

paragraph		
496 foot-note14		<i>The text belonging to the footnote starts in the line below the number</i>

Annex I: Add the cases of Artico, Hamer and Procola to the list of ECHR cases

Benthem > Bentham
Pashkalides > Pashkalidis
Ruiz-Mateos > Ruiz-Mateo

In list of EC cases correct:

Noed > Nold

Annex III: Footnote 53 has been updated and should read:

This was written in the summer of 2000. Under the so-called BEST project, Bringing Examination and Search Together, these two examination stages will be brought together formally through amendments to the EPC to be adopted at a diplomatic conference scheduled for November 2000, see the Basic Proposal for the revision of the EPC, doc CA 100/00 of 9 August 2000. Inter alia Articles 16-18 EPC were to be revised. - Post note: The Basic Proposal was by and large adopted at the conference.

Catarina Holtz

DUE PROCESS FOR INDUSTRIAL PROPERTY

European patenting under human rights control¹

Preface

In 1983, having recently been appointed Legal Adviser at the Ministry of Justice, I was asked to assist the then High Representative for Sweden before the human rights organs in Strasbourg, Dr Hans Corell, currently Permanent Under-Secretary General at the UN. I accepted the proposal, although I knew next to nothing about human rights. Little did I understand then that this was the first step in a long process towards this thesis. Today, I am very grateful to Dr Corell for having chosen me for this assignment, which gave me valuable insights into the 1950 European Convention on Human Rights and Fundamental Freedoms and its application.

The second step was taken some six years later, when in 1989 I joined the EPO and could assess directly how and under what conditions international organisations are functioning. This learning process was not without its surprises and sometimes frustrations, for a judge who had for many years enjoyed a well developed and homogenous legislation and a national court system which had been amended and polished over centuries. In stark contrast to this, the Boards of Appeal of the EPO had only functioned for about ten years at that time.

But the process of adjusting to an international world had its rewards also, through the access to a wealth of information about other legal systems, and the relative freedom with which members could - without the straight-jacket of a finely detailed national procedural law - choose from several alternative routes for solving problems which were not addressed by the EPC itself, nor by preceding case law. I am indeed indebted to many of my colleagues, of whom I shall only mention a few, Dr Gillian Davies, Dr Rudolf Teschemacher and Dr Jan Willems, who showed a genuine interest in my endeavours, suggesting literature, helping with contacts, or reading and commenting on parts of my work. Other helpful colleagues are the members of the legal research department within the Boards of Appeal, who researched national law for me in some instances. They deserve my special thanks for their efforts.

My experiences in the Boards of Appeal made me recognise the sometimes large lacunae which exist in the legal environment of international organisations. There obviously was a need to find legal principles, applying Article 125 EPC on the adoption of procedural principles generally recognised in the Contracting States to the EPC. It seemed appropriate to turn to my previous experience for guidance, the ECHR and the case law of the European Court of Human Rights.

The third step was taken when some seven years ago, having met Professor Gunnar Karnell in Munich and started a conversation about the EPO, I tested him on a vague idea that I had about combining my two experiences, human rights and patent law. Encouraged by his reaction and our ensuing discussions, I started on the project. It is nobody's fault but my own that it was so long in being realised.

I consider myself very lucky with regard to the persons who declared themselves willing to examine and comment on my work as it slowly grew. Mr Bengt G Nilsson, former Justice and President of a Chamber at the Stockholm Court of Appeal and an expert in international patent procedure law - in particular through his participation in the Working Group of the EPLA, the European Patent Litigation Agreement. Professor Bruno Simma, who recently was appointed

judge to the International Court of Justice in the Hague, and Dr Markus Zöckler at the Institut für Völkerrecht, Ludwig-Maximilian-Universität in Munich generously offered their expertise in international law. Should I not have followed their advice on chapter 3 completely, I have no other excuse than that I was not trained well enough in this complicated area of the law to be able to understand and appreciate their comments to their full value.

At the Legal research Department of the Stockholm School of Economics, Professor Per Jonas Nordell assisted with advice and information about the ins and outs of producing an academic work, and its prefect, Professor Johnny Herre, monitored my progress in the background.

Working in Munich on a large project and having one's alma mater about 2 000 kilometres away presents its own special problems. The fact that the Legal Research Department and I used different word processing programs proved to be a frustrating experience. Every time a new batch of the thesis or a chapter was to be sent per e-mail (a great helper in overcoming distances) I was apprehensive - mostly they were received in a state not fit for reading. But with the help of Mirja Colt and Eva Hogsback, problems were solved, chapters were distributed to the right addresses and seminars could be held as planned. Many thanks for this support!

To these hurdles was added that of writing in a foreign language. Again I was very lucky, Gillian Davies recommended Mrs Catriona Thomas, who did outstanding work with my manuscript. I certainly can recommend her in turn to others as needed. - From the foundations of Emil Heijne and Awapatent, I received generous contributions towards meeting printing and other production costs, for which I am truly grateful.

At home, I was fed and generally left to my own devices by my husband, Arne, who also did much of the tedious reading and editing. No doubt this is the reason why I survived to this day.

It is probably not quite cricket to say anything about the opponent before the *disputatio*, but in this particular case I cannot leave him out. Mr Eskil Persson, former president of the Patent Appeals Court in Stockholm, former member of the Enlarged Board of Appeal and chairman of a Technical Board of Appeal, was for several years a good colleague in Munich with whom I enjoyed many discussions on patent law, sometimes heated ones. To have such an opponent with a wealth of inside knowledge about the EPO and the Boards of Appeal is a privilege indeed. I am very much looking forward to the "battle" in September.

Last but not least, I must compliment my main mentor, Professor Karnell, who never complained about my tardiness, almost never about the way I structured the different parts of my thesis, still managed to keep me from deviating too far away from the main focus, the ECHR, and never argued (much) when I had other ideas about what should be included, e.g. the closing chapter on the future for European patenting.

Munich 25 June 2003

Catarina Holtz

Abbreviations

Art1 Prot1	Article 1 of the First Protocol to the ECHR
BA	Board of Appeal of the EPO
CJEC	Court of Justice of the European Communities
CPVO	Community Plant Variety Office
DBA	The Disciplinary Board of Appeal of the EPO
Digest	Strasbourg case-law relating to the European Convention on Human rights
DG1-5	Directorates General of the EPO
EBA	The Enlarged Board of Appeal of the EPO
ECHR	European Convention on Human Rights and Fundamental Freedoms of 4 November 1950
ECT	The EEC Treaty establishing the EC as amended by the Single European Act and the Maastricht Treaty
EIPR	European Intellectual Property Review
ELR	European Law Review
EPC	The European Patent Convention of 5 October 1973
epi	Institute of Professional Representatives before the EPO
EPO	The European Patent Office
EU	The European Union
EUMT	The Maastricht Treaty of 1992
ESA	European Space Agency
GRUR Int	Gewerblicher Rechtsschutz und Urheberrecht - Internationaler Teil
HRCourt	The European Court of Human Rights
HRComm	The European Commission on Human Rights
HUDOC	Human Rights Documents - search engine
ICJ	International Court of Justice
ICLQ	International and Comparative Law Quarterly
IIC	International Review of Industrial and Copyright Law
ILC	United Nations International Law Commission
IPQ	Intellectual Property Quarterly
LBA	The Legal Board of Appeal of the EPO
NIR	Nordic Intellectual Property Review
OJ	Official Journal, EPO, cited 'year, page'.
PC	The Paris Convention for the Protection of Industrial Property, 20 March 1883
PCT	The Patent Cooperation Treaty of 19 June 1970, as amended in 1979 and 1984
RPBA	Rules of Procedure for the Boards of Appeal
RPEBA	Rules of Procedure for the Enlarged Board of Appeal
SEA	The Single European Act of 1986
SFS	Statens författningssamling
SICJ	Statutes of the International Court of Justice
SOU	Statens offentliga utredningar
TBA	A technical Board of Appeal of the EPO
HRTravaux	Collected Edition of the Travaux préparatoires to the ECHR

TRIPs	Treaty on Trade Related Aspects of Intellectual Property Rights, 1993
UNICE	Union of Industrial and Employers' Confederation of Europe
UPOV	Union internationale pour les obtentions végétales
VCLT	Vienna Convention on the Law of Treaties
VCIO	“ ” between States and International Organizations or between International Organizations
VPP	Vereinigung von Fachleuten des Gewerblichen Rechtsschutzes
WIPO	World Intellectual Property Organization
WTO	World Trade Organization

Latin Phrases

Ab initio	From the beginning
Audiat et altera pars	Hear also the other party
Bona fide	[Done] in good faith
Cessante ratione legis, cessante ipsa lex	If the law ceases to be reasonable, the law itself ceases
De novo	Anew [again]
E contrario	Conclude the contrary as to matter not covered by a provision
Erga omnes	Valid for everybody
Estoppel per rem judicatam	Prevention [of litigation] regarding an item adjudicated
Ex tunc - ex nunc	From then on [ie. retroactively] - from now on [not retroactively]
Ex parte - Inter partes	From the party [one - sided proceedings] - Between parties [Two-sided proceedings]
Expedi rei publicae, ut finis sit litium	It is in the public interest that litigation ends
Ex officio	By initiative of the authority
Ignorantia facti excusat, ignorantia juris non excusat	Ignorance about the facts is an excuse, ignorance of the law is not
Ignorare legis est lata culpa	Ignorance about the law is heavy [gross] negligence
In casu	Decision taken on the specific facts of the case
In dubio pro reo	When in doubt, find for [in favour of] the case [of the party not having the burden of proof]
In perpetuum	Forever
In pleno	In its [the court or deciding body] entirety
Jus cogens	Compelling or binding law
Lex posterior derogat priori	Younger legislation takes precedence over older
Lex specialis derogat generalii	Special legislation takes precedence over general
Locus standi	Standing as party in court proceedings
Ne bis in idem - res judicata	The same may not be judged twice - the case is adjudicated

Ne ultra petita	Not outside the [party] requests
Qui facit per allium, facit per se	He who acts through another acts for himself
Pacta sunt servanda	Agreements are to be kept
Probandi necessitas incumbit illi qui agit	The burden of proof lies with him who acts (alleges)
Ratione materiae	For reasons of the matter at hand
Ratione loci	For reasons of place
Ratione personae	For reasons of the person [initiating a case]
Ratione temporis	For reasons of time [being out of time]
Reformatio in peius	Change to the detriment [of the plaintiff or appellant]
Res inter alios iudicata alii non praejudicat	A matter adjudicated between some does not prevent [it from being adjudicated between] others
Res iudicata pro veritate accipitur	A matter adjudicated must be received [acknowledged] as true
Res iudicatas restaurari exemplo grave est	To reopen adjudicated matter sets a serious [bad] example
Restitutio in integrum	Restoration of [what was before] rights
Sine qua non	[An element] without which there will be no effect
Ultra vires	Beyond one's powers, ie. outside of one's competence
Venire contra proprium factum	Go against one's own facts
Volenti non fit injuria	To him who is willing no injustice is done

The introductory quotation from Cicero, De Legibus:

The law is the highest reason intrinsic in nature commanding us what to do and what not to do.

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CHAPTER 1 INTRODUCTION

1.1 Initial observations

"Attorneys and judges have long recognized the significance of procedural law in the field of intellectual property law". - "... it has even been our experience that *the procedure to obtain, to defend and to enforce intellectual property rights* is in many cases more important than the rules of *substantive law*, which define the prerequisites, the contents, and the scope of protection, and which traditionally dominate legal discussion." - "The procedural law in the field of intellectual property is often more important than the rules of substantive law, in particular for patent rights which are not awarded until after a sophisticated legal procedure has been concluded."¹ - "Applicable laws and regulations for the protection of intellectual property are only so good as the practice is able to implement them. The jurisdiction of the courts and the access to courts of law are key elements in the realisation of an effective legal protection, which are attracting increasing attention from the international community."²

These remarks indicate that particular importance must be attached to the procedure as applied by an international institution like the EPO, which awards patent rights at the international level after an extensive examination as to substantive patentability criteria for a potentially large number of designated states throughout Europe. The last remark above is a witness to a lingering sense in interested circles about deficiencies in the procedural situation in Europe where patents are concerned.

Due process as a general concept of the requirements of procedural law is thus seen as of particular importance when concerning the right of industrial property. It becomes even more crucial at the stage where industrial property has not yet accrued, but is only latent in an invention, for which a patent is sought. Only when the invention has finally been awarded a patent is the right of intellectual property protected under patent law³.

¹ Beier, F-K., *The Remedies of the Patent Applicant and His Competitors in Comparison - Balance or Imbalance? A Comparative Law Study*, IIC, 1989, p. 407.

² Pattloch, T., *Bericht: Symposium on Enforcement of Intellectual Property Rights and Patent Litigation*, held in Munich, Germany 10-14 September 2001, GRUR Int. 2002, p. 30. (Translation from German).

³ Albeit that a provisional protection applies from the date of publication of the European patent application, Article 67 (1) EPC.

Part of the problem of possible deficiencies can be ascribed to the fact that the EPO is an international organisation. Being based only on one or more international treaties and deriving their competence from the transfer of powers from sovereign states, *international organisations* as a rule do not operate in a complete legal environment⁴. Normally, the organisation is governed by one fundamental treaty, whereby the organisation is created and its organs, aims and competence are defined. In addition, protocols on immunity and privileges and a contract with the state of residence belong to the standard legal setup of an international organisation⁵. More or less complete implementing rules may accompany these basic instruments.

The European Patent *Organisation* is governed by the European Patent Convention (EPC) and its Implementing Regulations⁶. Using Eek's classification, the European Patent Organisation would be a regional organisation with economic and constitutive functions. However, its main function is another: It awards private industrial property rights at the international level, which changes legal relations as between individuals and as between individuals and the general public. This has the effect of creating economic values in the form of private rights, in the sense that an awarded patent transfers property rights of an economic character from the sphere of the public to an individual rights holder. The European Patent *Office* (EPO) is the institution which performs duties relating to the reception and examination of patent applications, i.e. awarding patents for inventions meeting the requirements of the EPC⁷.

⁴ *Morgenstern, F.*, Legal Problems of International Organizations, Cambridge 1986, p. 3. observes that general rules supplementing the internal law of organizations outside its proper sphere of application are little developed, see also her further references in footnotes 1 and 2. A short summary of relevant parts of her research results appears in 3.6.1.

⁵ For a description and classification of international organisations and their legal regimes, see e.g. *Eek*, Folkrätten, 3rd edition, Stockholm 1980, p. 114 ff, *Bennett A.L.*, International Organizations, 6th ed. 1995, *Schermers/Blokker*, International Institutional Law, 1995, *Schreuer, C.* Die internationalen Organisationen, in *Österreichisches Handbuch des Völkerrechts*, 1. Teil, 1983, and *Seidl-Hohenveldern L.*, and *Loibl, G.*, Das Recht der internationalen Organisationen, einschliesslich der supra-nationalen Gemeinschaften, 1992. Classification of the EPO is discussed in 3.6.2.

⁶ The organs of this organisation are the European Patent Office and the Administrative Council. The acronym EPO is used to denote the Office, i.e. essentially the departments competent to examine European patent applications, but not the Organisation as such.

⁷ In addition to the Technical Boards of Appeal, the TBAs, the Legal Board of Appeal, the LBA and the Enlarged Board of Appeal, the EBA, the Disciplinary Board of Appeal, the DBA, has the function, *inter alia*, to decide on complaints and sanctions against professional representatives. Pursuant to Article 134 ((8)(c)) EPC,

Articles 90 - 126 EPC lay down procedural provisions to be followed by the organs of the office, with corresponding implementing provisions in Rules 39 - 102 EPC. An appeal lies to the Boards of Appeal (BAs), which are the only judicial instance of the EPO⁸. The possibility of post-grant opposition in centralised proceedings before the EPO is another safeguard against invalid patents being issued, regulated in Articles 100 - 105 EPC. For these proceedings as well, the BAs are competent as a centralised appellate and final instance.

As a comparison, it may be mentioned that the Swedish Code of Judicial Procedure contains 706 articles of which more than 500 pertain to civil procedure. The Swedish Act on administrative procedure, which partly is applicable to patent appeals at the patenting stage encompasses 53 articles. The English counterpart, Rules of Court, have some 115 articles and the French Code of Civil Procedure contains some 1500 articles. Of the international courts studied⁹ each has a far more extensive and detailed procedural regulation to abide by than have the organs of the EPO. Compared to such detailed regulations at national and international level, the EPC is laconic indeed. This should create a large scope of application for Article 125 EPC, which, surprisingly, has not been applied very often in practice¹⁰.

Like other national patent laws, the EPC also contains procedural provisions of a mandatory nature to be followed strictly by the applicant for a patent. Often the failure to comply with such provisions will result in the loss of the patent. The economic effects of such losses may be enormous, as seen in 2.3, despite the absence of a consensus on the appropriate manner of calculating the value of patents¹¹.

the Administrative Council adopted a Code of Professional Conduct and a Regulation on discipline for professional representatives..

⁸ See Mr. Justice *Jacobs* in *Lenzing AG v. Courtaulds Fibres Ltd et al.*, judgment 20 December 1996, who concluded that the members of the boards of appeal were judges in all but the name.

⁹ The European Court of Human Rights (HRCourt), the Court of Justice of the European Communities (CJEC) and the International Court of Justice (ICJ), see chapter 5.

¹⁰ As seen from the rather few cases where boards have in fact applied Article 125 and the even fewer cases in which the Enlarged Board of Appeal has endeavoured to find generally accepted principles, cf. cases summarised in Annex II.1.

¹¹ The evaluation of a patent may be made through an assessment of lost revenues from product and/or license sales. See e.g. Karnell, G., Gedanken zur Bemessung von Schadensersatzansprüchen bei Patentverletzungen, Festschrift für Friedrich-Karl Beier, in GRUR INT., 1996, p. 335 ff. Other models of assessment are mentioned in 2.3.

From these facts as a starting point, *my first observation* was that the function of awarding patents may require a more detailed legal foundation than that currently available to the EPO. The closer the legal setting for the EPO is to a national setting with its complete set of provisions across the law, including indirectly relevant legal areas, the more ideal the situation.

During the deliberations on the EPC, the negotiating states were not willing to create a supranational court of appellate instance. This led to the compromise solution of creating independent boards of appeal within the EPO¹². For the European Patent Office to operate successfully, it is important that the patents it awards are recognised as valid at the national level. The European patent is not a homogenous patent; after grant, it divides into a number of nationally valid patents, which may be challenged and revoked before national courts. However, the grounds on which a European patent may be revoked nationally are restricted¹³. For example, a European patent cannot be revoked on the legal ground that the procedure before the EPO did not meet corresponding requirements for the procedure at the national level. This system makes it particularly important for the European Patent Office to uphold a standard for its procedure which is accepted nationally.

The observation that courts do not operate independently, neither of their legislature nor of their executive nor of their national social setting, makes the lack of comprehensive procedural provisions in the EPC stand out all the more¹⁴. The limitations on an international organisation preventing it from looking at national solutions which cannot truly be said to be generally applicable in most of the other member states is a further constraint. This would have been a sufficient reason to prompt the adoption of a comprehensive procedural chapter for the EPC.

¹² *Gori/Löden* in *Münchener Gemeinschaftskommentar*, 18. Lief., Januar 1995, p. 6 - 9. Cf. *van Empel*, The granting of European patents, A W Sijthoff, Leyden, 1975, (cit *van Empel*) p. 27 at 60, remarking that it does not seem necessary to discuss whether the EPO was a supranational organisation or not.

¹³ The grounds on which a European patent may be challenged nationally are listed exhaustively in Article 138 (1) EPC, i.e. lack of novelty, of inventive step, of industrial applicability and of sufficient disclosure of the invention. In addition, a patent may be revoked if it extends beyond the content of the application as filed, the protection conferred has been extended or if the proprietor is not entitled under Article 60 (1) EPC.

¹⁴ *Jacob, H., et al.*, *Courts, Law and Politics in Comparative Perspective*, 1996, p. 11 f.: Courts exercise at least three functions through their judgments; they make policy by interpreting the law to adapt to new situations, they exert social control by their authority to tell parties what they have to do in a given situation, and they may reinforce legitimation or diminish it by the public's acceptance or non-acceptance of their decisions. All of this presumes that there is an overlap and interaction between the branches of government. Procedure becomes important as an instrument of acceptance, since parties will accept a judgment easier if they feel that they were treated fairly by the court (*idem*, p. 13 f).

The need for a more comprehensive regulation has been felt in Board of Appeal practice as well. Decision *D 11/91*¹⁵ is a good example of the dilemma facing deciding bodies of international organisations where the law is found deficient or incomplete¹⁶. In particular, since the DBA is not a Board of Appeal for the purposes of the EPC, questions may even arise concerning the extent to which the EPC could fill gaps in the RDR¹⁷, not to speak of filling gaps in the procedural setting of the EPC itself or the provisions governing disciplinary cases.

A disciplinary case is by nature close to criminal cases. *D 11/91* embraces issues relating to the ECHR with regard to the right to due process when the applicable law is either lacking in sufficient detail or seems unreasonable or even inconsistent or threatening to lead to absurd results and where there is little or no guidance by way of travaux préparatoires¹⁸.

The examination in *D 11/91* of the exigencies of the ECHR was initiated by the appellant's invoking that convention in support of his appeal. The Disciplinary Board of Appeal, the DBA, found a period limited to a fixed number of years (two) to be an appropriate sanction under Article 4 (1) (e) RDR, despite the fact that this

¹⁵ See summary in Annex II. This case concerned the appropriate penalty for a European patent attorney who had been found guilty of violating the Code of Conduct of the Institute of Professional Representatives before the European Patent Office (epi) and the Regulation on Discipline for Professional Representatives (RDR). The DBA considered that a fixed period was adequate, although it applied the most severe penalty of the Regulation, i.e. Article 4 (1) (e) RDR, which prescribed "deletion from the list of professional representatives for an indefinite period". The decision is discussed in more detail in 6.5.

¹⁶ Pursuant to Article 134 (8) EPC, in 1977 and 1978 the Administrative Council adopted a Regulation for the establishment of an Institute of Professional Representatives, the epi, and a Regulation on Discipline for Professional Representatives (RDR). By force of a delegation from the Administrative Council, the epi has adopted a Code of Conduct for its members. The Administrative Council has adopted additional rules of procedure for the Disciplinary Committee and the Disciplinary Board. The Disciplinary Board of Appeal (DBA) was also established through the RDR. Its function is to hear appeals and to review decisions, on conditions set out in the RDR. The RDR contains provisions guaranteeing the independence of the members of the DBA, the right of parties to be heard and other procedural rules. Additional rules of procedure for the DBA were adopted by itself in 1980 and approved by the Administrative Council. Sanctions for infractions against the code of conduct of professional representatives are given in Article 4 (1) RDR, ranging from a warning to deletion from the list of professional representatives for an indefinite period.

¹⁷ For example, the DBA decided at an early stage that it could not refer any questions to the EBA, see *D 5/85*, point 5 of the reasons.

¹⁸ The decision in *D 11/91* was published, which further underlines its general scope and fundamental importance.

paragraph according to its wording only provides for deletion “for an indefinite period”.

My second initial observation therefore concerned *the effect of an incomplete legal environment*. Article 125 EPC refers to the applicability of generally recognised principles of procedural law in order to close this gap, but does not lay down in any detail the standard for a principle to be recognised as generally accepted. This provision has given rise to part of the case law of the boards of appeal relevant for the thesis, in the search for such principles. A study of this case law would reveal the kind of problems encountered by the EPO in its daily operations when processing patent applications; it would also reveal whether there is a high risk of disharmony of practices or whether there are any specific procedural problems recurring at a frequency which would indicate that they are still unresolved or that the case law is still unsettled, to the detriment of legitimate interests regarding the property value of patents.

Zweigert and Kötz observe that the judge who has to apply uniform law must look not only to his own national rules of construction, but must also take account of how courts or other authorities will interpret it, i.e. he will have to revert to comparative law and he must make good any gaps in it using general principles of law which he has deduced from the relevant national system¹⁹. Moreover, an international judge does not even have the benefit of starting with one consistent and complete national law and then moving on to other legal regions for comparative input. Instead, he must try and analyse principles from various legal systems in an attempt at harmonising and fusing them into viable tools capable of solving his legal problems in a way acceptable to the international community (mainly consisting of the contracting states to the international instrument in question) as a whole²⁰.

¹⁹ *Zweigert and Kötz*, An Introduction to Comparative Law, 2nd rev. ed., 1987 (cit *Zweigert/Kötz*) p. 19. See also *Schricker*, in *Münchener Gemeinschaftskommentar*, 1. Lief., 1984, p. XII at II, underlining the further insecurity created by differing methods of interpretation and the fact that the methods developed by international courts do not serve well for a purpose such as that of the EPC.

²⁰ An enlarging feature of the scope of EPO patenting activities is that not only applicants from member states are entitled to file patent applications at the EPO; in fact the United States of America and Japan appear prominently in the statistics on the number of applications filed each year. In the year 1999, for example, applications from USA and Japan amounted to about 45 % of the overall number of patent applications to the EPO or some 44 000 applications, to be compared with the some 45 000 (about 50.4 %) filed from Contracting States to the EPC (the remainder, about 4 300 or 4.8 % came from other countries).

Another effect of the incomplete legal environment may be seen in the organisation of the BAs as the only judicial instance of the EPO. In spite of the fact that the members of the BAs are guaranteed independence and non-intervention from the executive powers by Article 23 EPC as to their judicial functions, as part of an administrative organisation found not to meet the standards necessary for safeguarding this independence, the BAs may be found to fall short of the standards set up internationally for courts of law²¹. The organisation of the European Court of Human Rights, the HRCourt, itself and that of the International Court of Justice, the ICJ, as well as the rules of procedure applied by these two courts, could serve as models for the EPO BAs. Likewise, the Court of Justice of the European Communities (CJEC) could contribute valuable standards to follow. A further area of importance for the acceptance of the boards as a judiciary is the content of the procedural rules to be followed.

Given the complex interdependency of nations by their adherence to a great variety of international treaties²², comparisons at the international level are called for, using a comparative law method like the one traditionally used for comparing national legislation. This approach seems particularly important in view of the civil law nature of a treaty like the EPC. The thesis will therefore attempt to use, among others, the tools of comparative law, extending them beyond their traditional role of making comparisons between national legal systems in the search for the best solution to a specific domestic legal problem.

A third observation concerned the nature of public international law, which does not form a homogenous whole, from which principles could be found to fill gaps in a legal regime at the international level. The question therefore arose whether gaps in one treaty convention might at least partly be filled out by general principles applicable under the regime of another treaty. The so-called international community today is frequently tied together by numerous international treaties, creating cross-relationships, but also a multitude of obligations, sometimes conflicting or inconsistent. Under treaty law, a state cannot, by entering into a treaty, rescind its earlier obligations under a previous treaty, unless it is formally denounced. This situation called for a study of the tools of international law, but not only in a

²¹ See Council of Europe Recommendation No (94) 12 on the independence, efficiency and role of judges, which lays down minimum standards for national courts of law.

²² See e.g. *Bennett, A.*, *International Organizations Principles and Issues*, p. 4, who is surprised to see that the behaviour of sovereign states has not changed much in spite of this interdependency.

traditional sense. The reason is that traditional international law governs behaviour between nation states, whereas it is not recognised as being able to serve as a governing tool for relations and behaviour between individuals. The EPO, being a unique international organisation in that it operates in the field of civil (private) law, would not at first sight benefit from an assessment using customs in public international law²³. The particular feature of the EPO is that it directly decides property issues between individual parties by applying a European patent law, which was essentially codified from national patent laws²⁴.

The fourth observation leading to the present study was that the ECHR has become all but a regional constitution for its European member states²⁵, protecting not only traditional human rights such as the right of due process, but also the right to enjoy one's property and social rights. Moreover, all but one of the Contracting States to the EPC are also High Contracting Parties to the European Convention on Human Rights (ECHR)²⁶. There is abundant case law under the latter treaty with regard to the right to an independent and impartial tribunal and a fair hearing (Article 6 (1) ECHR). For these reasons, the ECHR is particularly suitable to use as a model in the application of the EPC. The practices of the BAs would hence benefit from a comparative study of the case law of the European Court of Human Rights (HRCourt), as regards the rights to a due process guaranteed under the mentioned

²³ 'International private law' as a settled legal concept cannot be used here, since it denotes rules for the choice of the applicable domestic law for conflicts - of international character - between individuals.

²⁴ Work on a European patent law started already within the Council of Europe in the late 1940's and continued from the beginning of the 1960's as part of EEC efforts to create a Common market patent, see e.g. *van Empel*, p.10ff. Since 1994, the Office for Harmonisation in the Internal Market (trade marks and designs) OHIM, or the European Union trade mark office, represents a second example of individual property rights being decided at the international level. It would however be too early to use this organisation as a comparative example, its practice being far too short to have settled. The same applies to the Community Plant Variety Office (CPVO), in existence since 1996. Another crucial difference is that - contrary to the Boards of Appeal of the EPO - the appeal boards of these later offices do not decide matters as a final instance; an appeal lies under certain circumstances to the European Court of Justice, Article 63 of Community Regulation on Trade Marks, Council Regulation 40/94, and Articles 73 and 74 (see also Articles 29 and 100) of Community Regulation on Community Plant Variety Council Regulation 2100/94. Because of these differences, no analogy can be drawn for the purposes of this thesis. The conditions for appeals cover procedural and legal infringements, i.e. both procedural violations and severe misapplication of substantive law. See also 2.5.2 on national patent procedures and 3.6 on the status of international organisations.

²⁵ See e.g. *Brownlie*, I., *Principles of Public International Law*, p. 578: [The ECHR] "is a comprehensive bill of rights on the Western liberal model, born of the Council of Europe".

²⁶ Monaco is not a separate party to the ECHR, which in January 2003 had 44 members. In the near future, the accession of several eastern Europe states to the EPC is expected. As of 1 March 2003, the following 27 states were members of the European Patent Organisation: Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Liechtenstein, Luxembourg, Monaco, Netherlands, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, and United Kingdom.

article, including an analysis and conclusions regarding the compatibility of these practices with the ECHR²⁷.

The EPO does not only function as a patent-awarding institution²⁸. As a subject of international law, EPO is active internationally and politically within the trilateral co-operation with the United States Patent and Trademark Office and the Japanese Patent Office. It also engages in extensive technical and legal co-operation to aid developing states²⁹. The activities belong to the more traditional functions of international organisations, to further common goals of its contracting states. Plans to amend the EPC to make it possible to adjust it more efficiently to needs arising out of future treaty agreements which may involve the EU as a party, may possibly change the methods or principles by which the substantive provisions in the EPC will be interpreted. In November 2000, a diplomatic conference adopted a first batch of proposals³⁰.

How the EPO as an international organisation acts with regard to patent applicants is not only important for the immediate region, its contracting states and the applicants from these states. Other applicants from around the world are also affected by EPO practices. International interdependency will no doubt continue to develop at an increasingly brisk pace, which will place further demands on its organs. The plans for a Community patent regulation to further integrate European

²⁷ An early plan to include a study of the ECHR practice related to the protection of property, Article 1 Prot 1 ECHR was abandoned for the main reason that the exceptions from protection under paragraph 2 of that article and the practice with regard to patents did not raise any expectation that this practice would be contributive to the purpose of the thesis.

²⁸ This main function makes the EPC into a law-making treaty, see e.g. *Brownlie*, *ibid.*, p. 12 (“law-making treaties create general norms ...for the parties in terms of legal propositions”), and *Waage, E.*, *Principles of Procedure in European patent law*, 2002, p. 4 at 1-8 (“the EPC is ---a regional law-making treaty governing a limited field and establishing a system of law”). The object of discussion differs; *Brownlie* examines traditional treaties serving public international purposes, whereas *Waage* examines a treaty whose essential function lies within the sphere of civil law. See also 4.4 on the law-making function of the ECHR.

²⁹ See e.g. Annual Report EPO 1998, p. 30-41 for an overview of international activities. These activities fall mainly within the sovereign powers of its member States, which have been delegated to the EPO. EPO here serves the purpose to enhance international cooperation for the economic benefit of its member states and is as such to be characterised as a functional international organisation, see *Bennett*, p. 253 f. and table 10-1, p. 237. For these areas, the EPO functions more in the traditional sense of promoting common interests.

³⁰ Amendments to Articles 33 and 35 EPC, Basic Proposal, doc CA 100/00, p. 21 and 25, adopted in the version published in OJ, Special Edition, No 4, 2001.

patents³¹ and a working group for a centralised European patent litigation procedure³² are examples of the need for closer co-operation. These and other projects affecting international patent law are discussed in chapter 9.

The basic function of the EPO - to receive applications for patentability examination with the aim of deciding whether they justify a European patent, i.e. whether the invention will acquire personal industrial property status - makes it even more important for the organisation to abide by principles recognised as necessary in a society respecting the rule of law and the right to a due process³³.

One can find support for a linkage between the EPC and the ECHR, not the least in the fact that the Boards of Appeal of the EPO have declared themselves to respect the case law under the ECHR. This linkage is however not sufficient to establish any formally binding effect of the ECHR on the EPC. The Strasbourg organs have yet to declare admissible a complaint directed towards the EPO itself as representing some of the contracting states to the ECHR³⁴. Despite the lack of such a formally binding effect, the decisions of the BAs to recognise it would justify using the ECHR and the practice of the HRCourt as *a source of law* in the *application of procedural principles* within the EPO.

An adherence to generally acceptable as well as required procedural principles will, at least indirectly, contribute to the protection of property as such, in this particular case the protection of industrial property, thus not only complying with Article 6 (1) but also with Article 1 Protocol 1 ECHR.

1.2 Object and scope of the thesis

The object of the thesis is to assess the procedure at the appellate stage of patenting at the European regional level, i.e. in proceedings before the Boards of Appeal at the EPO. The assessment is mainly made by comparing their case law with the conditions laid down in Article 6 (1) ECHR for civil proceedings, as well as with the

³¹Proposal for a Council Regulation on the Community patent, COM (200) 412 final, Brussels 1.8.2000. On 3 March 2003, the Competitiveness Council agreed to a Common Political Approach for a Community Patent, see doc 7159/03, dated 7 March 2003, of the General Secretariat, Council of European Union.

³² The Working group on Patent Litigation in Europe, set up by the Intergovernmental Conference of the member states to the EPO in Paris, 25-26 June 1999, see OJ 1999, 545 ff.

³³ *Pattloch*, idem, p. 30: "Bestehende Gesetze und Verordnungen zum Schutz des geistigen Eigentums sind nur so gut, wie die Praxis imstande ist, sie zu verwirklichen."

³⁴ See 3.7.3, 3.8.1.1 and 4.4 regarding admissibility issues. Cf. 3.8.1.2, the ESA cases, which were admitted.

principles developed and adopted by the HRCourt in Strasbourg in its case law. The outcome of this assessment is determinative of whether a new and comprehensive regional system³⁵ should be developed to correspond better to the needs of industry and promote technical development in Europe.

The study is limited to the procedure in inter partes proceedings, i.e. opposition proceedings, at the final instance of the EPO, the Boards of Appeal³⁶.

The thesis falls into three main areas, patent law, international law and procedural law. Scholars and students of international law, in particular those with an interest in the legal nature and conditions of work of international organisations and the impact of the HRCourt practice on such organisations, should find material of interest to them in the thesis. It is further of interest to a varied group of patent experts, in particular those who represent parties before the EPO, who need to know in advance what to expect from the EPO procedure at the appellate level.

The first part of the thesis covers the first two areas; patents as included in the family of personal and intellectual property and the identification of the nature of patenting, and secondly a comparative analysis of relevant treaty law in the attempt to establish the quality of the linkage (if any) between the ECHR and the EPC.

The second, comparative part of the thesis focuses on three main areas with regard to the BAs as the judicial instance of the EPO: their *organisation*³⁷, including their rules of procedure, the *accessibility* of the appeal procedure to those who were parties to proceedings before the first instance of the EPO and the application by the Boards of Appeal in practice of the *procedural law* set down by the EPC. In the final chapter an outlook for the future in Europe in the field of patent procedure is attempted.

Among these three categories, in the view of this author, the *organisation of a court of law* is the most important element, since the members of the court of final instance have the last say in the fate of a patent application or granted patent. Their ability to

³⁵ See the holistic approach introduced in 2.7.2 and discussed in more depth in chapter 9.

³⁶ In ex parte proceedings, where a patent has not yet been issued, the Boards of Appeal are largely to be seen as an administrative organ, whose main function is to examine appeals regarding patent applications for patentability. The scope for ex officio acts is as wide for the BAs as for the first instance, the Examining Divisions.

³⁷ One aspect to be discussed is the position of the Enlarged Board of Appeal, see 6.2.3 and 6.9.1.

keep their integrity and the circumstances under which they carry out their functions will inevitably influence the quality of their decisions. *Access to this court of law* comes next in importance, since a party who does not have access cannot win its case and is faced with a *déni de justice*, if excluded for unjustified reasons. Once access has been gained, certainly *the procedure itself* by which the court of law arrives at a decision as indicated at the outset of this chapter may often be more crucial for the fate of the patent than the evaluation of it with regard to the technical patentability criteria as such.

For *the organisation* and the rules of procedure for the BAs themselves, the organisation and procedural principles valid for three other internationally acting courts, the European Court of Human Rights in Strasbourg (HRCourt), the International Court of Justice (ICJ) in the Hague and the Court of Justice of the European Communities (CJEC) in Luxembourg, have been used as comparative models. While the HRCourt is the obvious choice for a comparative study in view of the recognition this court has won in the practice of the BAs of the EPO, the standards set by the ICJ may also be important, although they have been developed for the purpose of public international law, not civil international law as is the area of competence for the EPO. The CJEC has a special status, given its harmonising impact on European law in general. Whereas each of these three international courts is in a position to contribute to the analysis, the first and foremost model is the HRCourt itself. The importance of the ICJ lies in its world wide geographical scope and the fact that its Statute has a long recognised standing in the international community. As far as due process is concerned, however, the ICJ has less to offer than the other two institutions, since its conflict- solving function is limited to state relations only.

Under Recommendation R 12 (94) of the Council of Europe, the efficiency, education and role of judges require not only proper resources to be put at the disposal of courts of law, but also that the court be appropriately organised. The United Nations Basic Principles on the Independence of the Judiciary of 1985³⁸ offer helpful guidelines for defining appropriate standards. These international instruments have been used as parameters for the assessment of the guarantees

³⁸ Adopted at the Seventh UN Congress on the Prevention of Crime and the Treatment of Offenders, Milan, Italy, 26 August - 6 September 1985, doc A/Conf.121/22).

afforded under the EPC for the protection of the independence and impartiality of the members of the BAs.

Each comparative part is accompanied by an analysis attempting to assess the compatibility of the EPC and the practice emerging from the case law of the BAs with the standards set by these parameters³⁹.

The results of the comparative studies are partly surprising, eg. in that the procedural basis for the appellate instance of the EPO lacks some of the core elements considered necessary for other international courts, such as certain guarantees for the independence of its members, and in the lack of a complete procedural legal setting for the processing of appeal cases. Further, at the European level, the lack of co-ordination of projects in patent law, both horizontally and vertically, is noticeable. Attempts at establishing an appellate instance separate from the EPO level have not yet emerged in reality, which raises the question of the need - according to HRCourt established principles under Article 6 ECHR - to create a proper European patent court for appeals against EPO decisions on European patent applications and patents.

Finally, the last chapter is devoted to a summary of ongoing projects in Europe and elsewhere in the area of patent law. This situation is found deficient when assessed in human rights terms. A holistic approach to patenting in Europe is advocated. Its main elements and how they would benefit over-all procedural efficiency and the legal position of patentees with regard to litigation over European patents are discussed.

The sources quoted - apart from legal texts and cases from the HRCourt and the EPO Boards of Appeal - consist mainly of generally known textbooks or commentaries, in particular sources used for the descriptive parts in chapters 2-5. These sources do not claim to be complete, since the descriptions only serve to give background information useful for the reader who is not familiar with the respective areas of the law. For comments on human rights issues resolved by the HRCourt and procedural practices before the EPO, the choice of authors generally followed the principle of searching for articles and other written information which could enlighten and widen

³⁹ The study includes ECHR cases of interest were decided before 1 January 2002 and EPO cases decided before 1 November 2002.

aspects on the patenting procedure, whether it had been criticised for lack of compliance with human rights principles or other risks had been noted which ensued from the case law or even from a lack of adequate principles. In order to highlight procedural problems, my selection was in general governed by a higher interest in finding sources which had found the procedure to be lacking in any respect than those agreeing on what is well with the EPO appeal procedure. References to articles in patent journals and other specialist publications are therefore prominent. The references are generally of recent dates. The same mode of selection applies to other sources used for the analytical parts of the thesis.

Quite a few procedural principles are expressed in Latin. This is mainly due to a tradition of English law, by and large adopted in the case law of the BAs. No doubt this is due to the succinct character of Latin legal terminology⁴⁰.

1.3 Methods for retrieval and selection of cases

The use of the ECHR as a controlling instrument in the application of the EPC required that comparable procedural concepts be found. To begin with, this necessitated an analysis of the workings of the ECHR, in particular the methods utilised for its interpretation, the categories of procedural elements considered to be sanctioned by Article 6 ECHR and other provisions concerning court procedure. Admissibility issues resolved by ECHR organs might also be of interest, with special regard to cases involving patent matters. Since the ECHR case law is more homogenous than that of the EPC and the volume of cases much smaller, the selection and classification of cases started from the former convention. The case law under the EPC was then selected and classified using the same or similar parameters.

The method used for the selection of cases as described and exemplified below still cannot exclude that some cases of interest were not found. It should, however, guarantee that the most vital cases and hence, the most crucial procedural principles were indeed caught in the search. As a final checking means, textbooks on human rights issues and the HRCourt practices as well as information from the HRCourt were consulted.

⁴⁰ Translations of basic legal principles in Latin are included in Abbreviations.

1.3.1 The ECHR

1.3.1.1 HUDOC - the ECHR Internet search engine

HUDOC, human rights documents, is a search engine for retrieving cases from the Council of Europe Internet site⁴¹. Three different sources are included in the database: the HRCComm, the HRCourt and the Committee of Ministers. Search is done through full text entering of keywords or strings of words. It is also possible to search directly for a case by entering its title, the respondent state, the application number, relevant Articles, keywords according to a keyword list, or a word from the conclusion (an abstract of the decision). A desired time period may also be chosen. The search result may be displayed according to certain criteria, e.g. relevance, date (chronologically forward or backward), title, etc. The search can be restricted to any of the three sources, e.g. only judgments from the HRCourt may be selected for display. The search program has so-called intuitive capacity, i.e. HUDOC can interpret to some degree the underlying object of the search, which facilitates searching considerably. For example, it can handle requests including letters foreign to English or French (the two languages in which the search has to be conducted). It supports Boolean search operators, e.g. a phrase within double quotation marks will make HUDOC look for the exact same words in the given order, and AND, OR, and NOT are used in accordance with normal Boolean standards. HUDOC can also search for words within a given proximity and can analyse wildcards.

In the HUDOC program there are word wheels for titles (usually the name of the complainant and the respondent State), for the conclusions of the HRCourt, and for the keywords. The latter are included in the summary notices offered for each decision or judgment. These notices include data on the parties, the deciding organ, case number, date of decision or judgment, relevant articles of the ECHR, and the conclusions of the HRCourt, as well as an overview of relevant domestic law, the applicable Strasbourg case law and external sources, and finally the keywords to help identifying cases relevant for specific research purposes. A manual for the HUDOC search is also available. All notices, decisions and judgments may be downloaded for ease of further access⁴².

⁴¹ Address: www.coe.int, the so-called Council of Europe Portal. HUDOC appears on the HRCourt page, to which there is a link from the Portal. A manual in pdf-format can be printed out from the HUDOC page.

⁴² HUDOC also allows the retrieval of reports and resolutions on merits and execution of decisions and judgments.

1.3.1.2 Search strategies

In order to ensure that text entered into the text field in the search window will have a positive result, one should as a rule take a look at the keyword word wheel. This last feature makes it somewhat difficult to find overlapping cases between the ECHR and the EPC, since keywords for the latter retrieval system⁴³ do not always use the same words for the same or similar legal concepts as does the former.

An example may illustrate some of the difficulties encountered when using this word wheel. Only three cases are listed under the keyword "*general principles of international law*", *AGOSI, James and others* and *Lithgow and others*⁴⁴, all against the United Kingdom. All cases were decided in 1986, and all three cases concerned complaints under Art 1 Prot 1 ECHR with regard to compensation for the loss of property, whereas Article 6 ECHR was addressed only in the two latter cases, which also dealt with Article 13 ECHR. However, if one looks for the same string of words in the full text search window, the result is 86 cases⁴⁵. If, in order to exclude cases irrelevant to the present objects, the key word "civil rights and obligations" is added, only 18 cases are left. Most of these cases include the full text of Art 1 Prot 1, but do not discuss the implication of this requirement. This state of affairs made it necessary to screen cases individually and to look for broader search items, so that pertinent case law would not be overlooked.

Since Article 6 (1) ECHR is pivotal for the purpose of this thesis, the major part of the search and retrieval was made on this provision through the HUDOC program via the Internet. Some early landmark judgments were found in the literature. The focus on Article 6(1) ECHR made the selection process comparatively easy.

The practice of the HRCourt has developed dramatically over the more than 40 years it has existed. This is particularly true of the case law under Article 6 ECHR. At an early stage, the HRCourt noted that there could be no justification for a restrictive interpretation of this article, since the right to a fair trial holds a prominent place in a democratic society.⁴⁶ Frequently the HRCourt refers to the preamble of the ECHR

⁴³ E.g. the Mimosa program for the EPO Espace Legal CD-Rom.

⁴⁴ See 4.5.4.

⁴⁵ This search was carried out on 31 May 2001.

⁴⁶ *De Cubber v. Belgium*, decision 1984, see *Harris et al.*, law of the European Convention on Human Rights, 1995, p. 164.

when interpreting this convention; a few times it has also referred to the travaux préparatoires. Otherwise it consistently treats concepts in the ECHR as autonomous, i.e. they are interpreted with the aim of the convention in mind, rather than on the basis of the notion as understood in national law⁴⁷. The expansive interpretation of the rights protected by Article 6 ECHR has no doubt contributed to the large number of cases to be found in the database when entering it in the search window.

After extensive searches for cases which could at least be used ex analogia, other complications became clear. The cases primarily examined were those considered to be the closest to patenting matters, e.g. applications for licences to exercise activities which had economic consequences, such as professional activities or the use of real property. In the course of this, a deficiency in the HUDOC system was discovered, relating to the annotation of keywords. Searching for cases regarding building permits or other applications for the use of real property, a substantial number of cases remained unlisted, although they undoubtedly were of landmark character, such as *Fischer v. Austria* and *Zumtobel v. Austria*⁴⁸. Closer searches on a "flow chart" method basis, going from a wide, single concept and gradually narrowing the search through the insertion of either further parameters, such as indicating article 6 - 1 and the keyword "civil rights and obligations", or more precise words in the text box showed an inconsistency in indicating like issues. All these factors made the searches less reliable.

For example, looking specifically for the Fischer case, a flow chart search was conducted, to establish under what search parameters this case would be listed⁴⁹. To begin with, both "article 6-1" and the keyword "civil rights and obligations" were included in the search. The variable consisted in searching for key elements in the text of the decisions. As a first step, "land" was searched, generating 35 cases, none of which was the Fischer case. "Land use" generated 96 cases, but again Fischer was not on the list. "Use of property" generated 18 cases, again excluding the Fischer case. "Land" AND "licence" OR "permit" revealed 38 cases, but no Fischer case. "Licence" gave 22 cases, whereas "licence to exercise" only found one case, *GS v. Austria*. "Licence" AND "property" generated 10 cases, all still without the Fischer case. "Activity", likewise, while finding 44 cases, did not find the Fischer case. Only

⁴⁷ See *Macdonald et al.*, *The European System for the Protection of Human Rights*, Martinus Nijhoff, Dordrecht 1993, p. 34.

⁴⁸ Concerning disputes over a revoked tipping licence and expropriation for road construction, respectively.

⁴⁹ These searches were carried out in June 2002.

when the keyword "civil rights and obligations" was excluded from the search parameters did Fischer appear, e.g. under "licence", which generated over 100 cases when neither article 6-1 nor "civil rights and obligations" was indicated in the search and 42 cases when this article was included as a parameter. A look at the summary notice given for each judgment in HUDOC reveals the reasons for the unexpected search results in the Fischer case: "Civil rights and obligations" does not appear under Keywords, which include "Public hearing", "Reservations", "Law then in force", "Just satisfaction", "Pecuniary damage", "Costs and expenses" and "Competent court".

The actual matching of keywords between the ECHR and the EPC case laws proved also to be more complicated and less reliable than expected. The HUDOC system offers reliable results only if the standard keyword list is utilised in the search. Random attempts to insert keywords from the EPC database system in order to find corresponding issues dealt with under the ECHR were largely unsuccessful. For example, several attempts at searching in HUDOC in the full text area of judgments for "patent" failed because the word "patent" repeatedly generated a minimum of 100 cases⁵⁰, including cases where a party had been represented by a patent attorney, although these cases did not concern patents. On the other hand, the word "appealable", expected to generate a host of cases, in fact only gave 10. Therefore, as a first approach for retrieving cases, the word wheel of keywords in HUDOC were used.

The first criterion used for selection was simply numbers, the higher the number of cases appearing, the more important the issue was assumed to be or rather, the more complaints had been filed addressing this particular issue, the more cases they would have generated. While it may not say anything about the number of successful outcomes from the point of view of the individual, it should say something about the importance of this issue in the minds of individuals (barring of course all sorts of irrelevant factors, such as difficulties in filing complaints for individual reasons).

Retrieving cases by article number showed the preponderance of complaints concerning Article 6 ECHR; a total of 860 cases were listed in HUDOC on 21 March 2000. Its paragraph 1 alone generated 689 cases. Only Article 4, paragraph

⁵⁰ Unless the search result is customised in advance, the default result will show a maximum of matching 100 cases.

3 A, ECHR generated a higher number, 691 cases⁵¹. The need for further means of selection was thus obvious.

The most appropriate keywords chosen with regard to the need for correspondence with the EPC case law resulted in the following:

The right to obtain a judgment within a '*reasonable time*' generated 367 judgments, and the closely linked if not identical concept of 'trial within a reasonable time' listed three cases, together by far the most⁵². The right to a '*fair hearing*' was next in line with 163 cases. This result indicated that this concept merited the most attention, being the major one under Article 6 ECHR as well as corresponding closely to cases under Article 113 EPC relating to the right to be heard, which right under that convention has generated a prolific and still increasing body of case law.

'*Civil proceedings*' generated 111 and '*interference*' 110 cases. '*Prescribed by law*', generating 100 cases, is an expression with different meanings: under Article 6 ECHR it refers to the obligation that a court has to be established by law in order to meet the requirement ; under Article 9 (2) ECHR however, the same concept refers to the prerogative of states to limit the freedom of thought, conscience and religion, provided that the limitations are prescribed by law. Only two cases were listed which in fact discussed 'tribunal established by law'⁵³, which made this keyword less relevant. Also from the point of view that the BAs must be said to be established by law, there is no particular issue involved to be studied⁵⁴.

The importance of '*civil rights and obligations*' is mirrored by the 98 cases in which this requirement for the right of a person to have access to a court of law was

⁵¹ Article 4 ECHR relates to the 'physical freedom of person' i.e. the right not to be held in slavery etc. Article 4 para 3 A makes an exception with regard to compulsory labour during detention, i.e. when serving a prison term.

⁵² The right to 'just satisfaction', i.e. compensation to victims for established violations of the ECHR in fact generated 367 cases, but as this issue is not within the purview of the present study it is ignored here.

⁵³ As at 20 May 2001; *Bulut v. Austria*, judgement 22 February 1996, and later *Coeme et al. v. Belgium*, judgement 22 June 2001.

⁵⁴ The compliance of the Disciplinary Board of Appeal, DBA, with the requirement of being established by law was questioned by the appellant in *D 11/91*, who claimed that it was not satisfactory that it had been established by the Administrative Council of the EPO, see further annex II. - A separate and more noteworthy issue is whether the BAs are composed in a satisfactory manner and whether their own rules of procedure satisfy Article 6 (1) ECHR, see 6.3.3.

discussed⁵⁵. The right of '*access to court*' and the right to an '*effective remedy*' were about equal, with 78 and 74 cases respectively⁵⁶. The principle of '*proportionality*' was discussed in 65 cases. '*Public hearing*' generated 42 cases, whereas 'public judgment' was only mentioned in three cases. To this category, the two cases listed under 'oral hearing' would also belong. Whether or not '*administrative proceedings*' meet the ECHR requirements was a topic in 38 cases. Limitations to rights in the '*general interest*', 11 cases, are closely relating to corresponding limitations based on what is '*necessary in a democratic society*', 58 cases. These keywords would therefore merit a particular study.

55 cases were found in which the HRCourt discussed the principle of '*margin of appreciation*'. Another related principle by which the rights afforded by the ECHR may be restricted is where there is an '*objective and reasonable justification*', an element mostly applied in cases of alleged '*discrimination*', a complaint which was examined in 68 cases.

'*Take proceedings*', which listed as many as 43 cases, refers exclusively to the right of detained persons who are suspected of a crime to take proceedings under Article 5 (4) ECHR by which the lawfulness of the detention is to be speedily decided by a court and therefore is of less, if any, interest for the current thesis.

Article 6 ECHR requires that there is a '*dispute*', a concept defined in 11 cases. For the right to access to a court, there must have been a '*determination*' of the dispute, which was examined in 8 cases. Finally, the requirements to be met in order for a '*causal link*' to be found between the matter to be resolved and a potential violation of rights protected under the ECHR were the object of examination in 28 cases.

Since several decisions in the early case law under the EPC addressed Article 125 EPC and "*generally recognised principles of law*" as a supplementary source of law, a corresponding term was searched under the ECHR. The closest one found relates to the second sentence of paragraph 1 of Art 1 Prot 1, which contains two conditions under which a person may be deprived of property, i.e. if it is prescribed by law and provided general principles of international law are observed. This then had to be discarded as being irrelevant to the procedural questions sought.

⁵⁵ It should be kept in mind that all figures will increase with time. The figures given here are from a keyword list downloaded from HUDOC on 4 March 2000.

⁵⁶ 'Effective domestic remedy' generated another 24 cases.

1.3.1.3 Retrieving and selecting ECHR cases

After finding cases addressing the desired issues, a first cursory reading was necessary to take place to establish whether the facts of the case could be used analogously with patent cases before the EPO. Of all cases found by using the keyword “patent” that were studied in this way, only a handful remained after this reading⁵⁷.

Cases addressing exclusively matters of criminal law were discarded as a rule, except a few which could be used as illustrations of matters having a general purport not limited to criminal or civil matters. Cases dealing only with admissibility of the complaint before the Strasbourg organs were also considered less relevant, unless the HRComm or the HRCourt had made any statement of general interest, e.g. on the allowability of admissibility conditions.

Cases concerning family matters, such as child custody, were not immediately discarded, since they could be useful with regard to the functions of the DBA, which decides complaints about the professional behaviour of patent attorneys⁵⁸.

Complaints about administrative proceedings were all included in a second more detailed reading, being the focus of attention because of the close relationship to patent procedure. A further screening took place to establish whether the field complained of would have any impact on patent matters.

Issues addressed under Article 113 EPC frequently relate to the right to be heard, e.g. the absence of an adversarial trial or the lack of an invitation to present comments⁵⁹. Others concern limitations on the appeal review. Included under this article are as varied issues as the conditions for admissibility of an appeal, the extent of examination on appeal, the extent to which new grounds may be admissible on appeal, the right to have oral proceedings but only on request from a party, the

⁵⁷ See the survey of patent cases in 3.7.2. On 20 October 2002, the HUDOC search engine displayed 9 cases. Only one of them was decided by the HRCourt (*British-American Tobacco Company LTD v. Netherlands* of 20 November 1995). The other eight cases were all decided by the HRComm, the youngest being *Lenzing AG v. UK* and *Lenzing AG v. Germany*, both declared inadmissible by decision of 9 September 1998.

⁵⁸ They later proved to be of less interest, however.

⁵⁹ For details, see Annex II.

admissibility of late amendments, the rights of a party absent from the oral proceedings, examination by the EPO on its own motion, the principles of good faith and legitimate expectation, which sometimes arise from misleading conduct by the EPO, and the point in time at which proceedings are closed so as to preempt any further submissions from the parties.

