decision needs to be well-reasoned. Not taking duly submitted observations inti account violates this principle and can be considered a substantial procedural violation.

21. As the third party in the underlying case argued, this requirement is in practice particularly important when the observations relate to objections that cannot be made again in opposition, such as -in the underlying case – alleged violation of Art.84.
    However, legally if should not make any difference whether the objection can or can not be used in proceedings of a different type: examination and opposition are separate, different proceedings. Also, with an appeal, the grant decision is suspended and the third party -as well as others- is not yet faced with a (possibly invalid) granted patent than can be enforced against him, whereas with an opposition, the third party -as well as others- would already be faced with an (albeit possibly invalid) patent which may quite significant consequences for his business. So, the third party, others, as well as the EPO have most interest in preventing to come to an invalid grant, whereas accepting that a grant may be invalid in view of observations already submitted is against all legal certainty.
22. Thus, although the third party is not a party to the grant proceedings, they can be considered a party to the admissibility proceedings (or to admissibility proceedings which did not take place but should have taken place) , which entitles them to appeal if the observations are fully ignored, as well as if the observations are not considered relevant, as well as if the examining division erred in concluding that the observations are not relevant.
23. If the Examining Division considered them not to be relevant, the appropriate way to proceed would be to explicitly indicate so, and give the reasons why, in a next communication of in a Rule 71(3) communication, after which the third party could react by filing refined observations; the latter should then either result in a new 71(3) or resumption of examination, but proceeding to grant without any of these -so without reasoning on their non-admissibility or non-relevance- would result in an insufficiently argued decision – which, as argued above, should be appealable by the third party, if not to its merits, then at least to the admissibility of the observations and the insufficient reasoning of the decision as its result.
24. If the appeal would be successful, the Board would usually remit the case and the Examining Division will examine the third party observations that were filed. Also, as proceedings before the Examining Division can only come to a conclusion after all requests and all third party observations have been dealt with (see above for the discussion on the relevance and effect of Art.114 for observations under Art. 115), the third party can influence the further course of proceedings by filing new third party observations if necessary, e.g., if the Examining Division notes in a (further) 71(3) communication that the earlier filed observations would not be relevant and the third party considers a different interpretation of the observations to be correct.

25. The original second question suggests that it is relevant 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”, i.e. that an opposition based on lack of clarity is not possible. Even though it would indeed have given the third party a possibility to challenge the validity with a different remedy, this should not have any relevance for the conclusion as to whether the appeal is manifestly inadmissible or not.
26. If it would be relevant for the admissibility of the appeal by a third party who filed observations that the only way to argue non-compliance with an EPC requirement is a third party observation (such as Art. 84 EPC), one could consider that an appeal by a third party who filed observations to argue non-compliance with another EPC requirement (such as Art. 123(2) or Art.56) could never be admissible as an opposition would be possible in the latter case.
27. However, the two proceedings, third party observations during examination and opposition are completely different legal proceedings, and which possibilities are available in one of them should not have effect on which possibilities are available in the other. Reference is further made to item 21 above.

Third question

28. The third question reads:
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?
29. As the answer to at least the second question is not no, question 3 does not need to be answered.
30. But in my opinion, a Board is free to hold oral proceedings in whatever location it considers appropriate, as long as this does not violate the right to be heard (which, e.g., requires an appropriate accessibility) as well as -where applicable- the confidential nature of the oral proceedings.
31. Art. 6(1) EPC provides “(1) The Organisation shall have its headquarters in Munich.”, Art.6(2): “The European Patent Office shall be located in Munich. It shall have a branch at The Hague.”, Art. 7: “By decision of the Administrative Council, sub-offices of the European Patent Office may be created, if need be, for the purpose of information and liaison, in the Contracting States and with intergovernmental organisations in the field of industrial property, subject to the approval of the Contracting State or organisation concerned.”. Art.

116(1) EPC provides: “Oral proceedings shall take place either at the instance of the European Patent Office if it considers this to be expedient or at the request of any party to the proceedings. However, the European Patent Office may reject a request for further oral proceedings before the same department where the parties and the subject of the proceedings are the same”. “The Protocol on the Centralisation of the European Patent System and on its Introduction” introduces the sub-office in Berlin and authorizes some activities to some offices. None of these provisions however limit the place of activities, let alone the place of oral proceedings, to specific locations.
Also Art. 116(2) and (3) only provide that oral proceedings may take place before specific departments/ divisions, but refers therein to the organizational units rather than to their geographic location.

32. The EPC does not require that the place where oral proceedings are held are the same as where the EPO is based (or needs to be based) [“seinen Sitz habt”].
33. So, holding oral proceedings in Haar, Isar, or any other location in Germany or the Netherlands is allowable under the EPC (as long as the right to be heard is respected and legitimate expectations as to the place of oral proceedings are met).
34. The only requirement imposed on the location where oral proceedings are held is in Art.116(3) EPC (“Oral proceedings before the Receiving Section, the Examining Divisions and the Legal Division shall not be public”) and Art. 116(4). So, the location should respect the confidential nature of the oral proceedings before the Receiving Section, the Examining Divisions and the Legal Division, and before the Boards, Enlarged Board or Opposition Division “in cases where admission of the public could have serious and unjustified disadvantages, in particular for a party to the proceedings.”.
35. It is noted that the question does not extend to the topic whether the EPO would be allowed to have a unit, division or in a place outside Munich, The Hague or Berlin. The question also does not extend to whether a decision taken in, e.g. Haar or even elsewhere in Germany, would be valid or not; the referral suggests that they may considered be invalid. Lastly, whether Haar can classify as part of Munich or not is not within my field of competence, so I refrain from commenting in that.

Conclusions

36. The first question is phrased so broadly that it cannot be answered with a simple yes or no, unless it is rephrased. However, in general, the decision on inadmissibility of an appeal cannot be taken without hearing the persons concerned, such that a request for oral

proceedings shall be granted. In these oral proceedings, the admissibility as well as the proper taking into account of what was submitted shall be topic of the proceedings;

37. The answer to the second question is that by a third party within the meaning of Article 115 EPC has the right to be heard when a decision to not admit his observations is taken and can appeal the decision as to the admissibility of his observations and whether the these observations were duly taken into account;
38. As the answer to at least the second question is not no, question 3 does not need to be answered. But in my opinion, a Board is free to hold oral proceedings in whatever location it considers appropriate, as long as this does not violate the right to be heard as well as -where applicable- the confidential nature of the oral proceedings.

Looking forward to your considerations and your decision/opinion,

Kind regards,

Roel van Woudenberg
European Patent Attorney
DeltaPatents
10 July 2019