A closer study of the ECHR issues involved in the 163 cases listed under “*fair hearing*” revealed that they in fact also covered a wide variety of issues: access to a court, issues on impartiality and independence, length of proceedings, equality of arms and failure to invite a party to comment on evidence and arguments of others, often collected under the common heading of adversarial trial, limitation of the competence of the court, and lack of a public hearing or public judgment. A large overlap thus existed between the three major groups of cases.

This screening also showed that there is no complete correspondence of issues between the ECHR and the EPC, nor was this to be expected. It was not possible to find relevant cases by mere engine search criteria. However, the following issues were among those considered to correspond sufficiently well to enable a preliminary analysis: *Independence and impartiality, good faith, legitimate expectations and equality of arms (i.e. an adversarial trial), and length of proceedings.*

The material remaining after the first and second screening was divided into three major areas, i.e. questions relating to *the tribunal* or its organisation, inner workings and other safeguards for the judiciary, questions relating to the parties' *access* to a tribunal and, lastly, questions relating to *the trial* itself, i.e. the conduct of the proceedings, whose major keyword in Article 6 (1) ECHR is “fair hearing”.

1.3.2 The EPC

1.3.2.1 Sources for retrieving cases

There are several different sources from which decisions may be retrieved. Firstly, the collection of summaries of decisions making up the major part of the established case law is published as Case Law of the Boards of Appeal of the EPO⁶⁰. Internally,

⁶⁰ The latest edition, no. 4, was published in 2001, EPO, Munich. It is quoted here as ‘Case Law’.

personnel of the EPO can also search the PALDAS database⁶¹ or the Intranet database of the EPO. The PALDAS database has its counterpart in the publicly available CD-rom Espace Legal⁶², issued twice a year.

For each decision taken by a Board of Appeal, there is added a front cover page with data to enable the reader to establish the salient points of the decision at a glance. In addition to data relating to the parties, the patent application number, the patent classification and title, and keywords to indicate the issues dealt with in the decision are entered on this cover page. Decisions fall into four categories, decided by the competent board: A, which means that the decision will be published in the OJ EPO, B which indicates that the Board found the issues decided to merit distribution to other members for information, C, with distribution to chairmen only, and D, i.e. no distribution, which means that the deciding Board did not find the decision to be out of the ordinary run-of-the-mill case. The latter category would in most cases only contain reasoning as to the technical issues of novelty and inventive step. However, sometimes Boards do not assess their own decisions as fellow Boards or the public would do. There is therefore a risk that not all cases of interest are published or distributed among members⁶³.

The abstracts consist of a list of keywords, classified according to EPC Article or Rule numbers, together with a short summary of the decisions. Those decisions which are found to be of interest regardless of category will appear later in the Case Law collection. In PALDAS or on EspaceL, decisions can be searched via such keywords. A standardisation of keywords has developed over the years. Various categories pertaining to procedural law may be found by using the list of keywords issued by the legal research department of Directorate-General 3 (the Boards of Appeal and their administrative staff). However, this method is not completely reliable, since not all boards use these keywords in the same manner and, on the other hand, may use a terminology which is not in the keyword list.

⁶¹ Patent Law and Decision Access Support.

⁶² Cited as *EspaceL*.

⁶³ This problem is of less concern, however, since the start of publication of all decisions on the Internet. The publication in the OJ is however a particular service, since it indicates that the decision may be of special interest.

A search in the EPO database via the Internet⁶⁴ is also possible; from 1999 onwards, decisions of the Boards of Appeal are gradually being made available through this medium. It has the advantage of allowing the use of general procedural law terminology when searching for relevant decisions. This source is an improvement over the previous search means via keywords, which was less precise, since it did not guarantee that highly relevant decisions would always be found, whilst often generating decisions of less pertinence. The new source, used together with the keywords and the classified abstracts⁶⁵ produced by the legal research service of the Boards of Appeal, should increase the probability of finding cases of interest. Used together for cross-checking purposes, these different sources should provide a reliable way of identifying problems, as well as of finding the most relevant decisions.

Since this study focuses on procedural issues which are not explicitly governed by the EPC, an obvious selection criterion would be to search for decisions in which Article 125 EPC has played a role in the pursuit of principles to solve procedural problems not addressed by the EPC. Being comparatively few, these cases were studied individually, before deciding which ones qualified as objects for the study⁶⁶.

Questions which have been referred to the Enlarged Board of Appeal under Article 112 EPC would be of interest to study extensively, since by definition they have been considered to be legal questions of fundamental importance. The fact that a BA has seen a need to refer a question would have resulted from either a deficiency of the law - no provision to be found in the EPC - or divergent case law or possibly because its members were unable to agree on the appropriate legal solution. At the end of October 2002, the EBA had handed down decisions or opinions in a total of 66 referral cases⁶⁷, which number is still small enough to enable a case by case study for final selection. A closer look into these cases reveals that several decisions and

⁶⁴ Address: European-patent-office.org/dg3/search_dg3.htm. Decisions from 1979 onwards are included in this database, except for some incomplete disciplinary and protest cases.

⁶⁵ Summaries of decisions arranged according to Articles, with keywords. These summaries correspond essentially to the summaries given in *Case Law*.

⁶⁶ One complication in finding these cases was that not every board mentions the article on the cover page of the decision. A separate search had to be carried out looking for the phrase 'principles of procedural law generally recognised' or parts thereof, see 1.3.2.2 below.

⁶⁷ This number remained the same in January 2003. On 24 February 2003, the EPO web-page indicated only three pending cases before the EBA, G 2-3/02, both concerning a priority from a first filing in a state not a party to the Paris Convention but a member of WTO/TRIPS, and G 1/03 concerning the necessary basis for a disclaimer to be allowable in a claim..

opinions from the EBA are not relevant to this study; one obvious category to be excluded concerns decisions on “technical” questions, such as the second medical indication, unity of invention or disclosures during the priority interval. The procedural questions may be divided into three main categories according to their prime addressees, i.e. whether they relate to the deciding body, to any of the parties or to the nature of the appeal proceedings.

1.3.2.2 Search strategies

Decisions applying Article 125

While Article 125 EPC appears on the first cover page of quite a substantial number of decisions, it should be kept in mind that this particular page is not part of the decision, and that data are only provided there as helpful means to retrieve decisions dealing with issues of interest for the reader, i.e. they are similar to the summaries with annotated keywords used by HUDOC. Sometimes the deciding BA may have referred to a certain Article of the EPC on this page without having addressed it expressly in the decision; conversely, there may be a reference to the article in the text, but not on the cover page. To make sure that relevant decisions were found, the text of decisions had to be studied. These could be retrieved by searching for "Article 125" in the full text area of the decisions.

As a first measure, all decisions in the PALDAS database containing the reference "principles of procedural law generally recognised" (or its equivalent in the other two official languages) were retrieved, revealing only 23 cases, of which none was from the EBA. However, the EBA has discussed the interpretation of Article 125 EPC in a few cases without quoting it expressly⁶⁸. Further cases were found under general headings such as "good faith" or "legitimate expectation". The decisions found were then screened as to content and only those were kept for study which applied principles emerging from Article 125 EPC. The decisions retrieved in this manner and found to be pertinent are also summarised in annex II.

Going by the provisions of the EPC, most cases appeared to fall under the "good faith" heading, which places them under Article 113 EPC as far as the right to a fair hearing is concerned. Out of the cases summarised in annex II under the heading of

⁶⁸ These cases are summarised in Annex II.

Article 125 EPC, *J 12/80*, *D 5/82*, *J 20/85*, *T 439/91*, *T 905/90*, *T 669/90*, *J 27/94*, *J 25/95*, *T 690/93* and *T 862/94* belonged to this category. Since this group was rather heterogenous, it was broken down into subclasses. One subcategory was "equality under the law" ("auditor et altera pars"), another "legitimate expectations" or rather the conditions for legitimate expectations to arise which have to be honoured by the EPO.

EBA decisions

These decisions had to be read individually to exclude those lacking procedural relevance.

Other BA decisions

In an investigation into procedural issues which may qualify as objects for a comparative study using the ECHR as a parameter, one possible approach is to study the frequency with which such issues are discussed in the BAs. As the EPO case law is abundant, a method by which irrelevant or less interesting cases would be weaned out would serve to focus the attention on those addressing more important questions.

As expected, most decisions concerned the substantive patent issues of novelty and inventive step, which are necessarily technical in nature and therefore fall outside the scope of this investigation, which is limited to procedural issues falling under Article 6(1) ECHR. These were immediately excluded. In the course of examining substantive patentability requirements, however, boards have contributed to a system of legal "auxiliary" provisions or principles, which have gained foothold to the extent that they are now part and parcel of the EPC legal system. Some of these principles have affected the procedure before the Boards, for example the admissibility of late filed matter for which a relevance condition is applied or the extent of examination on appeal, which was narrowed down in some landmark decisions handed down in the early 1990's, viz. EBA decisions *G 9/91* and *G 10/91*⁶⁹. Such principles are of interest for this study.

⁶⁹ An overview of the extent of appeal review at the time appears in *C. Holtz, Begränsningen av processmaterialet och besvärsrätten - Rättsutvecklingen vid EPO* (English translation: Limitation of the extent of appeal and the right of appeal- Legal developments in the EPO), NIR 1994, p.178 ff.

The keyword list relating to EPC provisions of interest for the present study contained 214 keywords in all, when searched for provisions on competence for various departments of the EPO and on the status of the members of the BAs, i.e. Articles 15 to 24 EPC, and other procedural provisions, essentially Articles 99 through 125 EPC. Using these keywords, decisions were retrieved from EspaceL and studied. A high number of decisions referring to a specific keyword indicated that this issue had been dealt with frequently and therefore could be of importance. Under this assumption, the keywords were ranked. As far as recent decisions were concerned, the same method for retrieval was applied using the EPO Internet database as a source, to serve as a cross-check.

An example may illustrate the complexity of the search criteria and the difficulties in finding appropriate cases. The word '*admissibility*' generated 912 hits⁷⁰, among which several subcategories are found, such as '*admissibility of opposition*', '*admissibility of amendments*' and '*admissibility of observations*'. Entering '*Article 108 EPC*' and the keywords '*admissibility of appeal*' generated 78 cases, whereas '*Article 99 EPC*' and '*admissibility of opposition*' yielded a list of 60 decisions.

Searching only by article numbers would have the advantage of being goal-oriented, since all decisions mentioning a specific article would be found. However, this approach generated too many decisions to be practical. For example, Article 113 alone generated 567 cases. A second selection would then be necessary, after the decisions had been categorised according to subject matter.

Since the object was to find decisions which indicate procedural problems encountered in the development of EPO practice, some articles on procedure became less interesting, such as straightforward admissibility questions concerning missed time limits, whereas others, such as the right to be heard, were of considerable interest. Combining each procedural article with appropriate keywords was therefore necessary.

This strategy again brought Article 113 EPC to the forefront, since it concerns the right to be heard, a central topic in the Strasbourg case law applying Article 6(1) ECHR. The first paragraph of Article 113 obliges EPO bodies to hear the parties as

⁷⁰ Using Espace L, October 1999 issue. Later issues would generate corresponding results, but for an overall increase of the number of decisions taken in the meantime. The examples given here are all based on yields given by the October 1999 issue.

appropriate, i.e. not to render a decision, unless each party has had an opportunity to comment on the grounds or evidence on which the EPO body plans to base its decision. Article 113 (1) EPC has been applied to a great extent in the interest of the parties, spanning many different situations where an earlier procedure was found to have had undesired effects. Article 113 (2) EPC is specifically directed to protecting the patent applicant or proprietor, requiring that the patent only be issued with a text approved by him. An example making use of this Article is appropriate to illustrate the search problems.

Searching the EspaceL for Article 113 EPC yielded 567 responses in all, including decisions published in the Official Journal of the EPO⁷¹ and unpublished decisions. Of these there were 55 published decisions and 457 unpublished decisions⁷². The keyword list under this article contained: "*Opportunity to comment (yes or no)*", "*right to be heard*", "*right to be heard - oral proceedings (yes or no)*", "*right to be heard - time limit*", "*agreement by patentee*" and "*request for revocation by patentee*". Looking at the first category, "*opportunity to comment*", 33 decisions were found, including published as well as unpublished ones, when searching for "*opportunity*" in addition to the Article number. Refining the search to include "*procedural*" yielded 26 cases, whereas replacing "*procedural*" by "*violation*" resulted in 24 decisions.

Another difficulty in securing that the most relevant decisions were found was that decisions may have been written in any one of the three different official languages, English, French or German, whereas only decisions published in OJ EPO are translated into the other two languages. Therefore, in order to include non-published decisions, a search had to be done using the equivalent terms in all three languages. Using the example to search for criteria under Article 113 EPC, the following German and French keywords, respectively, were searched: "*Rechtliches Gehör*" (26 cases), "*Gelegenheit*", "*Stellungnahme*" (11), "*position*" (5) and "*entendu*" (6).

Refining the search to include the article number, 113, and the keyword "*legitimate*" resulted in 9 documents only. A look into these decisions gives the following immediate result: *G 8/91* was irrelevant as it addressed the scope of a patent which

⁷¹ Cited as *OJ*.

⁷² The discrepancy of 110 documents is explained by the fact that published decisions are available in all three official languages, meaning that the database multiplies the 55 published decisions by 2, i.e. finds another 110 decisions, when searched.

might not have been legitimate. *J 28/94* concerned the filing of a request for suspension of the proceedings by a third party under Rule 13 EPC. *J 3/95* touched on a relevant issue, that of legitimate expectations, which is one developed in the case law under Article 113 (1) EPC in the interest of fair treatment of the parties. *J 32/95* was of less interest since it defined the limits to the competence of the first instance when a decision has been rectified. The fifth case, *T 87/88*, concerned unity of invention and the legitimate interest of the applicant to have the documents originally filed examined for unity. The next case found, *T 275/89*, qualified for the object of this study, since it concerned the right of a party to be informed in advance about a negative decision. Decision *T 167/93* (which appeared twice in the list) addressed a *res judicata* question, which also qualified for further scrutiny. *T 206/93* quoted Article 113 (2) EPC, but concerned the right of the board to examine an amended claim as to clarity and support. Finally, in the last of the nine cases, *T 264/95*, the board discussed whether it was legitimate for an appellant to file new claims as late as in the oral proceedings, in order to overcome a novelty problem. This small survey shows that simple keywords may lead in the wrong direction or not at all trace the desired target at all; only three of the nine cases appear to qualify for the study: *J 3/95*, *T 275/89* and *T 167/93*.

A peculiar result of the search system was that the search for "*legitimate*" AND⁷³ "*expectation*" generated 28 decisions, i.e. more decisions than the keyword "*legitimate*" alone, a result explained by the Boolean search operators, which only function with respect to specific fields in a decision, whereas multi-word strings have to be searched by using connectors developed within the EPO for the search of patent documentation⁷⁴. Entering two keywords connected with AND generates all decisions containing both words, but not necessarily connected to one another. In order to find 'reformatio in peius', for example, 'reformatio /2w peius' is entered, whereby an order is created for the system to search for 'reformatio' and then 'peius' as the second word thereafter.

When the search for "*legitimate expectations*" was extended to incorporate the German and French equivalent keywords, a further five decisions were found: *T 181/95*, *T 493/95*, *T 494/95*, *T 218/93*, and *T 220/93*. From this result it is clear that

⁷³ According to established Boolean search criteria.

⁷⁴ This system is called EPOque and the connectors used are: '/nw' for words, where n is a number indicating the position of desired words, relative to one another, '/s' for words within a sentence and '/p' for words within a paragraph.

each decision must be checked as to the context in which the keywords appear, which is relatively easy since all full text keywords searched appear in red.

Another category identified from the annexed summaries is "*obligations on the deciding bodies*", Article 24 EPC, cf. e.g. decision *T 261/88* on impartiality and the corresponding G 5/91 decision, an area where there is ample pertinent case law under the ECHR.

1.3.2.3 Retrieving and selecting EPC cases⁷⁵

In a second step, all decisions found which did not address Article 125 EPC, and were not decided by the EBA, had to be screened as to their relevance, i.e. the marked words had to be read in their context to establish whether or not the decision would be of interest. Some errors were picked up this way. For example, in a search for decisions mentioning the European Convention on Human Rights, the keywords "*human*" AND "*rights*" were entered, generating 50 cases. After the first screening only 11 cases remained. Most of the discarded cases happened to relate to patents for inventions in the field of biotechnology, addressing issues such as whether or not the invention was geared to therapeutic methods on the *human* or animal body, or to questions of re-establishment, where the due care requirement was examined in the context of *human error*. On the other hand, entering the acronym "*ECHR*" only generated two cases, i.e. not all EPO decisions which in fact address this convention were found.

A final route by which relevant decisions can be retrieved was to use keywords not appearing as part of the provision of an Article or mentioned as such on the cover pages of a decision, nor being part of the keyword list. Decisions of relevance can be found via so-called 'full text criteria' which are lists of words in a computer search engine program⁷⁶. In so far as words appear in both lists (ie having been addressed in the EPC practice as well as in that of the ECHR) it is to be expected that the

⁷⁵ The decisions finally chosen for the further comparative study of course represent a subjective selection, in the sense that only those critical from a human rights point of view were seen as interesting enough to discuss. Thus, a reader may conclude that the study is not a fair representation of the overall quality of the BA procedure as applied in practice. It was never the object of the comparative study to find cause to condemn the BAs generally for not keeping to necessary standards, but to try to establish whether improvements or other and novel procedural approaches should and could be initiated.

⁷⁶ This corresponds to the 'word wheels' used by the ECHR HUDOC search engine, see above. The latter is taken from Espace L.

corresponding topic is addressed in both systems, enabling a useful comparison. This alternative was used as a secondary means of retrieving cases which otherwise might have gone unnoticed.

Using article numbers together with the retrieval method described above, firstly going by sheer numbers, decisions referring to Article 123 EPC were highest in number, 5 721 in all. Since this provision addresses substantial technical issues, it was discarded at the outset as not relevant. Next in number was Article 106 with 4 615 decisions. Article 113 EPC on the right to be heard was referred to in a total of 882 cases, closely followed by Article 111 on decisions in respect of appeals, 843 cases, and Article 114 governing the extent of examination and examination ex officio with 719 cases. Article 107 on the status of parties rendered 698 cases and Article 100 on grounds for opposition generated 442 cases. Article 112 on referrals to the EBA was addressed in only 2 decisions. Somewhat surprisingly, Article 117 generated 289 cases, which would merit it for further study. Other articles generating more than 100 cases were Articles 99, 102, 104, 109, 116, 122 and 125.

Subsequently, in order to keep the mass of cases at a manageable size, a selection among keywords was made, aiming at a close similarity with the keywords found for ECHR cases. The cases retrieved therefore roughly fell into the categories mentioned above, 1.3.1.3. Finally, among the selected keywords, those cases yielding the most interesting results, for example because they seemed to deviate from ECHR requirements, were retained.

1.4 Structure of the thesis

Chapter 2 - Patents gives an overview of the concept of patents, costs and values of patents, the justifications for awarding patents as property rights, the nature of patents, the special requirements on the patenting procedure - including a summary on this procedure in three member states to the EPO, equivalent procedures under the ECHR and a theory of patenting procedure and the need for a holistic approach to patenting procedures at the regional level⁷⁷.

⁷⁷ See 2.7.2.

Chapter 3 - Principles of International law - Establishing links between the ECHR and the EPC endeavours to find a legal basis in international law for a binding link between two treaties, the ECHR and the EPO.

Chapter 4 - The ECHR as a source of law for the EPC describes the ECHR as a possible controlling instrument in the application of the EPC, its control mechanism and methods of interpretation, and provides a summary of the case law of the HRCourt and the HRCComm regarding admissibility in general and on patent cases in particular. The immunity granted in the HRCourt practice to international organisations and states' responsibility for the actions of international organisations are also discussed.

Chapter 5 - Organising an international tribunal surveys the statutes of three international courts relevant to the organisation of a tribunal in order to meet Article 6 (1) ECHR requirements. Essentially these fall into two categories: Jurisdiction and safeguards necessary for judges to comply with the guarantees of this article.

Chapter 6 - The Boards of Appeal as an international tribunal analyses the BAs with regard to the standards found in chapter 5.

Chapter 7 - Access to a tribunal surveys general admissibility issues, transfer of party status, conditions for intervention and restitutio, the issue of res judicata and, finally, ways of terminating proceedings.

Chapter 8 - The trial discusses procedural provisions valid for EPO appeal proceedings, surveying pertinent case law against the principles found in chapter 5 emerging from the ECHR case law.

Chapter 9 - European patent procedure in future looks ahead to imminent and distant changes of the basis for the function and work of the BAs, analysing the European picture with regard to the need for efficiency and harmonisation of patent procedures. While waiting for a central European patent court, a holistic approach to patenting in Europe is advocated and its main ingredients outlined.

CHAPTER 2 PATENTS

2.1 Introduction

This chapter contains a short summary of theories of the origins of property law - including patents - and its main elements¹, 2.2. It addresses briefly various means of assessing costs and values of European patents, inter alia citing studies prepared for the EPO, 2.3. Recognition of patent rights under the ECHR and the EPC is addressed in 2.4. The patenting procedure before the EPO and in three EPO member states is summarised in 2.5. Equivalent procedures under the ECHR useful for comparison with patent procedures are described in 2.6. Finally, in 2.7, a theory of patenting and a European, horizontally and vertically holistic approach to patenting procedures is suggested, in the interest of procedural economy and the rule of law.

2.2 The concept of property and patents

2.2.1 Theories of property

A definition of property and its characteristics has been the object of numerous attempts in the history of philosophy and of law. Both show considerable uncertainty and different aspects have been stressed as definitive over the last centuries, from John Locke to Hägerström, from Grotius to the Universal Declaration of Human Rights. The differences of view relate both to the rights of disposal connected to the property, whether it be the owner's right to sell, use, destroy or give it away, and to the form in which property may appear, e.g. as a physical entity or as a non-physical asset². It is worth noting that an express protection of property corresponding to the positive recognition of property rights in the French constitution is missing in the Swedish constitution. Property is only indirectly protected through the provision in Chapter 2, Section 18, of the latter constitution, which guarantees owners compensation in cases of expropriation, reflecting influences in Swedish law from the Hägerström philosophy, which defines property rights in negative terms only.

¹ This summary of patent law does not lay any claim to completeness, but aims only to provide a starting point for the subsequent comparative study.

² *Kruse V.*, *Ejendomsretten*, 1945, Vol.1, p. 20ff, observes that this concept was not satisfactorily defined and points out that even the Code Civil Napoleon of 1804 was in itself inconsistent in insisting that the right to property (which is expressly included in the French constitution as a human right) was absolute, while simultaneously limiting it severely by the proviso "...., *pourvu qu'on n'en fasse pas un usage prohibé par les lois ou par les règlements*".

A minimalist positive theory is that property only entails the right to have one's property severed from an estate in bankruptcy. All other rights are formulated in negative terms or as the net residual after non-allowed means of disposal have been deducted. Within intellectual property, an even stricter attitude would limit the property right of an inventor a right to file for a patent³, thus suggesting that intellectual property only has a value if expressly protected by law.

The right of property may be divided into three main groups: 1) the right to physical things or natural forces, i.e. physical property or substantive rights; 2) the right to fruits of mental efforts or intellectual property rights, such as copyrights, patents and designs; and 3) the rights of commercial undertakings, such as trade marks⁴. Under this delineation, property is neutral, it does not reveal anything about the form of asset. Property can be both real (immovable) or personal (movable) or intellectual. Hence the word *property* only describes something of which a man disposes as his own. Apparently these difficulties have led to property being defined, not by its object, but by the rights attached to it or, in other words, by the powers to dispose of property.

Going back to the fertile 17th and 18th century philosophical approaches, at an early stage the fruits of intellectual efforts were recognised as individual and just rights; in fact, *John Locke*'s theory on the right of property is based on the observation that when man's labour has in effect made a thing accessible to man or created a new thing, that thing belongs to its creator by virtue of the labour he put into it, even if the object originally transformed did not belong to him⁵.

Differently from Locke, *Hume*⁶ starts from the observation that society is necessary for providing the conditions for the survival of man. The forming of a society, however, requires a sense of selflessness in man, i.e. that he can recognise what is just and discriminate it from injustice, recognising the rights of others. This in turn

³ Even this right may be denied the inventor by the presumption in patent law that the applicant is the rightful owner, either because he is the inventor or his successor in title. That this is not always the case is illustrated by the *Latchways*, G 3/92, case.

⁴ *Ibid.*, p. 110.

⁵ *John Locke*, *Two Treatises of Government*, first published in 1698, 2nd Treatise Chapter V: Of Property, as edited in *Cambridge Texts in the history of political thought*, Editor P. Laslett, 1960, p. 287 ff.

⁶ *David Hume*, *A Treatise of Human Nature*, first published in 1739 and 1740, ed. E. Mossner, 1969, Part II, Of justice and injustice, p. 529 ff.

(to summarise) gives rise to the notions of property, right and obligation, which are *not natural, but moral*, and founded on justice⁷.

Whether or not one starts from any of these philosophies, the results of intellectual efforts are generally recognised as a form of intangible personal property⁸.

In modern times, discussion has focused on the incompatibility of intellectual property and the market economy theory requiring competition, from which this form of property is considered to be an exception, drawing criticism⁹. It is observed that protection of industrial property today takes a subordinate place to the protection of market competition, instead of the opposite, which was the rule before World War II. *Lehmann* advocates a theory of property which attempts to reconcile the conflict between the two: The protection of intellectual property may restrict competition at the level of production, but does so in order to promote competition at the innovative level, without which no development of market and competition can take place¹⁰. In the long run, therefore, intellectual property rights serve to improve the wealth of a competitive society¹¹. *Endeshaw* criticises the phenomenon in our time to treat intellectual capital as property in spite of the fact that much of it is in fact information or knowledge which does not stem from the "skill, judgment and labour" of man. He observes a growing tendency among industry to have such knowledge accepted as proprietary, even if the information is personal¹².

Since inventions which are not new are not patentable, society is not deprived through the granting of patent rights of anything it enjoyed before the award of such

⁷Ibid., p. 542.

⁸ 'Personal property' in the meaning of moveable property as opposite to immoveable property, see Walker, D., *The Oxford Companion to Law*, 1980, p. 1007, item Property. This corresponds to Swedish 'lös egendom'.

⁹ *Lehmann, M.*, *The Theory of Property Rights and the Protection of Intellectual and Industrial Property*, IIC 1985, p. 525 ff.. Classifying intellectual and industrial property as separate forms of property as the title indicates deviates from the usual structuring of intellectual property, wherein industrial property (together with e.g. trademark) is seen as one major form of intellectual property, copyright being the other, see below, 2.2.3. Within the EC protection of intellectual property sometimes is referred to as "protection of industrial and commercial property", see e.g. EC regulation 3285/94, Article 24 (2) (a) (1).

¹⁰ Ibid., p. 538 f.

¹¹ Ibid., p. 540.

¹² *Endeshaw, A.*, *Treating Intellectual Capital as Property: the Vexed Issues*, EIPR, 2001, in particular p. 140 f, and footnote 7. While the article addresses copyright in relation to conflicts between employers and employees, e.g. about the rights to organised information such as lectures and the right to personal information, his arguments are general in nature and this relevant also for patent law.

a right¹³. The tendency of patent rights to either promote or inhibit development may be difficult to establish, but examples in practice are deployed to argue that patents do promote technical development¹⁴.

Intellectual property is also recognised from a human rights point of view, from the very start for patents and later also with regard to the scope of Article 6 (1) ECHR for patent applications as well¹⁵.

2.2.2 Patent applications and patents

A patent application is a description of the result of the inventor's intellectual efforts as he sees them, utilising technical knowledge and his own inventive skills to arrive at a different or improved invention or at a different or improved process to achieve a certain technical result, hitherto not known in the state of the art. Starting from the philosophical theories then, there are already property rights vested in the application. However, under patent law, the final patent protection can only be acquired if the invention is shown to possess inventive step, a concept often defined as an achievement that would be non-obvious to the man skilled in the art or - from another aspect - an invention is considered patentable if the skilled man could not have arrived at the invention with the aid of 1) the common general knowledge in his particular art or technical field and 2) the state of the art, without applying inventive skills to this art himself. This means that there is a gap between the concept of an invention being an object of property in itself and the same invention being specifically protected by law in the form of a patent¹⁶.

Intellectual property as a whole does not necessarily need examination and approval by the state, in order to obtain protection for right holders. Copyright arises with the creation of the protected work itself, as a rule no registration or other confirmation

¹³ *Levin et al.*, *Handel med immaterialrätt* (English translation: *Trading in intellectual property*), 1996 p. 232.

¹⁴ *Koktvedgaard et al.*, *Lärobok i immaterialrätt* (English translation: *Intellectual property - a textbook*), 7 th ed., 2002, p. 30 f.: Germany is quoted as the prime example of a such promotional effect. *Domeij* also assumes an incentive function of patent rights, and observes that patent law helps inventors to avoid duplicative efforts and thus promotes economical use of scarce resources in the pharmaceutical industry, *Pharmaceutical patents in Europe*, 2000, pages 60 and 26, respectively

¹⁵ For patents, see *Sermet L.*, *The European Convention on Human Rights and property rights*, Human rights files No. 11, Council of Europe, 1992, p.17 f. See 3.7.2 regarding patent applications.

¹⁶ Cf. *Domeij* and his theory on the economic aspect of inventive step, p.

is required under the law¹⁷. For patents, and to some extent trade marks, however, the law provides for a system of examination and approval by the state in its sovereign capacity before the right can be validly exercised.

Most western national legal systems do protect the invention in itself without the special stamp of approval of a granted patent, often through legislation on commercial secrets, trade secrets or the like¹⁸, recognising the interest of society to protect such efforts, although not yet having reached a fully developed stage meriting patent protection. It is also widely recognised that the resources needed to achieve high-technology innovations, such as pharmaceuticals, are so vast that protection against industrial espionage and similar violations is necessary. However, these means for protection are not always satisfactory.

As to patent applications, one national example may suffice here to indicate the values of a modern society. Under German patent law, the rights of the patent applicant are recognised to the point that he has a right to be awarded a patent, if all conditions of patentability are fulfilled, and this right - although not yet materialised in the form of the final patent - is recognised as an asset (*Vermögensrecht*) which is protected by the guarantee of property under Article 14 of the German constitution¹⁹. In contrast, Commonwealth countries, while recognising patents as property, are reluctant to accept patent applications as giving sufficient rights to their holders so as to qualify as property. Of the three criteria for property identified by *Allen*, i.e. the right to prevent others from using it, the right to use it, and the right to transfer it, patent applications would only meet the last criterion (the right to prevent others is latent and will only accrue if a patent is granted), whereas patents would meet the first and last criteria, but not the second one²⁰.

¹⁷Registration may be prescribed as a prerequisite for damages.

¹⁸In Sweden, this is done through the Act on the protection of commercial secrets, SFS 1990:409, which criminalises specific acts enumerated in the Act, such as industrial espionage.

¹⁹See *Benkard G et al*, *Patentgesetz Gebrauchsmustergesetz*, 9. Auflage, 1993, § 7 PatG, Randnummer 3, p. 363.

²⁰*Allen, T.*, *Commonwealth constitutions and the right not to be deprived of property*, ICLQ, vol. 42, 1993, p. 534 (recognition of patents) and 535 (pending claims under Victims of Terrorism Compensation Act). As to the meaning of 'property', *Allen* notes that commonwealth courts have generally advocated giving it a wide scope, p. 527, but also that they rarely have tried to give this constitutional right a generous and purposive construction, p. 528. Property is seen as conferring on its owner a bundle of rights, p. 529.

2.2.3 Theories of patents

Intellectual property rights comprise the results of intellectually creative efforts. Protection of industrially applicable results, such as inventions, is directed to the immaterial or intellectual ideas behind the result rather than to the physical result of the creative talent exercised²¹. Traditionally these rights are divided into two main areas, copyright and industrial property, where patents belong to the latter group²².

The term used in English, '*intellectual property*', stresses the property character, analogous to real property, i.e. an object of personal property, which endows its owner with the widest or "fullest right which may exist in and over any subject"²³. In Scandinavia, the terminology points rather to general rights flowing from the nature of the effort behind the result, 'immaterialrätt' or 'intellectual right', than to its proprietary character. Nevertheless, the western world in general classifies intellectual rights as being part of property law. Both patents and patent applications fall within this concept²⁴.

Intellectual property, i.e. the object of ownership of intellectual efforts, is not as such dependent on any decision by the state in its sovereign capacity by which an individual is vested with rights connected to the result in question. Man in general accepts and recognises such ownership of created objects without any specific stamp of approval from the state²⁵. In case of a technical innovation, the inventor has the right to dispose of his invention within the confines of domestic law, regardless of whether it is protected by a patent. An invention can be protected as a trade secret²⁶.

With the advent of the possibility of large scale copying of works and industrial inventions, the need for express protection from the state grew²⁷. There was a need for a state guarantee of non-interference with the inventor's creation. In order to

²¹ *Jacobsson et al.*, Patentlagstiftningen - En kommentar, 1980, p. 1. However, copyright protects the result, the expression of the work itself.

²² See e.g. *Levin et al.*, p. 19.

²³ *Halsbury's Laws of England*, vol. 35, 4th edition, 1992, p. 151.

²⁴ *Halsbury's*, *ibidem*.

²⁵ Walker, *The Oxford Companion to Law*, 1980, p. 1007, item *Property*. Since intellectual property rights serve to protect the interests of the creative mind, some derive these rights from natural law, putting the inventor in focus, see e.g. *Benkard*, p. 46.

²⁶ *Halsbury's*, p. 149, footnote 8.

²⁷ An entertaining and enlightening overview of developments since the primitive ages of man is given in *Koktvedgaard et al.*, p. 24 to 27.

enjoy the special protection afforded through the award of a patent, inventors had to apply for the grant of a title to the state authority having competence to examine the application. A patent protects the renewable idea, which is particularly vulnerable to abuse by third parties²⁸

The justification for intellectual property rights lies in the aspect of *natural law* that a new idea belongs to its creator²⁹. However, an infinite right, at least within industrial property, would not be appropriate, given that most inventions rely on previous achievements³⁰. Or, the shorter term for industrial property can be economically justified from another perspective: the desire to make technological achievements freely available as soon as possible³¹. In any event, should one inventor be awarded an absolute and interminable right, the motivation for further inventive efforts in the same technical area would be lost. In other words, the door must not close after the first patent has been granted in a new area³².

The natural law theory must therefore be tempered by *the reward theory*, i.e. the contribution made by the inventor must be assessed against his point of departure or, in other words, against the technical knowledge already available to him. The value of the invention is limited to his contribution over this state of the art at the time of the invention³³. This requires the inventor to state what, in his view, is in fact his contribution, which then will be available to the general public, enlarging available technical know-how, for future inventors to build upon. Combined with the reward theory is *the incentive theory*, i.e. other inventors will be motivated to make creative

²⁸ Bernitz et al., *Immaterialrätt och otillbörlig konkurrens* (English translation: Intellectual property and unfair competition), 7 th ed., 2001, p. 107 f.

²⁹Cf. however *MacCormick*, in *On the very idea of Intellectual Property: an Essay according to the Institutional Theory of Law*, IPQ No 3, 2002 p. 227 ff. *MacCormick* starts from the observation that the meaning of physical facts may be interpreted in specific sense according to institutional facts or rather to a set of norms in a society, which makes persons behave so as to conform to these norms. Intellectual property has been given use-value by artificial creation of rights which are respected in that society, p. 236. He compares these rights to patterns or templates for what is produced and used, *ibid.*

³⁰In contradistinction to copyrights, which enjoy a much longer period of protection, presumably since the work of an author has originality, patents are awarded for a period of 20 years.

³¹*Lehmann*, *ibid.*, p. 535. However, this explanation disregards the contribution to the state of the art or the theory that the larger the contribution the larger the reward should be. Rewards may be assessed either in terms of length of protection or potential income per time frame, but since the latter cannot be guaranteed by patent law, the protection term is the only economic tool available.

³²*Benkard*, p. 47.

³³Or, as in most European states and under the EPC, when the application was filed.

efforts in the hope of being able to secure a patent, which may bring profits³⁴. In sum, the patent system will ideally serve as an engine for technical development³⁵.

Another aspect is offered by a theory launched by German scholars, the *contractual theory*³⁶, according to which the granting of a patent is not an act of the state in its sovereign capacity, but a contract between the state and the inventor, according to which the inventor gets an exclusive right in return for a disclosure of his invention to such an extent and detail that the community will benefit from this added knowledge. This recognises the right of the inventor to his creation. This starting point is combined with the philosophy of the reward theory. The end result of these four different theories will in any event be the same; the inventor is entitled to time limited protection for his intellectual contribution to the art.

Although the general public is not allowed to profit from the invention during its term of protection, - normally 20 years in Europe - scientists can use this knowledge to experiment and promote their own creative skills, leading in time to new inventions, which will be patentable if they do not infringe the previous patented invention and otherwise meet the patentability requirements of patent law.

Under *the contractual theory*, the inventor has an immediate right to a grant of the patent when the application satisfies the legal prerequisites³⁷. This theory is in conformity with the protection of patents and patent applications as property and the idea that the applicant for a patent is entitled to a patent in return for his description of the invention³⁸. The patent is no longer awarded as a mark of favour or grace³⁹.

³⁴ Cf. *Halsbury's*, p. 149: "The basic purpose of the patent system is to encourage innovations".

³⁵ Cf. *Lehmann*, p. 530, who observes that the "intuitive" reference to the theory of reward and incentive cannot have been brought about by property rights theory. Cf. *Domeij*, p. 89 f., on patents as prospecting tools and incentives in the area of pharmaceuticals.

³⁶ *Benkard*, p. 47, in fine. However, Benkard also notes that this theory seems to be the least important one for the understanding of patents.

³⁷ *Benkard*, p. 362 f.

³⁸ This idea does not fully mirror legal realities, however, since for the grant of a patent the inventor must not only have demonstrated that his invention is new, but also that the new knowledge disseminated through the patent specification was not readily available or obvious to the skilled person, i.e. there must be an inventive step between mere novelty and the achievement of the invention for a patent to issue.

³⁹ *van Empel*, p. 2., distinguishes four *theses*, of natural law, of reward, of incentive and of contract, in essence the same as the theories summarised above, and comments that those "which stress the function of patents as an instrument of economic policy are dominant at present" (1975).

Historically, patents were true monopolies awarded by the sovereign⁴⁰. Often the award of such rights was a response to services rendered (political or economic) or simply considered beneficial to state interests. A monopoly, published by way of letters patent, i.e. open letters, in order to make the public aware of the grant, was originally a positive right to sell, manufacture or otherwise conduct business in a specified area for profits, excluding competition from others. The nature of patents changed during the period of enlightenment in the eighteenth century. France, within the sphere of copyright, and England, within the sphere of technical innovation, developed intellectual property as a property concept at about the same time⁴¹. The modern form of protection no longer guaranteed a positive monopoly.

Patent law during the twentieth century has focused on the contractual element rather than on the rights awarded by the sovereign⁴². It may therefore be said that the fact that patents are nowadays granted by state authorities or - as in the case of the EPO - by an international organisation does not necessarily mean that the state awards them in its sovereign capacity. This is not unimportant for the way in which one must consider the patent procedure - as a purely administrative process or as a process by which the terms of a contract are agreed between the state and an individual under private law.

Intellectual property does not differ fundamentally from other property rights⁴³, such as the ownership to real estate (for which in some western states a written application is needed and as a rule formalities are detailed with regard to the manner and documentation of its acquisition). Patents and patent applications may be bought and sold like any other asset and their use or any other limited rights therein may be transferred by way of licensing and other contractual agreements⁴⁴. The question is

⁴⁰ See *C.I.P.A. Guide to the Patents Act*, 4th ed., 1995, p. cxiii (the 5th edition of 2001 no longer contains the historic introduction), and *Benkard*, p. 49. The medieval patents were genuine privileges or monopolies.

⁴¹ *Bernitz et al. Immaterialrätt och otillbörlig konkurrens*, 7 uppl., 2001, p. 4 f.

⁴² Article 52 (1) EPC reads: "European patents shall be granted for any inventions which are susceptible of industrial application, which are new and which involve an inventive step.", echoing the German contractual theory.

⁴³ *Koktvedgaard et al.*, p. 35 f., hold that the answer to the question of what is the object of intellectual property is more complicated than to the same question with regard to e.g. real estate. However, although the object may be less concrete, the content and scope of protected rights are much the same as for real estate property or any proprietary rights *in rem* for that matter. The problem seems to be more of a theoretical classification problem, and less a problem in the practical world of assigning rights and assessing the value of intellectual property rights for commercial purposes.

⁴⁴ Section 30 of the UK Patents Act 1977 expressly states that patents and patent applications are personal property, capable of being transferred, created or granted, assigned or mortgaged, etc., under the conditions specified in the section, see *C.I.P.A.* p. 319 ff.

whether it is possible to find a distinction with regard to the *rights attached* to intellectual property which puts it apart from other types of property.

It has been suggested that intellectual property is distinguishable by its nature of representing a *monopoly*⁴⁵. However, this is not a correct characterisation, since intellectual property rights are normally limited to forbidding others to utilise the result of intellectual efforts without the approval of their owner, whereas a true monopoly entitles its owner to a positive use of his right. The owner of intellectual property rights is in this respect in the same situation as a house owner who is entitled to protect his house from trespassers, and whose approval is required for a neighbour to use a road through his property, but who may himself be restrained by public law from a use of his house that he would personally find desirable. In both cases there is *no right* for the owner to use this property freely himself by virtue of his ownership. The *positive right of disposal* or use of property is instead the net residual after deduction of *negative elements* resulting from any law forbidding certain uses. This has led scholars to characterise intellectual property as a purely *exclusive right*. This terminology, although improved over 'monopoly rights', still does not completely fit the nature of these rights, if 'exclusive' is understood in the sense of 'sole', which makes it ambiguous, since it could still imply a positive right of use⁴⁶.

Still another approach focuses on the *right of disposal* - the owner is the only one who can decide to sell or keep his patented invention. Again this aspect overlooks the fact that the owner of a patent, just like for example the house owner, may himself be prevented by public law from using his invention in whole or in part, without which use the intellectual property vested in the invention will not render any profit or benefit to the owner. The manufacture of the invented product may be prohibited or limited by a law to guarantee the safety of the public at large; a zoning law may prohibit the use of a building for the production of the patented invention for the same or another reason.

⁴⁵ *van Empel* calls it a temporary monopoly, p. 1. *Halsbury's* seems to distinguish between monopoly (patents) and a royal grant of monopoly, p. 150, 303 - 'Meaning of patent'. Only the latter would be a monopoly in the true sense of the word, giving its owner the positive right to utilise his patent.

⁴⁶ 'Exclusive' may be understood in the sense of 'excluding' others, which would be a more adequate term. 'Exclusionary' is proposed by *Lehmann*, p. 530.

A third terminology approach concentrates on the right to prevent others from using the invention, classifying intellectual property rights as *preventive rights*⁴⁷, which avoids any ambiguity in the term 'exclusionary'. This right, in addition to the right to sell or lease or execute other acts of disposal, is the true net residual left to the owner.

A definition focussing on *the object* itself, i.e. whether the right relates to *intangible* or *tangible goods* may be enlightening. The most obvious difference between these two types of property lies in the fact that *results of intellectual efforts are renewable* (cf. the word 'copyright')⁴⁸. Unlike the property on which my house stands, the invention for making a specific engine can be repeated time and time again. With regard to my house, I can only lease it either as a whole once for a certain time period or, if leased in part, only each part once for the same time period, and it can only be sold by me once. Although one engine is sold, future engines using or containing my invention can be manufactured for my profit, using the same patented method. Further investments in material, machinery and other physical tools are of course needed, but the idea behind the innovative engine remains the same, and is renewable⁴⁹.

The renewability of intellectual property has a significant consequence, in that litigation will have a *direct* class action effect, whether in opposition proceedings at the patenting stage or after the patent has been maintained by a final decision. If the patent is maintained in limited form after opposition before the EPO, this limited scope will affect the general public, so that the part of the original patent that was not considered patentable is brought back into the public domain for free use, provided it does not belong to any other rights holder⁵⁰. At the national level, after patent litigation, it seems that the same effect ensues in most cases⁵¹. The difference in effect between these two stages may lie in whether or not this result takes effect *ex tunc* or *ex nunc*.

Patent law cannot in itself guarantee that patents will be just in scope, useful for their entire term of typically twenty years or that profits will be gained from a patented product, process or use. The law merely endeavours to protect inventive efforts,

⁴⁷ Which results in an exclusivity for its owner, but only in a negative sense.

⁴⁸ *Lehmann*, p. 531.

⁴⁹ Cf. *Bernitz et al.*, p. 107 f.

⁵⁰ Article 68 EPC.

⁵¹ See below, 2.7.2.

offering a potential profit. Many other elements influence the benefits gained from a patent, such as commercial interests, market profiles, and competition intensity. Often a patent is sought only in order to advise competitors to abstain from investing wastefully in the same area, not for the sake of being able to make a profit from the patented invention⁵².

Lack of resources may mean that an interesting invention never gets to be developed because in the choice of investing in research and development another invention or technical area has been considered to be more interesting or capable of yielding higher benefits. Smaller enterprises or individual inventors may not even have the resources to apply for patents, so that they must sell their ideas before an application is filed. The buyer may not have any interest in the invention other than to prevent others from acquiring it, and therefore applies for a patent for preventive purposes only⁵³. In these cases, patent law does not serve as an engine for developments, unless competitors obtain information from other sources about the acquisition and its object. Otherwise, the availability of the invention will be delayed until the application has been published.

Patents should be value neutral, as part of the family of property, since they do not confer any positive rights on the patent holder. However, in recent years, with the advent of biotechnology, a moral dimension has come to the foreground, adding to the classical issues involved in patenting. The critics of the patent system have several grounds for the claim that patents should not be awarded unless fundamental rights have been met⁵⁴. In their view Article 53 (a) EPC should not be applied restrictively as in the past, but used to achieve a balance of interests, just patents.

Patent law must be assessed in the context of all related domestic law (public and private) as well as the economic forces existing at the relevant time⁵⁵. Inventions may be prohibited from use or manufacture, or safety measures may be so stringent so as to make them uninteresting to use. Other costs or the small size of the expected

⁵² *Domeij*, p. 259 ff., observes that patent law, through the requirement of inventive step, serves the purpose of efficiently (and rationally) co-ordinating research efforts by avoiding unnecessary duplication of efforts.

⁵³ Compulsory licences can be issued in the case of non-use of a patented invention, see e.g. the Swedish Patent Act, Section 45 ff., although they are very rare, *Bernitz et al.*, p. 108.

⁵⁴ See the discussion in 9.5.5 on the moral dimension and the authors cited there.

⁵⁵ *van Empel*, *ibid.*, p. 12: "A patent cannot be severed from its legal framework", observing that the plan for a Nordic patent would not have been feasible, had there not already been considerable correspondence in their respective patent laws. With regard to the entitlement to a patent, van Empel observes that this marks a point where patent law appears as an integral part of the legal system in general, p. 80.

market may also be prohibitive. The latter possibility have led some states, notably European, to allow compulsory licences, above all within the area of pharmaceuticals.

2.2.4 *Special features of patent rights*

The *temporal* limitation of patent rights has two main reasons, the balancing of interests and the fact that the inventor has built upon previous knowledge, both of which make it inappropriate to award too broad proprietary rights for all future, from the historic reward aspect and from the futuristic incentive aspect, which could stifle inventive activity, thus slowing down development.

The *geographical* limitation relates under national law to the state in which the patent was sought and granted. Under European patent law, its geographical scope is dependent on the designations made by the applicant. Under the prospective Community Patent Law, an applicant will not be able to tailor his patent geographically, this patent will be unitary across the whole of the EC and can only be maintained or revoked for the entire region.

The limitation as to the *scope of protection* of a European patent is decided only after substantive examination. This sets it apart from the so-called registration system which may still exist in some European countries⁵⁶. It may be argued that where the patent is registered with only a formal examination, the procedure takes on a purely administrative character, whereas where it is awarded after substantive examination - in particular where opposing competitors are allowed to appear as parties to the proceedings - the procedure takes on a civil or private law character, similar to the nature of court proceedings in civil cases. In the first situation, any examination before a competent authority, also at the appellate stage, would be administrative only. Article 6 (1) ECHR would then call for access to a court of law as a third and final instance⁵⁷. The question of a possible difference in nature between grant and opposition procedures is also of interest for assessing the appropriate impact of ECHR case law on the workings of the BAs of the EPO.

⁵⁶ *van Empel*, p. 3, in 1975, refers to Latin countries in this respect.

⁵⁷ *van Empel*, p. 235 f. assumes that this is the case. As soon as the appeal is admissible, he considers that it is really the whole application which is the object of the appeal and does not distinguish between *ex parte* and *inter partes* cases. See also *van Empel*, p. 83 f. The EBA, however, in e.g. G 9/91, did not agree to this opinion, holding that the appeal does not reopen the examination as a whole, at least not in *inter partes* proceedings.

In comparison to other legal property protection of inventions, a patent will presumably improve the owner's ability to defend his invention from unlawful infringement. National laws protecting so-called industrial secrets are not considered strong enough to give the owner his just reward. In addition, trading industrial secrets is not as secure as trading property⁵⁸. However, the threat of revocation of a patent may last for the duration of its protection and beyond, even when the patenting stage is passed (including oppositions), which is another peculiarity of patent law weakening the protection in comparison to other forms of property.

2.3 Costs and values of patents

2.3.1 Costs for obtaining a European patent⁵⁹

The costs for a European patent was the most cited reason in a 1994 survey⁶⁰ for not patenting innovations and this tendency rose the smaller the companies interviewed were⁶¹. Procedural fees were considered very expensive, but patent agent costs were even rated excessive, as were translation and validation costs⁶². There were geographical and cultural differences in the answers; applicants from Luxembourg, Sweden and Switzerland quoted costs as disincentives more than applicants from Belgium, Greece and Italy, who referred more often to the lack of a commercial advantage as being a disincentive. Patents were more utilised in Belgium, Germany and Italy than, for example, in the Nordic countries⁶³.

As could be expected, larger companies were more prone to apply for patents than smaller ones, but smaller firms utilised their patents more commercially, whereas bigger firms often used the patent as a defence against competitors to gain further control over the market⁶⁴. Smaller companies cited ineffectiveness of patent protection together with excessive time consumption (i.e. indirect costs) as the second most important disincentives after the direct costs of fees, translation and validation.

⁵⁸ See eg *Bernitz et al.*, p. 117 and 208 f.

⁵⁹ The summary of cost aspects given in this section is neither complete nor detailed. Its object is merely to indicate levels of costs and the thinking of the industry related to such costs.

⁶⁰ Utilisation of patent protection in Europe, EPOscript Vol. 3, EPO, 1994, commissioned from Roland Berger Forschungs-Institut. For details about the methods used, number of interviews etc., see p. XIII f.

⁶¹ *Ibid.*, p. XXI, and graphs on p. 109 and p. 112.

⁶² *Ibid.*, p. XXI.

⁶³ *Ibid.*, p. XIX.

⁶⁴ *Ibid.*, p. XIX f., and graphs on p. 108 and 119.

Differences due to the technical field were also notable; for electrical engineering and pharmaceuticals patenting was disproportionately high, for precision mechanics and optics it was below average⁶⁵.

In a 1995 follow-up report⁶⁶ to the 1994 study, the EPO concluded that the cost for patent protection in Europe could be estimated at a total of DEM 5.3 billion for European industry. These costs included applicants' costs, costs for patent departments in the industry, for the use of patent agents, for translations and for the procedural and renewal fees charged by patent offices⁶⁷. The 1995 report also included British figures for costs for patent litigation⁶⁸, since the 1994 report did not survey these. Such costs were estimated at almost 40 % of total costs, meaning that the overall total costs for patent protection would be close to DEM 9 billion, if extrapolated from the costs for patenting and maintenance of the patent.

In 1999, the EPO commissioned a second study on the costs of patenting, arriving at EUR 29 800 for an average patent, designating 8 member states with a 10-year term⁶⁹. Of this sum, EUR 4300 or 14 % went to EPO fees, EUR 11500 or 39 % were paid for translations into national languages, EUR 5 500 or 18 % for professional representation and EUR 8500 or 29 % for renewal fees⁷⁰. This estimate shows a decline in the costs of fees in comparison to the 1995 report, which indicated DEM 9 900⁷¹ in EPO fees, owing to a reduction of the EPO fees in the meantime.

Costs of patenting and maintenance of patents are not the only costs which could influence patenting activities. Technical progress is not possible without research

⁶⁵ Ibid., graph on p. 116.

⁶⁶ Costs of Patenting in Europe, type-written report, EPO, January 1995.

⁶⁷ Ibid., p. 4 f.

⁶⁸ Quoted as *Mooney/Oppenheim*, CIPA, April 1994: How much does British industry pay for patents?

⁶⁹ This figure was echoed in the EC proposal for a Community patent, COM (2000) 412 Final, p. 10. With its proposed solution of translation into only the three official languages of the EPC, these costs were estimated to EUR 2 200, whereas the translation costs under the Community Patent Convention, the CPC of 1975, were estimated at 17 700 EUR.

⁷⁰ Published as a leaflet, dated 1.7.99. *Tritton, G.*, Intellectual Property in Europe, 2002, p. 134, referring to this study, has given another figure, EUR 8 500 for representation, which obviously is incorrect, since the total of percentages then add up to 111 %.

⁷¹ For ease of comparison, the conversion rate in 1999 was 1 EUR = 1,95583 DEM.

and development, R & D⁷², and if costs for the latter are estimated to exceed the proceeds of the resulting progress, there will be no R & D. *Greif* refers to a German study according to which 21% of patented inventions were estimated not to have been developed without the possibility of patent protection⁷³.

2.3.2 Evaluating the economic effects of patents

The evaluation of the economic effects of patents presents particular problems⁷⁴. Income from royalties or licensing is the most direct method of assessment⁷⁵, but may not be the most precise method, since royalties are not computed as a function of the immaterial contribution to a patented invention. Costs in the form of production costs, marketing efforts and other input also influence the agreed price of the product sold or licensed.

There are various approaches to evaluating patents depending on the perspective, e.g. share values over book value per share, the difference corresponding to the value of intangibles, including patents, or effects of the loss of a patent⁷⁶. Regarding the latter, *Seminsky/Bryer* refer to the SmithKline's ulcer product, Tagamet, and to the introduction of a competitive drug on the market by Glaxo, Zantac, which eventually led to the merger of SmithKline and Beecham⁷⁷. The value of the asset side before and after an acquisition is yet another method of assessing intangibles in which the example of RJNabisco from 1989 showed an increase in value of USD 18.8. billion, which constituted assets that would not surface under generally accepted accounting standards but which would emerge because of the acquisition. Most of these assets related to intellectual property, according to the authors⁷⁸.

Methods used for assessing damages for infringement, such as the net value of lost sales based on infringement sales may also serve as parameters, although (for some

⁷² *Greif, S.*, Patents and Economic Growth, IIC Vol. 18, 1987, p. 191 ff.

⁷³ *Ibid.*, p. 193. Correlations of R & D expenditure to patent applications are shown in a graph on p. 195 to have a time lag for patents of about 1-2 years.

⁷⁴ *Koktvedgaard et al.*, p. 31, point to sources indicating that it is impossible to do so with any certainty.

⁷⁵ Cf. the difficulties described by *Domeij*, with regard to the assessment of incentives vs. costs, *ibid.*, p. 90 ff.

⁷⁶ See *Seminsky/Bryer, eds.*, The new role of intellectual property in commercial transactions, John Wiley and Sons, New York, 1994, p. 42. The authors look at the evaluation of patents from an American perspective.

⁷⁷ *Idem.*, p. 127.

⁷⁸ *Idem.*, p. 127 f.

countries at least) this method is seen as unsatisfactory from the point of view of the patentee⁷⁹.

In a survey commissioned by the EPO and presented in 1997⁸⁰, patent holders were asked what techniques they used to estimate the value of patents. Six alternative categories were offered for choice. The answers showed a wide distribution of tools or methods. Among those responding to the question, 39 % calculated the value by licence royalties, 32 % by a percentage of sales, 12 % by licence equivalent, 8 % by additionality calculations, 3 % by payments arising from litigation and 6 % by some other means not named in the questionnaire⁸¹. The mean annual value of an individual patent was estimated at ECU 1 million.

From the answers given to these and other questions⁸², the authors estimated that the average net value⁸³ of an individual patent might be approximately ECU 10 million⁸⁴. It was further noted as an important indicator that respondents had given the figure of 24% reduction in sales revenues if they were limited to other forms of protection than patents.

Surprisingly many different functions of patents were given: prevention of copying and of litigation, ability to exploit the patent by sales, access to royalties and to foreign markets, marketing and promotion⁸⁵. All these functions have economic aspects, either as cost reducing or profit increasing means.

⁷⁹ For France, see *Le Stanc C.*, and *Petit, L.*, Sanctions for Patent Infringement in France: Injunctive Relief and Damages, EIPR, 2002, p. 353, in particular p. 355 f., "Damages as Compensatory Measures", which are calculated as lost profits and the direct loss suffered by the patentee. If the product has been exploited by the patentee damages are calculated as the number of products sold by the infringer multiplied by the profit the patentee would have made. Since the net profit, rather than the gross margin, is more often used as a parameter, the patentee is at a disadvantage, according to the authors. Direct losses are evaluated by three elements: market confusion, depreciation of the invention's image and enforcement costs.

⁸⁰ Study on the economic value of patents, *Ernst & Young*, October 1997, Presented to the Administrative Council in document CA/6/97 Add 1.

⁸¹ *Ibid.*, question A 3.6, graph on p. 110.

⁸² For example a question regarding the mean time that patentees were interested in upholding their patents by paying the annual fees, a cost which will rise relatively to the age of the patent. This mean time was for the most part 5-10 years, for Europe 33 %, for the US slightly above 35 % and for Japan only about 22 %. Japanese patent holders upheld their patents mostly for 15 to 20 years, 30 %, p. 74. Costs and failing market for the product were the two main reasons for letting a patent lapse, *ibid.*, graph on p. 78.

⁸³ 'Present value' was used as the point in time at which this value was estimated.

⁸⁴ CA/6/97 Add, 1, p. 4. It was underlined that all figures must be considered with great caution.

⁸⁵ *Ibid.*, p. 5, see also graph on p. 112, question B 1.3.

2.4 Recognition of patent rights as property

2.4.1 Recognition in the case law of the ECHR

The ECHR case law harbours two different approaches to the concept of intellectual property in the form of patent applications and patents. The case law under Article 1 Prot 1 ECHR indicates that inventions for which applications are still pending do not enjoy the same rights as finally patented inventions, i.e. it appears that applications are not recognised as objects of property rights. On the other hand, the protection of civil rights under Article 6 (1) ECHR also includes the notion of patent applications as bearers of pecuniary values, i.e. having property quality in the sense of being an asset to their owners. It is therefore necessary to go into some detail regarding the difference between patent applications and granted patents, in an effort to establish how and why the ECHR makes a distinction between the two⁸⁶.

2.4.2 Rights attributed under the EPC

A European patent confers on its proprietor the same rights in each designated country as a national patent would under its domestic law, Article 64 (1) EPC.

The EPC recognises a patent application as an object of property through its Articles 71 to 73, which govern the transfer, assignment, and contractual licensing of applications, and Article 74, which refers to national law as regards the application in other respects not governed by the EPC⁸⁷. The owner of an application is protected by the provisions on secrecy, cf. Article 128 (1) EPC. However, if a patent is not granted and the 18 months period from filing of the application⁸⁸ has lapsed after which a European patent application has to be published, the owner of the application seems to have no protection other than what may be afforded him nationally under the domestic legislation of each state to which he has had his application converted under Articles 135 to 137 EPC. Since the application at that time will already be published, it will otherwise be part of the state of the art, i.e. novelty destroying against itself for the purpose of patenting.

⁸⁶ See 3.4.3, and 3.8.1, in particular 3.8.1.1.

⁸⁷ See e.g. *van Empel*, p. 317, on the nature of the European patent application and conversion into a national patent application. *van Empel* stresses the public law character of the procedure, but does not discuss the legal implications of the post-grant opposition procedure introduced for the first time in patent law with the EPC.

⁸⁸ Or 18 months from the date of the priority filing or from the filing of the PCT application, i.e. about six months from the reception by the EPO of the application.

Presuming that national practices would follow the EPO, the prospect of a patent grant under these circumstances seems small.

2.5 Acquiring patent rights - the patenting procedure

2.5.1 Public vs civil law character

The traditional opinion in the literature⁸⁹ that the origin of patent rights derives from the sovereign's power to award privileges at will gives the patenting procedure a clear public law and hence an administrative character. However, when starting from the philosophical utilitarian aspect and adding the contract theory reigning in German law⁹⁰, this characterisation no longer holds true. The patent applicant is seen as having a right to a patent, once he fulfills the legal conditions. Since he is the owner⁹¹ of the invention regardless of its patentability, this should exclude any dispute as to his proprietary rights. Based on this premise, the patenting procedure would then serve the main purpose of defining the clauses of the contract in more detail, through negotiations on the scope of protection in view of the disclosure of the invention. From this aspect the modern state - successor to the sovereign of yesterday - is only a party among others participating in a private rather than a sovereign capacity, representing the members of the society having obtained its powers through the social contract.

The patenting procedure, while starting as purely administrative proceedings, will eventually offer an appellate review in most western states. In some states⁹² this review will be conducted by separate specialised courts, in others the matter will be decided by the general courts of law⁹³. Under the EPC, the appellate review is exercised by the BAs as part of the administrative organisation of the EPO. The fact

⁸⁹ *Jacobsson et al.* p. 236, *Benkard*, p.49, *Paterson*, *The European Patent System The law and Practice of the European Patent Convention*, Sweet & Maxwell, London, 2nd edition, 2001, p. 165 at 4-70, who however recognises that the appeal procedure of the BAs includes aspects of both inquisitorial and adversarial procedure, *Bernitz/Karnell/Pehrson/Sandgren*, p. 82 f., *Koktvedgaard/Levin*, p. 195 f.

⁹⁰ Article 52 EPC reflects the German philosophy by stating that European patents *shall* be granted for inventions meeting the conditions of industrial applicability, novelty and inventive step.

⁹¹ The EPC presumes that at any given time the registered applicant or patentee is the true owner, Rule 20 EPC, which gives the registered party an authorisation to act procedurally on behalf of the patent vis-à-vis the EPO and the EPO a legal basis for communicating with that party. Rule 20 EPC derives from Article 60 EPC concerning the right to a patent. Once the applicant has been registered, an unbroken line of succession entered into the European patent register will be required for a person to be validly accepted as patentee and party to the proceedings. The formal presumption that the registered patentee is also the true owner has only been broken once, in the *Latchways case*, G 3/92.

⁹² Like Sweden and Germany.

⁹³ Like the UK special procedures before the Comptroller.

that the BAs are administratively connected to the EPO cannot in itself be a sufficient criterion for classifying the patenting procedure at the appellate level as purely administrative, nor is the fact that all courts or authorities vested with powers to resolve conflicts themselves belong to the realm of sovereignty decisive to the classification of the procedure they are obliged to apply. Thus, the fact that the ICJ, HRCourt, CJEC and the BAs all derive their powers from sovereign states having decided to erect them is not of any purport. Instead the nature of the procedure at issue must be defined and distinguished through the subject matter decided upon and the procedural tools available. The powers of courts of comparison in patent cases vary⁹⁴.

2.5.2 Patenting procedure in three EPO member states

Only seven of the current⁹⁵ EPO member states have patent laws requiring an examination in substance of patent applications. Italy, France, Switzerland, Netherlands and Belgium are among those without such a requirement. A comparison with these states in search of indicators in the patenting procedure allowing a characterisation would therefore not be useful.

Such a comparative survey does not have to be complete, since it only serves to give us an indication of some characteristics of domestic procedural law on patenting considered necessary by the legislator. Three countries have been chosen for this purpose, Germany, Sweden and United Kingdom. The selection was made on the basis that these three countries offer different solutions in their respective legislation.

2.5.2.1 Germany

The *German Bundespatentgericht* (BPG)⁹⁶ has jurisdiction over appeals against decisions rendered by the German patent office regarding a number of intellectual proprietary rights, including decisions on patent applications. In addition hereto, it also decides appeals against decisions on the validity of a patent

⁹⁴ See e.g. below with regard to the patenting procedure in Germany, Sweden and UK.

⁹⁵ In the year 2000.

⁹⁶ The BPG was established in 1961 as a result of a judgment in 1959 by the German Bundesverwaltungsgericht (Federal Administrative Court, FAC) in which it confirmed that the patent office was neither as such, nor through its appeal board, recognised as a court and that therefore appeals against decisions by the appeal board had to be heard by the FAC.

('Nichtigkeitsverfahren'). Oppositions take place only after grant of the patent. The BPG is characterised as a special court within the regular ('ordentlichen') court system⁹⁷.

Regarding patents, this court not only hears appeals from the German patent office on refused or revoked patents, it also decides matters concerning licensing as well as appeals from court decisions in validity cases. The Bundespatentgericht therefore has a specialised position, different from both the EPO BAs and the other two national systems discussed below.

With regard to decisions refusing patent applications, the procedure before the BPG is characterised as an administrative court procedure, which guarantees access to an independent instance for the control of the exercise of the executive power of the state in administrative matters⁹⁸. Unlike the administrative courts, which decide whether the authority in question violated any regulations or unallowably denied to take a decision, the appeal before the BPG is considered to be a legal remedy, i.e. the BPG examines the decision under appeal to conclude whether it must be set aside. Whereas the administrative court cannot substitute its own discretion for that applied by the authority - it exercises state control over the authority by requiring the authority to take the necessary decision, i.e. remits the case back - the BPG may set the appealed decision aside and replace it by a decision of its own, including, as the case may be, a decision requiring the exercise of discretion.

The entire decision under appeal is the object of examination by the BPG. However, through the new legislation establishing the BPG, this does not mean that the court must examine the entire patent application to ensure its patentability. According to Article 73 (1) of the 'Patentgesetz' (PatG), the court decides the appeal⁹⁹. This means that the court cannot go beyond the requests and grounds submitted by the parties. The appellants decide the scope of examination on appeal through their requests¹⁰⁰.

The principles of prohibition against *reformatio in peius* and of *ne ultra petita* prevail. *Reformatio in peius* under the previous version of the PatG was accepted, based on the opinion that it was not the appeal that was under scrutiny but the patent application as such. Since the entry into force of Article 65 PatG this conclusion is

⁹⁷ The law related to the patent appeal procedure is described in more detail in *Benkard*, p. 977 - 1130.

⁹⁸ *Benkard*, p. 997, no 1 and 2.

⁹⁹ "Über die Beschwerde wird durch Beschluß entschieden."

¹⁰⁰ *Benkard*, p. 1025, no 7.

no longer considered correct. The BPG is a true instance of legal remedy whose only function is to decide whether the decision under appeal is justified¹⁰¹. This is confirmed by the deletion in the law of the possibility for the appellate instance to continue proceedings after the opponent has withdrawn his appeal. Appellants thus have full disposal of their case in respect of when it is to close.

On the other hand, the parties are not entirely bound to the grounds they referred to before the first instance and new evidence and new claims are admissible. However, opponents must not refer to grounds they had not submitted within the time period for opposition¹⁰².

Similarly to the EPC, the German law foresees a post-grant opposition. However, the procedure is of a stronger administrative character because of the opportunity for parties to refer to new evidence at the appellate stage. If such evidence is referred to for the first time before the BPG, or if the patentee submits amended claims which require a new search, the court may remit the case back to the patent office for continued examination.

Oral proceedings must be arranged if a party requests them or evidence is presented or the court finds it useful¹⁰³. Contrary to civil proceedings in general, the winning party has no legal entitlement to have its costs paid by the losing party, but the court may, if it considers this equitable, order one of the parties to pay part or the whole of the other party's costs¹⁰⁴.

Special provisions apply to validity litigation, Articles 81-85 PatG¹⁰⁵. A request that the patent be declared invalid is not limited in time, but the case cannot be heard as long as opposition proceedings are pending or the time period for opposition has not yet expired, Article 81 (2) PatG. The suit has to be submitted in writing, complete with grounds and the evidence referred to in support, Article 81 (5) PatG. The BPG decides the case after oral proceedings, unless the parties agree that no oral proceedings are needed, Article 83 PatG.

¹⁰¹ *Benkard*, p. 1025 - 1026, no 8 - 9.

¹⁰² *Benkard*, p. 1026, no 12-14. The time limit for opposition is three months from the publication of the grant of the patent, Article 59 PatG.

¹⁰³ Article 78 PatG.

¹⁰⁴ Article 80 PatG.

¹⁰⁵ Article 81 PatG covers several different suits, e.g. requests to be granted a compulsory licence.

The procedure is not totally at the disposal of the parties. The court has to investigate the matter *ex officio*, with the cooperation of the parties¹⁰⁶. The decision follows in the form of a judgment. The plaintiff may request as an injunctive relief the use of the invention, in litigation concerning a compulsory licence, if he establishes *prima facie* that the conditions of Article 24 (1) PatG are met (essentially that the patent is used exclusively outside Germany). Other procedural provisions to be applied are included in the PatG or in the Code of Civil Procedure (*Zivilprozessordnung*, ZPO). Concerning costs, general provisions apply, i.e. that the winning party will have its costs reimbursed by the losing party¹⁰⁷.

2.5.2.2 Sweden

It was only fairly recently that *Sweden* changed its patent law from a system of pre-grant third party opposition to the system of post-grant opposition modelled after the EPC¹⁰⁸. In spite of this change, applicable procedural rules were not amended. This means that the procedural provisions laid down in the 1977 Act re the Patent Appeals Court¹⁰⁹ are the same as before the 1994 amendments to the Patent Act. In addition to the 1977 Act, provisions to be applied by the Patent Appeals Court are laid down in the 1971 Act on Administrative Procedure¹¹⁰. Other provisions relevant for the patenting procedure at the appeal stage are laid down in the 1967 Patent Act¹¹¹. Thus the bulk of the legal provisions to be applied by the Patent Appeals Court is collected in three Acts.

In *the previous system*, the procedure was characterised as administrative¹¹². The extent of examination was not limited by any party disposition principle; the Patent Appeals Court could and also had a duty to investigate the matter of its own motion to ensure that the patent met all the requirements of the law. New grounds on appeal were admissible. Both the parties and the court could add new matter to the case. Article 24 of the Patent Act before 1994 prescribed that the procedure could

¹⁰⁶ *Benkard*, p. 1064, no 9.

¹⁰⁷ Article 91 ZPO, *Benkard*, p. 1071, no 15.

¹⁰⁸ Swedish Government proposition to Parliament, Prop. 1993/94:22 .

¹⁰⁹ No 1977:729. The Patent Appeals Court was created through this Act; previously appeals had been decided by an appeals division of the Patent Office.

¹¹⁰ No. 1971:291.

¹¹¹ Articles 24 to 27 Patent Act contain provisions for the post-grant opposition and conditions for the right of appeal.

¹¹² See *Jacobsson et al.*, p. 230 - 254, summarising the procedure before the Patent Appeals Court and the Supreme Administrative Court.

continue even if the opponent withdrew its opposition or appeal, provided that there were special reasons for doing so. Article 8 of the Act on Administrative Procedure prescribed and still prescribes expressly that the court must ensure that the case will be appropriately investigated according to its nature. The procedure was and is still mainly written, Article 9 of the Act re the Patent Appeals Court, but a party has the right to request oral proceedings, which may also be organised at the Court's initiative. The parties bear their own costs. There are no special provisions for a different apportionment, e.g. based on equity as under the EPC, Article 104.

The extent of examination on appeal was therefore not restricted, except for the principle, according to *Jacobsson et al.*, that the court should not of its own motion examine the question whether amended claims would be patentable. While in *ex parte* proceedings there might be informal discussions with the applicant on possible amendments, these will never take place in *inter partes* proceedings¹¹³.

Reformatio in peius, the possibility of which would be another indicator of the administrative nature of a procedure, was not excluded¹¹⁴. This conclusion was based on the fact that Article 29 of the Administrative Procedures Act, which contains a prohibition against *reformatio in peius*, did not apply to the patent appeals procedure in the absence of a reference to that Article in the Patent Appeals Court Act.

The status of party was not essentially changed with the post-grant opposition procedure. Before the amendment, third parties were invited to oppose the prospective patent which was laid open for inspection. Oppositions lodged, whether within or without the prescribed time limit, were all examined by the Patent office, but the status of party, including the right to appeal, was held only by those having opposed the application within this time limit.

In *the present system* of post-grant opposition¹¹⁵, none of the provisions from the pre-grant opposition procedure was amended. Article 24 of the Patent Act prescribes that an opposition shall be made in writing to the patent office within nine months from the day the patent was granted and that, if an opposition is withdrawn, the procedure may be continued if there are special reasons. The power to continue the proceedings despite withdrawal of the opposition is also valid for

¹¹³ *Idem.*, p. 247.

¹¹⁴ *Idem.*, p. 248 f.

¹¹⁵ As at the end of 2001.

the appeal proceedings, according to article 26 of the Patent Act as amended. This may be an indication that the new system under Swedish law still has to be considered as falling within public law, or at least that no change was intended by the legislator.

However, in a decision of 1988¹¹⁶, the possibility of examining a patent after withdrawal of the appeal was restricted by the Supreme Administrative Court:

The patent application had been opposed under the previous system of pre-grant opposition. The patent office granted a patent in spite of two oppositions. One opponent appealed to the Patent Appeals Court, requesting that the application be refused. The grounds for the appeal were *that* the invention was essentially already part of the state of the art, *that* it was not sufficiently described for a skilled person to be able to work the invention, *and that* the patent claims included matter which had no support in the application as originally filed. On appeal from the opponent, the patentee submitted new claims in two alternative versions and requested that the patent be maintained in any of these (restricted) forms, whereupon the opponent withdrew its appeal. Nevertheless, the Patent Appeals Court continued the examination of the patent on its own motion pursuant to Article 24 Patent Act, reaching the conclusion that the patent could not be granted on the grounds that 1) the amendments made were not supported by the application as originally filed (claims alternative I) and that 2) the amendment extended the scope of protection (claims alternative II), and revoked the patent.

The Supreme Administrative Court firstly referred to the general principle of party disposition of the proceedings under administrative law in Sweden. The exception in Article 24 therefore had to be construed narrowly. In the *travaux préparatoires* to the Patent Act only one example of the scope of application of this provision was given, namely when the appeal was based on the patentability criteria laid down in Article 1 and 2 of the Patent Act, i.e. non-inventions falling outside the scope of patentability and novelty and inventive step. Only when a patent went beyond the patentable area or did not meet the novelty requirement or the requirement of inventive step, did the appellate instance have discretion under Article 24 to continue the examination. - As grounds for the appeal the opponent had referred to lack of novelty, lack of sufficient disclosure and lack of support in the application as originally filed for some matter contained in the claims as allowed by the patent office. The Patent Appeals Court had revoked the patent on two separate grounds: lack of correspondence between a definition in the claim and the application as originally filed and an unallowable extension of the scope of protection in comparison to the protection sought in the application as laid out for inspection.

The Supreme Administrative Court reiterated that the object behind Article 24 Patent Act had been to restrict the possibility of *ex officio* examination to the grounds mentioned in Articles 1 and 2 Patent Act. Other patentability criteria should only be examined if formal objections like the ones referred to by the second instance were clear obstacles to a patent. In the present case, the second instance had to assess the amended claims against the application as originally filed. The result of this assessment depended substantially on what the court itself considered to be an appropriate level

¹¹⁶ Case 544-1987, decision of 1 November 1988, i.e. about eight years after the *Jacobsson* reference was published.

of correspondence. As to the second ground referred to by the second instance, this ground (extent of protection) had not been a ground for the appeal. No examination of this ground was therefore allowed. The Supreme Administrative Court concluded that there had been no special reason (as required under Article 24 Patent Act) to examine the case despite withdrawal of the appeal, and therefore confirmed the decision by the Patent Office to grant the patent.

This decision clarifies several questions; *firstly*, there is no legal basis for the appellate instance to examine any ground that was not brought by the appellant, and this even if the claims were amended during the appeal proceedings. *Secondly*, even in administrative proceedings the principle of party disposition (as understood to apply for Swedish administrative proceedings) prevails. *Thirdly*, an exception to this fundamental principle, even if laid down in law, is to be construed narrowly. *Lastly*, one may also be entitled to draw the conclusion that claims amended in appeal proceedings are not to be examined on their merits against all patentability criteria, at least unless the opposing party objects and refers to grounds why the new claims cannot be patented. It is however unclear whether an appellate instance should entertain such objections at all even if they were caused by the amendments and therefore could not have been raised before.

The decision also gives rise to new questions, in particular of where to draw the borderline between what the Supreme Administrative Court calls 'objective' (novelty and inventive step) and what it calls 'formal' patentability criteria (lack of support and extension of protection). Novelty and inventive step are considered by the Supreme Administrative Court not to require any subjective assessment whereas formal criteria do. This calls for a more detailed analysis.

In European patent practice, novelty was traditionally considered to be an absolute concept¹¹⁷. The state of the art - most often comprising written documentation - is to be understood as a normal skilled person would understand it, having regard to what is commonly known in the art in question. However, no literal correspondence is required. This already leaves some margin for interpretation. When an invention is compared to prior use, the comparison tends to become even more dependent on the view or standard of the person conducting the examination. In the EPO guidelines¹¹⁸, novelty alone takes up several pages, giving examiners examples to go by and standards to use. It is noteworthy that in spite of its absolute nature, the

¹¹⁷ See e.g. decision *T 198/84*, OJ EPO 1985, 485. The advent of selection inventions has made the borderlines less sharp, however.

¹¹⁸ Guidelines for the examination in the EPO, July 1999 edition. Novelty is discussed in various parts of the Guidelines, the main ones in Part C, Chapter IV, points 5 and 7, p. 59 f and 64 f, respectively.

examination for novelty is assumed to include a certain amount of interpretation, in that implicit disclosures are also considered to be part of the state of the art, i.e. the content of a document is not limited to its express wording, but may contain a technical teaching beyond its words when read with the skilled person's knowledge. Likewise for inventive step, a certain intuitive margin for subjective standards exists. Lack of support in the description of the invention for claims or part of claims is a measure to safeguard the public's right not to be surprised by new matter in a patent claim compared with the content of the application as it was made available to it through its publication. The same reason lies behind the prohibition against extension of the scope of protection after a patent has been granted. The two latter requirements may - according to the Supreme Administrative Court - also call for interpretation, although perhaps less so when it comes to deciding whether an amended claim finds support in the description.

In patent decisions one may quite frequently find the expression "objective problem" in relation to the examination for inventive step, an expression leading the unskilled reader to the conclusion that the assessment of a technical teaching in a patent document does not involve any subjective standards or that technical matter is capable of 'mathematical' assessment with no personal opinion involved in the intellectual process of deciding whether or not an invention would be obvious to the skilled person. This is of course wrong. What is meant is that after careful reading and interpretation of the contents of the patent application and the closest state of the art (usually a document overlapping the most with the invention in suit), a problem can be defined with a degree of certainty, starting from this art. This is part of the so-called problem-solution approach to inventive step examination¹¹⁹.

If a problem existed as a result of the known state of the art, the contribution made by the new invention can be assessed in a more objective way. The purpose of this exercise is to *objectivise* the intellectual effort as far as possible, *avoiding both hindsight* - since the invention is known to the examiner, it may otherwise psychologically lose some of its value in the course of examination - *and oversight* - a careful study of all technical parameters is needed for this type of comparison, which reduces the risk of forgetting valuable features in the new invention. But, in

¹¹⁹ See e.g. *Case law of the Boards of Appeal of the EPO*, 4th ed. 2001, p. 101 f. The examination must be based on the objective, not subjective, achievement of the inventor, i.e. his own opinion about the invention is of less importance than the objective technical features as observed against the state of the art. As one gains knowledge about the art through an opposition bringing in new documentation about the art, the 'objective' problem may change, *ibidem*, cases quoted on p.108 f.

spite of these efforts, this tool cannot totally exclude a last, intuitive approach to arrive at a decision.

Under European practice, the standards to be applied should be the same for each requirement, insofar as the issues are related. The so-called novelty test therefore requires the same standard with regard to the skilled person (an average person skilled in a specific art) as does the test for extended matter, i.e. what the same skilled person can read into a document with the help of his average knowledge is what is used as a standard of measure in both types of examination. Both revolve around the question of what is disclosed. The examination of whether the application as filed supports an amended claim is likewise made in the same reading modus¹²⁰.

In the above-mentioned decision, The Supreme Administrative Court did not go into any detail with regard to its distinction of 'objective' versus 'formal' patentability criteria. In view of the discussion under the EPO case law, this distinction appears doubtful. In the absence of a definition of this classification, it is not possible to draw any firm conclusions as to whether the court would have followed the more recent case law of the BAs in this respect.

The strict attitude against the examination of new amended claims on appeal against all patentability criteria seems to overlook the fact that claims that have not been examined accordingly may give rise to more litigation in the civil courts. The economy of procedure at the early stage of patenting would be lost by a higher risk of court litigation.

2.5.2.3 United Kingdom

The UK Patents Act of 1977 contains provisions on infringement procedure, revocation procedure and validity procedure (Sections 60 to 76), and on legal proceedings (Sections 96 to 108)¹²¹, relevant to this small comparative study of national law.

A person is not entitled to institute proceedings only seeking a declaration as to the validity or invalidity of the patent (Section 74). Validity may not be made an issue,

¹²⁰ See e.g. decision *T 60/89*, OJ EPO 1992, 268, regarding the same standard of skill required to be applied to the questions of sufficient disclosure and inventive step.

¹²¹ The summary on UK law is taken from *C.I.P.A.*, Guide to the Patents Acts, 5th ed., 2001.

unless referred in response to, as a means of defence, in proceedings for infringement (Sections 61 and 69), in proceedings under Section 70 (groundless threats against potential infringers), under Section 71 (acts infringing or not infringing a patent), under Section 72 (proceedings for revocation of the patent) or under Section 58 (Crown use).

Starting with revocation proceedings, which are post-grant, there is no time limitation (Section 72). Applications may be made to the Patents Court or the Patents County Court, unless made as a counterclaim in other proceedings. The procedure is essentially the same as for infringement proceedings before that court¹²². If made as a counterclaim in proceedings before the Comptroller of the UK patent office, and the request for revocation is later withdrawn, the Comptroller will still continue to deal with it in the interest of the public¹²³.

Apart from specific exceptions not relevant here¹²⁴, appeals against decisions of the Comptroller lie to the Patents Court¹²⁵. According to UK case law, appeals from the Comptroller are full re-hearings of the case, and the court can decide *de novo* all questions that arise, irrespective of whether they are of law, fact or the exercise of discretion. However, the decision under appeal will play a role since the losing party is expected to criticise it¹²⁶. A notice of appeal may concern the whole or part of the appealed decision, and normally will contain the grounds of appeal. The relief sought will be limited accordingly. Any response from the respondent should contain the grounds for contention, if he wants the decision to be varied in the event that the appeal were allowed in whole or in part. Should the respondent party seek a decision in a direction different from that sought by the appellant, a cross-appeal should be lodged¹²⁷.

Further evidence is only admitted on appeal with leave of the court, which normally will require that the party show good cause, i.e. that the evidence could not have been obtained with reasonable diligence for use at the original hearing, that the

¹²² Ibid., p. 670 ff., no 72.12, and 72.13.

¹²³ Ibid., p. 688 f., no 72.33: General procedure in inter partes applications made to the Comptroller.

¹²⁴ See Article 97 Patents Act and CIPA p. 878 f., no 97.04, Right of appeal from Comptroller.

¹²⁵ Before this instance is seized, the litigant may have recourse to the Queen's Bench Division for judicial review, Ibid., p. 878, no 97.04, ref. to *Omron* case.

¹²⁶ Ibid., p. 880 f., no 97.08, ref. to the *Allen & Hanbury's case*, with the proviso that later developments in the Civil Procedure Rules (see annex E of the CIPA Guide at E52PD.9) may prove this case no longer to be good law.

¹²⁷ C.I.P.A., p. 884., no 97.13. This suggests that *reformatio in peius* is excluded at the appeal stage.

evidence would probably have had an important influence on the result of the case, and that it is apparently credible. It is not sufficient for the admissibility of the evidence that it is important, if it could have been presented earlier¹²⁸.

The court may exercise any power which the comptroller could have exercised, and may order the patent office, regardless of whether this has been requested by any of the parties, to inquire into and report to the court on any question of fact or opinion (Sections 99 and 99A). The last provision was added by the 1988 Act, and the commentator's opinion is that it will bring proceedings closer to the investigative principle used in continental systems of law and the EPO¹²⁹. It is suggested that the procedure will in future resemble the procedure before the CJEC, where the comments and recommendation by the Advocate-General impel the parties focus on the issues addressed by him.

The winning party is normally awarded costs, whether in *ex parte* or *inter partes* proceedings¹³⁰.

2.5.3 Patenting procedure in the EPO

2.5.3.1 *Ex parte* proceedings

With regard to *ex parte* proceedings, decision *G 10/93*¹³¹ indicates that van Empel's assessment of appeal proceedings as being a continuation of the administrative examination is still valid. This decision laid down that the board of appeal has the power to examine whether a refused patent application meets the EPC, i.e. to satisfy itself that the application meets all the prerequisites of the EPC, not only on points which were contentious before the examination division. If the board in question found that a requirement had not been met, it could either rule on the case itself or decide to send it back to the examining division, but it was in any event competent to raise the issue of its own motion, regardless of the extent of the issues which had been before the examination division as first instance.

¹²⁸ *Ibid.*, p. 885, no 97.16, Admission of new evidence.

¹²⁹ *Ibid.*, p. 900, 99A.04, Purpose of inquiry and report.

¹³⁰ *Ibid.*, p. 889, no 97.23, Costs on appeal.

¹³¹ *OJ* 1995, 172.

2.5.3.2 *Inter partes* proceedings

For *inter partes* or opposition proceedings, the situation is different. van Empel finds in this respect that opposition proceedings are a continuation of the granting procedure, and that as such, they are to be classified as administrative proceedings¹³². As soon as a Board of Appeal has been seized of a case, it enjoys exactly the same latitude as do the various departments below, so that it is really the case in its entirety that is before the board. Therefore, the board should not conclude from its quasi-judicial status that it should merely listen to pleadings and then decide the case in isolation¹³³.

However, decision *G 9/91* changed this situation by deciding that only grounds for opposition which were duly filed within the period for opposition are to be examined, unless the patent proprietor agrees that other grounds may be examined¹³⁴. Analogously thereto, grounds for appeal which are only raised after expiry of the appeal period must be rejected as inadmissible. According to subsequent case law, the BAs therefore no longer decide the case 'in its entirety'¹³⁵. The point of gravity may fairly be said to have shifted towards excluding matter that was not examined by the first instance.

One element makes this proposition less final, however, and that is the result of the EBA decision to allow for the examination of new grounds for opposition, if permitted by the patentee. The distance between traditional civil law proceedings and administrative proceedings is thereby increased, if it is presumed that new grounds would never be admitted by an appellate court, in neither patent infringement nor patent validity litigation proceedings¹³⁶.

¹³² *van Empel*, p. 216, no. 463, second paragraph, distinguishes between revocation proceedings, which in his view are essentially contradictory, and opposition proceedings, which are carried out on the basis of new elements put forward by opponents.

¹³³ *van Empel* bases this on the conclusion that the whole application is before the board once the appeal is found admissible, since the board is competent to examine matters of its own motion under Article 114 EPC, p. 236.

¹³⁴ See annex II, in particular *G 9/91* and *G10/91*.

¹³⁵ See *Case law*, p. 504 f. The function of appeal proceedings "is to give a judicial decision upon the correctness of a separate earlier decision taken by a first-instance department", e.g. *G 9/91*. It is a procedure "proper to an administrative court", *ibid.*, *G 8/91*.

¹³⁶ In this context, it may be useful to ponder the proposition that the BAs in actual fact are a *first instance* court, since the other departments of the EPO are pure administrative instances. If this is so, the procedure should be open to admit any new ground or evidence, as is the case in national infringement and invalidity litigation, no case history estoppel being recognised to arise from EPO proceedings. If the proposition is denied, a strict appellate procedure is appropriate. Cf. *Waage*, Principles of Procedure in European Patent Law, Eposcript Vol. 5, 2002, p. 109 and footnotes,

Another indication that the EPO opposition appeal proceedings do not exclusively serve to examine the decision under appeal to establish whether or not it must be set aside, is the readiness of boards to accept amendments of the patent claims during the appeal procedure, even at oral proceedings. The justification for this liberal practice lies in the philosophy that the patentee shall have a last opportunity to save something from his patent application and in the notion that it is rational to let him do this in the centralised proceedings before the EPO. This would promote economy of procedure, as regards both costs and time. It will also, it is presumed, avoid unnecessary litigation before national courts.

The opponents are full parties to the proceedings with an equal right to be heard. They have thereby essentially replaced the boards as representatives of the public of the member states to the EPO. As the EBA observed, if no appeal is lodged, there is no power at all for a board of appeal to examine the matter, hence the fact that an appeal is admissible does not mean that the entire case is re-opened. The opponents may be said to be acting as members of the general public in their individual capacity, claiming the right to affect the clauses of the contract under which the patentee may be rewarded for his invention, or even claiming that his invention has not contributed to any development of the state of the art, in which case there will be no contract at all. Combined with the stricter attitude taken by the EBA regarding the extent of matter admissible at the appeal stage, this makes the nature of opposition appeal proceedings again more similar to contentious court proceedings in civil cases, which would justify the conclusion that the administrative label has become less pertinent.

2.6 Equivalent procedures in ECHR case law

In the ECHR case law there is little said on the topic of patenting, except that it is part of the family of civil rights¹³⁷. The case law on civil administrative proceedings is heterogeneous and therefore difficult to conceptualise, even though authors have tried a systematic approach. This situation is at least partly due to the fact that so far the HRCourt has refused to define the preconditions for the applicability of Article

who concludes that the boards constitute the first and last instance of appeal and are the only judicial instance.

¹³⁷ See e.g. HRCComm in *Denev v. Sweden*, application no 25419/94, decision of 9 April 1997, which concerned the application for design protection, with reference to *British-American Tobacco v. Netherlands*, judgment of 20 November 1995.

6 (1) ECHR to administrative proceedings, going by a case by case assessment¹³⁸.

If patents are equivalent to any other form of property, for example to real estate, the question then arises how to characterise the patenting procedure in the family of civil administrative proceedings recognised by the HRCourt as enjoying the protection of Article 6 (1) ECHR. Obviously, the patenting procedure is not equivalent to a dispute between two parties over the ownership of rights in rem concerning a piece of property. In cases where there is no natural adversary, the state can be said to be the applicant's counterpart, but this does not give a complete answer.

In this context, it is necessary to define the role played by the state, which can appear either as a sovereign or in a private capacity. The traditional view of a benign sovereign acting at will in deciding whether or not to award a patent has been modified by the more recent appreciation that this sovereign has a responsibility to recognise the rights of individuals¹³⁹. Having regard to the fact that the ECHR case law even recognises social insurance cases as falling within the ambit of Article 6 (1) ECHR, it is all the more natural that patent applications, being applications for the public recognition of the ownership to inventions, are protected by its procedural guarantees¹⁴⁰.

It would appear that the state can be said to act in a private capacity in patenting procedures, were it not for the fact of the notion that it acts on behalf of members of the public¹⁴¹. This is distinct from, e.g., social insurance cases where the litigation is based on an existing contract. In contradistinction thereto, the patenting procedure is a dispute regarding a contract to be entered into for the first time. A right recognised as belonging to the individual applicant can no longer be used freely by the community. The conclusion would therefore follow that there is an important element of public interest involved in the patenting procedure - regardless of which stance one takes as to the role of the state. This has an impact on the requirements to be met by the tribunal competent to decide a dispute between the patent applicant and the patent office¹⁴².

¹³⁸ Still, an attempt at defining the scope of Article 6 (1) ECHR appears in 4.5.3 with conclusions in 4.8.

¹³⁹ See above, 2.2.3.

¹⁴⁰ See eg the *Pashkalides et. v. Greece case*, summarised in 4.5.3.

¹⁴¹ Cf. *Beier*, who differs, noting that this is a false perception, since opponents do not represent the public interest but only their own, op.cit. in footnote 1, 1.1.

¹⁴² See *Fischer v. Austria* on the scope of review required from a tribunal, 4.6. It seems that the nature of the dispute may be decisive for the scope of competence to be required.

It is clear that the public interest is not important enough to warrant the conclusion that patenting belongs exclusively to the part of public law falling outside of Article 6 (1) ECHR, otherwise complaints concerning patents would be rejected as inadmissible *ratione materiae*, i.e. as not concerning rights or freedoms protected by the ECHR¹⁴³.

It is likewise clear that patenting does not fall within the traditional field of civil proceedings, it belongs to the grey area in between¹⁴⁴. This area contains a multitude of different topics of potential dispute; applications for licences as pharmacists, lawyers or doctors, permits for activities such as selling alcoholic beverages, mining, operating bus routes, operating dangerous installations or for building construction, name changes, parental custody or visiting rights, social security rights etc.

Given that the award of a patent does not create any *ownership* beyond the ownership already attributed to the inventor or his successor in title, at first sight the characterising element of patenting appears to lie in the *public recognition* of this ownership and the right connected to the patent, i.e. the right to prevent others from using the invention. This has an immediately recognisable effect on the rights of others to use it. The state has only confirmed the ownership by awarding the patent.

Since the right to protect property from its non-permitted use by others pertains to other forms of property as well, without the special recognition by way of a formal act by the state, this is however not a characterising element of any value beyond the trivial statement that the owner is now the confirmed owner. The patent may still be challenged as to its existence or extent, in traditional civil proceedings. In one aspect, however, the award of a patent may confer a quality beyond the mere ownership.

¹⁴³ The argument is advanced here that the reason for the HRComm to declare the Heinz case inadmissible *ratione materiae* was another than that this type of dispute was not protected by the ECHR. See e.g. Villiger on the *ratione materiae* concept, p. 68, according to whom the jurisdiction of the Strasbourg organs is limited to the rights and freedoms protected by the ECHR. If the HRComm meant that it could not find any violation of Article 6 in the Heinz case, as its reasoning suggests, it should have rejected it as manifestly ill-founded. Cf. *Harris et al.*, p. 638 f., holding the same opinion as to the meaning of *ratione materiae*. One can only speculate as to whether, in the Heinz case, the HRComm extended this concept to cover instances where a convention right did not accrue to an individual under international law. However, the HRComm does not refer to international law other than in its observation that the EPO has not ratified the ECHR, but that EPO member states, if also members of the ECHR, are obliged to uphold the latter. It is also of importance to note the different reasoning in the cases related to the ESA and the immunity of a member state under other international treaties, see e.g. *Beer and Regan v. FRG*.

¹⁴⁴ Or "Randbereich", defined by *Grabenwarter* as the residual area after the core public law and civil law areas have been defined, respectively, *Verfahrensgarantien in der Verwaltungsgerichtsbarkeit*, Wien, 1997, p. 51.

The requirement of inventive step will presumably have an economic effect, enhancing the value of the invention as patented¹⁴⁵.

It is suggested here that requests for patents, for building permits or other uses of land and requests for permits to exercise gainful activities have features in common which may justify applying conclusions from the ECHR case law relevant to patenting matters¹⁴⁶.

Firstly, these types of procedures are all civil in nature according to the ECHR case law¹⁴⁷.

Secondly, the similarities between these types of procedures lie mainly in *party status* - an application for a building permit gives rise to an *ex parte* procedure, where the state represents a public interest, but where neighbours may have a legal right to intervene and later to appear as parties to appeal proceedings. A request for a licence has similar characteristics. Likewise, the patenting procedure starts out as *ex parte* proceedings with the authority representing a common interest of society to strike a fair balance between the contribution made by the individual and information belonging to the public. Opponents may also intervene at the initial stage, where they are not recognised as parties, but may later formally file oppositions and are subsequently parties to the case. In the process towards a contract containing details for each of the rights sought, it seems that similarities prevail, i.e. the ultimate aim is in both cases the agreement of a fair extent of individual rights, as against the presumed interests of the community.

Thirdly, neither procedure aims at any direct transfer of wealth, but may indirectly have such an effect. A patent is in itself not necessary for ownership to the invention to be recognised, however it qualifies the ownership by the requirement of inventive step, which may cause a rise in value. A building permit is also likely to raise the value of the real estate. The costs for both owners to reap further gain out of their rights may be significant, but the similarity remains that a successful application adds

¹⁴⁵ Although this value cannot be estimated as a concrete and direct result of the patent, being only a potential and dependent on other commercial decisions for its realisation.

¹⁴⁶ A good reason for looking more closely at this type of cases is the relative frequent complaints in this area, together with the fact that the HR Court recognises them as falling within the category of civil administrative proceedings. Other related cases concern applications for permits to exercise commercial activities. It should be pointed out that the analogies are not completely corresponding; an application for a permit is more akin to an application from a patentee to be allowed to market a new pharmaceutical, for example.

¹⁴⁷ See e.g. the *König*, *University of Illinois* and *Sporrong-Lönnroth* cases.

potential value to the property. A licence to practice as a physician enables the individual to sustain economically.

Fourthly, an individually tailored right is obtained with an effect as to the extent of 'protection'; the real estate owner obtains a precise permit as to the size, type, location and lay-out of his building, together with detailed regulations on building standards, and the patent applicant obtains a patent for a precise invention, defined through the patent claims. The applicant for a permit to exercise an activity may have to qualify in accordance with a preset standard. The details of these "permits" are in both cases made public, so that third parties are informed about the private rights concerned.

There are, however, *distinctive elements* as well. While patent law mandates the patent authority to award a patent when the legal prerequisites are met, a building permit is to a large extent dependent on the discretion of the local building authority. While the real estate owner who applies for a permit is generally already recognised publicly as the owner, possibly through some sort of public registration system¹⁴⁸, the owner of an invention does not obtain this public recognition until the patent has been awarded. While a building permit immediately awards a positive right to the owner, the patent does not. From this aspect, the patent applicant is more congruent to an applicant requesting the entry of his acquisition of a piece of land in the land register.

The purpose of the procedures differs. Building permits are needed to protect a common interest, e.g. the environment, ensuring that building codes are observed in the interest of safety, etc., hence the extension of discretion for the responsible authority in this field is wider than it is for patent offices. Building permits are mandatory for the activities of the real estate owner to be legal. In contrast, a patent application is not necessary for the owner of the invention to make use of it; it only provides security against infringement by others. Licences purport to protect the general public from sub-standard practices.

Nevertheless, cases concerning building permits, permits for the use of real estate, land reforms, and licences would present a related and relevant area of ECHR cases

¹⁴⁸ Indeed, this ownership is a prerequisite for the application to be validly filed. The patent application is presumed to belong to the inventor, Article 60(1) EPC. However, for patenting purposes, the applicant filing for a patent is considered to be the rightful owner, Article 60 (3) EPC. A person who is not registered as the applicant or patentee is not recognised as the proper party in proceedings before the EPO, Rule 20 (3) EPC.

in view of the similarities in nature of the (civil administrative) proceedings by which such issues are usually decided. Useful parallels may be drawn from the reasoning of the HRCourt in these cases for the patenting procedure before the EPO, with the advantage of broadening the base of comparison.

2.7 A theory of patenting procedures

2.7.1 National systems vs. the EPO system

A first comparative look at the procedural systems in Germany, Sweden and UK reveals a fairly fragmented picture. Each national procedure contains elements of civil law as well as of public law. While German law contains express provisions for a civil procedure to be disposed by the parties, it also contains features pointing in the opposite direction, e.g. provisions allowing new matter in proceedings on appeal. Swedish law seems to allow new matter fairly extensively, making the procedure more administrative in nature, which however is curtailed by practice, which again brings it back towards a civil procedure. UK law, while traditionally based on a strict adversarial procedure, has been modified to adopt certain aspects of the German (or continental European) *ex officio* principle.

All in all, details aside, these three systems can fairly be said to reflect an ambiguous approach to patenting procedure; on the one hand, the legislator is a confessed supporter of the adversarial principle; on the other hand¹⁴⁹, the same legislator desires the procedure to result in a fair resolution of two opposing interests, that of the inventor to reserve as large a scope of protection as possible versus that of the "general public" to keep as large a portion as possible in the public domain for everyone's free use, so that this procedure falls substantially within the purview of public law.

Having regard to the indicators mentioned above in 2.5, i.e. the status of party, appeal grounds, the admissibility of added matter, the extent of examination, and the question of *reformatio in peius*, the Swedish system appears slightly more civil in character than the German one, whereas the UK system appears closer to a traditional civil procedure than both of the others.

Against this background, the EPO appeal procedure in *inter partes* cases appears more radically civil in nature (hence more restrictive with regard to the introduction

¹⁴⁹ At least for *ex parte* proceedings.

of new matter into the appeal proceedings) than any of the national systems compared, particularly in view of the stated purpose of the appeal procedure as seen by the EBA. This appears to be true even in comparison to the UK patenting procedure, at least after the introduction of the amendments regarding Sections 99 and 99A of the UK Patents Act.

2.7.2 *A holistic approach to patent procedures*

Article 6 (1) ECHR requires that a person having a dispute regarding civil matters shall have access at least once to a court to resolve the dispute within a reasonable time. The article does not directly address the problem of having several instances in proceedings before the EPO and before national courts available concerning the same patent. However, the right to have a judgment within a reasonable time sets a limit to how long litigation may be drawn out before this particular requirement can be considered violated.

It may be questioned whether having procedures at the patenting stages which differ between the first and second (or any further) instances is in line with the right of due process and equality before the law. From an efficiency point of view, which may have an impact on the length of proceedings necessary, harmonised procedural provisions seem desirable from what could be called the *horizontal aspect*¹⁵⁰ of patenting, i.e. within each self-contained system. This would mean an approximation of administrative systems to the procedural requirements for courts of law. The less differences, the more transparency of proceedings (due process as perceived by the parties) and conversely the less risks for mistakes which could lead to loss of rights.

Seen from a *vertical* perspective, procedures available nationally under civil law after completion of the administrative phase of the examination of an invention¹⁵¹ may be termed *patent litigation*. The latter procedures are essentially of two kinds, infringement and validity proceedings. The change from the previous pre-grant third party opposition system to the post-grant opposition system should have had

¹⁵⁰ Examination until final grant after possible opposition would be seen from the same horizontal aspect, including the procedures before a first and second instance, both based on the object of granting a patent. In Europe, such a separate horizontal aspect exists also nationally for the granting of patents (including opposition procedures). The vertical aspect focuses on the fate of a patent after it has been maintained in the first *patenting* stage, but is challenged by a competitor (i.e. mostly a potential infringer) in national *patent litigation* proceedings.

¹⁵¹ Including any post-grant opposition.

profound effects on the way national patent litigation is organised, but this has not happened.

A comparison of the European administrative post-grant opposition procedure with civil law patent validity litigation in fact reveals differences only in name and as to the time frame within which each may be instigated. Both aim at nullifying the patent, in whole or in part. In both, the court will decide whether or not the patent is justified, i.e. whether or not it meets the patentability criteria, and alternatively whether it can be maintained in amended (i.e. restricted) form. The party contesting the validity of the patent at national level may be the same as the opponent requesting the EPO to revoke the patent. In both, the opponent or the potential infringer, requesting that the patent be declared invalid, is exercising a class action. The outcome of this action may affect the legal situation for the general public (*erga omnes*). In both, the patentee seeks to establish the scope of protection to which he is entitled. In short, opposition and validity proceedings are mirror images of infringement proceedings.

Both these proceedings will result in a decision or judgment defining the extent of the protected area considered justified (if the patent is maintained at all). The area left free for the general public to use is automatically defined thereby. These two areas will add up to exactly 100 percent of the original patent and the two areas will exactly border on one another.

In spite of the similarities as to the object of the procedures, the two types vary. The first significant difference is of course that an opposition is carried out in centralised proceedings before the EPO, whereas patent litigation can only take place before a national court with its geographically limited jurisdiction. Another is that the EPO has no power to grant injunctive relief. A third is that the taking of evidence by the EPO is not safeguarded as it is before national courts. These characteristics may together have a significant impact on the standard of proceedings and the answer to the question whether the centralised proceedings before the EPO can meet the standards set by Strasbourg in all respects. Because of the lack of a complete legal environment, it is possible that the EPO procedure does not compare favourably to national procedures. The right to rely on new evidence varies also, a significant cause of inefficient use of legal tools.

From the aspect of similarities between opposition and validity proceedings, the question is whether two procedures with the same object is justified. From the aspect

of human rights and the right to due process, the question is whether this dual situation with its different starting points and legal cultures is defensible, having regard to the right of parties to a foreseeable and efficient judgment in a reasonable time.

Another difference between the patenting stage and the litigation stage lies in the effect of amendments to the patent claims, particularly regarding the time frame. Amendments made at the patenting stage always have effect *ex tunc*, i.e. from the start of the patent term, or as a rule from the filing date of the patent application¹⁵². This will have an effect *erga omnes*, which supports the class action theory. With regard to amendments made later, during patent litigation, they may perhaps take effect only from the date they were accepted by way of a final judgment by the court. The patentee may however find it useful to waive his rights to the wider patent also with regard to the interim period, which would have an effect vis-à-vis the opposing party/ies in that procedure. Whether the judgment would as a matter of course have an *ex tunc* effect *erga omnes* is another matter, depending on national law¹⁵³.

Infringement litigation seeks to establish the area within which third parties are not allowed to operate without the consent of the patentee. National law sometimes makes the one conditional on the other, since alleged infringers frequently request a decision that the patent be declared invalid and there is economy in consolidated

¹⁵² See e.g. Article 68 EPC.

¹⁵³ For Swedish law, see *Jacobsson et al.*, p. 320 ff. and references therein. The authors assume that in spite of any provision in the Swedish Patent Act, courts would consider the circumstances in each case because of the legislator's cautious approach. For example, cases of licensing providing for a solution in case the patent is partially invalidated may make an effect *ex tunc* less appropriate. The authors also observe that opinions vary in the Nordic countries. *Westlander et al.*, p. 297 ff. and references therein, underline that the room for amendments is strictly limited, in the interest of the public. As a result, Swedish case law could not be said to be settled, and in cases where amendments have been allowed, the orders do not contain any decision in this respect (unless one may interpret the use of the future tense in the setting down of the amended version - "the patent *will have* the following wording" - as an indication of an *ex nunc* effect), see e.g. *T 7-1185-95* and *T 1186-99* (consolidated with case *T 4154-99*) from the District Court of Stockholm. In the latter case, it was considered time for widening the scope for amendments, which may result in more cases allowing amendments, making a definition of its effect desirable. For Germany, the legal situation is clear, amendments will have effect *ex tunc* and *erga omnes*, see *Schulte*, 5ed, p. 777, 7. Wirkung des Nichtigkeitsurteils and 7.1. The same applies according to Dutch law (source - interview with judge J. Willems, legally qualified member of the Boards of Appeal). This result is based on the EPC itself, Article 68, which prescribes this effect for its centralised opposition. Since most national systems have adopted the post-grant opposition system, it would not be logical for the courts in patent litigation to adopt any other course. The UK Patents Act contains an express provision that amendments take effect *ex tunc erga omnes*, see Section 75 (3) of the Act. This section applies to amendments made during the patenting stage and during patent litigation alike., *CIPA*, 5th ed., p. 723 at 75.09.

proceedings dealing with both requests¹⁵⁴. Interestingly, of the three countries examined, only UK law sets down a strict line of hierarchy by prohibiting claims of invalidity of a patent, except as a response to an infringement claim. This close connection between the two further underlines the close relationship with the opposition procedure.

In *validity* litigation, a competitor seeks to have the patent revoked on the ground that it does not meet one or several patentability criteria, presumably to allow him use of the invention himself. The aim of this competitor as well as the tools or grounds he uses are the same¹⁵⁵ as those used by an opponent in opposition proceedings which albeit take place after grant, but still are considered to belong to the *patenting* stage.

After the patent has been finally defined, the legal opportunities available to the patentee involved in *infringement litigation* may differ. The patentee may request the court to protect his interests provisionally by injunctions against infringing acts, a tool that is not available to him in opposition proceedings. However, this is not a decisive difference for the characterisation of the respective procedure, since a patentee, after grant of the patent, but before the opposition period has expired, may likewise be entitled to ask a court to issue such injunctions against alleged infringers¹⁵⁶. Like Swedish law, UK law seems to make such injunctive relief available regardless of the type of procedure or the stage of the patenting process.

Efficacy calls for connecting these types of proceedings¹⁵⁷: The efficacy of the former influences the efficacy of the latter; if the procedures examining the patent application and any ensuing opposition fail in their object of securing a fair balance

¹⁵⁴ Under Swedish law, in such a situation, the court will request the respondent party to formally instigate court proceedings, otherwise this allegation will not be examined, Section 61, Patent Act. Under section 64, the respondent is also obliged to inform the patent Office formally of his intention.

¹⁵⁵ Except for the fact that a European patent cannot be revoked under national law on grounds not listed in Article 138 EPC, which excludes revocation for the reason that the patent claims are unclear.

¹⁵⁶ But only under national law. See the Swedish Government Bill, Prop. 1993/94: 22, point 2.3 in which the responsible minister points out that the system of post-grant opposition improves the patentee's position in giving him the opportunity to seek injunctive relief under Article 57 a of the Patent Act, without having to wait for the six months or so under the old system of pre-grant opposition which normally was needed for the Patent Office to finalise the patent for grant after having laid it open for inspection.

¹⁵⁷ Efficacy measured in economic terms, i.e. complexity and number of available procedures, case history estoppel, total length of time required before a final judgement at national level can be handed down, etc.

between the interests of the applicant and those of the public, a rise in patent litigation will likely result¹⁵⁸, and the net result is that the system is not efficient.

Within the instances of the EPO there is a connection, e.g. a party who has acted procedurally cannot later contradict this, without the principle of *venire contra proprium factum* being cited against him¹⁵⁹, which represents an internal case history estoppel. In contradistinction to this instrument of efficiency, due to a lack of case history estoppel between proceedings carried out by an international organisation created by its member states and national proceedings carried out in those same members states, national patent litigation proceedings may be based on exactly the same grounds and evidence which were considered inadmissible by the BAs under the current case law. This is not an economically efficient approach, and in particular it is questionable whether the states can be considered to comply with their positive obligations to efficiency and making sufficient resources available relative to the reasonable time requirement of Article 6 (1) ECHR.

From this starting point, *opposition* and *validity/infringement* proceedings should be treated as equivalent and interconnected proceedings. The harmonisation of the rules governing these procedures will be in the interest not only of procedural economy but also of foreseeability or transparency, contributing to the rule of law, both nationally and internationally¹⁶⁰.

A *vertically* as well as a *horizontally*¹⁶¹ harmonised patent procedure is the ultimate object of the holistic approach to patenting and to the re-examination of patent property in patent litigation.

¹⁵⁸ One cannot claim a direct relation, since commercial factors influence the interest of competitors to challenge a patent.

¹⁵⁹ See e.g. T 379/96, point 2.3, in which the TBA pointed out that a previous procedural act prevents the acting party from a subsequent act in contradiction to the first one.

¹⁶⁰ Aspects for the future will be discussed in the closing chapter 9.

¹⁶¹ The horizontal aspect could also be termed *intra procedural* and the vertical aspect *inter procedural*, since the two concepts are distinguished by the context in which they operate. The horizontal aspect comprises all available instances within one patent procedural system, such as the EPO, whereas the vertical aspect covers the interface between EPO proceedings and national patent litigation proceedings. i.e. focuses on bridging gaps between systems.

CHAPTER 3 PRINCIPLES OF INTERNATIONAL LAW ESTABLISHING LINKS BETWEEN THE ECHR AND THE EPC

3.1 Introduction

A comparative study like the one contemplated in chapter 1 would be more significant if such a link between the two conventions could be found as to make the investigated convention practices in any way subject to the standards set by the convention of comparison. Should it not be possible to establish any binding effect, international procedural standards would still be useful as non-binding sources of international law in the application of the EPC¹.

Starting from an overview of sources of international law in 3.2, conflicts within international law are discussed in 3.3. The possibility of establishing binding effects between treaties is addressed in 3.4. The reference in Article 125 EPC to generally accepted principles of procedural law in the EPO member states is discussed in 3.5 from the aspect of defining its scope and influence on the EPC. The status of international organisations and their obligation to apply fundamental principles of international law is addressed in 3.6. In 3.7 and 3.8 connecting aspects as exemplified by the respective case law under the ECHR and the EPC are summarised. A few conclusions are drawn in 3.9 as to the conditions for complaints against acts of the EPO to be admitted by the HRCourt.

3.2 Sources of international law

3.2.1 Introduction

International law may be characterised as a system of rules operating as law of the international community². Unlike domestic law, there is no constitutional framework or accepted procedure in international law to lend international legal norms authority or to constitute a formal basis for general acceptances thereof as binding law³. There is also no unity in the sense of domestic law-making, which

¹ The object of international law in a traditional sense concerns the behaviour among nations and not the rights of individuals. As a result, international law can never be directly normative for an area of civil law concerned with the rights of individuals such as the EPC. Nevertheless, the connection of separate treaties by way of indicators from the area of international law that could serve as a bridge between these same treaties would be useful.

² *Danilenko, G.*, Law-making in the international community, 1992, p. 24.

³ *Verdross A./Simma B.*, Universelles Völkerrecht: Theorie und Praxis, 3. Auflage, 1984, § 40, p. 33. The authors observe that the lack of a legitimate legislator as well as of an independent arbitrator or court of law to resolve conflicts has led some scholars to define (mistakenly) international law as primitive law.

rests on a constitution with institutions carrying out their respective tasks⁴. There is thus a need to agree within the international community on the sources of international law⁵. To establish a starting point for such legitimising sources of international law, attempts have been made to construct a basic norm or in the word of Kelsen⁶, a 'Grundnorm'⁷.

Of the three main theories or philosophies of the genesis of international law identified in the doctrine, i.e. the theories of *positive law*, of *natural law* and of the *sovereignty* of states (the *statist theory*)⁸, the *statist theory* seems best fitted to guarantee that norms generally accepted will be recognised as binding on the international community⁹. However, statisticians have been blamed for not realising that sovereignty has less place in "a shrinking, interdependent world"¹⁰. *Natural law* seems less convincing as a starting point, since it accepts as law all norms that are reasonable and utilitarian¹¹, tending to disregard differences between cultures, which may result in conflicting views on the very core of this theory, i.e. what is reasonable and utilitarian.

⁴ Schermers/Blokker, *International Institutional Law*, 3rd ed. 1995, p. 707, § 1140, observing that there may be doubts as to whether there is any international legal order at all.

⁵ Ipsen K., *Völkerrecht*, 1999, p. 7 ff. cit 'Ipsen'. Cf. Danilenko, p. 17 ff., Verdross/Simma, p. 11 ff., and Brownlie I., *Principles of public international law*, 5th ed., 1998, p. 1 f. The genesis of international law is highly contentious (cf. e.g. Danilenko), but for the purposes of this thesis, an overview is sufficient.

⁶ H. Kelsen, *Principles of International Law*, 2nd revised ed., 1966, p. 446.

⁷ To put it in modern day computer language, international law needs a boot-strapping facility to set off the processes by which it can be created in an authoritative manner in order to be accepted as binding law.

⁸ See footnote 5 above for references. For further theories, underlining various aspects of human encounters, see Danilenko.

⁹ Law' defined as norms for behaviour which are accepted and followed in practice by most of the human beings in a given society, see e.g. Danilenko, p. 19, regarding the difficulties in distinguishing law from pre-law and the emergence of the "soft-law" theory. Cf. idem, p. 32: "the basic rule on sources is simply a statement that consensus or general consent is the only true source of international law".

¹⁰ Bennett, *International Organizations, Principles and issues*, 1995, p. 4 f. Tesson, F, *A philosophy of international law*, 1998, 7, advocates the further theory, based on Kant, of human rights as a basis for international law, which is founded on the common assent of individual states. This presupposes that the state in question is *democratic* in the sense that it upholds human rights. However, this theory suffers from the disadvantage that it requires states engaged in international communication to derive their legitimacy and hence powers from their respective people, which is not the case for all or even most states. Despite these shortcomings, states recognised de facto are considered equally sovereign. For recognition of states, see e.g. Eek, *Folkkrätten*, 3rd ed., 1980, p. 48 f.

¹¹ Eek would probably have disagreed to this rather modern theory. He classifies international law as "disposable", i.e. states are free to bind themselves or not by agreeing to enter into treaties. However, Eek also recognises the existence of *jus cogens*, which he classifies as "binding" law, p. 10 ff.

Under the Vienna Convention on the Law of Treaties¹², states are bound by a treaty by consent, expressed in any of the ways indicated in Articles 12 - 15, all based on the sovereignty of states to decide whether or not they will enter into any obligations. This supports the *validity of the statist theory*, ie. the presumption that states are sovereign and independent. Moreover, the VCLT contains provisions on reservations and means of derogation and denunciation as well as other tools for states to use, when not wanting to be bound by a treaty or specific clauses in it¹³.

3.2.2 Article 38.1 of the Statute for the International Court of Justice (SICJ)

Article 38.1 of the Statute of the International Court of Justice, SICJ, lists applicable sources which are already recognised as part of international law in the sense that they are to constitute the law to be applied by the ICJ itself¹⁴. These sources are international *treaties*, international *custom*, *general principles* of law recognised by civilised nations and finally "*judicial decisions and the teachings* of the most highly qualified publicists of the various nations". The first three categories are looked upon as primary sources of international law¹⁵, whereas the fourth, as is expressly said in the article, is a "subsidiary means for the determination of rules of law". *Brownlie* observes that this article does not even mention the word 'sources', nor is it a straightforward enumeration of the sources¹⁶. Both he and *Danilenko* seem however to agree that Article 38 SICJ has won wide recognition and that many jurists are of the opinion that it gives an authoritative enumeration of sources of international law, as witnessed by references to it during the negotiations on the Vienna Convention on the Law of Treaties¹⁷.

Verdross/Simma describe Article 38 SICJ as codifying the consensus in the international community that international custom, treaty law and generally

¹² VCLT of 1969, in force as from 27 January 1980.

¹³ E.g. Articles 56 and 61 VCLT. By way of reservations, a state can "customise" a treaty within the limits laid down in Article 19 VCLT.

¹⁴ While not going as far as to establishing that these are binding for the ICJ, *Danilenko*, p. 33 is of the view that Article 38 should be considered as "a catalogue of sources of the Court's decisions".

¹⁵ *Bennett* differs in that he refers to general principles of law recognized by civilized nations as a secondary source, p. 181.

¹⁶ *Brownlie*, p. 3, who however recognises that this Article is generally regarded as a complete statement of the sources of international law.

¹⁷ *Danilenko*, p. 36.

accepted fundamental principles of law have been accepted from the outset as equal sources of international law¹⁸.

Even if the notion that Article 38 defines the formal sources of international law may be controversial, there is wide recognition of its usefulness in shaping a common ground for the acceptance of rules emerging as binding international law. The practice of the ICJ itself would no doubt contribute to such an acceptance¹⁹.

Transferred to the sphere of the EPC and the object of the present study, the above would mean that not only the practice of the organs of Strasbourg under the ECHR would be of interest in filling gaps in the EPC, but also that the practice of the ICJ should be studied in the search for such reasonable and appropriate principles²⁰. However, the practice of this court could serve as a parameter only insofar as the same type of problems are addressed here as the procedural problems arising in the practice of the BAs of the EPO, or in other words, only when the area of applicable substantive (material) law is comparable.

The ICJ is competent for conflicts between states, rarely judging cases which will have a legal effect for individuals²¹. Except for fishing rights and cases regarding mining on the ocean floor and the like, which could have an economic effect for the individuals making a living from such activities, there are no civil rights for

¹⁸ *Verdross/Simma*, p. 322, § 516. *Schermers/Blokker*, p. 825, § 1341, put *jus cogens* in a higher category, as an exception from the lack of hierarchy in international law in general.

¹⁹ The ICJ can act as a controlling body for acts of international organisations in a very limited sense, issuing advisory opinions on request from a UN organ, never from members of individuals, *Schermers/Blokker*, *ibid.*, p. 412, § 605. Excluding international organisations outside the UN, it can only serve indirectly as a guidance for EPO patent procedures.

²⁰ A comparison between norms for application in *public* international law and norms useful for *civil* international law is of course not strictly logical. But for the purposes of finding generally accepted principles of international scope, there would be sufficient justification for a comparison. The application of a widely accepted principle would serve in contributing to the acceptance of the final decision. This ideal state would add to the efficiency and economy of having decisions taken at the international level. An immediate example is of course where a decision to uphold a patent rests on a widely accepted principle, it is likely to be respected to the effect that it will not be challenged through invalidity litigation at the national level.

²¹ A brief survey of the topics of this court's case law reveals *inter alia* the following broad variety of cases: Obligation to solve conflicts peacefully, diplomatic immunity, legality of use of force, obligation of arbitration, delimitation of geographic extension, sovereignty issues, consular relations, behaviour contrary to Security Council resolutions, budgetary problems, nuclear proliferation ban, maritime safety, genocide crimes, the Lockerbie terrorist attack, fishing rights, passage rights in territorial waters, the status of South West Africa, jurisdiction of the ICJ, right to damages for injuries suffered in the service of the UN, voting procedures, as well as requests for revision or interpretation of judgments and for advisory opinions.

individuals involved in these matters. It is thus not to be expected that the ICJ *material* case law would be useful as a source. Nevertheless, the procedural rules as prescribed for the ICJ and applied by it would be significant, since they were presumably carefully worked out to meet the highest standards. Despite their different functions, the ICJ statute and practice could provide significant information about generally recognised principles of procedural law for the purposes of safeguarding the right of due process in EPO patent procedures. The SICJ contains a chapter on procedure, which may be of assistance to the cause of this thesis, as would the rules of procedure applicable for the ICJ as such²².

3.2.3 Customary international law and *jus cogens*

The rules of international public law are mostly interpreted and applied by the addresses themselves, presumably a result of the *sovereignty principle* or the principle of *equality* of states. Another characteristic of international public law is that its rules are often imprecise or unclear. This makes *Eek* categorise them as principles or standards rather than rules of law²³. This state of affairs seems to originate in the lack of formal procedures, which in turn results from the same often-criticised sovereignty principle²⁴. It could frequently lead to uncertainty as to whether a rule is truly part of custom to the extent that it has become law. Unclear or vague language can lead to differences of interpretation, further clouding a proper definition of the principle and its effect in practice. In a sense one is in a vicious circle here; the evidence required for the establishment of a rule of legal force can only be found if a rule of legal force is established.

Customary international law is frequently defined as a collection of legally binding rules recognised in practice by sovereign states such as, in the words of Article 38.1 (b) and (c) SICJ phrases it: "international custom, as evidence of a general practice accepted as law" and "the general principles of law recognized by civilized nations". This emphasises custom, i.e. the activities of a state, rather than formal

²² Chapter III, Articles 39-64, covers inter alia rules on the language of proceedings, the institution of proceedings, decisions on jurisdiction, representation, written and oral proceedings, communications, service of notices, public hearings, minutes, orders for the conduct of a case, the taking of evidence, deliberations, delivery of dissenting opinions, and the limitation of the binding force of a judgment. The court lays down its own rules of procedure in detail in accordance with Article 30 SICJ. These rules are extensive, numbering 107 Articles.

²³ *Eek*, p. 13 f.

²⁴ *Téson* would call this the statist principle.

treaty-making²⁵ as a law-making process. A number of principles have been established as being part of this customary international law, e.g. the principle of good faith, the principle of self-preservation, the principle of nationality of claims, and the principle of equity²⁶. But what are the necessary conditions for a custom to have developed into a legally binding rule or the evidence that it is "accepted as law" ? In what way can it be established that a state recognises a specific principle? These questions are important from the point of view of the provision of Article 125 EPC, obliging the EPO to establish whether such principles are generally recognised in the member states.

The process of developing customary rules requires at least two elements: *practice* and *acceptance* of this practice as law²⁷. *Danilenko* also identifies the subjects whose practice will have an influence on emerging rules; states and to some extent international organisations. In particular, *international tribunals* will eventually form a body of rules to which the international community will adhere²⁸. When a domestic tribunal applies what it sees as an internationally valid rule, it usually only reasserts the position of the state, since this rule would be valid within that state as part of domestic law²⁹.

As the word 'practice' indicates, the content of customary international law is perceived through the actual activities of states, although sometimes manifestations of an intention to obey a certain rule have been accepted as evidence of a binding rule. Even resolutions adopted by international organisations are sometimes accepted, in particular those of the United Nations³⁰.

Debates and other documentation of state inter-activity may be seen as intermediary stages before a rule becomes part of customary international law. In

²⁵ See *Danilenko*, p 75 ff. *Verdross/Simma* address jus cogens first, then treaty law and finally customary law, §§ 524, 532 and 549, respectively.

²⁶ *Brownlie*, p. 19. He classifies jus cogens as part of customary law, but containing overriding principles.

²⁷ *Danilenko*, p. 81.

²⁸ Like *Danilenko*, *Brownlie* refers to the importance of the practice of international tribunals to establish binding norms, p. 17 f. and p. 19 f.

²⁹ *Brownlie*, p. 23. Decisions of tribunals (including national ones according to *Brownlie*) are addressed in Article 38.1 (d) SICJ, *idem*, p. 23.

³⁰ *Brownlie*, p. 2.

the most extreme, purely verbal exchanges of views may lead to custom. However, the ICJ continues to require state practice as evidence of customary law³¹.

Practice in the sense that a rule is generally recognised as binding may not always be easy to establish. Scholars require compliance with at least three conditions: the practice should be general, it should be uniform and it should have existed continuously over time³². The practice of international tribunals would therefore be of particular interest, since the judges have had cause to assess these conditions conscientiously and whether they have been met, before applying a rule to the case before them³³. The problem with accepting the common-law practice of *stare decisis* at the international level is however underlined by Article 59 SICJ, which prescribes that a judgment only binds the parties of the specific case and only for the case that was decided by it³⁴.

The VCLT gives a definition of *jus cogens*³⁵ in Article 53: "For the purposes of the present Convention, a *peremptory norm of general international law is a norm accepted and recognized by the international community of States as a whole as a norm from which no derogation is permitted and which can be modified only by a subsequent norm of general international law having the same character.*" (emphasis added)

³¹ Danilenko, p. 91.

³² Danilenko, p. 94, who however avoids defining a required length of time. It would seem opportune to require that the practice is stable, before the rule is recognised as binding. Brownlie, p. 7, adds a fourth condition, "opinio juris et necessitatis" linking it to the SICJ expression practice "*accepted as law*". Verdross/Simma likewise refer to the necessity of Rechtsbewußtsein ("in the awareness of the law") for custom to arise. Schermers/Blokker, *ibid.*, p. 824 f., § 1399, observe that custom can develop relatively quickly in international organisations. While the latter authors have organisations governed by their member delegations in mind, this will presumably be even more true for an organisation like the EPO with its set of provisions for the patenting procedure. In their daily application of procedural rules, a custom (or practice) has developed, as witnessed by the interpretative case law of the BAs.

³³ Brownlie, p. 16, asserts: "In practice tribunals show considerable discretion in the matter".

³⁴ This restrictive principle is honoured by the EPC, Articles 111(2) and 112 (3), and the BAs.

³⁵ *Jus cogens* or 'compelling law'. These principles could be described as making up part of a constitution for the international community, Verdross/Simma: "weil sie zum ordre public dieser Gesellschaft gehören", p. 328 at § 524 and Brownlie: "certain overriding principles of international law exist, forming a body of *jus cogens*", p. 515. Schermers/Blokker, p. 825, § 1341: International law is characterised as suffering from a lack of hierarchy, *an exception being jus cogens* (emphasis added) and further, p. 1125 f., § 1786: "Agreements may not violate peremptory norms of international law". Customary law will apply as much for international organisations as it does to states, *ibid.*, p. 988, § 1579. The latter statement must mean that *jus cogens* also applies for international organisations, by the strength of its hierarchical authority.

Within customary international law then, principles recognised as being part of *jus cogens* are binding also for international organisations. This requires a search to establish which these principles are. *Brownlie's* mention of principles such as the prohibition of the use of force, the law of genocide, and crimes against humanity seem to limit the scope of *jus cogens* to the relationship among states³⁶.

However, the question of interest here is whether the right of due process under Article 6 (1) ECHR, as interpreted by the HRCourt in its case law, would have the dignity to put it into the category of *jus cogens*, at least for European international institutions to apply as binding law. If this question is answered in the affirmative, Article 6 (1) would be binding on the Boards of Appeal of the EPO.

Wolf offers the view that the guarantees of Article 6 ECHR, having fundamental importance for the protection of human rights in civil law, form the basis for a procedural law in the contracting states to the ECHR that is characterised by uniform principles. This will also promote concordant procedural rules of civil law in the contracting states³⁷. Although there may be differences in details in comparison to national law, the procedural guarantees of Article 6 ECHR have a substantive content that is characterised by common procedural goals and, therefore, may be used as a starting point for a convergence of court procedures in the European contracting states. To identify the procedural principles guaranteed by the ECHR is therefore of importance not only for national law, but also for the convergence of European procedural law³⁸.

*Tésou*³⁹ notes that observance of fundamental human rights is a primary requirement to join the community of civilized nations under international law. To some extent, *Brownlie* also seems to agree to the postulate of human rights as an appropriate basis for international law, however cautioning that the Universal Declaration of Human Rights of 1948 hardly can be said to represent legal rules⁴⁰.

³⁶ *Brownlie*, p. 515. It is notable that even principles of *jus cogens* are not without exception as exemplified by the fact that the use of force may be legal see above, footnote 21.

³⁷ *Wolf M.*, *Zivilprozessuale Verfahrensgarantien in Art 6 I EMRK als Grundlage eines europäischen Zivilprozeßrechts*, Europas universale rechtsordnungspolitische Aufgabe im Recht des dritten Jahrtausends, Festschrift für Alfred Söllner, CH. Beck'sche Verlagsbuchhandlung, München 2001, p. 1295.

³⁸ *Idem*, p. 1280.

³⁹ *Tésou*, p. 7, quoting Kant's moral imperative.

⁴⁰ *Brownlie*, p. 574 f.

Verdross/Simma consider the protection of a minimum of human rights to be basic to such a degree that these rights form part of *jus cogens*⁴¹.

A connection between the ECHR and the EPC would then be provided through the argument, shared by the HRComm, that if states must adhere to this minimum standard so must international organisations when representing the same states as contracting states to the convention in question, by the force of the powers transferred to them by these same states⁴². At the occasion of the 50th anniversary of the ECHR, celebrated in Rome in November 2000, the deputy Secretary-General of the Council of Europe underlined that the ECHR had developed over these fifty years "into a constitutional bill of rights for the entire continent", covering an area with a population of some 800 million people⁴³, another indication of the united understanding and acceptance throughout Europe of the significance of this convention.

3.2.4 Treaty law

The best established expression of acceptance to be bound by international norms is the written treaty or convention. Nevertheless, it was seen as desirable to codify the law of treaties to "promote the purposes of the United Nations..., namely the maintenance of international peace and security, the development of friendly relations and the achievement of co-operation of nations"⁴⁴.

The first Vienna Convention on the Law of Treaties, VCLT⁴⁵, lists various acts by which a state becomes bound by a treaty, such as signing or exchanging

⁴¹ *Verdross/Simma*, § 527, p.332. Treaties encroaching upon core areas, i.e. on fundamental human rights, would therefore be invalid.

⁴² *Schermers/Blokker*, p. 989, § 1579: "International custom will apply as much to international organizations as it does to states".

⁴³ See "The European Convention of Human Rights at 50", a special issue of the Human Rights Information Bulletin, November 2000, published by Directorate General II - Human Rights, Council of Europe, available at <http://www.humanrights.coe.int/bulletin/>, as visited on 15 May 2001.

⁴⁴ Preamble to the VCLT.

⁴⁵ Adopted on 23 May 1969, in force as of 27 January 1980. In August 2001, 93 states were bound by this treaty, Multilateral treaties deposited with the Secretary General - TREATY I-XXIII - 1.asp., received from the Treaty section of the Office of Legal Affairs of the UN at 13 August 2001 over the Internet. For an overview of the history of the VCLT, see e.g. Wetzel RG., and Rauschnig, D., editors, *The Vienna Convention on the Law of Treaties - Die Wiener Vertragskonvention*, 1978.

instruments, ratifying, approving, acceding or by any other means, if so agreed⁴⁶. Under the generally recognised principle in international law of 'pacta sunt servanda', the VCLT obliges all parties to a treaty to perform it in good faith. A party may not invoke domestic law as justification for its failure to perform a treaty. Should the expression of its consent to be bound by the treaty be a manifest violation of a domestic rule of fundamental importance, however, the treaty is no longer valid as regards that state, provided that the violation would be objectively evident to any state conducting itself in accordance with normal practice and in good faith⁴⁷.

As a state progressively becomes a party to further international treaties, it is self-evident that the risk increases that it may enter into a treaty that is either directly incompatible with a previous binding treaty or that could make its obligations under both treaties more difficult to observe⁴⁸. The case law of the Strasbourg organs recognises this problem, reminding the parties before it that the binding force of the ECHR puts an obligation on the member states not to enter into treaties which are in conflict with the former.⁴⁹

It is noted in the preamble of the Vienna Convention on the Law of Treaties between States and International Organizations or between International Organizations, concluded on 21 March 1986, the VCIO, that there is an increasing interest of states in transferring their powers to international organisations as a means of improving their resources in dealing with international issues⁵⁰. The opportunity for such organisations to be able to act as subjects of international law is thus recognised formally through this treaty. No doubt this will ameliorate the current situation, threatening to result in *déni de justice* as a result of immunity clauses for these organisations.

⁴⁶ Article 11 VCLT. Articles 12 to 17 VCLT describe various means of expression of consent to be bound by a treaty.

⁴⁷ Articles 27 and 46 VCLT.

⁴⁸ On the ongoing fragmentation of international law as a growing problem, see ILC report, 52nd session, 2000, p. 321 ff.

⁴⁹ Except of course where the parties to the first treaty has by entering into a later treaty made the former inapplicable as a whole or in part. The statement of the Strasbourg organs is not to understand as a deviation from the general principle of *lex posterior*, which only addresses changes within the same piece of legislation, cf. VCLT Article 30, which is limited to successive treaties relating to the same subject-matter.

⁵⁰ The European Communities are of course a prime example of the ongoing internationalisation regarding matters which only 50 years ago were considered to be the exclusive responsibilities of sovereign states.

The VCIO applies formally only to treaties concluded after its own entry into force. However, as was the case with the VCLT in relation to the EPC, it is to be expected that the principles codified in the VCIO will also be adopted for the purpose of older treaties⁵¹. In its preamble, the VCIO addresses in particular the special nature of treaties to which international organisations are parties as subjects of international law as distinct from states, recognising their basic capacity to enter into treaties. Article 6 lays down the general capacity of international organisations⁵² to conclude treaties in accordance with their own rules, i.e. their constituent instruments.

Applied to the EPO, this means that the president of the EPO may be empowered by the Administrative Council under Article 33 (4) EPC “to negotiate and, with its approval, to conclude agreements on behalf of the [EPO] with States, with intergovernmental organisations and with documentation centres set up by virtue of agreements with such organisations.”⁵³ Potentially, then, the EPO could confirm the VCIO under its Article 85 (3), which however has not yet⁵⁴ taken place.

The VCIO contains further provisions on means for the conclusion and entry into force of treaties (Part II), observance, application and interpretation of treaties (Part III), amendment and modification (Part IV), invalidity, termination and suspension of the observance of treaties (Part V) and miscellaneous provisions (Part VI). Of these, Parts III, V and VI could be of interest. A brief look at the interpretative provisions shows that they are identical to the corresponding provisions of the VC, save the necessary editorial deviations to take account of the fact that one or more parties to a treaty may be international organisations.

The relationship to the VCLT is governed by Article 73: “As between States parties to the Vienna Convention on the Law of Treaties of 1969, the relations of

⁵¹ The EBA of the EPO expressed the desirability of applying the principles of the VCLT for the interpretation of the EPC although the latter entered into force before the VCLT itself, see decision *G 5/83*, OJ EPO 1985, 64. This is now an established principle in the case law of the BAs.

⁵² International organisations are defined as intergovernmental organisations (IGOs), excluding non-governmental organisations (NGOs).

⁵³ The classic status of sovereign States was retained, insofar as the VCIO will enter into force only when 35 states have declared themselves to be bound by it, regardless of the number of international organisations confirming it, Article 85(1). On 14 March 2003, the VCIO had 37 parties, but had not yet entered into force, according to an e-mail message from the Treaty Section of the UN, treaty@un.org, Ms Sylvie Jacque, Deputy Chief.

⁵⁴ End of 2002.

those States under a treaty between two or more States and one or more international organizations shall be governed by that Convention.”

One problem with using the VCLT and/or the VCIO as a guideline would lie in the fact that not all EPO states have ratified them. Of the currently twenty contracting states to the EPC, fourteen have ratified the VCLT⁵⁵, leaving France, Ireland, Luxembourg, Monaco, Portugal and Turkey outside. The VCLT entered into force on 27 January 1980, whereas the VCIO has not yet entered into force⁵⁶. According to the WIPO website, the following thirteen EPO states had ratified the CIO as per 23 June 2000⁵⁷: Austria, Belgium, Cyprus, Denmark, Germany, Greece, Italy, Liechtenstein, Netherlands, Spain, Sweden, Switzerland and UK⁵⁸.

When observing these shortcomings, one should however also note that both instruments enjoy wide recognition in practice, for the reason that the principles laid down there were included because they were already considered to be generally accepted norms; the VCLT and the VCIO are largely accepted as codifications of what may be defined as customary law, if not part of *jus cogens*⁵⁹.

3.3 Conflicts within international law

International law lacks the unity that domestic legal orders possess so that it may be questioned if there is any legal order at the international level⁶⁰. There are differences of opinion even as to whether international organisations are separate from international law or not⁶¹.

⁵⁵ A total of 93 states were bound by this treaty in August 2001, whereas 34 states had ratified or otherwise declared themselves bound by the VCIO, according to information received on 13 and 14 August 2001 from the UN Treaty Division, Office of Legal Affairs.

⁵⁶ After the UN confirmed the VCIO on 21 December 1998, other international organisations have followed, with a view to encouraging enough states to follow suit, in order that the VCIO might enter into force as soon as possible, see e.g. www.wipo.org, www.un.org and www.ilo.org and reports there about developments. Since the beginning of 2001, the UN charges a fee for access to its treaty series; so far no replacement has been found on the Internet, except the above addresses, which were accessed on 16 January 2001.

⁵⁷ The date of issue of document WO/CC/45/2 for the 45th meeting of the WIPO Coordination Committee.

⁵⁸ This number remained the same in August 2001. Finland, not a signatory to the VCIO, had at that time not yet acceded to it.

⁵⁹ One example may be quoted here: *Wolf* indicates that the right to a fair hearing in Article 6 ECHR caused the German Constitutional Court (Bundesverfassungsgericht) to elevate this right to rank as part of the German constitution (Grundgesetz), see p. 1296.

⁶⁰ *Schermers/Blokker*, p. 707, § 1140.

⁶¹ *Idem*, p. 709, § 1142.

This is a clear indication that international law should not be mistaken as one homogenous system of normative principles accepted by all or nearly all states adhering to the rule of law, nor as including a homogenous system for the creation of such law. As noted by the ILC, international law has become increasingly fragmented by, for example, the increasing number of international regulations and the growing interdependence of states in areas such as economy and environmental issues⁶².

Hafner points to the risk that States may even have to comply with mutually exclusive obligations, which inevitably incur state responsibility, giving some examples, including the cases of *Waite and Kennedy v. Germany* and of *Beer and Regan v. Germany* before the HRCourt, in which the HRCourt had to resolve the conflict of immunity for the ESA against the human right of having access to a court of law, as enshrined in the ECHR.

A way out of this conflict of interests was offered by the *principle of proportionality*, which when applied to these cases led to the conclusion of the HRCourt that the immunity given to the ESA was not disproportionate for the purposes of Article 6 (1) ECHR⁶³. From these and other examples given in the report, *Hafner* derives a need to regulate the priority of conflicting treaty obligations. In his view, the mere fact that a conflict was put before the United Nations Law of the Sea Tribunal is already sufficient evidence that the existing general international law does not contain such a regulation⁶⁴. Even where one more general regime contains special provisions defining the priority of rules with regard to another more specialised regime, the exact order of priority is often difficult to determine⁶⁵. Whereas the maxim from Roman law of '*lex posterior derogat priori*' is to be found in article 30 of the VCLT, the maxim of '*lex specialis derogat generalis*' is not. Since Article 30 VCLT expressis verbis only covers successive treaties relating to the same subject matter, it cannot resolve conflicts of obligations emerging from unrelated treaties.

Although treaties may in themselves regulate priorities, the fragmentation of international law in that not all states are bound by each of the related treaties in

⁶² *Hafner G.*, Risks ensuing from fragmentation of international law, ILC report 2000, p. 321 f.

⁶³ Both judgments are dated 18 February 1999. See below, 3.8.1.2.

⁶⁴ *Hafner*, p. 325 f.

⁶⁵ *Hafner*, p. 331.

question makes such provisions less useful. To this must be added that states are not always aware of available priority solutions⁶⁶.

Solutions have been offered, for example from the president of the ICJ, in the form of advisory opinions by that court⁶⁷, which however are not sufficient to clear the chaotic picture. The proposal resembles the EPC system of having an Enlarged Board of Appeal render opinions or decisions on fundamental legal questions, albeit that the latter only manoeuvres within a single treaty system. A similar system is to be found in national courts, where fundamental questions are frequently referred to the entire court *in pleno*⁶⁸.

Another result of the lack of coherence across treaties is illustrated by Hafner's example from the United Nations Charter and the Statute of the International Criminal Tribunal for former Yugoslavia. A comparison between the two reveals that the latter does not contain the same guarantees as the former with regard to the principle of *nullum crimen sine lege* and against the *ne bis in idem* principle. A state party to the Statute may therefore find itself in breach of the UN Covenant, a conflict which is as yet unresolved⁶⁹. There is therefore a risk that a state, however conscientious in its treaty making activities, cannot avoid compromising itself.

Hence, there is a need for both principles establishing a hierarchy of treaties and rules of conflict with regard to the choice between two simultaneously applicable treaties. Although only treaties are addressed here, it goes without saying that should contrary or diverging principles be found, it has to be decided whether this must mean that none of them can be said to constitute international custom or *jus cogens* or if there is a need to keep them apart by a principle of hierarchy. In spite of this need, the ILC has refrained from classifying treaties even as between law-making and other treaties⁷⁰, not to speak of establishing a hierarchy. Such a classification, if existing or undertaken, would however not obviate the need for interpretative principles along a temporal axis as treaties are amended, terminated

⁶⁶ Hafner, p. 335.

⁶⁷ Hafner, p. 336.

⁶⁸ The difference to the EBA function being that the latter does not decide the case on its merits, whereas a national court (and e.g. the HRCourt at the international level) does.

⁶⁹ Hafner, p. 323.

⁷⁰ Brownlie, p. 639.

or replaced by other treaties or as the class of contracting states to a specific treaty changes.

3.4 Binding effects between treaties

3.4.1 Introduction

Firstly, it is clear that there is a lack of a formally binding effect; a treaty binding a number of specific states cannot have any effect as to another treaty whose object is different and which has been ratified by a number of other states, regardless of whether the two groups partly overlap⁷¹. This resembles - with some exaggeration - a contract between individuals: There is no requirement that a particular enterprise must offer the same sales conditions to each of its customers, at least as long as there is no undue element of discrimination involved.

In principle, there seem only to be three situations engendering such a formally binding effect; the *first one* relates to a single state, which is expected to honour its obligations under a previous treaty also when concluding a subsequent treaty on the same or a similar topic, where conflicts could arise. However, it is binding only with regard to the scope still afforded the state when negotiating the terms of the second treaty. The *second situation*, covered by the VCLT, concerns two or more related treaties, where a later treaty is to be regarded as replacing a previous one as far as the latter is thereby amended, provided that the contracting states are the same, Articles 30.3 and 59 VCLT. In the *third situation*, again provided that the contracting parties are the same, the original treaty is terminated in accordance with Article 54 VCLT⁷². If the parties to the two treaties are not the same, Article 30.4 VCLT provides that only the terms of the *mutual treaty*, i.e. the mutual clauses to which both have consented are binding, as between a state party to both treaties and a state only party to one of them.

Thus, with regard to a binding effect, there is a major issue to be discussed, namely whether, in other instances than the ones described above, there effectively can be any binding effect of one treaty upon another. *Bayani* discusses a neighbouring

⁷¹The conditions of Article 30 VCLT are not met in these examples.

⁷²A proposed rule to the effect that subsequent modification by way of a change in practice might also establish the existence of an agreement to modify a treaty was discarded in the negotiations on the VCLT. *Brownlie* criticises this as unsatisfactory for the reasons that an agreement to modify a treaty does not need any specific form and that a consistent practice may be evidentiary of a common consent to a change, p. 631.

question⁷³, namely the interplay between treaty law, international customary law and *jus cogens*, but offers no arguments for a formally binding force within treaty law alone.

One way of finding such an effect would be to study ECHR case law on immunity and the resulting risk of *déni de justice*. The HRCourt accepted that state immunity may be seen to - depending on the situation - pursue a legitimate aim and also may be proportionate to that aim (even in the extreme case of torture) and it did so although the prohibition against acts of torture may be recognised as part of *jus cogens*. A state which respected the immunity of another state had not necessarily violated the ECHR⁷⁴. Hence, even in such an extreme situation, the HRCourt accepted that the ECHR was not followed, denying a binding effect in the conflicting situation where state immunity had to be considered.

Secondly, it is necessary to study whether there are any effects of a legal nature ensuing from the fact that treaty law is applied in practice to cases through an international organisation empowered by the contracting states for that very purpose. Or, in other words, may the jurisprudence of one international institution affect the practice of another?

Thirdly, under what conditions may an international organisation be bound to apply *jus cogens* or even customary international law? And may the ECHR either in itself or by way of the case law of the HRCourt be considered to imply as a whole or in part a codification of *jus cogens* or customary law, to the effect that it has to be followed by the EPO?

A fourth question is whether there can be any cross-effects, i.e. so that a younger treaty, as applied in the case law of the competent international institution, even influences the application of the older one? An example with regard to the ECHR and the EPC is the fact that the HRComm in its early practice did not

⁷³ *Beyani, C.*, 'The legal premises for the international protection of human rights' in *The reality of international law*, Essays in honour of Ian Brownlie, 1999, p. 21 ff.

⁷⁴ *Al-Adsani v. UK*, judgment of 21 November 2001, paras 65-66. A parallel case decided the same day, *Fogarty v. UK* (paras 38-39) on immunity against a civil complaint by an employee in diplomatic service, is related to the cases of *Waite and Kennedy*, and *Beer and Regan*, both *v. Germany*, see part 3.8.1.2, concerning employment-related disputes. The HRCourt again found that states were entitled to immunity. The *Fogarty* case and a further case of immunity and *déni de justice*, i.e. *Hans-Adami II of Liechtenstein v. Germany*, judgment 12 July 2001, will be discussed in part 3.8.6.

recognise a patent application as an object of property, whereas this legal status is expressly afforded to the European patent application under Article 148 EPC. This had the effect that the applicant was unprotected under Art 1 Prot 1 ECHR - a complaint would be inadmissible *ratione materiae* with regard to the direct right to property. Because of the change in attitude in Strasbourg, a complainant of today is at least assured that disputes regarding patent applications are protected under Article 6 (1) ECHR⁷⁵.

3.4.2 Effect of the ECHR on EC practice

Mendelson denies any binding effect between European Community law and the ECHR based on Article 18 VCLT, with the argument that this provision only relates to the period prior to entry into force of the treaty in question, whereas the ECHR was already in force for all but one of the states which have ratified the Rome Treaty⁷⁶. In his view, even if the signatories of the Rome Treaty were under an obligation to refrain from conduct in conflict with the ECHR, this does not logically entail the conclusion that the provisions of the latter are part of the former. Mendelson is not a supporter of the so-called substitution principle either, by which the Community as such would be bound through having been assigned powers from its member states⁷⁷. Since obligations vis-à-vis the ECHR vary among the contracting states in accordance with reservations made and their membership to various protocols to the ECHR, it would be difficult, if at all possible, to ascertain what the Community's obligations might be. Article 234 (now 307) EEC provides that rights and obligations of member states under prior treaties shall not be affected by it. Individually, then, these member states still have obligations under the ECHR, and Mendelson is even prepared to go as far as stating that Community law does not have supremacy over the ECHR. In the opposite direction, the CJEC has recognised the influence of the ECHR on Community law as providing guidelines to be followed⁷⁸.

⁷⁵ See below, 3.7.2.

⁷⁶ *Mendelson, M.*, The impact of European Community law on the implementation of the European Convention on Human Rights, Human Rights files No. 6, Council of Europe 1984, p. 8 f. It is assumed for the sake of argument that the same type of reasoning is valid for a relationship between the ECHR and the EPC.

⁷⁷ Interestingly, the substitution principle seems to have been adopted by the HRComm in its decisions on the admissibility of complaints against international organisations, see e.g. the *Heinz and Reber et al.* cases, which are discussed in more detail below, 3.8.1.1.

⁷⁸ E.g. in case C 4/73 *Nold v. the Commission*, para 2-13. See also *Weatherill et al.*, EC law, p. 254 f., on the relationship between the human rights concept of the ECHR and that of the EC.

Mendelson instead advocates what may be termed 'indirect' effects of Community law on the ECHR and quotes examples where the parties in cases before the HRCourt have referred to CJEC case law to support their views on the correct interpretation of concepts such as 'discrimination' and refers also to the *Marckx case*, in which the HRCourt itself referred to the case of *Defrenne v. Sabena*⁷⁹. With regard to the latter example, it is of course at the discretion of the HRCourt itself to find examples from other international courts suiting its own purposes, and that this is not evidence of a formally binding force. It must however be acknowledged that, primarily due to a common European culture nurtured by the HRCourt case law itself, an interactive relationship certainly can be found. Furthermore, such an interactive relationship is even more pronounced today, as all member states to the EC also are ECHR contracting states.

While not having binding force on subjects other than the states formally bound by their consent through acts of ratification etc., a treaty may be recognised and applied in practice, an indication that may confer a general influence on international organs. In the practice of the CJEC, the principles laid down in the ECHR "must be taken into consideration in community law"⁸⁰.

The CJEC has consistently held that fundamental rights form an integral part of the general principles of law which it has to observe. For the supply of guidelines in order to safeguard such rights, the CJEC will look to the constitutional traditions of the member states as well as to treaties concerning the protection of human rights commonly entered into by those states⁸¹. The ECHR has a special significance in this respect; hence it follows that the Community cannot accept measures that are incompatible with the observance of the human rights thus recognised and guaranteed⁸². The same principles are upheld by the Court of First Instance⁸³.

Weatherall/Beaumont point to the CJEC as not accepting directly the case law of the HRCourt as binding, quoting the *Kirk case*, C-63/83, about a Danish fisherman who had fished in UK waters and was charged with illegal fishing, but who

⁷⁹ *Mendelson*, p. 27 f.

⁸⁰ *M. Johnston v. Chief Constable of the Royal Ulster Constabulary*, C 222/84, para 18.

⁸¹ *Wachauf v. Bundesamt für Ernährung und Forstwirtschaft*, C 5/88, para 17.

⁸² *Annibaldi v. Sindaco del Comune di Guidonia*, C 309/96, para 12.

⁸³ *SCK and FNK v. the Commission*, joined cases T 213/95 and T 18/96, para 53.

claimed to have the right to fish in any community water⁸⁴. The case turned on the question of retroactive legislation and the CJEC quoted Article 7 ECHR, holding that the *principle of non-retroactivity of penal provisions (nulla poena sine lege)* was a general principle ensured by the court. This is an indication that the CJEC is inclined to accept fundamental human rights as binding, but only when the court finds it appropriate under the circumstances and on a case by case assessment. It should therefore be possible to extract which human rights have been so accepted in the case law.

The Johnston case concerned a claim of *discriminatory treatment* of female police officers. In this case the CJEC held that the principle of effective judicial control as laid down in Article 6 of Community directive 76/207 did not allow a certificate issued by a national authority to have the effect of excluding any power of review by the courts. The CJEC does not consider itself competent to examine whether national law complies with the ECHR in areas of law which do not fall within community law⁸⁵. Where "such rules do fall within the scope of Community law, and reference is made to the Court for a preliminary ruling, it must provide all the criteria for interpretation by the national court to determine whether those rules are compatible with the fundamental rights the observance of which the Court ensures and which derive in particular from the European Convention on Human Rights"⁸⁶.

According to the incumbent President of the CJEC, the general principles of law on which the CJEC draws are still mostly found in national legal systems. As soon as the CJEC has recognised such a principle, it acquires the force of binding law⁸⁷. The CJEC carries a special responsibility for the protection of fundamental rights, since Community law does not contain a constitution or any complete catalogue of human rights⁸⁸.

In recognising the ECHR as valid for Community law, the fact that all Community states are Contracting states to that convention may have played a special role. The

⁸⁴ *Weatherall S., Beaumont, P.*, EC Law, Penguin Books, 2nd ed., London 1995, p. 256 f.

⁸⁵ See e.g. *Demirel v. Stadt Schwäbisch Gmund*, C 12/86, or *Cinéthèque SA et al. v. Fédération nationale de cinémas français*, cases C 60 and C 61/84, point 3 and 2 of the court orders, respectively.

⁸⁶ *Elliniki Radiophonia Tiléorassi AE et al. v. D. E. Piroforissis et al.*, C 260/89, para 42.

⁸⁷ *Iglesias G. C. R.*, Gedanken zum Entstehen einer Europäischen Rechtsordnung, Neue Juristische Wochenzeitschrift, Heft 1, 1999, p. 5 ff.

⁸⁸ *Ibid.*

CJEC often cites judgments of the HRCourt, thereby adopting the latter's case law as its own. It is to be noted, however, that the ECHR is not seen as a binding instrument, but rather as a source of law for the identification of fundamental rights as part of a collection of general principles of law⁸⁹. In line with the Strasbourg case law, the CJEC has underlined that the guarantee of access to court must be so effective as to achieve the goal of directive 76/207 that affected persons will in fact be able to claim their lost rights.

The Maastricht treaty expressly recognises the ECHR, which means that, short of a possibility for individuals to bring the EC "to court" in Strasbourg, the ECHR has to be respected by EC organs⁹⁰. Thus, the ECHR case law contributes in shaping the new European legal order, not only in a formal sense but also has a harmonising influence on substantive law across European Union states⁹¹.

Weatherall/Beaumont describe the *right to a fair hearing* as a fundamental right recognised by the CJEC in its case law and thus to be observed as a general rule of Community law⁹². From the cases cited, the right to a fair hearing should be understood as corresponding to the concept of the *right to be heard*, i.e. only part of Article 6 (1) ECHR is thereby covered. Other rights recognised by the CJEC, but not necessarily derivable from the ECHR, are the principles of legitimate expectation, proportionality, legal certainty and confidentiality⁹³

It cannot be said with any certainty that the whole of Article 6 (1) ECHR is honoured as binding on the EC, and in particular it is not established that the CJEC would find itself bound by the *ratio decidendi* of the HRCourt. A prudent conclusion is therefore that the right of due process as laid down in that article and

⁸⁹ *Schermers/Blokker*, observe that the CJEC reserves the right to decide which judgments of the HRCourt shall be considered as binding, hence it does not accept any formally direct binding effect of this case law, p. 985f., § 1576.

⁹⁰ *Harris et al.*, p. 27 f. The authors are of the opinion that an accession by the EC to the ECHR is long overdue. *Jacqué* refers to the case of *Internationale Handelsgesellschaft* as the turning point of the CJEC's approach to human rights, in *Jacqué, J.P.*, *The Convention and the European Communities*, in *Macdonald, et al.*, p. 890 f., pointing out that the ECHR thereby only has an indirect effect on Community law, albeit that the CJEC systematically applies the principles of the ECHR. However, this state of affairs also means that it is the CJEC that interprets the ECHR. Likewise *Schermers/Blokker, ibid.*, p. 985 f, § 1576.

⁹¹ *Wolf*, p. 1295.

⁹² *Weatherall/Beaumont*, p. 264, citing inter alia the *Transocean Marine Paint v Commission, Al-Jubail Fertilizer v Council, C-49/88*.

⁹³ *Ibid*, p. 258-265. The CJEC may have derived these principles from the ir existence under national in EC states.

interpreted by the HRCourt, will be considered by the CJEC, but not necessarily followed by it.

3.4.3 Binding effect of the ECHR on the EPC

As to the first problem - binding effects between treaties - it must be observed at the outset that there is little research done on binding effects between treaties⁹⁴, not to speak of any such effect of the practice under the ECHR on the practice under the EPC. However, *Steenbeek*⁹⁵ has tried to argue such an effect, using examples from the EU Court of Justice jurisprudence, where with time the court has come to acknowledge to a growing degree its commitment to apply the principles of the ECHR, since it is bound to uphold the law, as recognised by the EC member states, including their recognition of human rights, all of them being contracting states to the ECHR. Steenbeek observes that the Court obtains its legitimacy from the EC member states at the same time as it applies the ECHR as the general principles of law common to these states, and quotes two authors pointing out that the court would be bound to do so on the principle of substitution as soon as it exercises authority in the place of the member states. Steenbeek also reports that in 1977 the EU institutions issued a joint declaration that they would respect fundamental rights stemming from the constitutions of the members states and the ECHR.

Steenbeek argues that the VCLT provides a bridge between the ECHR and the EPC, since it is a codification of customary law and as such would bind the EPO, although the VCLT is a younger treaty than both the ECHR and the EPC. Since under Article 30 VCLT two parties to successive treaties relating to the same subject-matter have to abide by the treaty to which both of them belong, the parties to the EPC had no competence to create an EPO which would not be obliged to apply the ECHR. This in turn, so Steenbeek, has the consequence of making the ECHR binding regardless of the limitation in Article 125 EPC according to which generally recognised principles are applicable only in instances

⁹⁴ See above, 3.4.1. Under classic international law, nobody can be bound by a treaty who has not consented to it, except under the conditions of Articles 35 and 38 VCLT for binding third parties. This would be true for international organisations as well. In the literature studied for the purposes of this thesis, the topic of a binding effect is not addressed other than in the context of voluntary acceptance, such as of fundamental human rights as sources guiding an international organisation in its decision-making process.

⁹⁵ *Steenbeek, L.J.*, On the relation between the European Patent Convention and the European Convention for the Protection of Human Rights and Fundamental Problems, Thesis for the Law Degree, The Hague, January 1994, p. 18 ff. Steenbeek's postulate is limited to disciplinary cases, but could be used by analogy to cover any appellate procedure before the EPO.

where the EPC is silent⁹⁶. Here one must object, however, that the ECHR and the EPC can hardly be said to be two treaties relating to the same subject-matter. The linkage between them is only indirect, in that the procedural principles laid down in the EPC have counterparts in the case law of the HRCourt with regard to Article 6 ECHR⁹⁷.

In any event, however well intended, the arguments for a formally binding connection of two treaties, such as the ECHR and the EPC, do not close the discussion. The attempts at obtaining an answer through complaints to the organs in Strasbourg have not been conclusive, even if the HRComm did indicate that the obligations of the contracting states under the ECHR must be upheld when they enter into other treaties, including the EPC. This does not make the Strasbourg case law immediately applicable to analogous cases before the EPO.

In the *Heinz case*⁹⁸, for example, the complaint was found to deserve an initial examination only because it had been directed to all the contracting parties to the EPC, insofar as they were also parties to the ECHR. In the cases against Germany relating to the *ESA*⁹⁹, the HRCourt found the immunity clause to be valid, exonerating Germany from any responsibility. Further, since the ESA was an international organisation, not itself a party to the ECHR, it could not be a responding party, a result which could be equalled to a *déni de justice* situation. The only possibility by which the complainants in these two cases could have recourse to a court would be via the ILO Tribunal¹⁰⁰.

⁹⁶ *Ibid.*, p. 46 f. Steenbeck's theory would go against inter alia *Jacqué and Schermers/Blokker*.

⁹⁷ Note that patent applications do not fall under Prot I Art 1, which has been limited to already accrued rights, which the HRComm did not recognise for mere applications, see 2.4.1. Some ECHR case law on property and Art I Prot 1 ECHR in relation to patents is summarised in 3.7.2.

⁹⁸ Application no 21090/92.

⁹⁹ *Waite and Kennedy v. Germany and Beer and Regan v. Germany*, both decided by the HRCourt 18 February 1999, see 3.8.1.2 below for summaries.

¹⁰⁰ It would go too far to discuss the functions of the ILO Administrative Tribunal here. However, its competence might not be sufficient to meet all demands on a court, e.g. in view of its limited powers, see Article VIII of the Statute of the Administrative Tribunal of the ILO, according to which the tribunal shall order the rescinding of the decision impugned or the performance of an obligation relied upon and the competence to award damages is limited to cases where there is no possibility to remit the case for such an act to follow. The tribunal is not competent to substitute its own judgment for the decision impugned. This gives rise to the question, whether there would be a recourse from the ILO tribunal to the HRCourt under Article 6 ECHR. Extrapolating from judge Marten's opinion in *Fischer v. Austria*, see 4.6, such a restriction would amount to a violation of Article 6 ECHR. The only obstacle to an access to the HRCourt would under these circumstances be the question of immunity.

Another example of a quasi binding effect between international treaties or instruments is given by *Straus*¹⁰¹, with regard to the legal relationship between the EC Directive on the protection of biotechnological inventions and the TRIPs Convention. Straus does not offer any arguments as to what creates a binding effect, nor whether the connection arises as an element of law, nor does he define the conditions to be met for a treaty to bind another, nor what constitutes such an effect. Maybe his intention was only to observe that such an effect had been established *de facto*.

The example addressed by Straus was the following: A result of TRIPs Article 27 on the patentability of all inventions in all fields of technology with very narrow exceptions as listed in paragraphs 2 and 3 of that article¹⁰², the EC biotechnology directive was incorporated through the adoption of Rule 29 b - e into the Implementing Regulations to the EPC by decision of 16 June 1999 of the Administrative Council of the EPO.

It seems clear from the above that there is no automatically binding effect, since an express decision had to be taken by the Administrative Council in order for the Directive to find implementation in the EPC and thus to bind also the BAs¹⁰³. It should be noted that the Netherlands and Italy brought a case to the EC Court of Justice, claiming that they should not be obliged to implement the directive, since it was not in conformity with Article 53 (b) EPC and therefore created legal confusion as to the extent of patentability of plant and animal varieties¹⁰⁴. Even if this case was eventually unsuccessful one is therefore hard pressed to conclude that an agreement adopted within the WTO would have an immediate effect on an older treaty like the EPC, even with the help of the ministrations of EC law-making bodies and the member states to the EPO.

¹⁰¹ Straus, J., *Völkerrechtliche Verträge und Gemeinschaftsrecht als Auslegungsfaktoren des Europäischen Patentübereinkommens*, GRUR Int. 1998, p. 2, footnote 14.

¹⁰² Contrary to the EPC, TRIPs does not exclude patents on plant varieties, but obliges members to afford either patents or a *sui generis* protection for this type of inventions.

¹⁰³ Incidentally, the binding effect of this adoption is not automatic. The BAs are only obliged to interpret the Convention (including the Implementing Regulations) and if they find any inconsistency are bound to apply only the EPC proper, i.e. the articles take precedence over the rules.

¹⁰⁴ Case C-377/98. Since then, Advocate-General Jacobs on 14 June 2001 published his opinion, which is in favour of accepting the directive, proposing that the action should be dismissed. As expected, the CJEC dismissed the actions, in its decision of 9 October 2001, essentially agreeing with the Advocate-General.

In any event, the above does not offer any further argument that a formally binding effect between unrelated treaties would be *generally recognised*.

The second problem - effects of the practice under one treaty upon the practice under another - could be seen as a closed issue because of the answer to the first problem. But, as there is a growing recognition among states that fundamental human rights should rightly belong to the realm of jus cogens, and as such would form part of an, if not global, at least international legal order or international constitution, this problem would still justify some attention. Since human rights and the ECHR are officially recognised by the EPO case law as valid in the practice of the EPO, this suffices as a basis for a comparative study of procedural principles and how they are applied in practice. This conclusion is supported by the examples of interaction between the CJEC and the HR Court practices indicated above.

The third problem - inverse temporal impact - is more complicated as well as being radical. Given the lack of binding effects in general, there is even less indication that practices could have a temporally reverse impact. Nevertheless, precisely because the institutions upholding the ECHR constantly reiterate that application of that convention must be dynamic, so that the HRComm and the HRCourt will take developments of views on human rights issues into account, practices relevant for these institutions are likely to be taken into account if presented in the course of the proceedings before them¹⁰⁵. The developments addressed by the HRCourt are naturally those occurring in the member states, but would also include opinions held by organisations to which the same states have transferred some of their powers. The TRIPs example, however poor it may seem as a support for any binding effect, can be said to signify the need to seek harmony across national and organisational fences, no doubt in a realisation of a growing global interdependence, at least in fields of economic importance¹⁰⁶.

¹⁰⁵ See *Matscher*, p. 68 f., in *Macdonald et al.*, and the cases cited with regard to the so-called evolutive or dynamic method of interpretation.

¹⁰⁶ See e.g. *Gervais D.*, *The TRIPs Agreement, Drafting History and Analysis*, Sweet & Maxwell, London, 1998, p. 3 at 1.02, p. 20 at 1.20, p.26 at 1.34 and p. 27 at 1.35.

3.4.4 *Voluntary consent to be bound*

Even if a treaty does not formally bind another treaty, such an effect may be established through voluntary recognition. An example of the willingness of the EPO to apply the principles of the ECHR is the declaration by the President of the EPO regarding the adherence of the EPO to the principles of human rights, approved by its Administrative Council, which at its 55th meeting in December 1994 adopted the following declaration:

The Administrative Council and the President of the Office note that when reviewing the law applied to EPO staff the ILO Tribunal considers not only the legal provisions in force at the European Patent Organisation but also general legal principles, including **human rights** (sic). The Administrative Council also noted with approval the President's declaration that the Office adheres to the said legal provisions and principles¹⁰⁷.

The above is an example of the interplay between *jus cogens*, to which the special law of fundamental human rights¹⁰⁸ rightly belongs, and general treaty law of which *Beyani* speaks. If the right of due process is considered part of *jus cogens* and thus binding on international organisations, as advocated above¹⁰⁹, a treaty would not only receive its content from its verbatim text and from the case law relating to substantial matters regulated by it or from the custom of its contracting states; influences from the realm of human rights will also have an impact on solutions chosen from a variety of possibilities. This would at least hold true when it comes to filling a gap in the EPC by applying Article 125 EPC. This state of affairs ties in very nicely with the widespread opinion of scholars of international law that principles of human rights represent minimum standards of international law to which all states within the international community must adhere and by which, therefore, domestic systems can be measured¹¹⁰.

¹⁰⁷ While this declaration is limited to the provisions on employment and the rights of its personnel, it would be surprising if the European patent office would deviate from this commitment when applying the law to the parties in proceedings before it. The case law of the boards of appeal confirms the more general scope of the ECHR as an at least guiding convention, see e.g. decisions *D 12/88*, *T 261/88*, *T 377/95* and *G 1/97*.

¹⁰⁸ It is not totally beyond doubt, though, that some rights have not received a general acceptance as fundamental rights and that they therefore cannot be classified as either part of *jus cogens* or even of customary law. There is e.g. still reservations as to the right of property. The rights of life, of due process and of protection from discrimination are examples of rights which are more generally accepted as fundamental and therefore entitled to be followed as a matter of obligation by international organisations, even if a formally binding force is missing.

¹⁰⁹ See 3.2.3.

¹¹⁰ *Beyani*, p. 22 f.; *Brownlie*, p. 27. Suggestions have been made that the ECHR represents a constitution for Europe, see references to *Wolf* and *Iglesias* in 3.3.2 above, and *Hallström, P.*, 'National deviations from the EC statute on fundamental rights' (translated from the Swedish title) in the *Swedish Law Review*, SvJT, No 9, 2002, p. 781, where

3.5 Article 125 EPC and general principles of international law

3.5.1 Introduction

Both the ECHR and the EPC contain references to general principles of international law. Art 1 Prot 1, second paragraph, of the ECHR provides for exemptions from the right of peaceful enjoyment of possessions, "*subject to the conditions provided for by law and by the general principles of international law*". This reference is limited to the rights of non-nationals and is only applicable with regard to the enjoyment of possessions under Art 1 Prot 1 ECHR¹¹¹. It seems as if the interpretation under the ECHR were narrow in the sense that it would only accept a principle as general if there are clear indications that the principle is valid across the contracting states¹¹².

The reference in Article 125 EPC serves a different purpose, namely to give the EPO the opportunity to supplement the EPC by application of principles of procedural law, making a full comparison impossible. Nevertheless, a discussion about its application could be made against the backdrop of ECHR case law on the meaning of "general principles". The full text of Article 125 EPC reads:

In the absence of procedural provisions in this Convention, the European Patent Office shall take into account the principles of procedural law generally recognised in the Contracting States.

3.5.2 History of Article 125 EPC

Because of its significance in the case law of the BAs, Article 125 EPC deserves closer presentation.

In the so-called Haertel draft of 1961, named after Dr. Kurt Haertel, Germany, the first version of a draft provision was proposed in which the applicability of principles of procedural law outside the planned European patent convention itself

he characterises the ECHR as a parallel constitution for the EC.

¹¹¹ See e.g. *Lithgow and others, James and others, and AGOSI, all v. UK*.

¹¹² See *AGOSI v. UK*, para 53 ff, where the ECHR court observed that, although there was a trend in the practice of the contracting states that the behaviour of a third party, who was the true owner of goods that had been illegally smuggled into a country by another party, could have an impact on whether the goods would be considered forfeited or not, there were different standards and that therefore no common practice could be said to exist.

was addressed¹¹³. Translated into English, the text of the then Article 166 of the draft convention read as follows:

In so far as this convention or its implementing regulation does not contain any procedural provisions, the European Patent Office shall take into account the general principles of procedure of international organisations, in particular those of international courts of law, and the principles of procedural law generally recognised in the Contracting States, in particular the procedural law applied by the national central authorities for the protection of intellectual property.

In his comments, Dr. *Haertel* pointed out that, although various procedural provisions were applicable at the national level, gaps could be found in any particular national system, regardless of whether the national procedure was closer to the procedure of courts of law as in Germany or closer to the procedure recognised by administrative authorities as in France. The application of general procedural provisions of national law was necessary to fill those gaps. This was done either tacitly or expressly.

However, Haertel continued, an international organisation like the future EPO would be in a special situation, since the proposed convention only contained general principles. The Working Group was of the opinion that further provisions should be included in the implementing regulations. It was to be presumed that these regulations could not govern the procedure in its most minute details. It would likewise be impossible to foresee every possible situation. It was to be expected that the EPO would have to resort to such principles more often than national authorities. To this was added the problem that the EPO would not be in the same favourable situation as the national authorities which could apply national provisions or principles recognised nationally.

When looking for principles to guide the EPO, the provisions laid down for other international organisations would immediately come to mind. One possibility would be to leave it to the organisation itself to adopt its procedural provisions, like international courts of law, which generally have the requisite power. However, Haertel did not want to propose this route, since it was exclusively limited to courts of law, whereas at least the first instance of the EPO would be an administrative body and not a court. The provisions for other categories of

¹¹³ *Haertel, K.*, Erster Arbeitsentwurf eines Abkommens über ein europäisches Patentrecht, 15. November 1961, Art. 166, with comments on p. 48 ff.

international organisations, such as the International Labour Organisation (ILO) or the HRComm were of no assistance, since they contained very few or no such provisions at all. The proposed Article 166 EPC therefore contained two possibilities, either that provisions recognised by international bodies or courts or those applied under national law would be applicable. For the latter, Haertel discussed whether, in order to apply in the proceedings before the EPO, a provision or principle must be recognised in all the Contracting States. Referring to negative experiences regarding the corresponding Article 215 (now 288) of the EEC Treaty, Haertel proposed that the EPO should have a free choice in cases where principles common to all Contracting States could not be established.

As early as in January 1962, the text had been amended to refer only to principles generally recognised in the Contracting States. At its 4th sitting¹¹⁴, the Working Group "Patents" agreed that the EPO could not be given the power to adopt its own procedural provisions, a power to be claimed only by the Administrative Council. The provision in Article 166 EPC was not to be interpreted as an obligation to apply any national procedural principle, but to use them as guidance.

However, about a year later, at its 7th sitting¹¹⁵, this Working Group was no longer unanimous. Some delegates wanted a precise referral to a specific national law, for example the law of the state in which the EPO would operate or the law of the state of the applicant. Others reserved their right to propose deletion of the provision, obviously on the ground that it was too general to be of much value.

Haertel, who presided at these meetings, explained how in his opinion the provision should be interpreted. He foresaw three basic situations:

Where a case was governed by the same principle in all contracting states, the EPO should also apply it. If the same case were governed by different principles in different states, the EPO should be guided by the principle found to be the most appropriate. And finally, where no national principle was to be found at all, the EPO itself would have to find the most appropriate solution¹¹⁶.

By the beginning of 1965, a sentence had been added, which read:

¹¹⁴ See doc. IV/282/62-D, Brussels, 15 January 1962.

¹¹⁵ See doc. 1699/IV/63-D, Brussels, 5 April 1963. The Article in question was now numbered art 159, but its wording was identical to that of the previous draft.

¹¹⁶ Translated from German.

In the absence of such common principles the European Patent Office shall draw upon the laws of one or more Contracting States.

This addition was criticised by the Dutch delegation at the meeting of Working Group I in Luxembourg in September 1970. Instead it was proposed that the law of the state of the headquarters of the EPO should apply.¹¹⁷

The addition survived however, to appear in the second draft in 1971 of Article 145 EPC, and was discussed at a meeting of Working Group I in September of that year. Again the meeting discussed the usefulness of a reference to national law and the possibility to give the EPO the power to adopt its own provisions if needed. It was observed that a proviso that the principles in order to apply had to be the same in all contracting states would make this Article moot. If the Article were interpreted to allow for the application of principles only recognised in one or more states, it would perhaps be objectionable to other states. Still, the group agreed to amend the wording in the English and German versions to conform to the interpretation that not all contracting states had to embrace a certain principle for it to apply. Having agreed on this, the group concluded that the addition was superfluous and decided to delete it.

Thus, at the Munich Diplomatic Conference in 1973, the final wording of Article 125 EPC was adopted. The crucial amendment for the German version was the words “im allgemeinen” and for the English version the corresponding “generally recognised”.¹¹⁸

From the above it may be concluded that there is no obligation to limit the application of Article 125 EPC to cases where comparative law research has revealed that *all* contracting states observe the same procedural principle. However, the discussions did not address the question whether the EPO would be preempted from applying a certain principle where the same research reveals that while some states apply it, others are expressly against it or simply do not recognise it.

¹¹⁷ See doc BR/49/70 26 October 1970

¹¹⁸ See doc M/1, 8 December 1972.

3.5.3 Scope of application of Article 125 EPC in practice¹¹⁹

So far, the case law on Article 125 EPC is not quite established. There is no clear indication in this case law as to what the conditions would be for a principle to be said to be *generally* recognised, a task that the EBA has not yet set itself. There is also no clear indication as to the extent to which a principle has to be recognised in national law for it to apply for the purposes of the EPC, i.e. whether national usage meets the conditions of uniformity, generality and stability.

In decision *T 167/93*, the BA tried the approach of having recourse to principles recognised in Roman law, as the ancient and comprehensive law from which most of the laws of western Europe had emanated, and whose principles therefore could still be presumed - at least to a large extent - to be part of these national laws. - This seems to offer an appealing way out of the “national law of member states” dilemma. However, it may not immediately fulfill the condition of “generally recognised principles” unless a study is made on national law, which would take the interested person back to the question of the conditions for recognition.

In line with the indications in the preparatory documents to the EPC, no BA has gone to the lengths of trying to establish the law in each and every one of the member states of the EPC¹²⁰. Some decisions refer only to one national example, others to the three largest member states, others again still seem to have tried a comprehensive approach, only to find that but a few states acknowledge the legal right discussed (re-establishment). Still others have reverted to international law or to principles applied by international bodies like international courts or other international organs operating under an international treaty. The latter approach seems to be most in line with the preparatory work and the nature of an organisation like the EPO, although the reference to international law and international courts was deleted during the course of the negotiations regarding Article 125 EPC.

However, it is also clear that the standard set in the EPO case law is lower than both that required by international public law as well as the standard upheld by the

¹¹⁹ See also 8.2.2.1.

¹²⁰ For summaries, see Annex II.1.

ECHR case law¹²¹. *Waage* criticises boards for only mentioning Article 125 EPC without "a trace of any comparative analysis"¹²². He only found two examples of a truly correct application of this article, i.e. *firstly* to establish whether there is a gap in the EPC, *then* to proceed to taking principles in some Contracting states into account, and *finally* to fill the gap with a "European" rule¹²³. *Waage* even ventures the supposition that boards seem to want to set down a principle adapted to their needs ("devising solutions") rather than attempt to find an existing generally accepted one ("comparing national principles in search of a common denominator")¹²⁴.

Article 125 EPC does not apply where the EPO has provisions of its own. It does not imply that any specific national law becomes applicable in the absence of an EPC provision. It is limited to procedural matters - matters of fact or substantial patent law fall outside this article.

Most cases in which reference was made to Article 125 EPC appear to fall under the "good faith" heading, which places them under Article 113 EPC, in so far as the case concerns the right to a fair hearing. Out of the cases summarised in Annex II.1, *J 12/80*, *D 5/82*, *J 20/85*, *T 439/91*, *T 905/90*, *T 669/90*, *J 27/94*, *J 25/95*, *T 690/93* and *T 861/94* belong to this category. Since this group is rather heterogenous, it must be broken down into subclasses. One such subcategory is

¹²¹ *Grabenwarter*, p. 23 f., starts from the principle of the HRCourt that the legal systems of all contracting states should be included in establishing the correct interpretation of the ECHR, but later qualifies this by stating that the selection may differ depending on the purpose of the research and what is actually found in individual states. An important element is thereby whether the treaty itself requires a complete comparative study. The statement in the preamble to the ECHR that the aim of the Council of Europe is to achieve a greater unity, in maintaining and further realising human rights and fundamental freedoms, would seem to require such a comprehensive research of all legal systems before a common principle may be established. On the other hand, when legal unity is not found, the HRCourt finds itself free to advocate the system it finds to be in accordance with the purposes of the ECHR. *Grabenwarter* later repeats the necessity of finding a harmonised practice in all member states, p. 32, cf. footnote 101. Cf. *Harris et al.*, p. 9, referring to *Van der Meersch* on the paradox of taking national law into account when interpreting an international treaty whose purpose it is to control national law.

¹²² *Waage*, p. 234 at 4-37.

¹²³ *Idem*, p. 228 at 4-26. The examples he mentions are *J 14/91* and *T 167/93*. In the first case, the LBA shortened the period for notice of summons to oral proceedings in an emergency situation. The second case concerned whether an issue decided in *ex parte* proceedings was *res judicata* in subsequent *inter partes* proceedings, which the BA denied. In fact, this reasoning may seen as an *obiter dictum*, since the case law had resolved this issue before, e.g. by *T 934/91*, OJ 1994, 184.

¹²⁴ *Idem*, p. 228 at 4-24.

“equality under the law” (“audiatur et altera pars”), another “legitimate expectations”, or rather the conditions for a legitimate expectation to arise which has to be honoured by the EPO.

One category identifiable from the summaries is “obligations on the deciding bodies”, e.g. Article 24 EPC, decision *T 261/88* on impartiality and the corresponding G 5/91 decision, an area where there is ample pertinent case law under the ECHR, and the denied obligation to give information or warn about deficiencies.

The interpretation of an existing provision should not fall under Article 125 EPC in actual fact but for the interpretation of that Article itself, see for example *J 14/91*¹²⁵. However, boards have made use of Article 125 EPC in order to find applicable methods for interpretation, for example with regard to the scope of application of Article 122 EPC, see decisions *G 1/86* and *T 210/89*.

3.5.4 Jus cogens and Article 125 EPC

The deviating definition in Article 125 EPC makes its scope both narrower and wider than the principles defined as part of jus cogens in Article 53 VCLT. It is narrower in that only principles necessary to fill gaps in the EPC are to be applied, but it is wider in that norms outside of peremptory norms are also included. All these are considered part of customary law, from which principles could have been drawn for the purposes of EPO procedures, were it not for the wording of Article 125 EPC¹²⁶.

Together with the observations that human rights should form the basis of international law, Wolf's opinion would be a convincing argument for treating human rights as part of jus cogens, i.e. being of a peremptory nature which cannot be rescinded or amended unless replaced by another peremptory rule, and recognised to be binding on all international subjects, be they nation states, states-in-being, international organisations or individuals.

¹²⁵ See summary in Annex II.1.

¹²⁶ See above, 3.2.3. It is notable that customary international law is not a source of law under Article 125 EPC.

The two questions then remain whether *all protected human rights necessarily belong to this category* and whether these rights and the principles developed in the practice of the HRCourt also are to be recognised as *part of jus cogens*.

As to the *first* question, it would probably be an overstatement to claim that all human rights are of a fundamental value. For example, the Council of Europe states took longer to agree to protect the right to property at all, and a social charter generally applicable for all EPC states has yet to come into force¹²⁷. The question whether the procedural guarantees of Article 6 ECHR would be generally recognised as preemptory norms without which a state cannot be said to respect the rule of law is much easier to answer in the affirmative.

As to the *second* question, to respect and observe the practice of the HRCourt with regard to the procedural guarantees would be a natural consequence of the fact that states have adhered to the ECHR at all, which requires respect of all the rights protected therein, including Article 6 ECHR. As the HRCourt itself has observed time and again: the ECHR and its control mechanism serve to afford effective protection¹²⁸. The HRCourt will inevitably develop rules with general applicability, which will make up a body of internationally binding rules, albeit limited to the regional level. Of interest in this context is the question whether international courts take note and apply principles emerging from the practice of other courts.

3.6 The status of international organisations

3.6.1 Legal problems of international organisations

As indicated above¹²⁹, it is only recently that international organisations have become the object of interest as subjects or parties in international relations, and many scholars still regard them as means rather than independently acting international subjects, which get their mandates from states in accordance with the sovereignty or statist principle. Nevertheless, international organisations are held

¹²⁷ See www.humanrights.coe.int. Searching for the Social Charter on 37 June 2003 gave all current 15 EC states as bound by the charter, whereas for the EPC states, Bulgaria, Estonia, Liechtenstein and Switzerland had not yet ratified the charter.

¹²⁸ See *Airey v. Ireland*, judgment of 9 October 1979.

¹²⁹ *Bennett*, p. 13 f.

to apply the same principles of international law as are states in their interrelationships¹³⁰.

Paradoxically, international organisations may be seen as difficult to govern in accordance with the rule of law and other democratic principles at the national or domestic level. The obvious reason is that once they have been set their mandates and a budget has been approved, they are in many respects left to their own devices¹³¹.

In the mid-80's, *Morgenstern*¹³² prepared a study of legal problems of international organisations, addressing their legal environment as to their transactions with the outer world (such as entering into building contracts), their treaty making powers, if any, relations between international organisations, private international law conflict resolution, representation in the organisation, the role of non-governmental organisations, and standards of conduct established by the organisation. As seen from this list, *Morgenstern* - like other authors - does not address the particular problems raised with regard to the binding or non-binding nature of one *treaty* upon another. However, she ventures the opinion that there is no good reason why rules of international law generally recognised as applicable between States should not be automatically binding on international organisations, at least when these rules are not unsuitable for this purpose¹³³.

The *Morgenstern* opinion is in line with the HRCComm view in the *Heinz* case¹³⁴ - if States' freedom were not harnessed, they could easily evade their responsibilities in international law by referring powers to an international organisation. The EPO is not mentioned. Her interest is directed to principles in international law suitable for application by international organisations when resolving problems *outside of*

¹³⁰ *Schermer/Blokker*: "Equally with the other subjects of international law, international organizations are bound by customary law", p. 824, § 1339. The basic principles of human rights are recognised as part of international law to be applied, however only indirectly or as guidelines to be followed, see reference on p. 985 to the CJEC.

¹³¹ A spectacular example of a less than satisfactory result of the self-governing of international organisations is of course the irregularities found by the auditors in European Commission activities, which eventually led to the stepping down of the entire Commission in 1999.

¹³² *Morgenstern, F.*, *Legal Problems of International Organizations*, 1986.

¹³³ *Ibid.*, p. 32 f. *Morgenstern* is careful to distinguish this opinion from the suitability of such rules to the organisation in question.

¹³⁴ See the summary below, 3.8.1.

their actual functions, such as personnel related problems, i.e. to the question about which rules of international law may be suitable for application *to* international organisations¹³⁵, as apart from the question raised here, i.e. their suitability for application *by* international organisations within their actual functions. However, this difference in focus should not prevent analogous use, where appropriate.

*Kingsbury*¹³⁶ has studied the impact on international law of policies and practices of the World Bank, drawing the general conclusion that they are of considerable significance. In the course of this study, he observes that supervision of Bank staff implementation and compliance with its policy is mainly internal, finding that the member states are not able to govern the day-to-day working of such institutions. As demands on the accountability of international institutions grow, there is a need for independent control, which for the World Bank is represented by its inspection panel. *Kingsbury* identifies five different effects of the workings of this panel, one of which is of general purport; once standards have evolved over time by way of written policies, practices and the decisions or recommendations of the inspection panel, affected groups may recourse to them as defining what is right and minimally fair¹³⁷.

Kingsbury further suggests that the processes by which norms are crafted, diffused, and applied are not completely captured by Article 38(1) SICJ. There is interaction not only between states, but between states and individuals (or groups of individuals) and international organisations as well. It is evident, in his view, that international organisations have an important impact on the evolution of norms of wider importance. Because these policies and practices are not part of treaties or state practice or any solemn declaration by states, they are often overlooked. If the understanding of customary law or general principles of law is expanded, however, he concludes that it would be possible to analyse these effects and still remain within the traditional catalogue of Article 38(1) SICJ.

¹³⁵ Addressing private international law, *Morgenstern* discusses the classic problem of choice of law regarding the private law transactions of the international organisation, such as contracts of construction works. see e.g. p 37, but not the aspect of functions within civil law such as that of the EPO.

¹³⁶ Operational Policies of International Institutions as part of the Law-Making Process: The World Bank and Indigenous Peoples, in *Goodwin-Gilland, G. and Talmon, S. eds., The Reality of International Law*, p.323 ff.

¹³⁷ *Idem*, p. 338 f.

3.6.2 Classifying the EPO

While scholars¹³⁸ have spent considerable thought and attention on the theory of *public international law* and followed its development as promoted through intergovernmental organisations, little has yet emerged about the role and status of international organisations such as the EPO, whose function affects *civil international*¹³⁹ law. The scholars mentioned in 3.6.1 are concerned either with the powers of the organisation to function merely as to its own needs or with the governing from outside (by its member states) of its functions. *Bennett, Brownlie* and *Verdross/Simma* do not mention the EPO¹⁴⁰, whereas *Bekker* only offers a description of the system of immunity as set up for the EPO together with the opinion that it would be a good model for other intergovernmental organisations to copy¹⁴¹. *Schermers/Blokker* mention the EPO only in the connection with absorption¹⁴², whereas *Schreuer* does not mention it at all¹⁴³. *Seidl-Hohenveldern/Loibl* mention the EPO in the context of the membership of EC states and classify the EPO under the heading Organisations for the promotion of science and culture, but does not otherwise discuss its functions¹⁴⁴.

Most of the literature on intergovernmental organisations studied for this thesis is devoted to defining the functions of organs such as the United Nations and its agencies, the European Union, the World Trade Organisation and the Council of Europe, and international courts such as the International Court of Justice and the European Court of Human Rights. *Bennett* covers a wide variety of topics, but all

¹³⁸ See mainly *Bennett, Schermers/Blokker* and *Bekker P.*, The legal position of intergovernmental organizations, 1994. From the doctrine on international organisations, the general impression emerges that the EPO is not of any other than marginal interest, cf. above 3.6.1.

¹³⁹ It is observed, however, that, unlike a future European Community patent, the outcome of the function of the EPO is valid at the national level only, since a granted European patent dissolves into a bundle of national patents once the decision takes final effect.

¹⁴⁰ See the indices of each work.

¹⁴¹ *Bekker*, p. 180. Focussing on public international law, *Morgenstern* seems first and foremost concerned with UN and its specialised agencies, but does mention the then EEC and the OECD as examples of regional organisations. Neither WIPO and its functions, nor the EPO is discussed.

¹⁴² I.e. the absorption of the IIB, p. 1018, § 1627.

¹⁴³ *Schreuer, C.*, Die Internationalen Organisationen, in *Österreichisches Handbuch des Völkerrechts*, 1983, I. Teil, p. 154-184.

¹⁴⁴ *Seidl-Hohenveldern I. and Loibl, G.*, Das Recht der Internationalen Organisationen einschliesslich der Supranationalen Gemeinschaften, 5. überarbeitete Auflage 1992, p. 97 at 0823 and p. 313 at 2607.

of them are limited to the areas of resolving conflicts between states or meeting common needs in a world of scarce resources¹⁴⁵.

Typically, organisations such as the United Nations and its agencies serve an administrative purpose at the public international level, in the interest of states. To some extent they have assumed functions which typically belong to the public administrative sphere, with one exception - the courts. Interpreting the law and settling disputes between parties has traditionally been a function of the state in a society, and there is not much development in this area. The UN organs mentioned were all created to carry out common tasks for the good of the people as a whole, with little or no concern for the resolution of private disputes.

In contrast the EPO is a specialised institution whose object does not fit into the traditional pattern of peaceful settlement of conflicts between nation states. Nor is the EPO in the traditional sense an intergovernmental organisation for the pursuit of common goals, like the ESA for the exploration of space technology, or a system for spreading economic risks such as the Paris Convention on the Liability for Nuclear Accidents or the International Oil Pollution Compensation Fund.

The EPO is an organisation for the settlement of claims to industrial property, a civil right, in the form of patents, a function traditionally within the powers of sovereign states. The question is whether the transfer of the same powers from the national to the international level makes the EPO in any sense or to any extent sovereign, placing it on the same footing as nation states and particularly with regard to its own member states or, in other words, does this make the EPO into a supra-national organisation?.

Intergovernmental organisations can be classified according to different criteria, whether geographical, functional or based on powers to take binding decisions¹⁴⁶. The latter power would fall under the heading of 'supra-national', if indeed these

¹⁴⁵ *Bennett* covers peace, chapter 6, security, chapter 7, justice under law, chapter 8, controlling the instruments of war, chapter 9, cooperation at the regional level, chapter 10, economy, chapter 12, and social development, chapter 13. Of these, only chapter 8 is in any way remotely connected to the function of the EPO. This chapter is however largely devoted to the ICJ and its procedure. *Verdross/Simma* concentrate on the UN and its specialised agencies, chapter 3, parts 6 and 15.

¹⁴⁶ *Eek*, p. 115 f. *Schermes/Blokker* distinguish between classification criteria such as functions, geographical scope (universal/regional - open or closed), intergovernmental/supranational, special/general, p. 41 f, § 61. With regard to function, *Schreuer*, p. 155, distinguishes between general-political and technical-functional organisations.

decisions cannot be rescinded at the national level and the organisation has in any respect assumed functions which were previously within the realm of the nation state, including a law-making power, i.e. the power to change relationships between states and individuals or between individuals, a European example being the EC.

In addition to the criteria proposed by *Schermers/Blokker* for the classification of intergovernmental organisations, *Schreuer*¹⁴⁷ identifies the following conditions for such an organisation to qualify as supra-national: Decisions are binding even against the will of individual members; decisions are immediately binding; the organisation includes a court having competence to adjudicate cases; the organisation has other financial sources than member contributions (financial independence). These are also fulfilled by the terms of the EPC.

According to *Seidl-Hohenveldern/Loibl*¹⁴⁸, in order for an international organisation to qualify as supra-national, it should have the power to lay down laws which will be directly binding on the member states; their highest organ should be independent from instructions from the member states; decisions by an organ representing the member states should be taken by majority vote; they shall have a judicial instance competent to be seized directly; finally, they should have other financial means of subsistence than contributions from the member states (i.e. financial independence).

In agreement with these elements of classification, *Schermers/Blokker* would probably classify the EPO as a supra-national organisation. The EPO fulfils the conditions that it is financially independent, that it can take decisions binding on the member states, that it can make binding rules and that it can enforce its decisions¹⁴⁹. The EC is also classified as a supra-national organisation, despite the

¹⁴⁷ *Schreuer*, p. 157, at Randziffer 779.

¹⁴⁸ *Seidl-Hohenveldern/Loibl*, p. 6.

¹⁴⁹ It would however not fulfill all the conditions listed in *Schermers/Blokker* on p. 41 f.; a state can withdraw from the EPC, Article 174 on denunciation. This condition is however not included in Schreuer's list.

fact that it is not financially independent. Since there is no organisation meeting all these criteria, the authors use the term *supra-national* in a relative sense¹⁵⁰.

Also with regard to the power of enforcement of its decisions, the EPO would be a supra-national organisation, since final decisions to award or revoke a patent after opposition, are to be recognised at the national level¹⁵¹. A national court may revoke a European patent only when the circumstances of the case satisfy the conditions of Article 138 EPC, and then only with effect for the territory of that state. If, on the other hand, the EPO refuses or revokes a patent by a final decision, there is no further appeal. The only remedy left to the applicant is to request that the European patent application be converted into national patent applications, Articles 135 - 137 EPC.

The role of the Boards of Appeal was conceived as that of a quasi-court having guarantees of independence. *EEK* assigns international courts to the concept of international public *institutions*, based on the fact that these cannot be classified as state collective bodies governed politically by the member states, but recognises at the same time that they are still to be considered as intergovernmental organisations¹⁵². *Schermers/Blokker* see the main function of international judicial organs in settling disputes between states¹⁵³. The judicial function of the Boards of Appeal, if any, is not discussed by them¹⁵⁴. In any event, until it has been established that the BAs do not qualify as a court under Article 6 (1) ECHR, they

¹⁵⁰ *Schermers/Blokker*, p. 42, § 62.

¹⁵¹ Articles 64 EPC on rights conferred by the patent and Article 68 EPC on the effect of revocation of the patent. Cf Article 138 on conversion.

¹⁵² *EEK*, p. 134.

¹⁵³ *Schermers/Blokker*, p. 407, § 597. It seems that there is a general lack of information about the EPO, which could explain this disinterest. Apparently it is not widely known that the number of personnel employed exceeded 5000 in 2003 or what the value of patents issued may be on an annual basis, although both seem worthy of attention. Nor has any importance been attached to its geographical scope, which keeps several steps ahead of the enlargement of the EC. *Drahoš* ascribes this deficiency to the closed set of professionals dealing with patent law, p. 369, cf. chapter 9.5.5. Another reason is probably that patent law was not seen until today as encroaching upon other rights, whether fundamental or not, in view of the then predominant philosophy that patents were value neutral, like other categories of property.

¹⁵⁴ *Ibid.*, Chapter 5, II, §§ 605 - 671 enumerate some 30 judicial organs, of which most belong to the UN family. Included are also The HR Court and HR Comm and the CJEC. Again there is no reference to the EPO, nor to the BAs, although such European regional tribunals or judiciary bodies as the Benelux Court of Justice and the European Tribunal on State Immunity are mentioned.

meet the condition set by *Schreuer* as well as *Seidel-Hohenveldern/Loibl* that their decisions are immediately binding on the member states.

Under *traditional classification criteria*, the EPO would be a regional organisation having functions relating to the development of harmonised patent law in Europe, which does not describe it adequately. The "constitution" of the EPO would be the EPC, which is a treaty in the meaning of Article 38 SIJC¹⁵⁵. However, the EPC contains both the necessary rules for the proper day-to-day working of the executive or legislative organs, i.e. the President of the EPO and the Administrative Council - the rules establishing the institution and governing the organisation (its "constitution") - as well as the substantive patent law to be applied by the departments responsible for patentability examinations ("the applicable legal regime"). Thus, the EPC contains a mixture of constitutional matter and substantive law.

The place of the EPO in the community of international organisations is not well defined. While the EPC gives the EPO some status as a supra-national organisation as some of the cited authors would do, other elements point in the other direction, such as the governing of the EPO through the Administrative Council, which consists of delegations representing the member states, the possibility of starting patent litigation at the national level once the European patent has been finally maintained by the EPO, and the 'safety valve' of the conversion system¹⁵⁶. And, first and foremost, the status of the BAs as an international tribunal for the purposes of Article 6 (1) ECHR has not been addressed anywhere, except for the short reference in Article 23 (1) EPC to the independence of their members. If this means that the BAs are not recognised as fulfilling the Article 6 (1) ECHR criteria, the member states of the EPC are in violation of the ECHR on that point.

Bekker sees a risk in blurring the concept of specific institutional law with those developed in general public international law. In his view, the emerging practice of international organisations who carry out quasi-commercial activities calls for

¹⁵⁵ *Schermers/Blokker*, p. 711 f., § 1146.

¹⁵⁶ This conversion possibility is considered not to be of much significance by *van Empel*, see p. 317 f., at 687.

a re-examination of their legal status, privileges and immunities¹⁵⁷. Both from the point of view of these new functions and the effects of the activities of an organisation such as the EPO, there is thus a need for a new classification system.

3.7 Relationship ECHR - EPC in practice

3.7.1 References to the ECHR in EPO case law

The EPO exercises the function of awarding individual property rights at the international level by delegation of sovereign powers from the Contracting States to the EPC. However, its function extends beyond the one of a traditional sovereign power in that it also resolves disputes between individuals in opposition proceedings, which are available only after the decision to grant the patent has taken effect. This special feature alters considerably the nature of the patenting procedure¹⁵⁸, shifting it from the public law realm towards the civil law realm.

All current Contracting States to the EPC, with one exception, are also High Contracting Parties to the ECHR¹⁵⁹. Although the EPO as an international organisation is not a direct contracting party to the ECHR, it is presumed at the outset that the contracting states to the EPO, each as bound by the ECHR, would have a responsibility in upholding their obligations under the ECHR¹⁶⁰.

The ECHR has been mentioned in a number of decisions by the boards of appeal of the EPO, beginning with *D 12/88*¹⁶¹. Two recent disciplinary cases are *D 9/96*

¹⁵⁷ *Bekker*, p. 4.f.

¹⁵⁸ See *G 9/91*, OJ 1993, 402, point 2 of its reasons. For a summary of this decision, see annex 2. Granting and opposition proceedings before the EPO are termed "the patenting procedure" or "the patenting stage" to distinguish them from subsequent national proceedings which fall under the concept of "patent litigation". As to the nature of patents, see chapter 2.2.3.

¹⁵⁹ The exception is Monaco. For the ECHR, see www.coe.int, information updated as at 19 November 2000, according to which all 41 member states to the Council of Europe had also ratified the ECHR. For the EPC, see www.european-patent-office.org, according to which 24 states were contracting parties to the EPC as at 1 July 2002.

¹⁶⁰ The EPC entered into force on 7 October 1977 for seven states, i.e. Belgium, the Federal Republic of Germany, France, Luxembourg, Netherlands, United Kingdom and Switzerland.

¹⁶¹ Decision of 15 November 1990. This decision concerned a ban on advertising, which was considered to strike a fair balance between the right of freedom of expression and the necessity to preserve the reputation of the group of professional representatives, as expressed in the Code of Conduct valid for them. Such a balance was considered to be in conformity with Article 10(2) ECHR.

and *D 2/97*¹⁶², both concerned with the European Qualifying Examination. In the first case, the appellant referred to the possibility for him of directing a complaint to the HRCourt, should his appeal not succeed, which was not commented on by the DBA. In the latter case, the DBA referred to the ECHR with regard to a complaint concerning the physical examination conditions and the procedure laid down in the regulation for such complaints, but refrained from drawing any conclusion.

Decision *D 11/91* illustrates the influence of the ECHR on proceedings before organs of the EPO. In its headnote no.1 to the publication of decision *D 11/91*¹⁶³, the DBA stated the following:

The European Convention for the Protection of Human Rights contains provisions which express general principles of law common to the member states of the European Patent Organisation. As such these provisions should be regarded as forming part of the legal system of this Organisation and should be observed by all its departments. This therefore applies to Article 13, which guarantees each individual's right to be heard by a duly constituted tribunal. The "national authority" mentioned in this article is clearly meant to be understood as a competent authority in accordance with the law of the state concerned. However, in ratifying the Munich Convention¹⁶⁴, the contracting states accepted a transfer of prerogatives whereby professional representatives before the European Patent Office became subject to the same set of professional regulations, controlled by a central body whose decisions are open to effective remedy before a body whose independence is guaranteed by the rules governing its composition. The drafting of these regulations and the establishment of these bodies was thus consistent with the general principles of law, in particular those expressed in the European Convention for the Protection of Human Rights.

In decision *T 261/88* the main issue was whether members of the department of first instance (in this case an opposition division) at the EPO had to satisfy certain criteria obligatorily on a tribunal or a court of law. Referring to the ECHR, the deciding board noted that this convention could give guidance on generally recognised principles on procedure in the Contracting States, as required by Article 125 EPC, and that these principles were laid down in Article 6(1) ECHR¹⁶⁵. In

¹⁶² Of 9 March 1998 and 16 March 1998, respectively.

¹⁶³ Partly published in OJ 1995, 721. A summary appears in annex II.3 of the part of the decision relating to the main issues of interest here, i.e. whether the DBA is an independent tribunal established by law and whether the penalty decided by the first instance in that case was proportionate to the seriousness of the charges. The decision is discussed in chapter 6.5.

¹⁶⁴ I.e. the EPC.

¹⁶⁵ *T 261/88* of 28 March 1991, OJ 1992, 627. The board referred a question to the EBA on whether or not the first instance was obliged to impartiality. The EBA confirmed this requirement to be valid also for the members of the first instance, when taking part in decision-making activities affecting the rights of any party, decision *G 5/91*, OJ EPO

decision *T 27/92* reference was again made to Article 6 ECHR, this time in a conclusion *obiter dictum* that the boards of appeal adhered to the requirements set up for impartial tribunals¹⁶⁶. *T 377/95* discussed the exigencies of the ECHR with regard to the right to a fair trial and equality of arms in a referral decision concerning Article 55 (1) (a) EPC to the Enlarged Board of Appeal, which in turn referred to the ECHR in *G 1/97* and *G 3/98*, both concerning the same question. The EBA also referred to the EHCR in *G 2/99* concerning the finality of BA decisions¹⁶⁷.

The delegation of powers by sovereign states to an international organisation does not necessarily exempt those states from obligations and responsibilities that they have incurred as parties to an earlier international treaty¹⁶⁸. The complainant in the *Heinz case* had addressed his complaint against all Contracting States to the EPC as far as they were also High Contracting parties to the ECHR, naming each individual state as a respondent. The HRComm referred to its case law according to which it had considered itself not competent '*ratione personae*' to examine proceedings before or decisions by international organisations which were not themselves parties to the ECHR. It considered that decisions handed down by the EPO did not involve the exercise of national jurisdiction within the meaning of Article 1 of the ECHR¹⁶⁹. However, the HRComm added that by drawing up the EPC these Contracting States had created a common system for the granting of patents. In so far as a patent was valid in any of these states, it had the same effect and was subject to the same conditions as patents awarded under domestic law. To this extent these States had therefore transferred their powers in this area to the EPO.

1992, 617.

¹⁶⁶ OJ 1994, 853.

¹⁶⁷ As at 1 September 2001. *G 3/98* and *G 2/99* both concerned the scope of application of Article 55 (1) (a) EPC regarding non-prejudicial disclosures, whereas *G 1/97* observed a need for exceptional review of Board of Appeal decisions in cases of obvious and fundamental procedural violations.

¹⁶⁸ See *The 'Heinz case'*, application no 21090/92, cited in 3.8.1.1.

¹⁶⁹ Under this Article, each Contracting State undertakes to ensure the protection of the rights and freedoms of the ECHR within their respective jurisdiction.

Referring to its previous case law, in particular to the case of *X v. the Federal Republic of Germany*¹⁷⁰, the HRCComm further noted in the *Heinz case* that a High Contracting Party to the ECHR, while free to transfer its powers to another international organisation, was still bound to its obligations under previous treaties. Such a state would therefore be answerable for any breach of the ECHR as a result of it having become unable to ensure these obligations by entering into the other treaty. After summarising the EPO procedure, the HRCComm concluded that it was not competent to examine the complaint which had to be rejected as inadmissible *ratione materiae*.

3.7.2 ECHR case law concerning patents

In principle, the ECHR limits rights protected under Article 1 Prot 1 of the ECHR to *already acquired property*¹⁷¹.

The early case law of the HRCComm and HRCourt established that an application for a patent does not constitute "possessions" for the purposes of that article, hence this is not a right directly protected under the ECHR.¹⁷² This limitative interpretation of Article 1 Prot 1 was taken a step further in *The University of Illinois Foundation v. Netherlands*¹⁷³, in which the HRCComm found that, if an applicant who had allowed its patent to lapse through failure to pay the annual fee could claim a right to have it restored, the Commission would in fact be creating a new substantive right which had no legal basis under Dutch law, nor in the Convention itself. The Commission noted also that Article 1 Prot 1 dealt with acquired rights, whereas the restoration of a patent would essentially entail a right to acquire property which was not guaranteed by that article. Another example of the same attitude is the HRCComm decision in the case of *Smith Kline and French*

¹⁷⁰ Application 235/56, which related to the responsibility of the Federal Republic of Germany for judgments taken by a tribunal set up under an international convention for restitution to victims of war crimes.

¹⁷¹ Krause, C., *Rätten till egendom som en mänsklig rättighet* (Right to property as a human right), Åbo Akademi, Institutet för mänskliga rättigheter, 1993, is of the opinion that patent rights (seemingly including patent applications) would be protected by the HRCourt, p. 83 f.

¹⁷² See e.g. *X v. Austria*, Appl. No 7830/77.

¹⁷³ Application 12048/86, decision of 2 May 1988.

*Laboratories Ltd v. Netherlands*¹⁷⁴, in which the HRCComm did not find any violation of Article 1 Prot 1 in the fact that the Dutch patent system allowed for the granting of compulsory licenses to competitors of the patent holder.

A second complaint in the same case regarding the lack of access to a court was however declared admissible by the HRCComm on the ground that the case raised questions of fact and law which were of such complexity that their determination should depend on an examination of the merits with regard to Articles 6 (1) and 13 ECHR. At the time, the Netherlands did not provide for access to a court of appellate instance which fulfilled the requirement of an impartial and independent tribunal established by law. The Appeal Division of the Netherlands patent office was purported by the complainant not to meet these criteria. This case was later struck off the list after the parties had reached a friendly settlement.

In the case of the *B Company v. Netherlands*¹⁷⁵, the HRCComm likewise reached the conclusion that there had been a violation of the applicant company's right to a hearing before an independent and impartial tribunal. It also reiterated its earlier findings with regard to the alleged violation of Prot 1 Art 1 ECHR, i.e. that this article only protected existing possessions, but did not guarantee any right to acquire property.

A restrictive attitude with regard to pending rights could be challenged as inappropriate, since Article 148 EPC expressly recognises the patent application as an object of property. Furthermore, the European patenting system is based on the first-to-file-principle with publication of the application 18 months after the filing date. The conclusion of the HRCComm that the complainant had not lost any existing rights is therefore questionable, as no patent rights remain for an application which is refused¹⁷⁶, whereas possibly existing legislation on industrial secrets cannot be

¹⁷⁴ Application No 12633/87, decision by the HRCComm of 4 October 1990.

¹⁷⁵ Application No 19589/92, HRCComm report 19 May 1994. This case was decided on 20.11.95 by the HRCourt as *British-American Tobacco v. Netherlands*.

¹⁷⁶ The applicant can convert his European application into national applications under Article 135 (1) (a) EPC if the application is deemed to be withdrawn or in addition to cases of withdrawal under Article 135 (1) (b) EPC, if it is refused or the patent has been revoked, provided national law so allows. However, because of the harmonising influence of EPO practice, it is not likely that national offices would grant or reinstate the patent, once the EPO has refused or revoked it in a final decision. See also 8.3.2.

expected to protect the applicant sufficiently once the invention is made public. It can thus be argued that the effect of a refusal to grant a patent is equivalent to a loss of property, at least if the decision cannot be taken until after publication.

In spite of its partially negative outcome, the case *B Company v. Netherlands*¹⁷⁷ may be seen as a shift towards a more open attitude in more recent ECHR practice, since the HRComm for the first time recognised that a particular dispute between the applicant and the competent patent office had been decisive for the applicant's right to a patent and that this right was of a pecuniary nature. Hence the patent application enjoyed at least the protection of Article 6 ECHR.

When the HRCourt later decided this case, as *British-American Tobacco Company v. Netherlands*¹⁷⁸, the applicant company was still of the opinion that Art 1 Prot 1 ECHR had been violated with regard to their claim that they had been denied access to an independent and impartial tribunal, which in their view amounted to deprivation of a possession without any judicial examination. Like the HRComm, the Court took the view that this raised a question under Article 6 of the ECHR rather than under the provision cited by the complainant, which meant that it did not have to answer the question directly whether an application for a patent constitutes a possession for the purposes of Art 1 Prot 1 ECHR. However, its conclusion regarding the applicability of Article 6 ECHR is again an indication that the HRCourt would entertain a claim that such "pending", not yet accrued, rights are at least protected under Article 6 ECHR, if not under Article 1 Prot 1 ECHR.

3.7.3 Admissibility of complaints against international organisations

There still remains the problem of the status of international organisations and the admissibility requirement of *ratione personae*. The issue is whether by derogating

¹⁷⁷ Report of the HRComm of 19 May 1994.

¹⁷⁸ 46/1994/493/575, Judgment of 20 November 1995. The HRCourt concluded that, as the applicant company had not chosen to turn to the Netherlands civil courts to have them decide whether or not the Appeals Division for patent matters met the requirements of a tribunal under Article 6 ECHR, the Court could not, in abstracto, find any violation of that Article (paras 83-87 of the judgment).

powers to an international organisation, states may avoid responsibility under the ECHR. This issue has proven to be most complex and highly controversial¹⁷⁹.

The HRComm has clarified that international organisations cannot in and of themselves be parties in human rights cases before the Strasbourg organs¹⁸⁰. This view is hardly disputed¹⁸¹.

*Mendelson*¹⁸² agrees with this view, arguing that the European Community as an organisation cannot be bound by the ECHR under international law, since it is not a party to this convention. He proposes however that member states which are also contracting parties to the ECHR may be both severally and jointly bound by the latter. They should be collectively liable for breaches by the Community organs, and individually liable for their own breaches. Mendelson distinguishes between two types of state action: on the one hand the state has acted in pursuance of a discretion conferred upon it by Community law; on the other hand, it purports to have acted under a duty imposed on it by the same law¹⁸³. This raises the issue of whether these states are required to control EC organs.

In this context, *Mendelson* quotes the so-called *CFDT* case, application No. 8030/77¹⁸⁴, which was directed against the European Communities, alternatively against EC states, jointly or severally, who were also member states of the ECHR. The complaint covered the whole range of possibilities as to the identity of the proper respondents. The complaint was rejected as inadmissible *ratione personae* insofar as it was directed against the EC. In considering the member states as

¹⁷⁹ See e.g. *Jacobs*, F.G, Human rights in the European Union: the role of the Court of Justice, ELR, vol. 26, 2001, p. 331 ff., in particular p. 339, and *Canor*, I., *Primus inter pares*. Who is the ultimate guardian of fundamental rights in Europe, ELR vol. 25, 2000, p. 3 ff., in particular p. 21., both advocating an accession to the ECHR of the EU.

¹⁸⁰ See e.g. application 235/56, *X. v FRG*, regarding the Supreme Restitution Court as an international independent tribunal, *Digest*, vol. 5, p. 358 f.

¹⁸¹ *Harris et al.*, p. 632 f., likewise *Villiger*, p. 65 f.

¹⁸² *Mendelson*, M., The impact of European Community law on the implementation of the European Convention on Human Rights, Council of Europe, Human Rights files no. 6, Strasbourg 1984. *Harris et al.*, consider this case as significant enough to warrant the conclusion that the EU cannot be directly liable under the ECHR, and notes the same outcome for the EPO as a result of the *Heinz* case, p. 27.

¹⁸³ *Idem.*, p. 18-21 as regards collective responsibility and p. 21 - 25 as regards individual responsibility.

¹⁸⁴ *CFDT* was a French employee union. The fact that France at the time had not recognised the right of individual petition may have influenced the HRComm.

respondents, whether jointly or severally, the HRCComm however again found that the complaint was in fact raised against the EC, and that therefore this part of the application was also inadmissible *ratione personae*.

Mendelson finds this latter reasoning "somewhat over-compressed", since all of the member states were parties to the ECHR and only France had not recognised the right of petition of individuals. Except for France, so *Mendelson*, the application was within the HRCComm's competence in this regard. The real issue was "whether states parties to the ECHR can be made vicariously liable for an organisation acting on their behalf"¹⁸⁵. Another factor in favour of holding the application admissible as regards the member states was that the ECHR was already in force for all the states concerned which had become parties to the EC, except for the ECSC Treaty which was of an earlier date. In any event, *Mendelson* supports the principle *qui facit per allium facit per se*.

A partial solution to the dilemma is offered by *Jacobs*¹⁸⁶: all derogations from EC law made by the member states in their internal laws are to be considered as a matter of their national law only and not a matter of EC law. Hence, the HRCourt could not refuse to examine a complaint relating to such national derogatory implementation by reference to the fact that EC law is concerned and the EC is not a member of the ECHR. However, this would not cover law adopted by the EC as such or law implemented by the EC states where no derogation has been undertaken.

Canor discusses the implications of the decision of the HRCourt in the *Matthews* case¹⁸⁷, which in her view represents a major shift away from the court's previous practice not to accept state responsibility *ratione personae* for acts taken within the EC. She is of the opinion that the HRCourt thereby "took the first step to attribute to its relationship with the Court of Justice a *de facto* vertical dimension", or in other words, the HRCourt assumed the power of controlling the acts of the EC organs.

¹⁸⁵ *Idem.*, p. 19.

¹⁸⁶ *Jacobs*, ELR, vol 26, 2000, p. 338.

¹⁸⁷ This case will be dealt with in more detail below, in 3.8.5 .

Canor even questions why the HRCourt did not simply decide that the EC was to be considered as any other member state, since the member states had transferred some of their powers to the EC, and the HRCourt stated in *Matthews* that the fact that the European Parliament¹⁸⁸ was not envisaged by the drafters of the ECHR did not prevent it from falling within the scope of that convention.

Another implication of *Matthews* would be that in future, presumably no *déni de justice* situation could arise with regard to complaints relating to acts of international organisations, since the EC member states will retain their responsibility vis-à-vis the ECHR, unlike the previous case law, which on the one hand assured that the transfer of powers to an international organisation would be acceptable only if fundamental rights were respected in that organisation, but on the other hand refused to recognise the competence to hear complaints against EC member states under the principle that the same states had no responsibility to examine in each individual case whether the ECHR was respected¹⁸⁹, coupled with the principle that the EC could not be held responsible since it had not acceded to the ECHR.

3.8 *ECHR case law on acts of international organisations*

3.8.1 *Introduction*

The human rights organs were in the past reluctant to accept that individuals should have access to Strasbourg with regard to complaints directed towards acts of international organisations. This was especially the case during the previous control system with the HRCComm acting as a filter. Some decisions to declare a complaint inadmissible were taken on the basis that the organisation in question was not a contracting body of the ECHR, others have referred to the immunity granted such organisations by their respective statutes. Only two cases were admitted during this period.

¹⁸⁸ The EC body around whose character of being a legislature for Gibraltar the *Matthews* case turned.

¹⁸⁹ See *M & Co v. FRG*, discussed below, 3.8.3. *Canor* refers to this decision of the HRCComm as the *Melchers* case.

3.8.1.1 Cases concerning acts of the EPO - not admitted

Although the system set up to underpin the rights included in the ECHR is directed to the member states and individuals having complaints against any of these states, indirect complaints against international organisations are not excluded. In *Heinz v. the Contracting States to the EPO*¹⁹⁰, the HRCComm noted the following:

...the Convention does not prohibit a High Contracting Party from transferring powers to international organisation. Nonetheless, the Commission recalls that "if a State contracts treaty obligations and subsequently concludes another international agreement which disables it from performing its obligations under the first treaty it will be answerable for any resulting breach of its obligations under the earlier treaty" (No 235/56, Dec. 10.6.58, Yearbook 2, pp. 256, 300). Thus, the transfer of such powers does not necessarily exclude a State's responsibility under the Convention with regard to the exercise of those powers. Otherwise the guarantees of the Convention could wantonly be limited or excluded and thus be deprived of their peremptory character. — Therefore, the transfer of powers to an international organisation is not incompatible with the Convention provided that within that organisation fundamental rights will receive an equivalent protection.

The application was directed against each of the Contracting States to the EPC insofar as they were also parties to the ECHR. The application was not rejected as inadmissible *ratione personae*, which would have been the case had the HRCComm held that it did not meet the requirement under Article 25 ECHR¹⁹¹ to be directed to one or more Contracting States, but *ratione materiae*, apparently because the HRCComm had satisfied itself that the procedural safeguards in the EPC met the requirements of the ECHR.

In spite of these statements by the HRCComm, it consistently refused to admit complaints concerning acts of international organisations until 1999, when the so-called *ESA cases* were referred to the HRCourt¹⁹². The Strasbourg organs have also consistently refused to entertain complaints against international organisations for

¹⁹⁰ Application no 21090/92, decision of HRCComm of 10 January 1994, in the case of *K E Heinz against the Contracting States party to the European Patent Convention insofar as they are High Contracting Parties to the ECHR, i.e. Austria, Belgium, Denmark, France, Germany, Greece, Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom*. - It was not the first time the HRCComm drew this conclusion, see e.g. Application no. 1358/87, *M & Co v. Federal Republic of Germany*, HRCComm decision of 9 January 1990 and the application referred to in the HRCComm's observations.

¹⁹¹ At the time of the application, Article 25 ECHR addressed the reception by the HRCComm of petitions concerning "a violation by one of the High Contracting Parties".

¹⁹² See 3.8.1.2, the *Waite and Kennedy* and *Beer and Regan cases v. Germany*.

the reason that they are not party to the ECHR¹⁹³. This limitation does not detract from the basic presumption of a general responsibility for the parties to the ECHR to uphold this convention, since these complaints only concerned the status of the international institutions as such and did not involve the delegation of powers from their respective Contracting States.

The *Heinz* decision was handed down in 1994. In 1996, the HRComm declared inadmissible a complaint from an employee of the EPO against Germany¹⁹⁴. The applicant had, inter alia, been denied special leave by the EPO and had sought redress before German courts, which had all dismissed or declared his case inadmissible on the main ground that the EPO enjoyed immunity under a special agreement entered into by Germany and the other Contracting States to the EPC. The Commission noted that giving international organisations immunity was in accordance with international law. However, transfer of powers to an international organisation would only be compatible with the ECHR provided that fundamental rights received an equivalent protection within that organisation¹⁹⁵, which was the case here, since the Administrative Tribunal of the ILO was competent to decide disputes between the EPO and its staff.

Having satisfied itself on this point, the HRComm went on to examine whether the complaint could raise an issue comprising the right to access to a court under Article 6 ECHR in respect of any claim relating to civil rights and obligations. The HRComm answered this in the negative, referring to the case law as normally excluding disputes arising out of employment contracts for civil servants from the scope of Article 6 of the ECHR, inter alia to the HRCourt's judgment in the case of *Glaserapp and Kosiek v. FRG* of 28 August 1986. This rule was valid also for civil servants of international organisations. As the EPO had exercised its powers

¹⁹³ Cf. e.g. *Reber et al. v. Germany*, HRComm decision of 12 April 1996. This decision concerned proceedings before the EPO. Interestingly, the HRComm in this case concluded that, being incompetent to examine the part of the application relating to the appeal proceedings before the EPO, it had to be declared incompatible *ratione personae* (i.e. not *materiae*) with the provisions of the ECHR and rejected under Article 27 (2) ECHR ("any petition submitted under Article 25... incompatible with the provisions of the present Convention"), see the discussion in 3.8.2 below.

¹⁹⁴ *van der Peet v. Germany*, application no 26991/95. In an early decision from 15 May 1986, in the case of *HP v. Netherlands*, appl. no 11056/84, concerning a claim from an employee of the EPO to have his salary grading changed, the HRComm had already decided that litigation concerning access to or dismissal from civil service fell outside of the scope of Article 6 para 1 ECHR.

¹⁹⁵ Reference was made to the *Heinz case*, inter alia.

in accordance with the international instruments concerned, and the applicant could not be compared to a person who had an employment contract governed by private law, the actions envisaged by the applicant did not relate to any 'civil right' within the meaning of Article 6, para. 1 ECHR. A complaint that the applicant had been discriminated against because of his nationality, Article 14 ECHR, had to fail on the same ground, namely that no right or freedom protected by the convention had been violated. The application was finally rejected as incompatible *ratione materiae* with the ECHR.¹⁹⁶

On the same day, 12 April 1996, the HRCComm rejected as inadmissible another application complaining against Germany, attempting to make Germany responsible for decisions taken by the European Patent Office to refuse a second reinstatement of proceedings regarding a patent which had been revoked¹⁹⁷. The original revocation was based on a finding that another person was the rightful owner of the patent. The second attempt to file an admissible appeal against this decision failed on formal grounds. The applicants also complained about the fact that the German Federal Constitutional Court had refused to admit their constitutional complaint.

The HRCComm reiterated its position on the matter of lack of '*ratione personae*' with regard to complaints against organisations not being contracting parties to the ECHR. It further quoted the decision in the *Heinz* case, arriving at the conclusion - not unexpected - that the transfer of powers to the EPO was not incompatible with the ECHR, observing that the EPC contained provisions on substantive patent law as well as procedural law, including procedural safeguards such as an appeals procedure. It therefore found itself not competent to examine the applicant's complaints in respect of the revocation of the first applicant's patent. This part of the complaint was therefore incompatible *ratione personae*. The HRCComm did not comment separately on the complaints by the second applicant (a company managed by the first applicant), although as a result of the revocation and the failed second revival attempt, this person had also lost its property rights.¹⁹⁸ With regard

¹⁹⁶ There would be merit in following up on this ECHR case law in order to find out whether the view as regards international civil servants will go in the same direction as the view on the nature of the contract between national civil servants and the state has done.

¹⁹⁷ *Reber et al. v Germany*, see 3.8.2 below.

¹⁹⁸ It is perhaps not appropriate to speculate on this, but the fact that these two persons were closely related may have influenced the HRCComm.

to the complaint against the German Federal Constitutional Court, the HRComm concluded that it had not found any appearance of a violation of any rights or freedoms set out in the ECHR or any of its Protocols.

Two further cases concerning the EPO were decided by the HRComm in 1998. They concerned complaints raised by the same company in relation to the United Kingdom and Germany, respectively¹⁹⁹. *Lenzing AG* complained that the BA of the EPO responsible for the appeal case had based its revocation of the patent on a ground which had not been addressed at the oral hearing, as a result of which the company had asked for a reopening of the proceedings. This request had been refused by the EPO on the ground that it was no longer competent to deal with the matter, the boards of appeal being the last instance within the EPO. The refusal of the German Federal Constitutional Court to admit *Lenzings* complaints with regard to the absence of due process, the rule of law and the right of property had deprived *Lenzing* of its rights, denying it an effective remedy for the breach of its rights under Articles 6 and 13 ECHR and had also violated its rights under Article 1 of Protocol no 1 to the ECHR. *Lenzing* also alleged a breach of Article 14 ECHR.

As for the UK, *Lenzing AG* had sought judicial review of the decision of the BA, but this had been rejected by a UK judge, who essentially agreed with the respondent company that the activities of the EPO were not governed by English law and not justiciable in English courts, which could not consider whether or not the decision was in excess of the powers of the BA. Once it was shown that a European patent had been revoked, domestic law automatically treated the European patent for the UK as revoked. Accordingly, a request to have the recording of the revocation in the UK patent register struck out could not be allowed²⁰⁰.

The company complained to the HRComm that the operation of the 1977 Patent Act was such as to deprive it of its rights to peaceful enjoyment of its possessions and that it had no access to a court in order to vindicate its claim to peaceful enjoyment of the same possessions.

¹⁹⁹ *Lenzing AG v. UK*, appl. no 38817/97, and *Lenzing AG v. Germany*, appl. no 39025/97, decisions of 9 September 1998, see the summary in 3.8.1.1 and the discussion in 3.8.4.

²⁰⁰ Justice Jacobs in the High Court of Justice, in *Lenzing AG v. Courtaulds Fibres Ltd et al.*, judgment 20 December 1996.

The complaint against Germany was based mainly on the failure of Germany to provide an effective remedy to review the decision of the BA.

In both cases, the HRCComm arrived at the conclusion that the applications were manifestly ill-founded within the meaning of Article 27 para 2 ECHR and declared them inadmissible.

These cases, together with the *Heinz* case, are analysed below. In particular it will have to be discussed on what basis the different conclusions may have been reached, as well as their possible effects on the ECHR as a useful controlling instrument²⁰¹. However, from the view taken in *X v. Austria* in 1978 that a patent application could not be considered a possession to the observation in 1995 that a claim to damages in tort was a possession, a conclusion to which the HRCComm referred in *Lenzing v. UK*, it may be concluded that the question of whether or not a patent application - like a revoked patent - raises issues under Art 1 Prot 1 ECHR has not been finally settled in Strasbourg²⁰². In line with this perception, other cases indicate that the concept of possession has been extended over the years; where permits for activities such as building or gainful employment are required, the HRCourt has accepted that applications in these respects constitute possessions.²⁰³

3.8.1.2 Two cases concerning acts of the ESA - admitted

It becomes clear from the above that so far, acts of international organisations have not been able to offer the auspices of equal access to the Strasbourg organs in comparison to complaints relating to domestic acts of any individual ECHR state. Although assumed with regard to complaints concerning European patenting procedure that a complaint directed against the member states of the EPC could be admitted in so far as they are contracting states to the ECHR, it is by no means

²⁰¹ There is a marked difference between the *Heinz*, *Reber* and the *Lenzing* cases as to the reasons for declaring the applications inadmissible.

²⁰² The HRCComm referred to *Pressos Compania Naviera S.A. et al. v. Belgium*, judgment 20 November 1995, para 30 ff. The case related to claims for damages for negligent piloting causing casualties for 26 shipowners. The HRCourt acknowledged that already the claims were possessions under Article 1 Prot 1 ECHR. It is however recognised that as for patent applications, no clear analogy can be drawn, since the HRCourt relied on the law of torts which specifies that a claim arises as soon as the damage occurs.

²⁰³ See e.g. *Bentham v. Netherlands* and *A Jacobsson v. Sweden*, judgments 1985 and 1989, respectively.

certain that such cases would be admitted generally. The responsibility of individual states for the acts of international organisations becomes illusory, if, as in *Lenzing v. Germany*, the defence that the acts of the international organisation cannot be seen as an act of a domestic authority is valid. This is in fact an insoluble, circular argument.

In trying to establish the issues and how they are likely to be dealt with, in order to identify the scope of admissibility and the principles on which one must rely as an applicant with a grievance against an international organisation, the *ESA cases*²⁰⁴ are of interest, since they were both actually admitted for examination on their merits by the HRComm and later referred to the HRCourt; the cases of *Beer and Regan* and *Waite and Kennedy*²⁰⁵. Both cases concerned personnel disputes regarding the European Space Agency, ESA, and the immunity of that organisation as agreed by its member states. The applications were filed against Germany, its host country, and complained about a refusal of the German courts to admit appeals against decisions by the ESA involving the complainants for immunity reasons. Presumably, the issue of immunity as such was not decisive in the admissibility examination, as will be seen below.

In the *Waite and Kennedy* and *Beer and Regan* cases, contrary to the expectation that the HRComm would reject the complaints against Germany either *ratione personae* or *ratione materiae* as in the cases concerning the EPO and the EC, the HRComm instead admitted them on the strength of the following reasoning, in summary:

1. The complaints - relating to the fact that the German courts had declared their cases against ESA inadmissible - were based on an immunity clause in the convention establishing the ESA, to which Germany was bound. The applicants had been employed by enterprises which had hired them out to do work for the ESA for longer periods. Because of the immunity clause in the convention they had not had a hearing by a court on the question of whether they had a contractual relationship with the ESA.
2. Firstly, the HRComm dismissed an objection by Germany that the applicants had not exhausted available domestic remedies by appealing the first court's decision, by referring to a lack of evidence that such an appeal could reasonably be expected to be successful.

²⁰⁴ Admittedly, immunity was not an issue in the cases relating to the EPO. Insofar as the other issues are the same, however, the *ESA* cases can provide useful information.

²⁰⁵ Both decided on 18 February 1999.

3. The applicants considered that it was not acceptable under Article 6 ECHR that in a dispute against an international organisation access to an independent tribunal was entirely excluded by the principle of immunity. The German Government contended that the right to a court was subject to inherent limitations which included the traditional and generally recognised principle of diplomatic immunity of international organisations. Moreover, the applicants could have brought proceedings against their legal employers.

4. The HRComm considered, in the light of the parties' submissions, that each case raised such complex issues of law and fact that the determination of them should depend on an examination of the merits of the applications. Therefore they could not be considered as manifestly ill-founded.

The HRComm issued a report in both cases on 2 December 1997. The following summary highlights the salient points of the report²⁰⁶:

1. The complaints were not based on the Staff Regulation emanating from the ESA convention, but on a right to employment under the German Provision of Labour Act. This act provided, under certain conditions, that temporary staff which had been hired out could enter into regular employment with the enterprise to which they were hired out. The ECHR did not secure a right of recruitment to the civil service, but the dispute at issue, notwithstanding having similar public law features, concerned the ESA as any other private employer within the meaning of the German Act. Therefore the dispute concerned civil rights protected by the ECHR (para 60).

2. On the question of immunity, the HRComm quoted the HRCourt in the *Bellet* case²⁰⁷, saying that the right of access to a court was not an absolute right, and that the states enjoyed a certain margin of appreciation, but only insofar as the very essence of the rights of the individual were not impaired. The degree of access must be sufficient to secure the individual's right to a court, having regard to the rule of law in a democratic society (paras 65 - 67).

3. The provision of immunity and privileges for international organisations served the purpose of protecting them from unilateral interference by individual governments. However, the immunity of the ESA before the German courts would only be permissible under the ECHR if there was equivalent legal protection (paras 70 and 74).

4. Since there had been a possibility for the applicants to bring legal proceedings against their contractual partners²⁰⁸, the HRComm was of the opinion that in providing immunity from jurisdiction the national authorities had not exceeded their margin of appreciation and concluded that there had been no violation of Article 6 ECHR (paras 81-82).

A particular passage of this report, para 73, deals with the transfer of powers to international organisations. Here, the HRComm reiterates its view that such

²⁰⁶ The paragraph numbers refer to the *Waite and Kennedy* report.

²⁰⁷ *Bellet v. France*, judgment 4.12.1995.

²⁰⁸ I.e. the employers who had hired them out to the ESA.

transfers are allowable in particular in relation to competences which are to be considered as public and not as commercial, again quoting applications 235/56 and 13258/87²⁰⁹. This passage may prove to be of crucial importance to the understanding of the outcome in the four cases concerning the EPO, namely if the HRComm was of the opinion that the powers transferred to the EPO were strictly of such a public law nature.

In view of the practical approach regularly applied by the HRCourt in order to guarantee efficient protection, it must be excluded that the difference in outcome of the admissibility examination was due to the respondents being different, or, in other words, it cannot be assumed that the outcome would have been different had the complainants directed their grievances against the ESA and its member states, so that in the latter situation, like in the *Heinz* case, the HRComm would have concluded that the applications were inadmissible *ratione materiae*. Rather, the HRComm reasoning seems to be based on the fact that the complainants had referred to national law as the legal ground for their actions before the German courts.

Since the *ESA* cases concerned immunity against “external persons” (whether having a legitimate claim to be employed by the ESA or not), whereas the complaints about the EPO procedure were raised by persons directly affected by its outcome, being dependent for their patent protection on the decisions of the EPO, it seems that the right of access to a court in the latter cases has a stronger claim to legitimation and therefore to admissibility. If the reason for the HRComm’s reluctance to hold complaints against the EPO admissible is to be found in how it would characterise its functions, the outcome is less difficult to understand, albeit not yet acceptable.

However, the issue was not finally settled with the majority decision in the *ESA* cases. Fifteen of the HRComm’s 32 members dissented, holding that the limitation of the applicants’ right of access to a court had not been within the margin of appreciation of the states concerned and that the limitation therefore amounted to an unjustified denial of their ‘right to a court’:

²⁰⁹ I. e. *X. v. FRG* (special institution of international tribunals to decide cases of compensation to victims of war) and *M & Co. v FRG* (a complaint inter alia about the procedure before the CJEC).

1. The minority started by observing that immunity could not be considered as a kind of general unwritten exception to the scope of application of the ECHR.

2. The protection provided by the ESA was not satisfactory. It had resorted to various devices for the settlement of disputes, one being reserved for its staff by way of an internal Appeals Board and arbitration for disputes concerning other kinds of written contracts. The applicants, who relied on the German Labour Act, were unable to avail themselves of any of these routes. The possibility of referring their case to the International Arbitration Tribunal was not an effective legal remedy, since the applicants would not be a party to such proceedings and could not directly relate to their claim under the German Act. The possibility of starting proceedings against the employer who had hired them out and was seated abroad did not appear to be a practical solution, in particular since their claim was that they had a right to secure an employment contract directly with the ESA. A right to compensation would not resolve this dispute.

In due course, the cases were referred to the HRCourt, which decided that there had been no violation of Article 6 ECHR, essentially for the following reasons²¹⁰:

1. The right of access to the courts was not absolute. The contracting states enjoyed a certain margin of appreciation, but the limitations applied should not restrict or reduce the access left to the individual in such a way or to such an extent that the very essence of the right was impaired. The limitation must pursue a legitimate aim and there must be a reasonable relationship or proportionality between the means employed and the aim sought to be achieved (para 59).

2. The attribution of immunity to international organisations was an essential means of ensuring that they would be free from unilateral interference by individual governments. This was a long-standing practice in the interest of the good working of these institutions, which served a legitimate aim (para 63).

3. Where States established international organisations in order to pursue cooperation in certain fields of activities and where they attributed to them certain competences and accorded them immunity, there might be implications as to the protection of fundamental rights. It would be incompatible with the purpose and object of the ECHR, if they were thereby absolved from their responsibility under the ECHR in relation to the field of activity covered by such attribution. The ECHR was intended to guarantee rights that were practical and effective, which was particularly true for the right of access to the courts in view of the prominent place held in a democratic society by the right to a fair trial. It was therefore a material factor, whether the applicants had other reasonable alternative means to protect their rights effectively (paras 67 - 68).

4. The applicants should have recourse to the ESA Appeals Board to settle their dispute, including the extent of its jurisdiction with regard to the limitation to disputes arising between the ESA and its staff. Alternatively, they would be able - in national proceedings - to seek redress from the employers which had hired them out to the ESA. In such proceedings, the nature of their labour relationships could be established (paras 69-70).

5. The test of proportionality could not be applied in such a way as to compel an international organisation to submit itself to national litigation in relation to employment conditions prescribed under national labour law. To read Article

²¹⁰ Paragraph numbers again refer to the *Waite and Kennedy* case. Barring differences of facts, the reasoning is practically identical in the two cases, as it was in the HRCComm's reports.

6 ECHR in the sense that it necessarily required the application of national legislation in matters of labour law would thwart the proper functioning of international organisations and run counter to the current trend towards extending and strengthening international cooperation.

A first comment is that the HRCourt seemed careful to limit the extent of its reasons to matters of labour law, for which international organisations are expected to have provided means of settlement of disputes. To extrapolate these judgments to cover the rights of external persons making use of the organisation's services would therefore extend these reasons beyond the context in which they were stated. However, some conclusions may still be attempted.

Given the dichotomy between public and private law, it would probably be of significance whether the patenting field is seen as a public area rather than a civil one, as discussed in chapter 2. Deeming from the observations made by the HRComm in cases involving patent procedures before national patent offices, the overriding perception in Strasbourg of patenting procedures is one of public law. The implications in the form of a pecuniary gain or loss being dependent on the outcome of such procedures have apparently not played much of a role in this examination. The HRComm in the Heinz case used language to describe the EPO procedure reminiscent of an authority having registration competence only, thereby exercising a traditionally sovereign power. The same view seems to have been a basis for the HRCourt conclusions in the ESA cases, since its main arguments rested on the observation that the complaints concerned international labour law.

3.8.2 *The Heinz and Reber cases - a comparison*

Ten years after the Mendelson article²¹¹, the *Heinz* case - decided in 1994 - illustrated once again the problem of identifying the relevant reason for the rejection of a complaint as inadmissible. In this case the HRComm abandoned the *ratione personae* ground. Its reasons are summarised as follows²¹²:

1. The HRComm first had to consider whether it was competent to examine complaints about other European institutions, whose membership was in whole or in part composed of contracting states to the ECHR.

²¹¹ See above, 3.7.3.

²¹² The numbering has been made here; HRComm paragraphs are as a rule not numbered.

2. The HRCComm recalled its case law that it was not competent *ratione personae* to examine proceedings before organs of the European Communities, the reason being that the EC was not a party to the ECHR. The HRCComm found this to be the case also with regard to the EPO²¹³.

3. By entering into a treaty empowering the EPO to award patents, the member states had transferred their powers to the EPO to the extent that the European patent had the effect of and was subject to the same conditions as national patents.

4. However, these states had an obligation under the ECHR, and would be held liable if the transfer of powers resulted in a breach of this obligation, since it would not necessarily exclude a state's responsibility under the ECHR with regard to the exercise of these obligations. Otherwise the guarantees of the ECHR could be wantonly limited or excluded, and thus deprived of their peremptory character.

5. The transfer of powers was not incompatible with the ECHR, provided that the international organisation offered efficient protection of fundamental rights.

6. The EPC contained provisions on substantive law on patentability, as well as procedural safeguards, i.e. an appeals procedure before appeal boards whose members were independent and included legally qualified members.

7. In the circumstances of the present case, the HRCComm concludes that it is not competent to examine the applicant's complaint under Art 1 Prot 1 ECHR. It follows that the application is incompatible *ratione materiae*.

The above reasons must be compared to those put forward in the *Reber et al.* case, in which the HRCComm reverted to the *ratione personae* line of argument.

In *Reber* - decided in 1996 - the complaint had been raised against *Germany*. In point 1 under the heading 'COMPLAINTS', it is added that the applicants are complaining about the proceedings before the EPO, contending breaches of Article 6 and Article 1 Prot 1 ECHR. Under point 2 within the same heading, it is noted that the applicants further complain under the same Articles that the German Federal Constitutional Court had refused to admit their constitutional complaints.

Barring a reference to the *Heinz* case, points 1 and 2 in the *Reber* case are identical to points 1 and 2 in *Heinz*. Points 3 - 6 quote the *Heinz* case and are thus identical to points 3 - 6 above. The *Reber* case reasoning then continues:

²¹³ The HRCComm seems to have been under the false impression that the EPO was an EC institution. On the other hand, the EPO is also not a party to the ECHR.

7. “The Commission finds no reason to depart from this jurisprudence “.

8. In the circumstances of the present case, the HRComm concluded that it was not competent to examine the complaints under Article 6 and Article 1 Prot 1 ECHR.

9. It followed that this part²¹⁴ of the application was incompatible with the provisions of the Convention *ratione personae*.

10. The complaint about the German Constitutional Court was rejected as the facts pertaining to this procedure did “not disclose any appearance of a violation” of the ECHR.

Re the *Heinz* case, it should first be mentioned that the member states cited in the application included Norway, which never has belonged to the EPO states. This fact was however not mentioned as a reason for inadmissibility in the decision and, therefore, cannot have contributed to the outcome, which, if based on this deficiency, in any event should have been rejected *ratione personae*.

By going on to examine admissibility ‘*ratione materiae*’, the HRComm implicitly concluded that the Heinz complaint was not inadmissible ‘*ratione personae*’, i.e. it would be possible to have the EPO - or rather its contracting states collectively - recognised as a valid respondent²¹⁵. It is not clear on what reasoning the HRComm based its conclusion that it was incompetent to examine the applicant’s complaints, as a result of which the application was found incompatible *ratione materiae*, i.e. not directed to any rights protected by the ECHR. Heinz’ complaint addressed Art 1 Prot 1 ECHR as the applicable provision. Possibly the HRComm was satisfied, from the wording of the EPC alone, that this Article could not have been violated. It is however equally possible that the HRComm had the guarantees of Article 6 (1) ECHR in mind, since it summarised the procedural provisions for appeals in the EPO. Yet it seems that a decision declaring the application manifestly ill-founded would have been more appropriate under the circumstances of the case, despite the criticism of *Harris et al* against this practice. This reason is that the HRComm

²¹⁴ *Reber et al.* also complained about the fact that the German Federal Constitutional Court had refused to admit their complaint. This part of the application was rejected on the ground that the facts did not disclose any appearance of a violation.

²¹⁵ It is not quite clear, if a complaint addressed solely against the EPO would fail the *ratione personae* test, but it is at least safe to say that such a complaint could be admissible if directed against the contracting states to the EPO as was done in the Heinz case.

seems to have examined the facts of the matter - however cursorily - before rejecting the application.

The reasoning in the *Heinz* case may have been an attempt at responding to Mendelson's criticism that the HRCComm had overextended the concept of *ratione personae* in the *CFDT* case²¹⁶. Otherwise, as early as 1958 the HRCComm had referred to the transfer of powers to international organisations and its compatibility with the ECHR, provided that the rights and freedoms protected in the ECHR were thereby upheld²¹⁷. However, Mendelson's expectations that the *CFDT* case was not fully argued and should be reconsidered if the occasion were to arise again were not heeded, as seen from other applications rejected by the HRCComm on this same ground.

In spite of the Mendelson criticism of the HRCComm's findings re the *ratione personae* ground, the *Reber* case result at least appears more logical than that of the *Heinz* case. Since one of the main arguments in both cases concerned the recognition of the right to transfer powers, the conclusion should have been that, since the States had not violated their obligations under the ECHR by transferring powers to the EPC, the complaint was inadmissible *ratione personae*, as decided in *Reber*. The *Heinz* conclusion is therefore incorrect for two separate reasons: a) if at all, the complaint should have been rejected for the same reason as *Reber*, and b) since the complaint was directed to Art 1 Prot 1 ECHR, i.e. a right protected by the ECHR, it should at least not have been declared inadmissible *ratione materiae*. If the HRCComm was of the opinion that the complaint did not concern Art 1 Prot 1, it should have stated its reason for such a conclusion. In the absence of such an argument, it seems fair to conclude that this did not play any part in the rejection of the application. Moreover, if the HRCComm considered another provision more adequate, it would have been free to examine the application under this provision regardless of the applicant's view in the matter.

One immediate question arising is whether the HRCComm did not consider itself competent to examine the facts, unless on the basis of the content of the EPC it was itself able to conclude that it was in conflict with the ECHR. If it disqualified itself

²¹⁶ See 3.7.3 above.

²¹⁷ Application No 235/56, X. v. FRG, regarding compensation to victims of war crimes.

on this ground, it did not heed the HRCourt case law requiring effective and practical protection, which entails examining the facts in order to establish whether the application of the law resulted in a violation.

On one point the HRComm reasoning is in agreement with Mendelson, namely that the mere derogation of powers cannot achieve "immunity and impunity" for the states in question²¹⁸. However, the HRComm did not take the next step to ensure itself that this would not be the result of such derogation in the specific case.

Although more understandable than the *Heinz* outcome, the reference in the *Reber* case to the EPC in establishing incompetence *ratione personae* is not satisfactory either, since it does not explain why the member states were not responsible for their transfer of powers to the EPO, whereas on the same reasons they were considered (theoretically at least) responsible in the *Heinz* case. Article 1 ECHR proclaims that the "High Contracting Parties shall secure to everyone within their jurisdiction the rights and freedoms defined in Section 1 of this Convention".

A European patent granted by the EPO is valid within jurisdictions falling under the ECHR through designation of the member states in which the applicant wants the patent to be valid. The HRComm recognised that as far as a European patent has the same legal effect at the national level, such transfer had occurred with regard to the power of the states to award patent nationally. Hence, the rights and freedoms attached to the European patent application are protected by the ECHR and both applications should be admissible both *ratione personae* and *ratione materiae*, while also excluding a *ratione loci* rejection²¹⁹.

In the *Reber* case, the initial observation that the complaint had been raised against Germany (together with the subsequent description of the complaint about the EPO procedure) may have been in line with the criticised procedural standpoint of the HRComm to substitute the international organisation for complaints expressly directed against ECHR states, where it found that the facts relied upon mainly related to the acts of the international organisation in question. But in the part

²¹⁸ *Mendelson*, p. 21.

²¹⁹ *Villiger*, Handbuch der europäischen Menschenrechtskonvention - unter besonderer Berücksichtigung der schweizerischen Rechtslage, Schulthess Polygraphischer Verlag, Zürich 1993, p. 66, observes that also extra-territorial effects of acts by the respondent state are covered by the ECHR.

referring to the German Constitutional Court, the HRComm, under its case law, considered the facts at the national level and arrived at the conclusion that there had been no violation and the rejection of that part was thus taken under Article 27 ECHR. This difference in approach begs the question why the respondent state should not be examined as to the acts of the international organisation.

An explanation as to the difference in treatment could lie in the different complaints filed by the applicants themselves; Heinz did not complain about the EPO procedure but invoked only Art 1 Prot 1 ECHR with regard to a fee that he found contravening the ECHR, whereas Reber complained about Article 6 ECHR as well. However, the HRComm never saw itself as limited to examining a specific provision referred to by the applicant, it was always competent and free to investigate whether the facts indicated any other violation of the ECHR, which it and the HRCourt frequently have done, as for example in the *British-American Tobacco* case. Furthermore, in both the *Heinz* and *Reber* cases, the HRComm expressly referred to the procedure under the EPC as including safeguards for the benefit of parties before the EPO, such as an appeals procedure, which rather points in the direction of an Article 6 ECHR issue.

It seems that the HRComm in *Heinz* was careful to steer away from any criticism that it was encroaching upon state sovereignty. Further, the HRComm only made a cursory study of the law at issue, i.e. the content of the EPC.

Finally, insofar as the complaints were relating to the EPO, the HRComm did not refer to having examined the complaints as to the specific facts of each case. In this, it also deviated from previous case law, which in fact rests on the fundamental principle that each case has to be assessed on its merits. Since the ECHR provides for rejecting applications on their merits under the "manifestly ill-founded" heading, it appears *prima facie* to have been appropriate for the HRComm to examine these facts before arriving at a conclusion on the admissibility issue.

In any event, the outcome of both cases, regardless of the legal ground given, begs the question why the actions of an international organisation could not be examined

in Strasbourg directly and in the same depth as actions by national patent offices²²⁰, when there is identity or near-identity²²¹ between the member states of both institutions. The outcome raises concerns that the proliferation of international organisations, which is particularly noticeable in Europe, will lead to ever-decreasing protection of the rights of private persons - whether natural or legal - affected by such acts. Interestingly, the HRCourt has taken international developments as an argument for *not* interfering, e.g. in *Waite and Kennedy*²²², i.e. advocating the opposite position.

3.8.3 *M & Co v. Federal Republic of Germany - a case for ratione materiae*

A case decided in 1990 - i.e. before *Heinz and Reber* - regarding acts of the European Commission may offer some explanations for the lapidary reasoning in *Heinz* and the choice of ground for rejection. The case concerned fines decided by the European Commission, later partly upheld by the CJEC, on charges of competition violations, *M & Co. v. FRG*²²³. The company complained about the procedure before the European Commission as well as the CJEC procedure, claiming that its rights to a fair hearing under Article 6 ECHR had been violated²²⁴. It was the obligation of the German authorities to satisfy themselves that the EC procedure had guaranteed these rights. On the issues of *ratione personae*, the German government maintained that they had no responsibility for controlling the EC organs and hence no duty to examine the CJEC judgment to see whether it had been reached in proceedings compatible with fundamental rights guaranteed by the ECHR, before they issued the writ of execution against which the company's complaint was directed.

²²⁰ Cf. e.g. *British-American Tobacco v. Netherlands*.

²²¹ *Mendelson* proposes responsibility even for cases with near-identity, as in the *CFDT* case, for the reason that an application, insofar as it is directed against member states of an international organisation whose actions are questioned are also contracting states to the ECHR could not be declared inadmissible *ratione personae*. In his view, it would not have mattered that one state, France, had not recognised individual petitions, see p. 19. However, he does not address directly the situation where one or more states are not even ECHR states, but it is assumed that this would not detract from the responsibility of the remaining ECHR states under that convention. A different conclusion would indeed lead to the undesired result of "immunity and impunity" resulting from such a derogation of powers.

²²² See para 72. However, the *Matthews* case, see 3.8.5 below, may have changed the situation.

²²³ Application 13258/87, HR Comm decision of 9 February 1990.

²²⁴ The complaints cited the principles of *nulla poena sine culpa* and in *dubio pro reo*, and further contended that they had not been heard personally and that some documents in the proceedings had not been sent to the company.

The German government also contended that its responsibility under the ECHR could not be derived from its transfer of powers to the EC, as otherwise all EC acts would indirectly be subject to control by the ECHR organs, a situation which would be incompatible with the legal situation that the EC was not answerable to complaints, since it was not a party to the ECHR.

The HRComm reiterated its position in *CFDT* as regards its incompetence to examine complaints against the EC *ratione personae*. However, the HRComm established that this did not mean that by granting executory power to a judgment of the CJEC, the competent German authorities acted quasi as EC organs and to that extent were beyond the scope of control exercised by the ECHR organs. Member states were responsible under Article 1 ECHR for all acts and omissions of their domestic organs regardless of whether these were a consequence of domestic law or regulations or of the necessity to comply with international obligations.

The question to be answered was, in the HRComm's view, whether the FRG had incurred responsibility because the proceedings against the German company had been possible only as a result of FRG having transferred the relevant powers to the EC. The HRComm assumed as a starting point that the anti-trust proceedings would have been protected by Article 6 ECHR, had they been conducted by German and not EC judicial authorities. Next, it referred to its previous statements on the issue of transfer of powers, as stated in application 235/56, and to the *Soering* judgment of 7 July 1989, regarding the requirement that the ECHR must be interpreted so as to make its safeguards practical and effective.

The HRComm found that the EC legal system not only secured fundamental rights but also provided control of their observance. Although there was no catalogue of rights included in the constituent treaties, both the EC Parliament, the EC Council and the EC Commission had jointly declared that they would respect the ECHR. The CJEC had developed a case law according to which it was called upon to control EC acts on the basis of fundamental rights. The right to a fair hearing was one of those rights protected. In the present case, the CJEC had also stressed that the right to a fair hearing was a fundamental principle of EC law and that it provided a remedy for complaints in this respect.

However the most significant of the HRComm's reasons, in the light of the Mendelson article and the view of other critics, seems to be the next passage, concluding that

"it would be contrary to the very idea of transferring powers to an international organisation to hold the member States responsible for examining, in each individual case before issuing a writ of execution for a judgment of the European Court of Justice, whether Article 6 (Art. 6) of the Convention was respected in the underlying proceedings."

Based on these reasons the HRComm found the application incompatible with the provisions of the convention *ratione materiae*, and that it therefore must be rejected in accordance with Article 27 para 2 ECHR.

One thing is clear from this case: states bound by a treaty setting up an international organisation have no duty to control the manner in which decisions were arrived at by that organisation before executing them at the domestic level. This would detract from the principle as stated in application 235/56, X v. FRG, about the duty of member states to the ECHR vis-à-vis their obligations under later treaties. It may perhaps be assumed that the reference to the assurance that EC organs would respect the rights protected by the ECHR contributed to this conclusion. However, it is also clear that the EC commission had not upheld the rights to a fair hearing in all respects, which caused the CJEC to refer to procedural duties to be complied with²²⁵.

It also seems clear that the conclusions drawn above re the *Heinz* case are supported by the reasons in *M & Co*. The HRComm apparently considers the balance between the upholding of respect for the ECHR and the formal exclusion from control of acts of the EC to be problematic. In a sense, it should have been easier in the *M & Co* than in the *Heinz* case for the HRComm to accept a responsibility for Germany

²²⁵ The CJEC found fault with the Commission procedure in so far as it had not given the charged persons due opportunity to answer all charges, some (unimportant) documents had not been served on them, and the fine had not been correctly calculated. However, the court also found that the Commission had not made any errors in law or in fact i.e. the charge had been sufficiently proven. The CJEC reduced the fine but dismissed the remainder of the action.

to control such acts, since the EC fine required execution by German authorities, i.e. the final act was a domestic one, falling squarely within Article 1 ECHR.

It is difficult to define the criteria to be fulfilled for the responsibility vis-à-vis the ECHR to override a transfer of powers. No case complaining about acts of the EPO has yet been admitted. Still, from the statement of the HRComm in these cases, the retained liability of member states for the ECHR must be assumed to have a content. However, the above case law, i.e. at least until 1996, points to an imminent danger of a *déni de justice* situation for complaints regarding acts of international organisations.

3.8.4 *The Lenzing cases - two cases for razione personae*

As far as the EPO is concerned, a discussion of the reasoning in the *Lenzing* cases, decided by the HRComm in September 1998, i.e. about two years after the *Reber* case, may further contribute to the understanding of the HRComm position²²⁶. On the whole, the HRComm went into more detail in these cases, explaining its conclusion that both applications had to be rejected as manifestly ill-founded, its third ground for excluding complaints relating to EPO procedure. The *Lenzing* cases are also the most recent ones²²⁷ of the cases concerning the EPO, which were declared inadmissible by the HRComm.

The HRComm first considered that the complaints were in fact directed towards the procedure applied by the EPO, i.e. the same argument as was used in the *CFDT* case. Hence, it had to examine its competence *ratione personae*, again arriving at the same negative conclusion based on the same argument with regard to organisations which were not themselves parties to the ECHR but whose membership was in whole or in part composed of High Contracting Parties to the ECHR. Nevertheless, the HRComm went into some detail explaining the EPO system, quoting Articles 21, 23, 24, 110(2) and 113 (1) EPC, as well as the enactment in the case against the UK of the terms of the EPC by virtue of the UK Patents Act of 1977 as amended.

²²⁶ A summary of these cases, *Lenzing AG v. UK and Lenzing AG v. Germany*, is given above, 3.8.1.1.

²²⁷ ECHR cases decided before 2002 have been studied for the purposes of this thesis.

The HRCComm also addressed the meaning of ‘dispute’, the absence of a guarantee of ‘civil rights and obligations’, the existence of a guarantee to have such a dispute decided by a court, any limitation on the right to bring proceedings and the principle of proportionality, the effect of a subject-matter for court proceedings to be pecuniary of nature, and the justification of transfer of powers to an international organisation like the EPO.

As regards the EPO, the HRCComm held that it had no competence *ratione personae* to examine the complaint, apparently following *Reber*, thereby discarding *Heinz*. It then had to proceed to examine the complaints directed alternatively towards Germany and the UK in order to establish whether their transfer of powers to the EPO deviated from their obligations under the ECHR. In this respect the HRCComm described the European patent system as follows:

“The EPC is an international convention aimed at unifying the law of patents so that an individual can apply to a central European office rather than making separate applications in each jurisdiction. It provides certainty for the patent-holders in that they have universal protection in each of the contracting jurisdictions to the EPC, as well as certainty for third parties who can rely on the register as being final and conclusive. The Commission has previously found that the rationale for immunities accorded to international organisations, such as the European Space Agency, is to contribute to their proper functioning without constant unilateral interference from individual governments and that this underlying aim pursues a legitimate aim (cf. *Waite and Kennedy v. Germany* and *Beer and Regan v. Germany*). --- The Commission considers that the aim of the limitation on access to court in the present case - to ensure the effectiveness of a centralised patent applications office - is legitimate.

As to the proportionality of the means employed in ensuring this aim, the Commission notes that the EPC contains detailed provisions on substantive patent law covering patentability, the person entitled to apply, the term, the rights and equivalence of a European patent and patent applications, the application as an item of property, the procedure for grants, opposition procedures, etc. In addition, as the High Court in the United Kingdom found, the Boards of Appeal of the EPO provide a means of judicial review. This Article 21 provides for an appeals procedure which includes the Boards of Appeal and Enlarged Board of Appeal. The members of these Boards are independent of the parties and of the decisions of the division appealed from, have tenure and there must always be one legally qualified member of the Board. The Boards have powers to obtain sworn evidence²²⁸ and must give written decisions containing reasons. Further, the members of the Boards are not subject to any instructions from the President or anyone else in their work (Article 23). These procedures set up a form of “equivalent protection” within the meaning of the Convention case-law [cases cited].”

²²⁸ Incidentally, this is a misunderstanding as no competent EPO organ can hear witnesses under oath. The only means by which this can be done is through a national court, Article 117 EPC, in particular paragraphs 3 b, 5 and 6. See 8.6 for further details.

After reviewing the facts of the proceedings before the BA, the HRComm concluded that the parties had had the opportunity to present written submissions well in advance of the hearing and that the company had an opportunity to comment at the oral hearing on issues raised by the other party and by the rapporteur of the case. The reasoning in the BA decision was thorough and dealt with the question of inventive step.

Further, the complaining company had not been denied total access to national courts. It had been afforded an opportunity to present its case in detail before the UK court. It did not complain about the fairness of those proceedings. The HRComm therefore arrived at the conclusion that, given the procedural guarantees available before the EPO organs, it could not be said that the limitation on the company's access to a court in the UK was disproportionate to the aim of ensuring an effective European system of registration of patents.

On the issue of possessions, the HRComm held that it was not able to consider the complaint as far as it was directed to the EPO. In so far as the complaint was directed towards the individual states, the company had deliberately chosen to apply for a patent before a central European office²²⁹. The proceedings before national courts did not concern the patent itself but whether or not the company could claim to have the UK patent register rectified, an issue which did not concern the patent, thus not a possession. Even if such proceedings were to be considered as falling within Article 1 Prot 1 ECHR, the company had been able to present its case fully before the UK courts. There was therefore no appearance of an interference with its rights under that Article.

This reasoning on possessions is in line with the position taken by the HRCourt in the case of the *British-American Tobacco Company v. Netherlands*²³⁰, that the company's complaint that it had no access to a court under Netherlands law raised a question under Article 6 ECHR and that therefore the HRCourt did not have to examine the complaint whether an application for a patent constitutes a possession under Article 1 Prot 1. Early in the ECHR history, it was established that an

²²⁹ This turn of phrase suggests that the HRComm still was of the opinion that the complaint did not concern the respondent state, but was related only to the EPO, cf. the *CFDT* case.

²³⁰ See 3.7.2 above.

application for a patent did not constitute a possession²³¹, a finding that was confirmed in *University of Illinois v. Netherlands*²³², in which the HRCComm noted that even if an applicant had been awarded a patent right, letting it lapse through non-payment of the annual fee meant that this possession had been eradicated and consequently that an attempt at reviving it was not protected by that Article.

As to the complaint against Germany, the HRCComm reiterated in summary what it had said in the *Heinz* case, concluding that, given the procedural guarantees of the EPC, the transfer of powers could not be said to be incompatible with the company's rights under the ECHR.

The HRCComm's reasons in *Lenzing AG v. Germany* for rejecting the arguments of the company with regard to the German Constitutional Court had a different basis, namely the fact that the company had not attempted to explain how the decisions of the EPO could be considered as acts of a public authority in Germany. Nor did the German Court refer to any such matter in its decision to reject the complaint as inadmissible. Thus, the HRCComm rejected both applications as being manifestly ill-founded.

3.8.5 *The Matthews case - a paradigm shift?*

As suggested at the outset of this chapter, the HRCourt decision in the case of *Matthews v. the UK*²³³ may prove to have changed fundamentally the court's practice with regard to the responsibility for acts of international organisations, notably those of the EC. The case may be summarised as follows:

The background to the complaint was that in the 1994 elections to the European Parliament, persons residing in Gibraltar were excluded from the electorate for the UK by annex II to the EC Act on Direct Elections of 1976. Ms Matthews complained that Article 3 Prot 1 and Article 14 ECHR had been violated. She had not been allowed to register to vote in those elections because of a limitation to the United Kingdom of the franchise for European parliamentary elections under the

²³¹ See e.g. *X v. Austria*, appl. no 7830/77.

²³² Application 12048/86, decision of 2 May 1988.

²³³ Judgment of 18 February 1999.

annex, and Gibraltar was not a part of the UK. Thereby she had been the victim of discrimination as a resident of Gibraltar.

The UK government responded that the ECHR was not applicable, alternatively that there had been no violation. The 1976 Act was actually not an issue, but the Council decision 76/787, which had the status of a treaty, which the UK could not revoke or amend unilaterally. The HRCComm had in a number of cases refused to subject measures falling within the EC legal order to scrutiny under the ECHR.

The HRCourt noted that the parties did not dispute that Article 3 Prot 1 applied to Gibraltar. It was therefore covered by Article 1 ECHR. The issue was, therefore, whether the UK could be held responsible, a question which the court answered in the affirmative by stating that member states' responsibility was retained, since the EC as such could not be challenged. The UK had freely entered into the agreements of which annex II was a part: "The United Kingdom, together with all the other parties to the Maastricht Treaty, is responsible *ratione materiae* under Article 1 of the Convention and, in particular, under Article 3 of Protocol No. 1, for the consequences of that Treaty"²³⁴.

The case then turned on the nature of the European Parliament, or more precisely whether it was to be considered a 'legislature' for the purposes of Article 3 Prot 1 ECHR²³⁵. Having considered that the powers of the European Parliament had been strengthened by the Maastricht Treaty to the point where it was no longer simply a consultative body but had acquired real powers, giving it some control over the legislative process, together with the fact that community activities had a direct impact on Gibraltar in significant areas, the HRCourt found the European Parliament to be sufficiently involved in the general democratic supervision of the activities of the EC in order to constitute part of the legislature of Gibraltar for the purposes of Article 3 Protocol 1 ECHR.

Next, the Court reiterated its constant principle that the wide margin of appreciation accorded the member states in this area still could not curtail the right to vote to such an extent that its very essence was impaired. Even if the court had no say in

²³⁴ Paras 30 - 33.

²³⁵ Paras 45 - 54.

the choice of the electoral system, the applicant had been completely denied any opportunity to express her opinion in the choice of the members of the European Parliament. She had been directly affected by the legislation emanating from the EC and forming part of the legislation of Gibraltar ²³⁶.

The very essence of her right to vote had been denied and it followed that there had been a violation of Article 3 Prot 1.

With regard to the complaint under Article 14 ECHR, the HRCourt did not find it necessary to examine it, in view of its finding of a violation.

Two judges dissented, holding that the HRCourt had to exercise particular restraint when it was invited to pronounce on acts of the EC. They argued that the concept of 'legislature' was limited to the national level under the 1976 Act. Even if the European Parliament were included in this circle, it did not have the powers to qualify as a legislature. It was also incongruous to brand the UK as a violator of the 1976 Act, when at the time of its adoption everybody agreed that the then Assembly could not be seen as a legislature, whereas subsequently it had never been possible for the UK to secure a modification of the Act unilaterally.

The first comment is that it is a surprise that the HRCourt took the first opportunity to find a violation in a case regarding political rights, since by tradition other rights were held to be more fundamental, including the right to due process before a court of law. A second immediate comment is that the HRCourt was radical in finding that one member state can be held individually responsible for collective acts, i.e. the adoption of the 1976 Act, which was considered by everyone involved to be a treaty.

The first question to be asked is of course whether the HRCourt would take a similar stance on issues regarding Article 6 ECHR, where the acts of an international organisation are at stake. Thereafter, the issue arises again whether member states have an - intrinsic - responsibility to check whether the provisions or application of a treaty sufficiently respects human rights, which under the previous case law was answered in the negative. From the language used, which referred to the retained responsibility of the ECHR member states with regard to the

²³⁶ Paras 63 and 64.

Maastricht treaty, it seems that the HRCourt was not primarily focused on the legal field concerned, but rather on the more fundamental issue of the obligation towards the ECHR as a whole, referring as it did to Article 1 ECHR in particular.

There may therefore be reason to conclude that the hitherto elusive and non-committal position of Strasbourg has been replaced by a more straightforward and substantive approach. A decision taken at the level of the CJEC may not be effective in protecting human rights, since this court might find itself trapped between the Community political institutions and the member states: "Hence, there is a more compelling obligation to find a judicial organ which will be willing to intervene and to put things right, an international European forum (the Court of Human Rights) which is not directly part of the polity the measure of which comes under review"²³⁷. It may just be possible that the HRCourt assumed its responsibility for resolving the circular argument and the resulting *déni de justice impasse* in view of this situation.

The next question is what scope of review the HRCourt may find appropriate when scrutinising a supranational organisation like the EU. Is the court only willing to examine acts at treaty level or secondary legislation as well²³⁸? *Canor* compares the HRCourt's position to the approach of the German Constitutional Court on this point, when it decided that it would no longer review secondary Community law with regard to fundamental rights "as long as the European Communities, and in particular in the case law of the European Court, generally ensure an effective protection of fundamental rights as against the sovereign powers of the Communities"²³⁹. This would have settled the matter, i.e. all complaints relating to the EC would be inadmissible, were it not for the *Matthews* case.

Does it matter whether the international organisation at issue is supra-national or not? There may be reason to draw a line against scrutinising a supra-national one like the EC, since it must be presumed - with its near-complete institutions and legislative organisation - to be able to protect fundamental rights appropriately. Yet,

²³⁷ *Canor*, *ibid.*, at p. 16 f.

²³⁸ See *Canor*, *ibid.* p. 17 f. "Secondary legislation" seems to cover all Community acts and decisions which are directly applicable in or transformed into the member states' domestic law.

²³⁹ *Canor*, p. 19 f, quoting the German Constitutional Court in its *Solange II* decision.

the example of exclusion of citizens from the franchise in the *Matthews* case puts this assertion in doubt, and the HRCourt did not shy away from examining such an institution.

If a supra-national organisation needs supervision, there may be two diverging arguments with regard to the monitoring of *intergovernmental* organisations, including the EPO. The first argument would deny such a need, since the member states have more direct powers to supervise the organisation. Therefore, it may be presumed that there is less risk of violations. In order to avoid a *déni de justice* situation, its member states must assume the corresponding responsibility, collectively or individually. The contrary argument is that it is all the more important to supervise an intergovernmental organisation, since it cannot base its actions on the same complete legal system that a supranational organisation presumably has at its disposal. Irrespective of which argument is preferred, the end extrapolation would result in the conclusion that, barring a very narrow reading of *Matthews*, that the HRCourt would be prepared to examine complaints against acts of the EPO, as long as they are directed towards any or all of its member states²⁴⁰.

3.8.6 *Hans-Adami II and Fogarty - no paradigm shift after all?*

After the *Matthews* case was decided in 1999, two complaints were decided in 2001 which concerned the immunity of states against legal actions brought by individuals. Of these two, the complaint raised by Prince *Hans-Adami II v. Germany* with regard to a refusal of the Cologne courts, Germany, to admit his case regarding the retrieval of a painting that had been confiscated from his father by former Czechoslovakia, was the first to be decided by the HRCourt²⁴¹.

The German courts had based their refusal to recognise their competence on an immunity clause in Chapter 6, Article 3, under the Settlement of Matters Arising out of the War and the Occupation of 23 October 1954, according to which German jurisdiction was excluded.

The HRCourt reiterated its case law regarding the right of access to a court, states' continuing responsibilities vis-à-vis a convention when entering into later

²⁴⁰ Provided, of course, that the other conditions for admissibility are met.

²⁴¹ On 12 July 2001.

agreements, referring to the principle laid down in *Waite and Kennedy* that the decisive question was whether reasonable alternative means were available to protect effectively the rights under the ECHR²⁴². The HRCourt was of the opinion that the refusal of the German courts to admit his case had deprived the applicant of his right to a determination of his property claim. It therefore went on to determine whether this limitation pursued a legitimate aim, a question it answered in the affirmative. The facts did not indicate that the German courts had interpreted the contested clause incorrectly or inconsistently so as to reach arbitrary conclusions. There was a genuine forum in the present Czech or Slovak Republics, i.e. the complainant had a reasonable alternative means for pursuing his dispute. It was only because the painting had been exhibited in Cologne that the applicant brought proceedings before the German courts, i.e. there was merely a fortuitous connection between the factual basis of the applicant's claim and German jurisdiction. This distinguished the case from *Waite and Kennedy*. The decisions of the German courts could therefore not be regarded as disproportionate to the legitimate aim sought. Hence they did not impair the very essence of the applicant's right of access to a court.

The *Fogarty v. UK* complaint²⁴³ concerned an employment dispute at the American embassy in London. The applicant sought damages at the London Industrial Tribunal for sexual harassment. The case closed with an amicable settlement, the United States not having claimed State immunity. Later, when the applicant had unsuccessfully applied for several posts at the same embassy, she brought another action before the same court, claiming that she had been discriminated against, a result, she claimed, of the earlier sexual harassment. This time the United States claimed immunity, which was granted by the court. - Ms Fogarty complained that she had been denied access to a court as a result of the principle of State immunity.

The HRCourt firstly referred to the basic conditions for immunity to meet Article 6 (1) ECHR standards, referring again to the *Waite and Kennedy* case²⁴⁴. Immunity had the legitimate aim of complying with international law, promoting comity and

²⁴² Paras 43 - 50 set out the ground rules for the assessment, including the limited powers of the HRCourt to deal with errors of fact etc., and the way in which national authorities interpret and apply domestic law. Paras 51 - 69 assess the facts and legal issues implied in the case.

²⁴³ Decided on 21 November 2001.

²⁴⁴ For the main body of reasoning, see paras 33-39.

good relations between states. Next, the court had to assess whether this restriction was proportionate to that aim. The court noted that there was a trend in international and comparative law towards limiting state immunity, but that opinions were divided on immunity concerning employment in embassies and other foreign missions. It could not be said that the UK position in the matter was outside any currently accepted international standards. Since the action sought was based on recruitment to such a mission, and the International Law Commission had not indicated that these should be excluded from immunity, the UK could not be said to have exceeded the margin of appreciation, and there had thus not been any violation of Article 6 (1) ECHR.

Of interest in the *Fogarty* case is a dissenting opinion, based on the approach of starting by deciding whether the claim involved the determination of a civil right for the purposes of Article 6 (1) ECHR. The dissenter, judge Loucaides, predicated that, if this was not the case, the complaint would be inadmissible. Proceeding after having decided that it did, he discarded the *Pellegrin* case²⁴⁵ as not relevant, since the present case concerned not an act relating to her employment, but discrimination in relation to recruitment proceedings, whereas *Pellegrin* was limited to grievances of person already employed in such service. Even if *Pellegrin* was pertinent, the duties of the post which Fogarty had applied for were strictly of a secretarial character, not involving the exercise of any powers conferred by public law. Judge Loucaides refused to accept that a blanket immunity was in conformity with Article 6 (1) ECHR, since this blocked access to court completely without the court being competent to assess the examination of the nature of the claim and therefore without a balancing of competing interests.

The HRCourt case law, developing on a case by case basis, is not easy to interpret in a structured manner with the purpose of extracting general principles for the application by other international judiciary instances. Whereas the *Matthews* case on a narrow reading should perhaps be seen as the exception to the rule because the court found the right to vote to be more fundamental and worthy of protection than, for example, the employment issues it refused to recognise with regard to the *ESA* cases, the reasoning in *Matthews* indicates that the HRCourt no longer felt itself bound by immunity clauses in international law, even if they were considered part

²⁴⁵ *Pellegrin v. France*, judgment in 1999.

of customary international law and were included as standard provisions in conventions setting up international organisations. From the later cases alone, i.e. *Hans-Adami II* and *Fogarty*, no clear conclusion can be drawn, if only because they can both easily be distinguished on their facts from *Matthews*.

3.9 Conclusions

From the literature cited in this chapter, it is clear that the binding force of international law is based on consent of sovereign states. Quite a few principles have been proposed as forming customary international law, and a few of them to be binding as part of *jus cogens*. Among principles of the latter, compelling character, human rights have often been cited. However, not all human rights fall within the category of *jus cogens*. On the one hand, the difficulties to make the Council of Europe member states agree on the necessity to protect property as a human right is witness to this.

On the other hand, many scholars agree that the right to due process, as protected by Article 6 (1) ECHR, does belong to the basic rights deserving to be included in a *bill of rights* for Europe. However, international organisations are protected from litigation through immunity clauses. So far, this immunity has only been broken in the *Matthews* case. This situation could lead to *déni de justice*, if systems for ensuring human rights are lacking. *Matthews* is a step forward in the right direction.

If the HRCourt could be seen to accept examination of complaints against acts of international organisations under the substitution principle, the practice of that court would be of direct importance, if not directly binding, on the EPO.

Unfortunately, from the case law cited in this chapter, it is difficult to predict whether complaints concerning the EPO would be considered in the light of the *Matthews* case or whether the HRCourt would show more regard for the reasons for immunity, regardless of whether it relates to diplomatic service or international organisations. Rather, it appears likely that the HRCourt would deny a violation of Article 6 (1) ECHR committed by the EPO from the vantage point that its immunity does not exclude other venues or alternative means for a complainant to seek and obtain redress.

The problem here is notably that the loss of a European patent in centralised proceedings before the EPO cannot easily be redressed. Only the mandatory provision under Article 135 (1) (a) EPC will give an opportunity to save the patent nationally, since the other grounds mentioned there may or may not have been institutionalised under national law. All indications are that very few member states allow for conversion in cases of positive refusal or revocation decisions after substantive examination²⁴⁶.

Since so far, all applications to the Strasbourg organs relating to patenting activities of the EPO as an international organisation have been declared inadmissible, it is difficult to identify with certainty the principles by which an application submitted against the EPO and its member states may be considered admissible. Nevertheless, *the following list of items seems relevant:*

1. In view of the uncertainty still existing after *Matthews*, the application should contain a reference to the principle of *qui facit per allium, facit per se*, in order to stress the retained responsibility of the member states establishing the international organisation whose acts are at issue, and should address the issue of whether these states have an individual or collective responsibility.
2. It is important to argue that the application must be admitted in order to make the *per allium* principle a valid and effective one, avoiding the circular argument of *M & Co.*, while relying on *Matthews*. The connection between the transfer of powers and the result in the form of either an EPC provision or application thereof must be made clear.
3. Any facts, such as legal deficiencies in the EPO system by which the application should be admitted under the *per allium* principle must be explained in detail. It seems in this context that it is not sufficient just to allege a violation of the right to a court; the deficiencies of the system made available by the EPO member states through the EPC must also be discussed, e.g. whether the second instance, the BAs, provides a tribunal meeting the

²⁴⁶ See 3.6.2 at footnote 155 regarding the risk of losing property protection, if the patent application is refused, combined with a lack of access to a court meeting the standards set under Article 6(1) ECHR.

required standards or whether the procedure upholds protected guarantees. *Matthews* suggests that what impressed the HRCourt was the clear violation of a fundamental right, or, in other words, that it was to be shown unequivocally that the right to vote had been denied completely.

4. The significance of the private and economic nature of the procedure, including a detailed description of the facts giving rise to the alleged violation is necessary. It seems crucial that these facts point to an *inherent deficiency* in the EPC system or a *wrongful application* thereof.

5. The principles valid for the admissibility of *semi-public law cases* must be raised, such as the acts of national patent offices being considered in the case law to fall within the purview of Article 6 ECHR, guaranteeing the right of access to a court. The *transfer of competence* to an international organisation does not change the nature of the examination.

6. It may also be necessary to submit a *comparative argument* clarifying differences between the EPO system and a cross-section of typical national patenting systems in some of the member states having substantive examination.

7. Finally, the lack of other means or alternatives for redress must be pointed out, for example the deficiencies in the EPC system regarding the conversion of refused or revoked patents must be made clear.

In spite of the remaining uncertainty as to a strictly binding effect of the ECHR case law, recent case law of the HRCourt seems to point in a direction where there will be less scope for immunity for international organisations, including the EPO. The principles adopted in the case law of the HRCourt under Article 6 (1) ECHR with regard to civil proceedings are therefore of at least guiding relevance in the application of the EPC.

It has been suggested in 3.6.2 above that the EPO as an international organisation does not fit into traditional classification categories. The legal basis for the EPO is lacking in certain constitutional respects, notably with regard to basic human

rights²⁴⁷. This deficiency can be made up by reference in the EPC itself to the ECHR.

The thought of referring to another convention in a treaty is not new. It was advocated by *Helfer*²⁴⁸ for the procedure before the TRIPs panels of the WTO to make use of ECHR principles in adjudicating copyright disputes. In his view, the HRCourt has had remarkable success in resolving tensions between the ECHR as a 'minimum standards' treaty and national practices. The result has been "a slow but steady move toward a shared baseline of human rights norms".

The subsequent comparative study is justified by the character of the ECHR of a quasi-constitution for Europe. At least some, if not all, of the human rights protected by it are considered fundamental. Of these, the right to due process as expressed in Article 6 (1) ECHR is one of the central principles, as witnessed by the large number of complaints filed every year. The ECHR has proven to have a deep impact on national law, with regard to due process as well as to substantive law. That its influence should stop at the national level is inconsistent with its functions and its position, recognised throughout Europe.

From the point of view of the EPC as a treaty deciding private property rights at the international level with legal effect at the national level, it is all the more appropriate - in the view of this author - for the organs of the EPO to set the same standards as those applied by the HRCourt²⁴⁹. While this does not mean that the practice of the HRCourt is immediately binding on the Boards of Appeal, principles that may be extracted from this practice should be applied whenever appropriate. Using the HRCourt practice as a source of law would furthermore have the benefit of enabling the BAs to avoid having to quote national law by way of Article 125 EPC, a task that sometimes may seem inadequately performed²⁵⁰.

²⁴⁷ This does not question the legitimacy as to any lack of an institutional basis, which is given through the delegation of powers from its member states.

²⁴⁸ *Helfer, L.*, A European Human Rights Analogy for Adjudicating Copyright Claims under TRIPs, EIPR, 1999, p. 8 f.

²⁴⁹ Cf. *Schermers/Blokker*, p. 985 with reference to the CJEC, which is said not to consider itself bound by the case law of the HRCourt. This would mean a corresponding weakening of the link between the ECHR and the EPO.

²⁵⁰ See Waage's criticism above, 3.5.3.

CHAPTER 4 THE ECHR AS A SOURCE OF LAW FOR THE EPO

4.1 Introduction

In the foregoing chapter it was concluded that there is no legally binding effect of the ECHR on the EPC, but that its significance as "the constitution of the international community" indicates that it should serve as a source of law for the EPC.

The present chapter introduces general principles arising from the ECHR. In chapter 4.2, the control system of the ECHR is described. Methods generally valid in the interpretation of the ECHR are addressed in 4.3 and Article 6 (1) ECHR is dealt with in 4.4. Two cases involving intellectual property procedures are discussed in 4.5. The requirements imposed on a tribunal deciding administrative appeals are addressed in 4.6 and two cases concerning intellectual property before the HRCourt are summarised in 4.7. Conclusions as to the scope of application of Article 6 (1) ECHR, the significance of the case law of the HRCourt for the scope of review by a tribunal and the main procedural requirements are outlined in 4.8.

4.2 The control system under the ECHR

4.2.1 The original control mechanism

Before the entry into force of protocol no 11 to the ECHR on 1 November 1998, there were two organs responsible for the processing of complaints, the HRComm and the HRCourt, and a third, the Committee of Ministers, monitoring the result of each complaint. The prime responsibility of the HRComm was to act as a filter, deciding first on whether or not the complaint could be declared admissible. It was the receiving organ under Article 25 ECHR. It had to satisfy itself that all domestic remedies had been exhausted, Article 26 ECHR, and that the exceptions under Article 27 ECHR did not apply¹. If a complaint was admitted, the HRComm then decided whether or not there had been any violation, and drew up a report to the Committee of Ministers, unless the parties had been able to reach a settlement, Article 31 ECHR. If it found a violation, either the State against which the complaint had been addressed

¹ Anonymous applications, applications previously already filed and examined by the HRComm, applications incompatible with the provisions of the ECHR or which were manifestly ill-founded or constituting an abuse of the right to petition, were to be rejected as inadmissible by the HRComm. Applications from individuals against states that had not declared that they would recognise them also had to be rejected as inadmissible.

or the HRComm could, within three months of the report, refer the case to the HRCourt, Articles 48 and 32 (1) ECHR².

If the case was not referred to the HRCourt, the Committee of Ministers had to decide whether or not the case had been settled satisfactorily. This could be done by the Committee of Ministers taking note of redress in the form of an amendment of a law found to violate the convention or that the parties had reached an amicable settlement, sometimes in the form of damages being paid.

The HRComm was also responsible under Article 28 (b) ECHR for helping the parties to reach such settlements. If a case was referred to the HRCourt, it first had to establish that the HRComm had acknowledged that it had failed to achieve a settlement, Article 47 ECHR. Having reached a conclusion that a right or freedom protected by the ECHR had been violated, the HRCourt also had to afford, if necessary, just satisfaction to the injured party, Article 50 ECHR.

4.2.2 The present control mechanism³

With protocol no 11, in force as of 1 November 1998, the HRComm was relinquished and the HRCourt took over the screening function via special screening panels. Section II, i.e. Articles 19 - 51, were replaced by amended provisions. This section is now headed 'European Court of Human Rights'. Articles 19 - 24 contain provisions on the number of judges, criteria for office, election, terms of office and dismissal of judges. Article 25 provides for a registry of the Court and Article 26 governs the Plenary Court.

Article 27 contains provisions on Committees, Chambers and the Grand Chamber. The committees, composed of three judges, serve as a first screening filter and may declare cases brought by individuals inadmissible, if all its members agree, Article 28. Such decisions cannot be appealed. If a decision to declare an application inadmissible

²Under protocol no 9, in force as of 1 October 1994, Article 44 ECHR was amended to additionally allow private persons, non-governmental organisations and groups of private persons who had filed applications under Article 25 ECHR to refer a case to the HRCourt.

³ A consolidated version of the ECHR, including protocols no 2, 3, 5, 8, 9, 10 and 11, may be accessed at www.echr.coe.int/eng/legaltext/. The summary here is based on this text, as downloaded on 14 March 2000.

is not taken under that Article, a Chamber of the Court (seven judges) decides this issue and, if the case is admitted, goes on to examine it on its merits.

The peculiar function of the HRComm as a screening organ was to check that the prerequisite of relevant grounds for a complaint had been met before it could be admitted. This served the purpose that only the most worthy cases would come before the HRCourt⁴. Under the amended ECHR, this screening function has been taken over by the HRCourt itself. According to Article 35 ECHR, the HRCourt only deals with an application after all domestic remedies have been exhausted in accordance with generally recognised rules of international law, provided that the application was submitted within a period of six months from the date on which the final decision was taken; the HRCourt does not examine anonymous applications or applications which are substantially the same as one already examined previously by itself or as one submitted to another international procedure for consideration, nor does it admit individual applications which are either *considered incompatible with the ECHR or its protocols, manifestly ill-founded or constituting an abuse of the right of application*.

In essence, therefore, the legal admissibility conditions have not changed as a result of the procedural amendments⁵. A shift in practice may be noticed, however. Of the seven first cases discussed in 4.8 below, the HRComm was responsible under the old system for screening the complaints as to admissibility. It decided to dismiss five of them as inadmissible. Two, *Waite and Kennedy* and *Beer and Regan*⁶, were referred to the HRCourt, which found no violation of Article 6 (1) ECHR. Of the three remaining cases, *Matthews*, *Hans-Adami II* and *Fogarty*⁷, the latter two were subjected to the new screening procedure. They were both admitted, which may be an indication⁸ that the HRCourt has adopted a more liberal practice with regard to the admissibility of complaints directed against actions of international organisations

⁴ See *Harris et al.*, Chapter 23, in particular p. 629 f., on the issues of competence, i.e. *ratione personae*, *ratione materiae*, *ratione temporis* and *ratione loci*.

⁵ The corresponding provisions of admissibility for the HRComm to apply were laid down in original Articles 26 and 27 ECHR.

⁶ See 3.8.1.2.

⁷ See 3.8.5 and 3.8.6.

⁸ It may, however, also be the reflection of an awareness that the proliferation of international organisations could otherwise be an escape route for states from the scrutiny of the HRCourt.

rather than dismissing them *ratione personae*. *Matthews* is an exception to the strict line adopted by the HRCComm. The case was screened under the previous system, the application dating from 1994. In this case, the HRCComm admitted the complaint for examination on its merits⁹ and decided¹⁰ that no violation of Article 14 ECHR, taken together with Article 3, had occurred, but with several dissenting votes¹¹.

The Grand Chamber consists of seventeen judges and always includes the president and vice-president of the court and the presidents of the chambers. A chamber may relinquish jurisdiction in favour of the Grand Chamber, before it has rendered its judgment, if the case raises 'a serious question affecting the interpretation of the ECHR' or 'the resolution of a question might have a result inconsistent with a judgment previously delivered by the Court'. A party may however prevent this by objecting. A case may also be referred by a party to the case to the Grand Chamber under Article 43, within three months after a judgment has been rendered by a chamber. In that situation however, a panel of five judges decides whether or not the case fulfils the requirements of either raising a serious question affecting the interpretation or application of the ECHR or raising a serious issue of general importance. A judgment of the Grand Chamber is always final, whereas the judgments of chambers become final if the parties declare that they will not refer it, the case has not been referred within three months or the panel has rejected the request to refer it.

Article 34 concerns individual applications and allows any person, non-governmental organisation, or groups of individuals claiming to be the victim of a violation by one of the High Contracting Parties to file applications with the HRCourt. The previous condition that a Contracting Party had to have declared specifically that it recognised individual complaints has thus been abandoned.

Articles 45 - 48 contain provisions on reasons for judgments, decisions and advisory opinions (judgments and decisions must be reasoned and judges are entitled to deliver

⁹ On 16 April 1996. The reason given was that the complaint raised complex issues including questions concerning the responsibility of the UK for the matters complained of, so that it had to be concluded that the complaint was not manifestly ill-founded.

¹⁰ Report adopted on 29 October 1997.

¹¹ The case was referred to the HRCourt by the HRCComm on 26 January 1998. The HRCourt found a violation of Article 3 ECHR, taken alone.

separate opinions), binding force and execution of judgments, and advisory opinions at the request of the Committee of Ministers. An advisory opinion may not concern the content or scope of the rights and freedoms defined in section I of the ECHR, nor any other question which the Court or the Committee of Ministers might have to consider in consequence of any proceedings that could be instituted in accordance with the ECHR.

All provisions concerning the HRComm have been deleted. Instead, section III contains miscellaneous matters, e.g. the general reference that nothing in the ECHR may be construed to limit or derogate from the rights and freedoms which may be ensured under national laws. Article 55 prevents the Contracting States from submitting a dispute to a means of settlement other than those provided for by the ECHR, which corresponds to previous Article 62. Finally, Articles 56 - 59 concern customary rules for ratification, reservations, denunciations etc.

For the transitional period, the case of *Denev v. Sweden*, application no 25419/94¹², provides a model, clarifying the function of the screening panel and the interplay between the HRCourt and the Committee of Ministers. Denev complained that Article 6 (1) ECHR had been violated because, inter alia, an application by himself to the Swedish patent office and later appeals had not been heard within a reasonable time. The HRComm admitted the case on this point. On 9 September 1998, the screening panel of the HRCourt decided that the court would not hear the case, since it did not raise "any serious question affecting the interpretation or application of the Convention, as the Court had already established case-law on the 'reasonable time' requirement", and that the case did not warrant consideration by the court for any other reason, "as in the event of a finding that there has been a breach of the Convention, the Committee of Ministers of the Council of Europe can award the applicant just satisfaction". The Committee did so by Final resolution DH (2000) 58, having earlier decided the sum due at 20 000 Swedish crowns, having satisfied itself that this sum had been paid to the applicant within the time limit set.

¹² For a more detailed summary of this case, see 4.7 below.

4.3 Admissibility issues

In order to have their cases heard by the HRCourt, individuals must claim to be victims of a violation by one of the High Contracting Parties of any of the rights set forth in the ECHR, the complaint must be filed within the stipulated six months from the date on which the final domestic decision was taken and the applicant must have exhausted all domestic remedies. The HRCourt does not entertain anonymous applications or any application that is substantially the same as a previously examined application or one that had already been submitted to another procedure of international investigation or settlement and did not contain any new information¹³.

In the case of *Klass and others v. the Federal Republic of Germany*, the issue was discussed whether an individual is a "victim" when he cannot show proof that a specific legislation claimed to violate the ECHR in any respect had been applied against him. The applicants complained about a German law allowing secret surveillance of persons without notifying them. The complainants were therefore not in a position to offer evidence of any direct violation of their rights. The HRCourt admitted the complaints, noting that the system set up to protect the individual must be applied in a manner that serves to make it efficacious¹⁴.

An application not directed to a contracting state is rejected as inadmissible *ratione personae*. If it is filed out of time it is rejected as inadmissible *ratione temporis*, and *ratione loci* if the purported violation occurred on a territory where the ECHR does not apply¹⁵. An application which complains about a right or freedom not guaranteed by the ECHR will be rejected as inadmissible *ratione materiae*, and the HRCourt may also reject an application after examination of its merits, if it finds it *manifestly ill-founded* or that it constitutes *an abuse of the right of application*¹⁶. In the latter case, the application does not need to be examined *in toto*; it suffices for rejection that the

¹³ Article 35, paras 1 and 2, ECHR.

¹⁴ *Klass and others v. FRG*, HRCourt judgment of 6 September 1978.

¹⁵ *Danielius, Mänskliga rättigheter i europeisk praxis*, 1997, p. 34 f., *Harris et al.*, p. 630 -642, *Villiger*, p. 62 -

¹⁶ Article 35, para 3, ECHR.

applicant uses abusive language, misrepresents the facts or submits repeated identical applications, although the first application was already rejected as inadmissible¹⁷.

The issue of '*ratione materiae*' (rights found incompatible with the ECHR) refers to the necessary causal link between the complaint and a right or freedom protected by the ECHR, i.e. when the rights affected are not protected by the ECHR, the complaint is rejected as inadmissible under this heading.

In the case law of the HRCComm under the previous screening system, the further peculiarity was that where after examination of the merits it found that the allegation of a violation has not been substantiated, it could reject the case as '*manifestly ill-founded*' and thus inadmissible under Article 26 (or amended Article 35) ECHR. This practice has been harshly criticised by Harris et al. for being illogical:

"This is possibly the only provision in the Convention where the Commission, in its practice, has departed from the literal and ordinary meaning of the words employed. Occasionally, the practice of the Commission in this regard has given rise to criticism on the grounds that there is an excessive tendency to reject cases that might not survive scrutiny by the Court but which certainly are deserving of full examination on the merits. ---- These cases sit ill with the Commission statement in, for example, *Klass v. Germany*, that applications raising complex questions of law, which are also of general interest, cannot be regarded as manifestly ill-founded. They prompt the following question. How can a case be rejected as *manifestly* ill-founded after extensive legal argument, often involving an oral hearing, and a lengthy fully reasoned opinion of the Commission with which not all members agree? ---- ...this ignores the general European interest in having important issues of interpretation of the Convention examined at the highest level."

The authors refer in this context to a statement by the HRCourt in the case of *Boyle and Rice v. UK*, according to which the rejection of a complaint as manifestly ill-founded amounts to a decision that there is not even a *prima facie* case against the respondent state¹⁸.

If taken to its extreme conclusion, this case law could amount to a violation of the rights and freedoms of the ECHR by its own organs, i.e. whereas the party would have

¹⁷ See e.g. *Villiger*, p. 57.

¹⁸ *Harris et al.*, p. 627-628.

a right under national procedural law to a hearing before an independent and impartial tribunal established by law to have his grievance examined on its merits, he could be denied the corresponding access to the court in Strasbourg on the same facts. Still, it should perhaps be observed that the instrument of declaring a complaint inadmissible for want of substantiation seems to be in keeping with the established principle of traditional international law that a treaty is to be interpreted narrowly when the obligations of a Contracting State are being determined¹⁹. In contrast, the VCLT and in particular its articles on interpretation *do not* support the principle of a narrow interpretation. Since in practice the VCLT has had a strong impact on the way in which the EPO as an international organisation applies the EPC, it could be discussed whether or not there are convincing arguments for abandoning this traditional method of interpretation.

The HRCourt has seen no good reason to interpret the ECHR in a limitative manner. It remains to be seen whether the HRCourt will use the opportunity of rejection under the "manifestly ill-founded" heading to the same extent as the HRComm.

4.4 *Methods of interpretation valid for the ECHR*

A number of principles or methods of interpretation of the ECHR has emerged over the years²⁰. The aim of the ECHR was not to replace national legislation, instead it was designed to supplement them. Therefore, the *principle of subsidiarity* is respected, although it is not expressly mentioned in the Convention. Article 60 ECHR²¹ expressly states that nothing in the ECHR can derogate from any rights which may be ensured under national laws, or in other words, states already protecting more rights or offering stronger protection are not bound by the ECHR to adapt their legislation to that Convention, thereby rescinding some of the national rights. The ECHR does

¹⁹ Cf. *Matscher in Macdonald et al.*, p. 66: The interpretation of a law-making treaty must depart from the theory of classic international law, which states that when there is doubt, preference should be given to the interpretation which restricts as far as possible the obligation entered into by a state party to the treaty. - There is the additional argument that a law-making treaty, like the EPC, should not offer lesser procedural guarantees than national law, precisely because much more is at stake internationally; a European patent may today (September 2002) be granted for 24 European states, not to mention geographical extensions possible under special agreements.

²⁰ See in particular *Petzold in Macdonald et al.*, p. 41 ff.

²¹ In the version valid before the entry into force of Protocol 11; the corresponding provision is now to be found in Article 53 ECHR.

not impose any manner in which the Parties to the Convention have to guarantee its rights. It is not necessary to include the ECHR in the national legislation. What is necessary, however, is that the national systems offer a guarantee of an effective remedy to an individual who claims that his or her rights under the ECHR have been violated, cf. Article 13 ECHR²². Translated to the international level of the EPO, any party before it, as well as its employees, would have a guarantee of an effective remedy for a complaint that a right protected by the ECHR had been violated in the course of proceedings to which the EPC applies, including its Implementing Regulations or any other legal instrument in force for the EPO as an international organisation.

The principle of subsidiarity puts limits to the powers of the Strasbourg organs. The modality of control is entirely dependent on the *substance* of the rights secured under national laws and practices. This is the reason why the HRCourt frequently refers to its obligation to look beyond appearances when assessing national law and practices²³. In order for this control to function, a unique element in international law was introduced, offering individuals the possibility on equal terms to make the Contracting States answerable to an international forum. According to the principle of subsidiarity, this possibility is balanced by the requirement that complainants have to have exhausted all available national remedies capable of providing redress for their complaints²⁴.

The case of *Wemhoff v. Germany*, 1968, is an early example of a 'realistic' or 'practical' interpretation. The HRCourt, noting that the ECHR was a **law-making treaty**, found it necessary to seek the interpretation that was most appropriate in order to realise the aim and achieve the object of the treaty, and not that which would restrict to the greatest possible degree the obligations undertaken by the parties²⁵.

As to the interpretation of the ECHR in practice, the Court has taken the same practical approach, looking at realities rather than trying to establish a formal

²² *Macdonald et al.*, p. 44.

²³ See e.g. *Brumarescu v. Romania*, judgment 28.10.99, para 76, and judgments referred to therein.

²⁴ *Macdonald et al.*, p. 46.

²⁵ *Wemhoff v. Germany*, judgment 27 June 1968, para. 8 under 'As to the law'. To all intents and purposes, so is the EPC, see *Wage*, p. 4, footnote 11.

methodology²⁶. Like the BAs of the EPO, the HRCourt starts from the Vienna Convention on the Law of Treaties, VCLT. Like the EPO organs, the HRCourt applies the VCLT, although from a strictly legal aspect, being of a later date, the VCLT is not binding on the ECHR organs. This leads to the first principle, to look to the *object and purpose of the ECHR*. Its object is to be found in its preamble, a fact frequently relied upon by the HRCourt when looking for guidance to resolve an issue. The *teleological interpretation* is then the basic and general method used by the HRCourt. It must be noted that because of the unique system of States being forced to defend themselves against individuals, the HRCourt has to take special care to uphold a fair balance between the interests of these States and those of individuals seeking redress against them. States may denounce the ECHR under Article 58 ECHR after expiry of five years from the date it became a party to the convention and a six-month period of notice.

A second effect of the application of the VCLT is that the HRCourt consistently looks for an interpretation that ensures effective protection of the rights in question²⁷. This is an *expansive method*; it may lead to extraterritorial application of the ECHR. One example of such an effect is the Soaring case: Mr Soaring who was under threat of being extradited from the UK to the USA on charges of murder complained that extradition would mean a violation of his right to protection under Article 3 ECHR against torture, inhuman or degrading treatment or punishment. The HRCourt agreed that the responsibility of the extraditing State also comprised the possible effects of the extradition: “it would hardly be compatible with the underlying values of the Convention that ‘common heritage of political traditions, ideals, freedom and the rule of law’ to which the preamble refers, where a Contracting State knowingly to surrender a fugitive to another State where there were substantial grounds for believing that he would be in danger of being subjected to torture, however heinous the crime allegedly committed.” From this the HRCourt concluded that extradition in such circumstances would be contrary to the spirit and intention of the Article.

²⁶ *Macdonald et al.*, p. 64, in particular footnote 6.

²⁷ See e.g. *Airey v. Ireland*, judgment 9.10.79, in which the court observed that the complainant was effectively barred from having a judicial separation from her husband because of lack of funds, and *Soering v. UK*, judgment 28.06.89, in which the HRCourt observed that the ECHR had to be interpreted so as to make the rights protected thereunder practical and effective.

The HRCourt also applies the *evaluative* method of interpretation, understanding the concepts of the ECHR in the context of the society of the time at which the ECHR is being applied. This method is sometimes known as the *dynamic* method. If one follows the development of Article 6 ECHR over the years, it is striking to see for example how the concept of civil rights has grown from a strict and narrow definition of 'civil' as only meaning those in 'private law' to encompassing more and more rights, some of which have been questioned as to their nature of being private in character²⁸. The reason for this method is obvious; the ECHR must follow the constant development of society. Even its preamble looks to the future when addressing the further realisation of human rights and fundamental freedoms. The risk connected with this method is likewise obvious; if applied too freely, the method may contravene the aims of the rule of law, i.e. the foresee ability in practice of the law. There is a limit beyond which the HRCourt would no longer be interpreting the Convention but making policy.

The *autonomous* interpretation adopted by the HRCourt takes Article 31 of the VC into account in requiring that a treaty must be interpreted in good faith according to the ordinary meaning of its words as seen in context. This offers a legal basis - if not in itself a compelling reason - for the autonomous interpretation of international treaties, which have been adopted within the framework of an international organisation²⁹. Proceeding on this basis, the HRCourt has set aside national labels for legal terms, replacing them by its own terminology. Occasionally this has led to separate opinions in the HRCourt³⁰. A remark of interest in view of the EPO case law on Article 125 EPC is that the European Court at Luxembourg aptly defined the concept of autonomous interpretation in the case of Eurocontrol of 14 October 1976³¹, stating that the objectives and systematics of the agreement and the general principles of law which followed from the totality of the national systems should be considered. This principle would mean - in contradistinction to the approach taken by the EPO - that, before one can arrive at a general principle of law, extensive comparative studies have to be undertaken of the legal systems of *all* contracting states.

²⁸ See *Harris et al.*, p. 174 ff.

²⁹ See *Matscher in Macdonald et al.*, p. 71.

³⁰ *Ibid.*, p. 73.

³¹ *Ibid.*, quoted by Matscher, ref.: CD 1976, p. 1550.

One difference between the ECHR and the EPC is that the latter does not set out to change or create national law, which is the ultimate aim of the former where violations of the ECHR have been found. Another significant difference is that patent law has long since been ‘international’ in the sense that its legal terms are readily understood by different legal cultures, if not identically interpreted under national law. An obvious conclusion to be drawn from this is that the autonomous method of interpretation has less scope under a treaty like the EPC, which in essence is a codification of national patent systems. The close correspondence between the EPC and national patent laws bears testimony to its validity in a traditionally international legal field³². The ultimate argument for the harmonisation of patent law is that the geographical limitations of this property right should not result in any corresponding geographical differences in protection for its possessor.

According to *Matscher*, the *comparative* interpretation covers more than the traditional research on national laws to find common elements in order to arrive at a justified interpretation of an international treaty. A further aspect of comparative legal studies sets out to interpret one international treaty by way of another³³. It is to be expected that, as the number of treaties increases in a growing number of fields, this particular mode of interpretation will grow in importance. Under the EPC, the BAS frequently refer to the ECHR and the VCLT, the TRIPs agreement has been mentioned in connection with procedural issues, and the EC Directive on biotechnological inventions has already found its way into the Implementing Regulations to the EPC³⁴.

Matscher questions whether an internal law compatible with one treaty may still be considered to violate the ECHR. His opinion that the comparative method can only be a secondary aid to the primary teleological method of using the object and purpose of an international treaty indicates that there may not be any merit for the purposes of

³² Two examples of this harmonisation may suffice: For UK law, see C.I.P.A. Guide to the patents acts, third edition, 1990, Introduction p. xc: “The wording of the Patents Act 1977 was chosen ...to accord with the wording adopted for the [EPC].” For Swedish law, see Government Bill/ Prop. 1977/78:1, del A, p. 4.

³³ *Matscher in Macdonald et al.*, p. 74.

³⁴ See e.g. decision *T 261/88*, OJ EPO 1992, 627, in which reference is made to the ECHR and *J/95*, OJ EPO 1997, 493, referring to TRIPs. Rules 23 b) - e) EPC, as modelled on EC Directive No 98/44/EC of 6 July 1998, were adopted by the Administrative Council with effect from 1 September 1999, OJ EPO 1999, 437.

the application of the ECHR in pursuing this matter further³⁵. However, the relevant question for the EPC is instead whether it must be *interpreted so as to be in conformity* with the ECHR. Comparing legal systems is express law under Article 125 EPC. This matter will therefore receive more attention later³⁶.

The margin of appreciation afforded to the Contracting States to the ECHR seems less relevant in the application of the EPC. This principle obliges the HRCourt to allow for a margin of cultural and legal differences between states. They could not and should not be measured by the exact same yardstick. As the EPC is a codification of norms acceptable to the Contracting States, there is accordingly less room for such a margin in its interpretation. This in turn will have the effect of making the travaux préparatoires to the EPC more important than they are in the application of the ECHR³⁷.

In this context, it is of interest to note that the reliance on preparatory work is utilised in continental Europe and in common law states to a lesser extent than in some Scandinavian legal cultures, especially in Sweden. Under this continental tradition, even written law will develop through the case law of the courts rather than being interpreted with the aid of statements made by a government in presenting its proposals for a new piece of legislation or by a parliament in debating and passing it. However, the travaux préparatoires to the EPC do offer guidance that is used from time to time by its organs³⁸. The reason for this is probably the fact that there is no outside legal environment other than the EPC itself and its implementing regulations to aid in finding appropriate solutions to a legal problem. This may lead to a

³⁵ *Macdonald et al.*, p. 74 f.

³⁶ See 8.2.

³⁷ *Matscher* observes that the evolutive method of interpretation makes the travaux préparatoires less relevant, p 68, note 23. They are necessarily static in that they can only relate to circumstances which were held relevant at the time of the inception of the Convention in question. However, occasionally the HRCourt reverts to these travaux, see e.g. *Lithgow et al. v. UK*, judgment 24.06.86, para 117. It seems to be the norm that the court only reverts to this method, if there are disagreements as to the proper interpretation of the ECHR that cannot be solved by recourse to other methods of interpretation.

³⁸ According to the data base Espace L, April 2000 issue, the travaux were referred to in nearly 100 cases. For example, the EBA has used it in decision *G 1/88*, OJ EPO 1989, 189, in searching for the intention of the legislator behind the provision in Rule 58(4) EPC on the obligation to inform the parties of an intention to maintain a patent in amended form. TBA 3.3.2 had reason to look frequently into the travaux regarding the conditions for intervention, see for example decision *T 296/93*, OJ EPO 1995, 627.

harmonisation between different cultures; European organisations will influence national courts to adjust to applying laws which may seem strange and they will tend to look for guidance so as not to fall out of line in comparison to courts of other states within the EPO or the EU, whereas Nordic courts may become less likely to rely on travaux préparatoires alone.

The principle of proportionality under the ECHR refers to the balance to be upheld between the seriousness of an interference against the importance of the aim pursued by the interference. It also guides the HRCourt in establishing whether a limitation of a right as allowed for example for the rights laid down in Article 8 through 11 was justified under the given circumstances. The same principle applied under the EPC has led to relief for parties who did not strictly fulfil the requirements of that convention, for example as to the condition of having exercised due care in order to have a time limit restored (Article 122 EPC). The principle of proportionality acts as a corrective on the margin of appreciation doctrine³⁹.

The corresponding principle as applied under the EPC has another meaning; it serves to balance the interests of the parties against formal requirements of the convention or against the interests of the organs of the EPO. It is frequently cited in cases where Articles 113 and 122 EPC are to be applied, and is used to mitigate disadvantageous effects for patent applicants, who because of the many time periods in operation under the EPC and the effects of missing them stand to lose their property rights on purely formal grounds. The closest corresponding notion under the ECHR would be the right to a fair hearing.

Any international organisation is, by implication at least, vested with the powers necessary for the execution of its responsibilities⁴⁰. *Matscher* notes that the extent of such *implied powers*, which attaches to the ECHR, is very unclear. In contrast, it should be noted that the object of the EPO and its obligations are expressly laid down in Article 52 EPC, which provides that European patents shall be granted if they meet the patentability criteria of being susceptible of industrial application, novelty and inventive step, and do not fall within the categories listed as excluded from patent

³⁹ *Matscher in Macdonald et al.*, p. 79.

⁴⁰ *Idem*, p. 80, quoting *Verdross/Simma*, *Universelles Völkerrecht*, 3rd ed., 1984, p. 780.

protection. Direct powers are furthermore vested in the different departments listed in Article 15 EPC, the organisation of which is detailed in subsequent articles. Adding the general provisions on procedure laid down in Articles 113 - 126 and for the examination of applications, oppositions and appeals in particular in Articles 90 - 97, 99 - 105 and 106 - 112 EPC, respectively, the EPC may be said to be uniquely precise in the family of international treaties with regard to competence. There is no ambiguity in the definition of the powers which have been transferred from the Contracting States in their sovereign capacities. However, this does not mean that they have surrendered any of this power. In actual fact, as far as national patent offices remain in operation, granting patents for applications filed directly with them, the Contracting States created a competing patent authority by setting up the EPO. An applicant wanting to have patent protection in Europe has a choice, and may very well make use of this choice depending on the geographical extent to which he desires such protection⁴¹.

If the substantial provisions of the EPC can be said to be complete, comprehensive and precise, the rules governing the procedure must be characterised as incomplete, basic in nature and not very precise. As far as appeal proceedings are concerned they set down time limits, minimum requirements for appeals to be admissible, party status, the framework of appeals and the role of the EBA (Articles 106 - 112 EPC). The basic principles on procedure in general, such as the right to be heard, are laid down in Articles 113 - 126 EPC. This means that the EPC itself only contains 20 articles directed to the procedure as such, some of which have a technical connotation, such as Article 123 EPC on allowable and non-allowable amendments of claims. The rules of procedure of the BAs and the EBA (RPBA and RPEBA respectively), adopted by these bodies under Rule 11 EPC and approved by the Administrative Council under Article 23(4) EPC, are not very extensive either⁴². They cover mainly the allocation of cases, exclusion of members, organisation of the registries, consolidation of

⁴¹ Efforts to achieve a Community Patent Convention have not yet advanced to the stage where a diplomatic conference may be held regarding the proposal for a community patent regulation, presented by the EU Commission on 1 August 2000, COM (2000) 412 final. In March 2001, the EU Economic and Social Committee rendered a generally favourable opinion on the proposed regulation, but asked for further clarifications, see OJ of the EC, C 155/80, 29. 5. 2001. On 30 August 2002, the European Commission presented a working document on a centralised Community jurisdiction, doc. COM (2002) 480 final. The EPC will remain as a vital ingredient according to these proposals, see further 9.3, which also refers to developments in March 2003.

⁴² The RPBA number 19 Articles in all, and the corresponding RPEBA total 15 Articles.

appeals, the organisation of oral proceedings, communications to the parties, deliberations, and steps to be taken in the event of deviations from case law. In addition, the rules on representation and the relationship of the EPC to the PCT (Articles 133 - 134, 150-158 EPC, respectively) should be mentioned. It is self-evident that this narrow legal basis has led to a rich case law on procedure.

4.5 Article 6 (1) ECHR

4.5.1 Background

The text of Article 6 (1) ECHR reads in relevant parts as follows:

In the determination of his civil rights and obligations ..., everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law. Judgment shall be pronounced publicly but the press and public may be excluded from all or part of the trial in the interest of morals, public order or national security in a democratic society, to the extent strictly necessary in the opinion of the court in special circumstances where publicity would prejudice the interests of justice.

The right to a fair trial occupies a central position in the European Convention on Human Rights. It has generated by far the most complaints and a rich case law. Mainly due to its general wording, Article 6 ECHR has proven in practice to comprise a wide variety of procedural issues. One fundamental question posed at the beginning of the court's existence was whether it could question the merits of decisions taken at the national level, which was answered in the negative in accordance with the 'quatrième instance' doctrine⁴³. The Strasbourg court is not a fourth instance to which appeals lie from national courts of final instance.

An early question concerned the applicability of Article 6 (1) ECHR to the area of administration. The decision *König v FRG* established that a question which under

⁴³ This doctrine denies the competence of the HRCourt to act as a fourth instance. It must accept the national court's evaluation of questions of fact and law, see e.g. *Harris et al.*, p. 15. *Villiger* expresses the situation as follows: "Stets gilt es sich vor Augen zu halten, dass Art. 6 das Verfahren, nicht das Ergebnis schützt.", § 23, page 276. *Petzold*, in *Macdonald et al.*, p. 50, refers to the doctrine of the fourth instance in the context of the ECHR and the principle of subsidiarity.

national law is seen as a matter of public law, may by the HRCourt be seen as falling within the individual's civil rights and therefore within the scope of Article 6 ECHR⁴⁴. The HRCourt has not adopted any abstract definition of the term, making the case law on this issue dependent on the individual facts of each case⁴⁵. The HRCourt has also abstained from drawing any conclusions from principles which are uniformly applied across Europe, but indirectly indicated that it would be prepared to follow them if they exist⁴⁶.

The HRCourt focuses on the nature and character of the right at issue, not on the category of the legislation governing it. However, national law is not completely irrelevant. The law governing a right may be decisive of whether this right must be seen as a matter of public service or as based on a contract between individual parties, thereby constituting a civil right. The organisation of medical care may, for example, differ in various states, creating civil rights for individuals in one but not in another state.

A precondition for Article 6 (1) ECHR to apply is that the individual's civil rights and obligations are in issue and to be determined in the proceedings.

According to its wording, Article 6 (1) ECHR offers the following basic rights for the fulfilment of the right to a fair trial:

Everyone is entitled to a public hearing, ie, to appear before the tribunal in oral proceedings. This right is not absolute; under special circumstances the public and the press may be excluded. The hearing must be fair, i.e. offer the same opportunities for all the parties to present their case. The case must be heard within a reasonable time. The tribunal must be impartial and independent.

⁴⁴ See *Harris et al.*, p. 175.

⁴⁵ *Idem.*, p. 174, criticising the development of the case law. In the early years of the HRCourt's practice, a distinction was made, excluding rights and obligations in public law from civil rights. Later this distinction was made less precise, e.g. through the *König* case.

⁴⁶ *Idem.*, p.176.

4.5.2 History⁴⁷

The first drafts of the ECHR were mere references to the rights and freedoms set forth in the United Nations Universal Declaration of Human Rights of 1948⁴⁸. This was considered opportune, as the adoption of a European Convention was considered urgent and the Council of Europe States wanted to avoid both repeating the work already done and any unnecessary differences, which could create difficulties of interpretation later⁴⁹. The reference to the UN Declaration therefore covered three provisions: Articles 8, 10 and 11, of which the first was to correspond to Article 13 of the ECHR, the second to Article 6 (1) ECHR and the third to Article 6 (1) and (2) ECHR. According to Article 10 of the UN Declaration, everyone “is entitled in full equality to a fair and public hearing by an independent and impartial tribunal, in the determination of his rights and obligations and of any criminal charge against him”. At the instigation of the United Kingdom Government, which wanted that the rights and freedoms guaranteed be expressly defined in the European convention, the Committee of Experts prepared an alternative draft⁵⁰. Both drafts were remitted to the Committee of Ministers.

At their meeting at the end of March 1950, the Committee of Ministers were unable to agree on the approach to be taken, and referred the matter to a Conference of high officials⁵¹, which met in June. As could be expected, the major difficulty at this session was whether or not a collective guarantee of a European Commission and Court should be extended to individuals. In the ensuing draft, Article 6.1 contained language close to the present Article 6⁵². The HRT travaux préparatoires are silent with

⁴⁷ A summary of negotiations and diverging views of the states involved is given by *Krause C.*, *Rätten till egendom som en mänsklig rättighet*, Institutet för mänskliga rättigheter, Åbo Akademi, 1993, p. 20 ff.

⁴⁸ See e.g. HRTravaux, vol. I, page 196.

⁴⁹ There were however those who objected to this approach, e.g. Mr Lannung, Denmark, who in a debate in the consultative assembly, in its eighth sitting on 19 August 1949, felt that it was not enough to build on the work already done by the UN, *idem*, p.50.

⁵⁰ See HRTravaux, vol III, p. 236 - 310.

⁵¹ HRTravaux, vol. IV, p. 84 f.

⁵² It commenced: “In the determination of any criminal charge against him of his rights and obligations in a suit at law, every one is entitled to a fair and public hearing...”, see HRTravaux, vol. IV, p. 276. However, the French text differed considerably, referring in particular and separately to a person’s right to “un tribunal indépendant et impartial, établi par la loi, qui décidera soit des contestations sur ses droits et obligations de caractère civil, soit... *ibid.*, p.277. At the 17th sitting of the Consultative Assembly, 25 August 1950, the chairman simply concluded that there were no

respect to possible negotiations on the right to a tribunal, which may justify the conclusion that this was not a contentious issue. It may therefore be assumed that the UN Declaration text had already been accepted by the Council of Europe States at the UN level. Article 10 of the UN Declaration was later reiterated in the International Covenant on Civil and Judicial Rights, Article 14, of 1966, extended to contain provisions on restrictions as to publicity. The UN and the ECHR guarantees as regards the right to a tribunal are therefore all but identical. There is in the HRTravaux an extensive document on “déli de justice”, assembled by the Secretary-General of the Council of Europe, which will be dealt with in more detail later⁵³.

4.5.3 Terminology and scope

'Everyone'

has a wide meaning. Under the jurisprudence of the HRComm and HRCourt the term embraces individuals as well as enterprises, physical persons as well as corporate bodies. It also applies to foreigners and stateless persons⁵⁴.

'In the determination of'

has over the years been expanded to encompass not only cases where civil rights and obligations are directly decided in the proceedings in question because their very purpose was to decide a person's rights in these respects, but also those cases where the proceedings indirectly became decisive for such rights.⁵⁵

amendments proposed as to Articles 1-10 of the draft convention, HRTravaux, vol. VI, p. 148. This justifies the conclusion that there was an error in the English text, which was corrected later. See also an exchange of letters between Mr Robertson, member of the Secretariat of the Council of Europe and Mr Downing, Official of the Western Organisation Department, London, on the need for editorial amendments to bring the English and French versions closer together, HR Travaux, *ibid.*, p. 284.

⁵³ HRTravaux, vol. III, p. 74 ff. It is of interest to note already here that “déli de justice” is understood in a very wide sense, encompassing unjustified delays in handing down judgments, grave legal errors, partiality and dependency on political organs, i.e. this term is not limited to non-accessibility of courts or other judicial organs to resolve disputes.

⁵⁴ *Jacot-Guillarmod*, Rights related to good administration of justice, in *Macdonald et al.*, p. 384.

⁵⁵ See *Harris*, p. 189, who refer to the case of *Ringelsen v. Austria*, where the HRCourt noted that while the Austrian authority had applied administrative law, its decision still had been decisive for the relations in civil law between the parties.

The HRCourt established a boundary to this concept, viz. *Le Compte v. Belgium*⁵⁶, in which, according to the HRCourt, tenuous and remote consequences did not suffice to establish a determination of civil rights. This case concerned Belgian doctors who had been temporarily suspended from medical practice. However, as the complainant's suspension was a direct consequence of the proceedings complained of, these were considered directly decisive and therefore still determining his civil rights. A distinguishing case is *Fayed v. UK*⁵⁷ in which an inspector had made a report on a company in a fraud case. The report was detrimental to the complainant's reputation, but the HRCourt found that it had not been dispositive of anything in legal terms and duties in a way constituting a "determination" for the purposes of Article 6.

The proceedings relating to the dispute in question must be determinative in the sense that their outcome would affect the rights of the complaining person at issue. Although the outcome of the proceedings must directly decide such rights, challenges of administrative decisions or rights claimed by third parties may make Article 6 (1) ECHR applicable, i.e. the object of the dispute does not have to be the main point of the proceedings⁵⁸.

The case of *Pashkalidis et al. v. Greece*⁵⁹ concerned the possibility for Turkish and Egyptian citizens to benefit from a social security scheme. The complainants had sought recognition of their entitlement to old-age, invalidity or survivors' pensions under Greek law but had been refused on the ground that they were out of time according to the law, given that they had settled in Greece more than one year before they lodged their applications. The Greek Government tried to convince the HRCourt that the only thing at stake was the possibility for the complainants to join the scheme under these specific conditions; therefore, it argued, the case was distinct from any previous case law concerning the payment of allowances under various social security systems when the contingent insured against had occurred.

In spite of the public law features involved, the HRCourt found that the complainants had not only been affected in their relations with the administrative authorities but had

⁵⁶ Published in Series A, no 43.

⁵⁷ Series A, no 294, 1994.

⁵⁸ *van Dick in Macdonald et al.*, p. 355.

⁵⁹ Judgment of 19 March 1993.

also suffered an interference with their means of subsistence. The object of the proceedings, to determine whether the one-year limit was binding on them, was *directly 'decisive for civil rights and obligations'*. This indicates a more liberal interpretation in recent case law of the requirement for a link that is not remote, offering the protection of Article 6 (1) ECHR to a wider scope of complaints.

'Civil rights and obligations'

includes not only strictly private rights but also rights with strong public features. In line with the concept of autonomous interpretation, at an early stage the Strasbourg organs established that the way in which a right was seen by national law was not in itself decisive, i.e. not the particular procedure prescribed by internal law for a certain social right but the nature of the complaint and its object must be considered. The character of the legislation governing how the matter is to be determined by law is therefore of little consequence⁶⁰. HRCourt is said to have preferred an inductive approach, ruling on a case by case basis. Of particular interest seem to be those cases where the right to property was examined, i.e. where state actions determined civil rights. A rich body of case law is available on this point, although it is not straightforward or easy to interpret.

Of interest in the first place may be what is *not* guaranteed under Article 6 ECHR. The HRCourt in some early decisions underlined that no State was obliged to allow its citizens access to a court of higher instance⁶¹. Article 6 only requires access to one instance fulfilling the requirements enumerated in that Article as to the tribunal and the procedure. Nor does Article 6 require that a person have access to three instances in succession. One immediate conclusion is that, although it offers the boards of appeal as the second and last instance, but this instance is the only one offering guarantees of impartiality and independence as well as meeting other exigencies upon a proper tribunal, the EPC still meets Article 6 ECHR in this respect. For the EPC to meet Article 6 ECHR conditions, the Boards of Appeal must however also meet its standards for a tribunal.

⁶⁰According to *Harris et al.*, p. 174 ff, by recent interpretation more and more rights and obligations have been brought within the scope of Article 6 ECHR, which has made it more and more difficult to explain the distinction made between private and public law.

⁶¹ *Belgian Linguistic case*, Publ. Court, A 6, p. 33 and *Delcourt case*, Publ. Court. A vol. 11, p. 14.

Purely administrative matters do not necessitate access to a court, nor is it necessary to provide proceedings similar to those generally applicable to court proceedings. Expropriation cases raise particularly pertinent questions, e.g. whether an appeal should lie to a court of law against decisions taken by administrative authorities⁶² and, if so, the requirements to be met by the appellate instance.

The court established already in the *König* case that a permit to practise as a physician was a civil right, although it was by no means to be awarded automatically⁶³. König had lost his licence to practise medicine owing to unprofessional conduct and was later charged with illegal practice. The reason to accept applicability in this case may have been that, since König had already held a licence, he was entitled to have access to a court with regard to whether or not the authorities were justified in withdrawing it.

The *Bentham* case⁶⁴ partly clarified the question whether Article 6 (1) ECHR applied only to rights already held, concerning as it did the right to acquire for the first time a permit to do business with dangerous goods - in that case Mr. Bentham had applied for a permit to sell liquid petroleum gas at his petrol station. Although such a permit was dependent on the discretionary powers of a number of authorities responsible for safety issues, i.e. for the health of the public, the HRCourt found that the conflict concerned the civil rights of Mr. Bentham, at least from the time he had acquired a permit provisionally⁶⁵.

In more recent cases referred to the court, the HRCourt found Article 6 (1) ECHR applicable regardless of whether or not the individual had held a licence or permit

⁶² The case of *Sporrong-Lönnroth v. Sweden* from 1982 concerned the right of access to a court to decide the justification of the long periods of inactivity on the part of the authorities, not the legality in itself of the system whereby administrative authorities decided applications for expropriation. In a much more recent case, *Zumtobel v. Austria* from 1993, the HRCourt decided that an appeal to an administrative court may meet the requirements of Article 6 ECHR, even if the court's jurisdiction is limited to the question of the lawfulness of the administrative action and does not extend to full jurisdiction on all questions of law and fact, see *Harris et al.*, p. 193 f.

⁶³ *König v. F.R.*, judgment 31 May 1978.

⁶⁴ *Bentham v. Netherlands*, judgment 23 October 1985. Admittedly, the HRCourt weakened the position of the first-time applicant by a reference to the provisional licence. However later case law has confirmed the broader interpretation.

⁶⁵ *Ylliger* reports from the literature that some authors denied applicability of Article 6 ECHR to first-time applications for permits, but is himself of the opinion that such disputes fall under this article, p. 227, no 379.

before his or her conflict with the national authorities arose. This was the case in *GS v. Austria* of 1999, which related to a pharmacist applying for a licence to run a pharmacy in a specific town. This request had not been granted for the reason that, taking the population into account, the authorities found the number of pharmacies in the area to be sufficient. Referring to several previous cases, the HRCourt held that the right to exercise the profession of pharmacist was a civil right within the meaning of Article 6 (1) ECHR. The right to obtain a licence was recognised in Austrian law, and even if the profession of pharmacist had public law features, the private law aspects prevailed⁶⁶.

It is not necessary that the claim to a right appear justified; it suffices that it can be said, at least on arguable grounds, to be recognised under domestic law⁶⁷. On the other hand, there is no requirement under the ECHR that domestic law protect rights of a specific nature. If no such right is recognised by law, the applicability of Article 6 (1) ECHR is excluded, as there can be no genuine dispute in such a case⁶⁸. The referral to the genuine nature of the dispute infers a dispute that can be resolved at all by a decision taken by the competent body. Consequently, a dispute cannot be said to be genuine, if the outcome of a request is clear from the outset, namely that there is no possibility under the law for this request to be granted. A qualifying observation is, however, that the level of probability required for a right to be recognised is not very high⁶⁹.

⁶⁶ Paras 26 - 28.

⁶⁷ *Danelius*, p. 125.

⁶⁸ *James et al.*, para 81. The HRCourt reasoning is difficult to reconcile with its order. On the one hand the court concluded that for Article 6 (1) ECHR to apply there had to be a recognition of the right in domestic law, which there was not in UK law at the relevant time, which should have led to a declaration that the complaint related to Article 6 (1) ECHR was inadmissible *ratione materiae*. However, the HRCourt concluded after examination of the facts that there was no violation of the article, since the complainants had access to an appropriate tribunal. This is all the more surprising as the HRCourt at the outset, para 80, noted that Article 6 had not been addressed initially by the complainants. The HRCourt examined the case under Article 6 (1) ECHR, since there was an evident connection, see also below 4.4.4. In any event, the HRCourt referred to the limited scope of Article 6 (1) ECHR in other cases, e.g. *H. v. Belgium*, *Editions Periscope v. France*, *M. Jacobson v. Sweden*, and *O. v. UK*. In *H. v. Belgium*, the court concluded that there was such a right and that Article 6 (1) ECHR was applicable. Cf. the dissenting opinion by five of the judges in *H. v. Belgium*, holding that, since in their view there was no right under Belgian law to be reinstated as 'avoca', the question whether such a right could be seen as a civil right did not arise in the case. The majority of the HRCourt held that Belgian law did acknowledge the possibility of reinstatement.

⁶⁹ *Danelius*, p. 126 and the two cases he refers to where this requirement was not considered met.

Although they fall within the purview of public law and/or are subject to discretionary administrative powers, cases concerning expropriation of real estate, applications for building permits or other uses of real estate⁷⁰ are as a rule considered to enjoy the protection of Article 6 (1) ECHR⁷¹. This has given rise to an extensive literature attempting to delineate the scope of application of Article 6 (1) ECHR as regards administrative proceedings. There is at the outset some frustration over the fact that the HRCourt has refused to give an abstract definition of the concept of "civil rights and obligations"⁷². This refusal did however leave the court with room for manoeuvring; over the years the concept of civil rights and obligations has undergone a remarkable extension⁷³.

'Fair trial'

under the Strasbourg case law must not be interpreted in a restrictive way, as this would not correspond to the aim and purpose of the Convention⁷⁴. Substantial importance is attached to the "rule of law", which fundamental principle must be accepted by every Member of the Council of Europe. This cannot be achieved without giving access to proper courts. This means that Article 6 (1)ECHR must be interpreted as guaranteeing the right of access to courts, see *Golder v. UK*⁷⁵.

The right to a fair trial covers a variety of aspects: the nature of the proceedings concerned, the types of tribunals that would normally be offered in a western democracy, the court's treatment of the parties, and the entitlement of each party to present his case fully. Therefore this concept comprises a number of sub-headings, i.e.

⁷⁰ *Sporrong Lönnroth v. Sweden* being the most noted one, judgment of 23 September 1982.

⁷¹ Especially noteworthy are the many complaints against Sweden in this area, see *Sporrong-Lönnroth, Bodén*, judgment of 27 October 1997, *M Jacobson and Skärby*, both judgments of 28 June 1990, and *Fredin*, judgment of 18 February 1991, to name a few.

⁷² *van Dick* in *Theory and Practice of the European Convention on Human Rights*, 1990, p. 300, referring to the statement in the Bentham case that the HRCourt did not find it necessary to give any abstract definition of this concept, and likewise in *Macdonald et al.*, p. 351, *Harris et al.*, p. 174 f., *Grabenwarter*, p. 41 ff. and p. 56, *Miehsler/Vogler*, *Internationaler Kommentar zur Europäischen Menschenrechtskonvention*, 1. Lieferung, Artikel 6 EMRK, Carl Heymanns Verlag KG München 1986, p. 20: "Die Einführung des vagen .. Grundsatzes, Art 6 Abs 1 sei auf alle Verfahren anzuwenden, deren Ausgang für private Rechte und Verbindlichkeiten direkt maßgeblich ist, habe große Unsicherheit nach sich gezogen".

⁷³ *Harris et al.*, p. 174 f.

⁷⁴ *Jacot-Guillarmod*, *ibid.*, p. 382 f.

⁷⁵ §§ 34 - 36 of the judgment, Series A , vol.18, page 16 ff.

the right to an oral hearing in one's presence, the right to equality of arms (i.e. parties have a right to equal treatment and equal opportunity to defend their case), proceedings must be adversarial in nature, and judgments must be reasoned. Parties also have a right to legal representation. The court must also be properly prepared and must properly examine the parties' submissions, arguments and evidence.

'Public hearing'

is important because it guarantees the protection of litigants from administration of justice in secret or, in other words, it seeks to guarantee accountability⁷⁶. However, this is the right which is subject to the most exceptions, for example in the interest of protecting minors. In this respect, the organs in Strasbourg stress the need for balance. The right to have a *judgment* pronounced publicly is not subject to these restrictions, but is not upheld strictly where other means for giving the public access to judgments are considered sufficient (for example giving the public the possibility to acquire a copy of the written judgment or to read it at the court house)⁷⁷.

'Within a reasonable time'

is obviously one of the more difficult requirements to assess, calling for a case by case evaluation of the elements of the case is necessary. Nevertheless, some principles have emerged such as the complexity of the case, the conduct of the applicant and the organisation and conduct of the authorities.

'An independent and impartial tribunal'

presupposes that the organ in question is competent to take legally binding decisions, i.e. which have the authority needed to stand and be recognised by society as a whole. Of special interest here is the fact that it is not necessary for all members of the court to be professional judges, not even the majority⁷⁸.

A court and its judges must be independent from the executive branch of government, with the effect that an executive authority (or a government itself) cannot render valid judgments even if the law constructs their duty as judicial. Independence is also

⁷⁶ *Harris et al*, p. 218.

⁷⁷ *Pretto v. Italy and Helmers v. Sweden* may be said to form the scope of this requirement, which has been interpreted restrictively.

⁷⁸ Cf. *Ettl v. Austria*.

required in relation to the parties and guarantees must be in place against the risk of other external pressures as well. As to the term in office, the Strasbourg authorities have recognised fairly short terms, such as 3 years of members of administrative tribunals. Of interest here is a recent publication by the Council of Europe on judges and their education in which the abolishment of practices of limited terms is encouraged (Independence, efficiency and role of judges, Recommendation Nr R (94) 12).

'Impartiality'

requires the establishment of two kinds of lack of prejudice or bias. Under the objective test it is examined whether the judge has taken any part in the case before it came to his/her court. The second question is then asked whether the judge in a particular case offers guarantees sufficient to exclude any legitimate doubt as to his/her personal impartiality⁷⁹. Both subjective and objective impartiality is examined. The HRCourt adopted early the English dictum 'justice must not only be done; it must also be seen to be done'⁸⁰.

'Established by law'

It is important to note here that the tribunal should not only be established by law, but has to be free from influence of the executive, so that it is governed by laws established by the legislative branch of government, not by the executive.

4.5.4 Principles arising from ECHR case law

Further legal principles have been adopted in case law, filling in Article 6 (1) ECHR. Looking at the word wheel in the HUDOC search engine⁸¹ for keywords, the following further rights are guaranteed inter alia:

⁷⁹ *Jacot-Guillarmod, in Macdonald et al.*, p. 397 and footnote 92.

⁸⁰ *Delcourt v. Belgium*, judgment of 17 January 1970, point 31. Although it was first adopted and later maintained for criminal cases, see also the *Piersack, Campbell and Fell* and *De Cubber* cases, the same dictum is applied to civil cases as well, see e.g. *Langborger v. Sweden* (point 32) and *Procola v. Luxembourg*. In the latter case, the composition of the judicial committee consisting of five members, of whom four carried out both advisory (in preparation of the drafting of a bill to implement EEC milk quotas) and judicial functions in the same case, was capable of casting doubt on the institution's structural impartiality (point 45). The case concerned a dispute over the reference quantities fixed in the ensuing legislation..

⁸¹ Internet address: <http://www.echr.coe.int/hudoc> (visited on 4.3.00).

'Access to a court'

The protection offered by proper court procedures presupposes that a party has practical and realistic access to a court; a party must not be excluded from taking his case to a court of law because of forbidding costs. During the trial each party must have *access to the file*. Both parties shall have equal possibilities to bring evidence in attempting to refute grounds or arguments relied upon by the other party ("*equality of arms*"⁸²).

'Adversarial'

is a right within the right to a fair trial, i.e. as a rule the judge or court should not carry out investigations on their own motion. If such investigations are carried out, the parties must at least be given an opportunity to comment on them⁸³.

'Legitimate expectations'

is not a term frequently used in the case law of the ECHR, but can be seen to correspond to the right to be heard under ECHR case law usage⁸⁴. In essence, both parties have a right to expect the court to give them the opportunity to respond to submissions from the other parties or to other material received by the court, which it will consider in reaching its decision. However, the extended concept under the EPC to include cases where a party may rely on information from the EPO even if it is erroneous seems to have no counterpart in the ECHR case law.

'General principles of international law'

is a condition among others as an exception under the second paragraph of Article 1 Prot 1 ECHR from the right of enjoyment of one's property⁸⁵.

Three complaints regarding Article 6 ECHR⁸⁶ concerned the alleged *lack of access to a court* for the examination of whether the national law in question conformed to

⁸² *Jacot-Guillarmod*, *ibid.*, p. 392.

⁸³ See e.g. *Harris et al.*, p. 214 f.

⁸⁴ Structurally, the concept of the 'right to be heard' is often classified as one aspect of the wider concept of the 'right to a fair trial', see e.g. *Jacot-Guillarmod*, *ibid.*, and *Harris et al.*, p. 202 ff.

⁸⁵ While this article is not directly the object of this study, indirectly it has a bearing on the scope of Article 6 (1) ECHR, as seen from the cases cited here.

⁸⁶ *AGOSI v. UK*, judgment 24 October 1986, *James and others v. UK*, judgment 22 January 1986, paras 79 - 87. and *Lithgow and others v. UK*, judgment 8 July 1986, paras 191 - 203.

constitutional requirements related to human rights and whether the law had been properly applied by the competent authorities, in particular with regard to the obligation to comply with general principles of international law.

In the first case, *AGOSI*, the HRCourt never needed to decide what constitutes a general principle in international law. The HRCourt limited itself to noting that *AGOSI* had been premature in bringing their case before the UK courts before the Customs and Excise Office had decided a forfeiture issue, a decision that could have been appealed to a UK court.

The second case, *James and others*, concerned Acts adopted in the 1960's and 70's affecting the economic relationship between leaseholders and freeholders, benefiting the former at the cost of the latter. The HRCourt referred to its established case law, finding that this particular element of Art 1 Prot 1 was solely applicable to foreigners as shown *inter alia* by reference to the travaux préparatoires to the ECHR and that therefore there was no guarantee of access to court which made Article 6 ECHR applicable to the case. Accordingly there was no breach of that article⁸⁷.

The third case, *Lithgow and others* concerned nationalisation of the British aircraft and shipbuilding industries. The *Lithgow* case is of special interest because of the many dissenting votes. The *James* decision had been unanimous, albeit with some concurring opinions. However, six months later the judges in the *Lithgow* case did not agree, although the majority still did not find any violation in the fact that, as the industries were nationalised, the rights of their previous owners to take their grievances to court were simultaneously taken away from them.

As far as Article 6 ECHR was concerned, the HRCourt in *Lithgow* firstly noted that this article did not require that there be a national court competent to invalidate or override national law itself. In the *James* case, the HRCourt therefore had concluded that the applicants had access to a court meeting the requirements of Article 6 ECHR. Two judges found this to be a clear violation of the right of access to a court, but having regard to the *James* case, still joined the majority. Two further judges dissented, holding that there was a violation, since the normal recourse to the courts

⁸⁷ See para 81 of the judgment.

had been cut off at the moment of nationalisation and the special Arbitration Tribunal set up to resolve compensation claims could not be said to be equivalent to such courts. These two judges, joined by a third judge, further found a breach of Article 13 ECHR, on the ground that the UK did not provide for an effective remedy before a national authority to test the compatibility of the UK nationalisation Act of 1977 with the rights guaranteed by the ECHR. Two judges, who agreed in general with the majority on Article 6 ECHR, found a violation of that article with regard to one of the applicants, Sir William Lithgow, who had held a relative majority of the shares in one of the nationalised companies. Under the system for deciding the compensation issue, the Arbitration Tribunal was not directly accessible to the parties, who had to be represented by a third party, which in the opinion of these judges was not satisfactory.

Judging from these cases, *principles of international law* seem not to play any significant role for the purposes of Article 6 ECHR and can only do so where the treatment of foreigners is found to be contravening Art 1 Prot 1.

'Dispute'

In spite of the absence in the English version of Article 6 (1) ECHR of the word "dispute", the right to have access to a court is dependent of the existence of a dispute between parties⁸⁸. The French text includes the requirement of a "contestation", from which it has been concluded that a dispute must be at issue for Article 6 (1) ECHR to apply. In the German, non-authentic translation, the lack of correspondence has been solved in favour of the French version, "Jede Person hat ein Recht darauf, daß über Streitigkeiten... verhandelt wird"⁸⁹. The leading case summarising the criteria in this respect is *Bentham v. Netherlands*⁹⁰. The HRCourt established that this concept should not be construed too technically, but should be given a substantive rather than a formal meaning. A dispute can concern both the actual existence of a right, as well as its

⁸⁸ See e.g. *Grabenwarter*, p. 83, *Harris et al.*, p. 186, *Frowein/Peukert*, *Europäisches Menschenrechtskonvention: EMRK-Kommentar*, 1985, p. 111, *Danelius*, p. 125, and *van Dick* in *Macdonald et al.*, p. 354 f. *Grabenwarter*, p. 84, observes, however, that the HRCourt has accepted applicability of Article 6(1) ECHR in cases concerning administrative proceedings where there was no respondent in the classic sense of the term and therefore doubtful whether there was a dispute, referring to cases on land reform and real estate control, such as *Sramek v. Austria*. *Danelius* likewise observes that the standards for a dispute to be valid are not set very high, p. 126.

⁸⁹ *Internationaler Kommentar zur europäischen Menschenrechtskonvention/Texte*, 4. Lieferung, August 2000, Artikel 6.

⁹⁰ Judgment 23 October 1985. The case concerned Mr Benthem's application for a licence to sell liquid petroleum gas.

scope or the manner in which it may be expressed. It may concern questions of fact or questions of law. A dispute must be genuine. It covers all proceedings the result of which is decisive for rights and obligations.

In the *Feldbrugge* case⁹¹, which concerned the right to sickness allowance, the existence of a genuine dispute was recognised as from the decision by the Governing Board of the Occupational Association that Mrs Feldbrugge was no longer entitled to such allowance, given that its consulting doctor had judged her to be fit to work. The dispute concerned the actual existence of the right asserted by the applicant to continue receiving a sickness allowance.

In *H. v. Belgium*⁹², the HRCourt cautioned against over-extension of this criterion:

Article 6(1) .. does not in itself guarantee any particular content for (civil) “rights and obligations” in the substantive law of the contracting states.

Although Board, the definition used in *Bentham* apparently attempts to exclude frivolous complaints, e.g. in cases where no serious dispute existed but where the complainant afterwards needs to substantiate that there had been a dispute. The case law therefore requires that the dispute be of a legal nature⁹³. However, it does not require that the merits of the applicant’s case be assessed. It is sufficient that a right was recognised under national law as the applicant understood it.

The *Pudas* case, a parallel to the *Bentham* case⁹⁴, concerned transport permits. The HRCourt concluded with regard to the dispute requirement that Mr Pudas, whose transport licence had been revoked, had not only challenged the wisdom of the revocation decision (arguably it had not been taken in the interest of the public of having a satisfactory transport service but because another transport business was to be given the licence) but also its lawfulness. The dispute was therefore genuine.

⁹¹ *Feldbrugge vs. Netherlands*, judgment of 23 April 1986.

⁹² Judgment of 30 November 1987.

⁹³ *van Dick*, in Macdonald et al., p. 354.

⁹⁴ *Pudas v. Sweden*, judgment 24 September 1987.

The case of *Powell and Rayner v. UK*⁹⁵ offers a delimitation of this concept. The applicants complained that they had no access to a court in determining their right to compensation for unreasonable noise caused by aircraft. The HRCourt understood them as wanting to challenge the limitation set by the UK law to compensate only for noise caused by aircraft flying in breach of aviation regulations. However, since the applicants under these legal circumstances could not claim to have a substantive right under English law to obtain relief, there was no civil right recognised in domestic law to attract the application of Article 6 (1) ECHR. A person will thus have access to a court in order to have a genuine dispute settled, provided his request might legally succeed without requiring a change of the law.

4.6 *Administrative proceedings - special aspects*

In a separate opinion in the case of *Fischer v. Austria*⁹⁶, judge Martens made an extensive analysis of the requirements placed on a tribunal for the purposes of Article 6 ECHR in administrative proceedings, in view of the necessary balance between the power of the executive and that of the judiciary⁹⁷.

The Fischer case concerned a dispute between the complainant and Austrian land authorities regarding the latter's refusal to allow further use of land for tipping purposes. After his tipping license was revoked, Mr Fischer tried to have the decision set aside by appealing to the Federal Ministry of Agriculture and Forestry and, having failed there, by appealing to the Administrative Court and later referring the matter to the Austrian Constitutional Court. Before the HRCourt, he complained that he had no access to a court with full jurisdiction and that he had not been afforded any oral hearing.

The first complaint was dismissed on the facts, the HRCourt having found that his appeal to the Administrative Court had been considered in full on its merits and that

⁹⁵ Judgment of 21 February 1990.

⁹⁶ Judgment of 26 April 1995.

⁹⁷ Judge Marten's separate opinion is attached to the judgment. Judge Jambrek gave an opinion concurring on one point with judge Martens, see below. The analysis made by judge Martens is of particular pertinence as it concerns matters decided by executive organs, of which patent authorities are one branch; cf. however 2.2.3, 2.5.2 and the analysis in 9.6.2 of the nature of the post-grant opposition procedure under the EPC, which would come close to civil litigation on patents, i.e. an invalidation claim as a response to a claim of infringement.

this court did not have to decline jurisdiction in replying to his submissions or in ascertaining the facts. The second complaint caused an examination of a reservation made by Austria regarding the obligation to hold oral hearings. The HRCourt interpreted the reservation narrowly, arriving at the conclusion that it did not prevent it from examining the complaint, and decided that the refusal to hold an oral hearing amounted to a violation of Article 6 ECHR. In so doing, the HRCourt noted that Mr Fischer, contrary to what had been the case in *Zumtobel*⁹⁸, had expressly requested an oral hearing.

Judge Martens reports that he firstly urged the court to refer the case to a grand chamber and secondly voted to find a breach of Article 6 ECHR. His separate opinion may be summarised as follows⁹⁹:

A and B. Introductory and general observations:

The main criticism concerns the '*Zumtobel doctrine*' adopted by the HRCourt, which represents a step back in the HRCourt's otherwise evaluative or dynamic practice¹⁰⁰. In the *Zumtobel* case, the HRCourt had found that it should not give any general definition of the requirements on a court, but "should confine itself as far as possible to examining the question raised by the case before it" and therefore only decide whether the scope of competence of the Austrian Administrative Court *in the circumstances* satisfied Article 6 para 1 ECHR (para 32 of the decision, emphasis added). On the facts of the *Zumtobel* case, it was noted that the *Zumtobel* partnership had not requested oral hearings, which was interpreted as a waiver of its right in this respect, and that consequently there had been no breach of Article 6 ECHR. Administrative proceedings in a number of Contracting states are a problematic area¹⁰¹, since in the beginning of the history of the ECHR it was impossible to foresee the development of the case law, starting with the case of *Le Compte, van Leuven and de Meyre v. Belgium*¹⁰², in which administrative matters were considered under certain circumstances as determining civil rights and obligations. This practice has led to tensions between the need to protect the individual and the interest of leaving sufficient freedom of action to the executive authorities, as exemplified by statements by the HRCourt itself that national traditions to solve certain conflicts in purely administrative proceedings should be heeded, but only as far as is compatible with effective protection of the individual's rights under the ECHR¹⁰³.

There are areas where it is imperative that the administrative courts should be in a position to leave sufficient room to the executive. Martens recognises the need for flexibility in the sense that procedures may vary

⁹⁸ *Zumtobel v. Austria*, judgment of 21 September 1993.

⁹⁹ The reference to Martens followed by a number corresponds to the paragraph numbering in his opinion.

¹⁰⁰ Martens, paras 2 and 22.

¹⁰¹ Martens, para 3.

¹⁰² Judgment of 23 June 1981.

¹⁰³ Martens, para 6.

according to the subject-matter at hand, referring to cases concerning child custody¹⁰⁴, where the court should have full jurisdiction to examine the merits of the matter, with the consequence that a system not allowing for such control was considered insufficient, as compared to cases¹⁰⁵ regarding the confiscation of property, where the same incomplete control system was found to be sufficient. One therefore either has to assume that the requirements of Art 1 Prot 1 ECHR are less exacting than those of Article 6 ECHR - which is rather unlikely - or that the difference in subject matter - protection of property as opposed to child custody - was the reason for the divergence in outcome¹⁰⁶.

There should be a uniform protection of individuals in cases of administrative proceedings, regardless of the subject-matter at hand. There should never be allowances taken to the point where the very essence of the guarantees under Article 6 ECHR may be impaired. Even States must be treated equally; it should not be possible for some of them to seek shelter behind their constitutions, if need be they will have to amend them¹⁰⁷.

On the doctrine of "full jurisdiction"¹⁰⁸, the law under which the tribunal was established is the basis for determining whether or not the powers of the court in question are sufficient¹⁰⁹. Although this may seem to be a clear point of law, the application of vague norms, being abundant within the realms of administrative law, poses delicate problems of demarcation. Since the HRCourt has laid down the principle that a tribunal must be able to decide questions of law and fact, it must also be able to control fully the application of vague norms, at least when it would fall outside the discretion given to administrative authorities.

The issue of control of facts may be divided into two categories; freedom for the court to take into account all facts, even those not having been considered by the administrative authority and questions of assessment of the facts of the case¹¹⁰. A separate aspect of this control is whether the court should be allowed or even obliged to ascertain relevant facts - i.e. play an active role in seeking for facts - and whether this should take place *ex tunc* or *ex nunc*. Article 6 ECHR implies such a power, in the interest of protecting the individual, who normally is the weaker party in administrative proceedings.

Whilst a tribunal must have competence to control fully all factual assessments made by the authority, there is still a need for judicial restraint with respect to issues of expediency, such as that expressed in the Zumtobel case (para 32, in fine). The HRCourt itself reserves the right to control findings of fact, when this becomes indispensable for a proper exercise of its task to protect the individual. The legislature should not unduly

¹⁰⁴ Case of *O., H., W., B. and R v. United Kingdom*.

¹⁰⁵ The *AGOSI* case, also v. United Kingdom.

¹⁰⁶ Martens, para 8.

¹⁰⁷ As examples of far-reaching effects in this regard, Martens in para 9 points to the Netherlands and Sweden, which both had to reorganise their system of administrative justice as a consequence of the outcome of a series of cases before the HRCourt.

¹⁰⁸ I.e. that a tribunal must have powers to decide all issues of a case in order to qualify under Article 6 ECHR, or as stated for example in the case of *Sporrong Lömroth v. Sweden*, "a tribunal competent to decide all aspects of the matter".

¹⁰⁹ Martens, para 11.

¹¹⁰ Martens, para 13.

restrict the judiciary, which should have the last word because of the balancing operation needed between the interest of the individual and proper freedom for the authorities¹¹¹.

The control of the discretion of administrative authorities is not necessarily limited to testing whether the authorities had acted *ultra vires*. However, the HRCourt in the case *Obermeier v. Austria*¹¹² did not indicate what measure of control would have been sufficient. It may be assumed that the answer may be dependent on the subject-matter of the case and that in the Obermeier case the control of the judiciary would have been found sufficient if the court could have scrutinised whether the authorities had duly observed "generally recognised legal and administrative principles". Among such principles are the principles of equal treatment, of legal certainty and of proportionality.

The decision which the tribunal is empowered to take is also an essential element in assessing whether it meets the requirements of Article 6 ECHR. The power to bring the proceedings to an end by a binding decision on all issues before it is fundamental¹¹³. This power does not mean that the final decision will make the issue *res judicata* in the sense that renewed litigation in the matter would be impossible or only possible under exceptional circumstances, but only that the decision is to be taken by the tribunal itself and no other authority. This implies that the appeal should be an appeal "de novo", i.e. the tribunal must be able to review the original decision completely¹¹⁴, barring the restraint to be exercised with regard to the room for discretion to be left to the executive authority¹¹⁵.

C. Methodological objections

The principle of a case-by-case assessment is not obligatory under the ECHR, but is a self-imposed restriction applied by the HRCourt¹¹⁶. The problem with a strict case-by case approach is that it creates uncertainty about what the law is, which may lead to speculation by annotators, which leads to further speculation. This approach does not guide states in their endeavours to follow the ECHR. The Zumtobel doctrine finally causes a conflict with older case-law which conveyed the idea that the competence of the tribunal is to be assessed on the basis of the provisions of the law as construed by the national authorities under which it is established.

¹¹¹ Martens refers in this connection to several cases, e.g. *Silver and others v. United Kingdom, Leander v. Sweden* and *Olsson v. Sweden*. These cases do not concern the same subject-matter, but relate to matters related to personal reputation, i.e. criminal charges, child custody cases and employment disputes. For matters decided by an appellate instance of the EPO, only the cases for which the Disciplinary Board of Appeal is competent seem to fall into the same category.

¹¹² Judgment of 28 June 1990.

¹¹³ Martens, para 14.

¹¹⁴ I.e. to decide on substance all issues addressed by the parties; this is not the equivalent of a competence to investigate a case *ex officio*.

¹¹⁵ Whether this means that the tribunal must have power to settle the case itself or only to quash the impugned decision does not follow clearly from Martens' opinion, but it seems that the latter alternative is not in line with the principles underlying the Strasbourg case-law on administrative proceedings, unless the authorities have to exercise their discretion within boundaries set by the tribunal, and if the tribunal has power to quash it if these boundaries are overstepped. Martens concludes on this point that the Administrative Court in the Fischer case did indeed meet this requirement.

¹¹⁶ Martens, para 15.

The *Zumtobel doctrine* is also to be criticised concerning its tests for assessing whether or not in the circumstances of the case the scope of the administrative court's competence satisfies Article 6 ECHR, which is lacking in that it is not based on (all) the relevant legal provisions. In the present case, the HRCourt did not take account of certain articles of the Austrian Federal Constitution. The omitted provisions make it clear that the essential function of the Austrian Administrative Court is to ensure the lawfulness of the executive and that consequently this court has jurisdiction to hear complaints in this regard. The Austrian Federal Constitution however also includes a restriction in that the same court cannot examine cases where the law refrains from imposing binding regulations and the authority has used its discretion in accordance with the object and purpose of the law. The Austrian Administrative Court therefore does not have full jurisdiction even with regard to questions that are normally called questions of law. Where so-called 'vague norms'¹¹⁷ are concerned, the Austrian Administrative Court only has severely limited powers to control discretion.

D. Material objections

With regard to questions of fact, the Austrian law is very complicated, so that it is no wonder that the scope of the court's competence in this regard is the subject of controversy in Austrian legal literature¹¹⁸. On the law, then, judge Martens arrives at the conclusion that the appeal to the Austrian Administrative Court cannot be considered an appeal de novo¹¹⁹, since the court cannot but very restrictively review questions of fact. This is decisive, since 'all aspects' of a dispute must be determined by the tribunal.

On one point, judge Martens was followed by another judge on the Fischer case; Judge Jambrek, while not finding the 'Zumtobel doctrine' wrong, recommended that the European Court should not hesitate also to couch its findings in more general terms. Judge Jambrek referred to the HRCourt's own description of the ECHR as a constitutional instrument of European public order¹²⁰. Reasoning not solely restricted to the scope and circumstances of the case would therefore contribute better to the quality of the HRCourt case law. Judge Jambrek observed that his views on this point came close to the methodological objections raised by judge Martens.

4.7 Denev v. Sweden - two cases relating to intellectual property

Complaints from Mr Denev against Sweden have given rise to several decisions, of which two concerned the Swedish patent or intellectual property procedure¹²¹. In the

¹¹⁷ Apparently this term is equivalent to so-called 'soft law'.

¹¹⁸ Martens, para 21.

¹¹⁹ The term 'de novo' is used here to denote an appeal to a court which has power to review the impugned decision completely on issues brought before it and to replace the decision of the lower instance by its own.

¹²⁰ In the case of *Loizidou v. Turkey*, judgment 23 March 1995.

¹²¹ The other two cases, applications 12570/86 and 14062/88, were both related to Article 6 ECHR, but concerned land use proceedings for which no court instance was provided, and the length of proceedings in labour disputes, respectively.

first case concerning patents¹²², the applicant complained that his requests for patents in a number of applications had not been determined within a reasonable time. The Government objected that the proceedings complained of concerned the question whether the "conditions for the registration of a patent"¹²³ were fulfilled and maintained that this fell outside the scope of Article 6 ECHR. The HRComm noted that the first issue to be decided was whether the proceedings complained of involved a "determination" of the applicant's "civil rights and obligations", and if so, the second question arose whether they had been determined within a reasonable time. The HRComm declared that the case raised issues of such complexity that they could not be dismissed as manifestly ill-founded and consequently admitted them with regard to Article 6 (1) ECHR. However, this case was never decided on its merits, since the complainant and the Swedish Government reached an amicable settlement¹²⁴.

Denev's fourth complaint concerned the handling of an appeal against a decision refusing his application for the registration of a design¹²⁵. His request for leave of appeal had remained at the Supreme Court for two years before the court denied it. This time was considered excessive in so far as there were no complex issues involved and the intellectual property protection sought, a design, was limited to five years from the date of filing of the application¹²⁶. Denev had applied for protection on 28 March 1990. The application was rejected by the patent office on 15 January 1991. The Court of Appeal dismissed his appeal on formal grounds, whereupon Denev appealed on 10 February to the Supreme Court. Its leave of appeal was refused in a decision dated 10 January 1994, at which date the application was nearly four years old.

¹²² Application no 14943/89, Decision of the HRComm of 11 October 1993.

¹²³ From the wording used by the HRComm, it seems as if it understood the patenting institute as being a mere registration formality procedure, as practised in for example France, not that the patent is granted only after a full examination of the legal and technical merits of the application as is done by the EPO. If this assumption is correct, it could explain why the HRComm treated patent applications as not qualified to enjoy any direct property protection.

¹²⁴ Report of the HRComm, adopted on 4 July 1994, referring to the fact that the Swedish Government had agreed to pay SEK 50,000, see p. 4 f.

¹²⁵ Application 25419/94. This case is relevant, relating to a temporally limited protection category in the family of intellectual property.

¹²⁶ Report 14 January 1998.

Under the new ECHR regime, the case was referred to the Screening Panel of the HRCourt, which on 9 September 1998 decided that the case would not be considered by the Court¹²⁷.

On 29 May 2000, the Committee of Ministers adopted a Final Resolution, reiterating the facts of the matter, including the payment by the Swedish Government to the applicant of a total sum of 20 000 Swedish crowns as just satisfaction and declaring that it had exercised its functions under Article 32 ECHR.

4.8 Conclusions

The following may be derived from the present chapter from Article 6 (1) ECHR as a source of law in the application of the EPC.

a) As to the scope of Article 6 (1) ECHR:

The vagueness with which the HRCourt sometimes addresses the concepts of determination and dispute¹²⁸ makes it difficult to ascertain a definition that will keep them apart, obviously a result of the lack of correspondence between the English and French versions. It may therefore be more useful to treat them as a single concept, given that for a court to be seized formally of a case with a *lis pendens* effect, as a rule, the plaintiff must refer to a dispute with the respondent, requesting a judgment from the court ("determination") in order to resolve the dispute.

From the case law referring to these two concepts, the following *principle* would emerge: Under the case law of the HRCourt, Article 6 (1) ECHR prescribes that every person has the right to have disputes over his civil rights and obligations determined

¹²⁷ See 4.2.2 *in fine*.

¹²⁸ The following phrases are found in numerous cases, see e.g. *Ringeisen*, para 94: 'disputes over civil rights and obligations cover all proceedings the result of which is decisive for such rights and obligations'. The 'proceedings must be directly decisive for such a right' (*Ringeisen*). The 'dispute must be genuine and serious' (*M. Jacobsson v. Sweden*, para 30).

by a tribunal meeting the further requirements of that Article, *insofar as no change of the law is required for such a request to succeed*¹²⁹.

The case law accepts the procedure for the examination of a patent application to fall within the purview of Article 6 (1) ECHR. This acceptance is not only logic from the point of view that such applications can have a value in themselves, but also from the point of view of the contractual theory¹³⁰. The contractual theory does not require that the complainant had a respondent in the classic sense of the term, as would have been required in the early history of the HRCourt. Under this theory the state is seen as acting in an individual (civil) capacity, hence the existence of a dispute must be acknowledged under all circumstances. A complaint addressing deficiencies in a procedure for the examination of a patent application can therefore no longer automatically be declared inadmissible *ratione material*.

Most authors seem to agree¹³¹ on the following main groups of cases as falling under Article 6 (1) ECHR under the current practice of the HRCourt:

- a) civil disputes between individual parties recognised as civil under domestic law, e.g. disputes over property rights or rights in rem,
- b) disputes regarding damages in tort action against the state,
- c) disputes over permits to exercise professions or other commercial activities,
- d) disputes over permits for the use of real estate and expropriation disputes,
- e) disputes over parental rights,
- f) employee-employer disputes where the state is seen as any other employer,
- g) disputes over social benefits.

¹²⁹ This does not account for the statement of the HRCourt that substantive law may have to change if it otherwise contravenes the ECHR; states cannot refer to the fact that a right is prohibited or cannot be enjoyed under their domestic law, since the HRCourt sees it as its duty to examine whether that same law offers protected rights in practice.

¹³⁰ See 2.2.3.

¹³¹ See e.g. *Danelius*, p. 130 f., *van Dijk* in *Macdonald et al.*, p. 356 f., *Grabenwarter*, p. 48 and 52 f., *Harris et al.*, p. 177 f., *Villiger*, p. 228 ff. Actually groups b) - g) all come under the general heading of 'disputes between the state and an individual', where the state appears in an individual party capacity and not as a sovereign power.

There seems also to be general agreement on the exclusion from the scope of application of Article 6 (1) ECHR of typically public law areas, e.g. criminal law, military conscription, political rights, taxation, and asylum questions¹³². Still, disputes within these areas may concern civil rights, e.g. the right to remuneration for public services or the rights of a prisoner to benefits, enjoying the protection of Article 6 (1) ECHR. This may blur the borderline again, since it may be expected that the HR Court, with its expansive interpretation, may in future broaden the scope of Article 6 (1) ECHR to cover further types of proceedings, even where the state has traditionally been seen as acting in a sovereign capacity. The dividing line might then have to be drawn, not along the line of traditional classification systems, but in accordance with whether any economic gain is at stake for the individual person involved in the conflict.

With regard to patent applications, the initial approach of the HR Comm was to exclude them from this protection¹³³. However, later case law recognised that a patent applicant has a potential right which is pecuniary in nature and hence protected¹³⁴. This is a necessary conclusion, if only for the reason that the application for a patent, while different from applications for a permit to carry out certain activities, presupposes an economic contribution from the applicant in the form of an intellectual achievement. Furthermore, the applicant is already presumed to be the owner of the invention, regardless of its patentability.

¹³² *Grabenwarter*, p. 49 f., *Harris et al.*, p. 183 f., *Danielius*, p. 132 f., *Villiger*, p. 231, no 387. The case of *Matthews v. UK*, judgment of 18 February 1999, has even included political rights (i.e. the right to vote in elections to the European Parliament) within the civil rights sphere.

¹³³ See 3.9.

¹³⁴ *van Dick et al.*, *Theory and Practice of the European Convention on Human Rights*, p. 304, notes the distinction made by the HR Comm between patent procedures concerning the right to a patent or *patent litigation* and *patenting procedure* deciding whether the conditions for 'registration' have been met. The initial approach of the HR Comm to patent matters seems to have been influenced by their understanding of patenting as a registration procedure without which no proprietary right could be arguably claimed. *Harris et al.*, p. 183, notes the same exclusion, however without comments.

For the purposes of Article 6 (1) ECHR, an analogy has already been drawn between the patenting procedure and procedures for permits regarding uses of property and for obtaining a special licence to exercise a profession or other gainful activity¹³⁵.

In contradistinction to real estate uses or permits for exercising a profession, the patent applicant is entitled to a patent if the invention meets the legal requirements, whereas he is not dependent on any political or social considerations, whether local or political¹³⁶. His rights are guaranteed by law when his patent application has passed muster and a patent has been granted. The law itself thus leaves less room for discretion in patenting cases. Patents as industrial property enjoy the protection of Art 1 Prot 1. The HRCourt recognised in *British-American Tobacco Co Ltd. v. Netherlands* that the 'registration of a patent' represented a financial value and therefore was of a pecuniary nature, which was later quoted by the HRComm in *Denev v. Sweden* concerning design protection¹³⁷.

In any event, there should be no doubt that the applicant for a patent as well as the patentee who seeks to have his revoked patent reinstated are both protected under Article 6 (1) ECHR¹³⁸.

Here, it is easier to define a *negative principle*, given the radical approach of the HRCourt and its fast developing case law: All disputes between private persons or between private persons and the state are considered as falling under the concept of 'civil rights and obligations', *provided that they do not concern* the execution of sovereign powers, e.g. criminal law, taxation and customs law, military conscription law or immigration law.

¹³⁵ See 2.6.

¹³⁶ While Article 53 (a) EPC excludes patents for inventions "the publication or exploitation of which would be contrary to 'ordre public' or morality", it expressly prohibits the interpretation that the exploitation of an invention is contrary to 'ordre public' or morality merely because its exploitation is prohibited by law or regulation in some or all of the Contracting States to the EPC. A prohibition from use under national law must not be used as a basis for refusing the patent.

¹³⁷ *British-American Tobacco v. Netherlands*, HRCourt judgment 20 . 11.1995, and *Denev v. Sweden*, HRComm decision 9.4.1997, see 3.7.2 and 4.6, respectively.

¹³⁸ *Miehlsler/Vogler*, Artikel 6, Internationaler Kommentar zur Europäischen Menschenrechtskonvention, 1986, p. 34, Differently, *Harris et al.*, p. 183, however based on older HRComm case law.

b) As to the tribunal:

Access to the tribunal must be practical and realistic.

The tribunal must be competent to address all issues brought before it¹³⁹. It must be competent to decide questions of facts as well as of law. The procedure may however vary, depending on the issues to be decided¹⁴⁰, from a more inquisitorial to an adversarial procedure. The tribunal must be able to scrutinise whether the authorities have observed the basic principles of equal treatment, legal certainty and proportionality. The control of the tribunal should include questions of discretion as well¹⁴¹.

c) As to the applicable procedural principles:

In *inter partes* proceedings, the court of law must abstain from initiatives of its own. The procedures must be *transparent*, i.e. parties must be able to predict all the steps of the procedure so that they can be prepared to contribute to its efficient closure. It must be *open*, requiring every matter introduced to be communicated and ensure the right to comment on any provisional opinion. It must be *reasonably quick*, while still reliable, since late rights may equal no rights. This is particularly important in procedures regarding temporally limited rights.

¹³⁹ I.e. having a *de novo* competence.

¹⁴⁰ Cf. Martens in 4.6 above. Administrative proceedings may cover a wide variety of issues, from those belonging to the area of public law (for example, common protection interests in safety matters) to those of a civil character (applications for licences being one example).

¹⁴¹ According to Martens, see 4.6 under C. Methodological objections.

CHAPTER 5 ORGANISING AN INTERNATIONAL TRIBUNAL

5.1 Introduction

5.1.1 Structure of the chapter

Part of Article 6 (1) ECHR is devoted to the standards that have to be met by the organs competent to decide disputes. In addition to conclusions drawn by the HRCourt in its practice, standards can be found by studying the organisation of recognised international tribunals, as well as the inventory of issues to consider for the protection of judges found in international conventions or the like, expressing common standards accepted by most nations. This chapter therefore contains a short survey of statutes of three international courts in 5.2, a survey of the standards set by the HRCourt for tribunals in 5.3, and principles safeguarding the judiciary or necessary rules to protect the judges to enable them to carry out their functions in accordance with these standards in 5.4.

5.1.2 Comparing the Boards of Appeal to other international courts

Not only the practice of the BAs is important when trying to establish whether the EPC offers a procedure meeting the requirements of Article 6 (1) ECHR. A comparison of the BAs' *inner organisation and workings* with the organisation and workings of the *HRCourt* in this respect is equally important. Deficiencies in respect of organisation may require that the contracting states to the EPC either improve the existing institution or provide another instance meeting the minimum guarantees for a tribunal. For example, a deficient organisation may influence the ability of the court to uphold the principles of impartiality and independence. Lack of resources may influence the court's ability to resolve cases within a reasonable time.

Other international institutions with judicial functions close at hand are, of course, as already indicated in chapter 1¹, the Court of First Instance and the Court of Justice of the European Communities, the *CJEC*. The same arguments as for studying the organisation of the HRCourt would be valid for these as well, although

¹ See 1.2.

the EPO is not an EC organ. The impact of the CJEC on harmonisation throughout Europe should not be underestimated. There is no good reason why its organisation should not also have a corresponding influence on the organisation of national courts.

There is no link established between the BAs and the ICJ through a general acceptance and recognition by the former of the latter's legal setting as one element of importance for the organisation of the BAs. This should nevertheless not be taken as preventing a comparative analysis. As discussed earlier², Article 125 EPC would certainly recognise *jus cogens*, and the ICJ has to observe such principles in its functions. At least such a comparison would be justified for the simple reason that there are only a few internationally competent courts to compare.

Even if one recognises that the lack of a complete legal system and the resulting need to look for complementary sources of law applies to international courts in general and that therefore the problems facing the Boards of Appeal are not unique and that this deficiency may seem to put them on an equal footing with other international courts, there is a qualitative difference residing in the functions of the courts mentioned here for comparison.

This difference may call for different solutions or make a comparative analysis using these international courts as standards less appropriate. Taking the ICJ as an example, its function is not to resolve conflicts between individuals, but between states, albeit that its decisions for limited areas may ultimately have an indirect influence on individuals. In contrast, it is the basic function of the Boards of Appeal of the EPO to decide whether or not private property shall be awarded, albeit that the interest of the public at large may be affected by the issue of a patent; the invention is then no longer in the public domain, which has a direct impact on third parties' rights to use it.

² See 3.5.4.

At the *level of authority*, the ICJ and CJEC exercise a definitive function - there is no appeal against their decisions. The BAs may seem to be the last instance in the granting process for patents - however, their decisions may be challenged at the national level in so far as they have upheld a patent, and, after refusal or revocation of the patent, the applicant has the theoretical possibility of converting his European application or patent into an application for national patents, although conversion is seen as a less than realistic opportunity³.

At the *level of jurisdiction*, the ICJ and the ECHR are primarily concerned with the responsibility of states, which is mirrored by the provisions governing both the procedure to be followed and the substantive law to be applied to the conflict. At first sight, the ECHR appears to offer a combination of two objects; it resolves conflicts between individuals and states as well as between states. In so doing it may have an indirect effect on the rights of individuals⁴. To this extent, the primary function of the BAs to award patents for inventions meeting the patentability criteria is analogous thereto, since they exercise at the appeal stage the function of deciding whether intellectual efforts are to be given a personal property quality to an individual (natural or legal person) or remain in the public domain, i.e. a "conflict" between individuals and the state, at the international level.

At the *procedural level*, the practice of the HRCourt concerning complaints regarding the procedure for obtaining building permits could be used as comparative examples⁵. A building permit affords the applicant an advantage which may be to the detriment of his neighbours. There is no direct transfer of wealth between two or more individuals affected by the building permit. The permit however allows its holder to perform acts which may indirectly affect his neighbours in a negative way, for example obscuring a view, potentially lowering

³ *van Empel*, p. 317 f. at 687, points out that this right of conversion under Article 135-137 EPC only covers two situations in which a contracting state is obliged to admit conversion, namely when the application is deemed to be withdrawn pursuant to Article 77 (5) or Article 162 (4) EPC, according to Article 135 (1) (a) EPC, whereas other possibilities of conversion are subject to national law, Article 135(1) (b) EPC. See also 8.3.2.1.

⁴ There is even a direct effect as regards the possibility of awarding damages or "just satisfaction" under Article 50 ECHR.

⁵ Equivalent procedures in the ECHR case law are identified in 2.6.

the value of their property. Likewise, in the awarding of patents there is no direct transfer of wealth. The value of the patent lies in the right of the patentee to prevent others from using his patented invention without his permission. Only a potential transfer of wealth occurs, but the patent may have economically negative effects for the patentee's competitors. The award of patents after *ex parte proceedings* may be seen as part of a sovereign power of states to award rights to individuals⁶. The parallels to HRCourt decisions on disputes over building permits regarding minimum procedural requirements would then be particularly significant⁷.

When the BAs decide appeals in *inter partes* cases or opposition proceedings, other elements closer to civil law enter into consideration, shifting these cases to the area of civil law. The first legal fact to be considered is that the opposition proceedings take place only after grant of the patent. Secondly, opponents are not only to be seen as *amici curiae*, they are recognised as proper parties to these proceedings, with all the procedural rights accruing to parties.

The question is not whether the Boards of Appeal have sufficient authority to function as courts; this authority must be presumed as a result of the transfer of jurisdiction in patent matters from the EPO contracting states to the EPO as a part of their sovereign powers. Rather, the question is whether, in exercising this sovereign power and resolving matters related to civil law at the international level, the BAs can uphold the guarantees of a fair trial in accordance with international principles. A sub-question thereto is whether their function in the area of *civil law* would require other and more far-reaching safeguards than are normally seen as satisfactory in the area of *public law*⁸.

⁶ Whether or not the granting of patents is a sovereign matter is discussed in 2.2.3, where different theories are surveyed shortly. This author tends to prefer the contractual theory advocated by the German school, which if gaining general approval would make HRCourt functions as a monitor of state sovereign behaviour more distant to BA functions as an arbiter of individual intellectual property contracts.

⁷ The analogy would still be valid if patenting as advocated in this thesis is seen as a procedure whose object is to establish the clauses (the scope of the patent claims) of a contract by which the patent can be granted.

⁸ *Grabenwarter*, p. 597, observes for example that the administrative procedure is so different from traditional civil or criminal procedure that statements regarding the latter are only conditionally transferable to the former, and this regardless of whether the former concerns criminal or civil administration.

Both the CJEC and the HRCourt take it as part of their functions to make law⁹. The EPO has a law-making function by its power to establish the legal relationship between the public and an individual, the patentee, with national effect. Again, the question is not what the object of their functions is, to award patents or not, but whether the BAs when finding a procedural principle to be of a general and therefore applicable nature can be said to have abided by customary law and *jus cogens*, or in other words, whether *the method* used in finding an applicable principle is appropriate. Also from the point of view of *due process*, a comparison with these law-making courts would therefore be appropriate.

5.2 Statutes of international courts

5.2.1 Introduction

The HRCourt has consistently held the view that the ECHR requires an interpretation that ensures efficient protection of the rights afforded by the Convention¹⁰. In contrast to this expansive method of interpretation, the case law under the ECHR hardly ever addresses the internal organisation and rules of procedure of the courts criticised by complainants. In accordance with the principle of margin of appreciation, the HRCourt usually refrains from detailed criticism of domestic law, restricting itself to assessing *the results* of its application. Only in rare cases does the HRCourt give advice on positive action imposed on states by virtue of Article 6 ECHR. It has done so with regard to the organisation of courts, laying down the principle that states are to organise their courts in such a way and give them such economic support that they can comply with the requirement to decide cases in a reasonable time, which obviously is a question of allocating

⁹ *Iglesias*, footnote 100. The HRCourt has expressed its law-making function many times, beginning with *Wemhoff v. Germany*, judgment of 27 June 1968. It certainly has an indirect law-making power, since states have had to change their domestic laws when the HRCourt has found a violation, such as in *Sporrong-Lönnroth v. Sweden*, where there was no appeal to a court against decisions regarding building prohibitions, which hence had to be introduced into Swedish law. *Waage*, quoting *G 5/83*, sees the EPC as a law-making treaty in the sense that it directly defines rights and duties for natural or legal persons, see p. 4 at 1-7. This law-making power is not analogous to that of the HRCourt; one should differentiate between the power *under existing law* to create rights and duties and the power to effectuate a *change in the law itself*.

¹⁰ See e.g. *Airey v. UK*.

adequate resources and using them efficiently¹¹. Apparently, the ECHR found the organisation and financial means of a court to be of prime importance.

Owing to the reluctance on the part of the HRCourt to criticise the internal legal system of a contracting state¹², combined with the dynamic manner in which it has developed procedural standards, the requirements of Article 6 ECHR on a tribunal as emerging from case law cannot be said to form an exhaustive list of obligations and powers, nor a final definition of the concepts of "fair trial", "reasonable time", "independence" and "impartiality"¹³. However, the authority¹⁴ of the decisions of a judiciary depends on the guarantees that they have been taken independently and impartially and that they are of a high professional quality. The mere existence of legal provisions does not suffice; the required authority can only be accomplished if provisions on such elements as recruitment, remuneration, career opportunities and organisation, in support of impartiality and independence, will serve to underpin the minimum qualities required of the judiciary. As a means of comparison, the establishment and organisation of other international courts can therefore be used to examine whether or not the requisite guarantees do in actual fact exist. This comparison is all the more desirable if not necessary, having regard to the significant economic consequences which follow from the outcome of the examination of patent applications at the European level¹⁵.

Basic international texts on requirements for tribunals are found in Council of Europe Recommendation No. R (94)12 on the independence, efficiency and role of judges and the United Nations Basic Principles on the Independence of the

¹¹ See e.g. the case of *Union Alimentaria Sanders v. Spain*, 1989.

¹² The HRCourt has in many cases taken a restrictive approach, holding that its function is not to review the national law in abstracto, but to examine whether its application contravenes the ECHR, see e.g. *Hauschildt v. Denmark*, 1989, para 45.

¹³ Cf. Judge *Martens* extensive separate opinion in the case of *Fischer v. Austria*, 1995, regarding the requirements for a tribunal adjudicating administrative cases to satisfy Article 6 ECHR, see 4.6.

¹⁴ "Authority" of decisions taken, not in the sense of being formally binding, but being meritoriously respected for their high quality.

¹⁵ See 2.3.2.

Judiciary and the Manual on Judges with Guidelines for the Independence of Judges and the Selection and Training of Judges dating from 1985¹⁶.

Both texts are concerned with measures to guarantee the independence of judges as regards to their working conditions and other organisational matters, qualifications, selection and training, as well as the definition of their judicial responsibilities. Below follows an overview of the legal texts regarding the institution and organisation of three international courts.

5.2.2 Three international tribunals - establishment and organisation

As indicated above, the HRCourt itself, the Court of Justice of the European Communities, CJEC, and the International Court of Justice, ICJ¹⁷, were chosen as courts of comparison for the organisation of judicial organs, as well as for the recruitment of judges, for guarantees offered to ensure as far as possible the integrity of the judiciary and other elements of a general nature¹⁸.

5.2.2.1 The European Court of Human Rights - the HRCourt

The establishment of the HRCourt and its organisation is governed by Articles 19 to 51 ECHR, which also include provisions on the required qualifications and the recruitment of judges. *The number of judges* shall correspond to the number of High Contracting Parties, i.e. in January 2003 there were 44 judges at the court¹⁹.

¹⁶ R (94) 12 sets out six principles to be followed and includes an explanatory memorandum. The United Nations texts are included in the Report of the 7th UN Congress on the prevention of crime and the treatment of offenders, Milan, Italy, 1985. While it is self-evident that not all aspects of the judiciary would be as relevant in the field of civil law as for criminal law, where principles of general extent are addressed, these documents would provide standards useful for this study.

¹⁷ The choice of the ICJ is admittedly not strictly analogous, since the matters resolved by that court do not correspond to the civil law issues decided by the BAs of the EPO. For matters of procedure, the field of competence is of less importance however.

¹⁸ Where the statutes include rules of procedure related to the internal organisation of a tribunal, they will be discussed in 6, whereas rules directed to the parties will be discussed in chapter 8. Access to court is dealt with in chapter 7.

¹⁹ According to Information document issued by the Registrar of the HRCourt, dated January 2003, point 8.

Candidates shall be of a high moral character and must possess the qualifications required for appointment to high judicial office or be jurisconsults of recognised competence²⁰. Since the candidates for each seat are proposed by the Contracting Party in question, there is never any risk of an imbalanced representation. The judges are elected by the Parliamentary Assembly for a renewable period of six years and must step down at the age of 70.

The *term of six years* has been criticised by *Schermers*²¹ as affecting the independence of the judges. On the one hand, the annual salary in 1998 of FRF 1,100,000 encouraged judges to be re-elected, most of whom could - because of the short term - be re-elected at least once. Schermers points out that this may create an inclination to please those who control the elections. On the other hand, a judge is not allowed to consider the interests of his home country. Since the home country will inevitably know about the judge's position in particular cases and there is at least one example of a country which did not nominate a second time a judge who had once voted against his country, Schermers concludes that the system of a limited term of six years does not support the independence of the judges²². It should be added here that the member states nominate three candidates²³, of whom one judge is elected by the Parliamentary Assembly, which consists of member states representatives. Schermers also points out that the control to which courts are subjected by the powers of the legislature to adopt new laws if it considers the

²⁰ There is a remarkably close correspondence of the provisions governing the HRCourt with the Statute of the International Court of Justice (*SICJ*) see below, 5.2.2.1 and 5.2.2.3. The almost identical wording of some provisions in these treaties, e.g. Article 2 *SICJ* and Article 21 (1) ECHR, may be explained by the fact that the Charter of the United Nations and the *SICJ* had been adopted shortly before work on the ECHR began.

²¹ *Schermers, H. G.*, Election of Judges to the European Court of Human Rights, *European Law Review* (ELR) vol 23, 1998, p. 568 ff. The article concerns the new election system and its outcome the first time the judges were elected in 1998.

²² *Ibid.*, p. 575, the Bulgarian example, and p. 570 f. Incidentally, this situation may be used in support of judgments, which are silent on how the individual judges voted, excluding open dissenting opinions. Against this argument is of course the observation that the judges should have such guarantees that they do not hesitate to reveal their identity and opinions. A combination of these extremes would allow minority opinions to be published, but without giving any names of the dissenters, nor of those who voted with the majority.

²³ Article 22 (1) ECHR. Schermers points out that in the old system, it was possible for the Assembly to re-elect a judge who had not been nominated, but that this provision was not retained in the new system, making their position less secure and a fear of removal making the judges less independent, *ibid.*, p. 572.

jurisprudence of the court to be unacceptable does not work at the international level, since it is usually impossible for the member states to achieve an amendment to the convention²⁴. The only way for the other branches of government to try and counter such judgments is to exercise their power not to re-elect the judge in question²⁵. In any event, Schermers expects that the power of re-election will develop into a kind of parliamentary control over the judges of the HRCourt²⁶.

With regard to the first *election* of judges under the new system which took place in 1998, *Schermers* identifies the most important weakness of the system to be the provision that governments nominate their own candidates, which offers an opportunity not to nominate judges who are not sympathetic to their policies. Governments may be tempted to nominate persons who are in some respect dependent or who share their political views. To counter such tendencies, *Schermers* advocates a recruitment procedure like the British one. He mentions one example in which candidates were even solicited through advertisements in the papers, followed by a thorough procedure, out of which five candidates were selected for interviews by a panel consisting of prominent judges, the legal Adviser of the Foreign Office, the Permanent Secretary of the Lord Chancellor's department and the chairwoman of the Equal Opportunities Commission. After a more than one hour interview with each candidate, the panel agreed on a list of preferences and the three top names were endorsed and forwarded by the UK Government²⁷.

²⁴ An exception to this tradition is exemplified by the EPO Administrative Council adoption of Rules 23b - e EPC on the exceptions to the patentability of biotechnological inventions under Article 53 (b) EPC. If these rules were to be seen as amending that article, the BAs would not be bound to apply them, under Article 164 (2) EPC, see *T 272/95*.

²⁵ *Ibid.*, p. 571. It should however be pointed out that it is hardly possible to foresee that the Parliamentary Assembly would refuse to re-elect all those judges who have constituted the majority in a number of cases dealing with the same problem. As *Schermers* points out, this weapon can be used for example against a judge who has advocated fascist ideas. Presumably such a control would work against the development of dissenting opinions. However, reality has proven otherwise, since dissenting opinions are common and do not necessarily represent those issued by the judge in defence of the state whose national he or she is. The fear expressed by *Schermers* seems therefore exaggerated.

²⁶ *Ibid.*, p. 576.

²⁷ *Ibid.*, p. 574.

According to *Schermers*, such a system would remove many of the objections against a nomination by governments. It was therefore all the more surprising for him that the ad hoc sub-committee of the Council of Europe in charge of the interviewing accepted many political nominations from other countries but reversed the order of the UK list, in spite of its thorough selection process. In that case, however, the sub-committee's recommendation was overruled by the Parliamentary Assembly, due to much criticism from persons inside and outside of the Council²⁸. *Schermers'* conclusion is that the proposals of the committee should be reasoned if it deviates from the preferred order of candidates. The accessibility of the committee's proposals to interested persons made it possible to appoint the best candidate and shows the importance of such information. If nothing else, this and other examples in *Schermers'* article reveal the dangers inherent in letting irrelevant factors, such as sovereign interests in dominating international procedures, influence the selection process for the appointment of judges to an international court.

The plenary court elects the President, two Vice-Presidents and two Presidents of Section, sets up the Chambers and their composition²⁹, adopts the rules of court and elects the registrar/s. Committees of three judges may take decisions on admissibility issues³⁰. The Chambers are composed of seven judges, and the Grand Chamber of 17 judges³¹. A case is relinquished to the Grand Chamber if a serious issue has arisen or, within a period of three months from the date of the judgment, a party has requested that the case be referred to it. Regardless of chamber, in each case the judge elected with respect to the respondent state party to the case sits as an "ex officio" member.

²⁸ Ibid., p 577.

²⁹ Chambers are to be geographically and gender balanced and reflect the different legal systems of the contracting states, see Information document issued by the Registrar of the HRCourt, www.echr.coe.int, dated January 2003, points 8 and 9.

³⁰ Article 26 ECHR.

³¹ It shall also have at least three substitute judges.

*The rules of court*³² consist of four titles, comprising 104 rules. These cover the organisation and working of the court (Title I), the procedure (Title II), transitional rules (Title III) and final clauses (Title IV).

Judges must take *an oath* before assuming office. During their term of office, they must not engage in any political or administrative *activity* or any professional activity which is *incompatible* with their independence or impartiality or the demands of a full-time office. Any additional activity must be reported to the president of the court. Questions regarding discipline are decided by the court. Rule 7 prescribes that a judge can only be dismissed from office if a majority of at least two-thirds of the other judges decide that he or she has ceased to fulfill the required conditions. Judges enjoy the privileges and immunities provided for in Article 40 of the Statute of the Council of Europe³³.

The president directs the work and administration of the court, represents the court and presides at plenary meetings and meetings with the Grand Chamber and meetings of the panel of five members³⁴. The president may not take part in the consideration of cases heard by chambers except as an elected judge in respect of a contracting party.

The Grand Chamber includes the president and vice-presidents, as well as the presidents of sections (i.e. chambers set up for a fixed term under Article 26 b ECHR), the “ex officio judge” and, in referral cases under Article 30 ECHR, the members of the chamber which relinquished jurisdiction. In cases referred under Article 43 ECHR, however, no judge who previously dealt with the case, except the president of the chamber and the ex officio judge, may be included in the Grand Chamber.

³² In force as from 1 November 1998, downloaded from www.echr.coe.int/Eng/EDocs/RulesOfCourt.html on 22 May 2001.

³³ The privileges and immunities enjoyed are defined therein as those necessary for the persons in question to carry out their functions.

³⁴ For referral to the Grand Chamber.

Elections for president, vice-presidents and presidents of sections, all for periods of three years, are executed by the plenary court.

The Chambers are constituted from the sections so that the president of the section and the ex officio judge are always included, whereas the other judges making up the total of seven judges are designated by the president in rotation from among the members of the relevant section. Judges shall continue to sit on their cases even after expiry of their term of office. A judge may not take part in a case in which he or she has a personal interest or has previously acted either as the agent, advocate or adviser of a party or of a person having an interest in the case or as a member of a tribunal or commission of inquiry, or in any other capacity.

Deliberations are secret, but separate, dissenting or concurring opinions are allowed and will be attached to the judgment itself³⁵.

The Sections instituted for a fixed period are set up by the plenary court, on proposals by the President, for periods of three years. The composition of the Sections shall be *geographically and gender balanced and reflect the different legal systems* among the contracting parties. Exceptionally, the President may make changes to this composition³⁶.

The Chambers of seven judges are constituted from the Sections, and is composed of the President of the Section, the "ex officio" judge (regardless of the Section to which he belongs), whereas the other members are designated by the President of the Section in rotation from among the members of the relevant Section, the remaining judges being designated substitute judges for the case³⁷. Within each Section there is a committee for the examination of admissibility issues under Articles 28 and 34 ECHR. The members of the committees are designated for twelve months by rotation among the members of each Section. The applicable rule and the manner in which judges have been designated is given in each judgment of

³⁵Rule 74 Rules of Court, based on Article 45 (2) ECHR.

³⁶ Rule 25 of Rules of Court.

³⁷ Rule 26 of Rules of Court.

the HRCourt, under the heading "Procedure" with which judgments normally begin³⁸.

A Chamber may indicate any interim measure which it considers should be adopted in the interest of the parties or the proper conduct of the proceedings. Such measures must be reported to the Committee of Ministers of the Council of Europe. It may also obtain any evidence it considers to provide clarification of the facts of the case. Parties may be requested to provide documentary evidence and the Chamber may decide to hear witnesses or experts. The Chamber may also depute one or more of its members to carry out investigations or to take evidence in some other manner. It may also ask any person or institution of its choice to obtain information, express an opinion or make a report on any specific point³⁹. Chambers designate one or more of its judges as Judge-Rapporteurs for cases instituted under Article 33 ECHR⁴⁰.

The organisation of *proceedings on admissibility* is fairly complex, reflecting the complex admissibility requirements. The admissibility of individual applications depends on the timely submission of the application, the exhaustion of all domestic remedies, a genuine interest of the applicant, that the application is not already *res judicata*, that the complaint relates to the rights and freedoms set out in the ECHR and is compatible with it, and not considered manifestly ill-founded or constituting an abuse of the right of application. Proceedings on admissibility are governed by Rules 51 to 54 and include detailed provisions on the assignment of cases, the appointment of judge-rapporteurs, and organisation of oral proceedings. A committee of three judges will be considering the admissibility of a case, if the Judge-Rapporteur initially examining the case recommends this.

³⁸ See e.g. the case of *Krcmár et al. v. Czech Republic*, decision of 3 March 2000, para 4.

³⁹ Rule 42 of Rules of Court.

⁴⁰ Rule 41 of Rules of Court. Article 33 ECHR concerns inter-state applications.

5.2.2.2 *The Court of Justice of the European Communities - the CJEC*⁴¹

Several treaties include references to the CJEC, establishing its jurisdiction as to preliminary rulings on the validity and interpretation of framework decisions, on the interpretation of conventions established for the purposes of the EC or the EU⁴², and on the jurisdiction in any dispute between member states which relates to the subject-matter of the treaty in question⁴³.

The EC treaty contains provisions on the recruitment to and organisation of the CJEC. The court shall be composed of 15 judges⁴⁴ and sits in plenary sessions. It is assisted by advocates general. The judges and advocates general are to be chosen from persons whose independence is beyond doubt and who possess the qualifications needed for the highest judicial offices in their respective countries.

Judges are appointed for a *term of six years* by common accord of the governments of the member states. The *judges themselves elect the president* of the court for three years⁴⁵. The judges, the advocates general, the registrars and assistant rapporteurs of the court enjoy the privileges and immunities laid down in Articles 12 to 15 and 18 in the Protocol on the Privileges and Immunities of the European

⁴¹ The Court of first instance, CFI, was established by Article 11 of the Single European Act, later amended by Article G(50) of the Maastricht Treaty. The CFI will not be discussed separately here, since most of the provisions governing recruitment, organisation and procedure for that court are identical, *mutatis mutandis*, to those of the CJEC.

⁴² The EU was established through the Maastricht treaty of 1992, which changed the name from 'European Economic Community' to 'European Community', and created a new structure with three 'pillars' which is political as well as economic. The treaty of Nice signified a transition from several communities into one union. It entered into force only on 1 February 2003, see <http://europa.eu.int/abc/treaties>. For practical reasons, the EU is in this thesis mostly addressed as the EC.

⁴³ The Treaty of Amsterdam, Article 9, lists the conventions by which powers have been conferred on *inter alia* the CJEC. The examples of the extent of jurisdiction described here are from Article 35 of the Nice treaty on the European Union and Article 239 of the treaty establishing the European Communities (the EC Treaty). The CJEC has also jurisdiction with regard to the European Central bank, the European Investment bank, the European Atomic Energy Community and the European Coal and Steel Community. A limited appeal lies to the CJEC from the OHIM and the CPVO, see 1.1.

⁴⁴ Again, as with the HR Court, the number corresponds to the number of member states.

⁴⁵ Article 223 EC Treaty.

Communities⁴⁶, subject to Article 3 of the Statute of the CJEC. The latter provides that *judges shall be immune from legal proceedings*, also after having ceased to hold office. Their immunity may be waived by the court itself sitting in plenary session.

The EC Statute concerning the CJEC lays down provisions on the judges and advocates general (Title I, Articles 2 to 8), on the organisation of the court (Title II, Articles 9 to 16), on procedure (Title III, Articles 17 to 43), and on the CFI (IV, Articles 44 to 56). Corresponding provisions are to be found in the EAEC Statute and the ECSC Statute.

A judge must take *an oath* before taking up his duties⁴⁷. The judges *may not hold* any political or administrative office⁴⁸. A judge *may only be deprived of his office* or other rights to benefits, if in the *unanimous opinion of the judges and advocates general* he no longer fulfills the requisite conditions or meets the obligations arising from his office.

The CJEC decides in full court with a *minimum of nine members*. There may be *chambers* consisting of three, five, or seven judges. A judge or advocate general may not take part in the disposal of any case in which he previously took part as agent or adviser or acted for one of the parties, or in which he was called upon to pronounce as a member of a court or tribunal or a commission of inquiry or in any other capacity⁴⁹. *The deliberations* of the court are secret⁵⁰.

Under the Rules of Procedure for the CJEC⁵¹, the judges and advocates general *rank equally in precedence according to their seniority* in office. The president of the court is elected by the judges for a term of three years, by secret ballot. In case

⁴⁶ Article 21 of the Protocol.

⁴⁷ Article 2 of the Statute of the CJEC (SCJEC).

⁴⁸ Article 4 SCJEC.

⁴⁹ Article 16 SCJEC.

⁵⁰ Article 32 SCJEC.

⁵¹ Dated 19 June 1991, including amendments up to 3 April 2001. Summarised here are Articles 2 to 11.

of an eventual tie, the oldest judge shall be deemed elected. The presidents of the chambers and the first advocate general are elected the same way for a period of one year.

The president directs the judicial organisation and administration of the court and presides at hearings and deliberations. In accordance with the EC, EAEC and ECSC treaties, chambers are set up by the court, which also decides which judges will be attached to them. The court lays down the criteria by which cases are to be assigned to chambers. The president makes the actual assignments. In case of inability to function or vacancies of the posts of president of the court or of a chamber, one of the other judges will exercise the functions concerned in the order of precedence.

No provisions are made for the publication of any *dissenting or concurring opinion* of individual judges. Provision is however made for *revision* of the judgment, provided that a new fact is discovered which was unknown at the time the judgment was given to the court and to the party claiming the revision, and provided that this fact would have been a decisive factor. A ten year limitation period is laid down for revision, calculated from the date of the judgment⁵².

This and corresponding provisions on revision in the Statute for the International Court of Justice are of interest because of the adoption during the November 2000 conference to amend the EPC, introducing a procedure for the revision of Board of Appeal decisions⁵³.

Finally, of interest here is the possibility for *correction of clerical mistakes*, errors in calculation and “obvious slips” in the judgment, either by its own motion or if requested by a party within two weeks after the delivery of the judgment⁵⁴.

⁵² Article 41 EC Statute.

⁵³ To be discussed in chapter 6.

⁵⁴ Article 66 Rules of procedure of the CJEC.

Under chapter 5 of the Rules of Procedure for the CJEC, which concerns the working of the court⁵⁵, deliberations on administrative matters take place with the members of the court, the advocate-generals and the registrars, the latter may however be excluded if the court so decides.

5.2.2.3 *The International Court of Justice - the ICJ*

The ICJ was established by Article 7 of the Charter of the United Nations. The Statute of the ICJ sets down the organisation and competence of the court, the procedure to be followed and provisions for advisory opinions. The Rules of Court contain provisions on judges, the internal functioning of the court, the registry, the procedure in contentious cases and on advisory proceedings.

The function of the ICJ is strictly limited to resolving conflicts between states and issuing advisory opinions on legal questions referred to it “by duly authorized international organs and agencies”⁵⁶.

There is a fairly complex *method of nomination of judges*, which will eventually result in a list of nominees from which the General Assembly and the Security Council are to elect the members independently from one another. Judges shall be of a high moral character and possess the qualifications required in their respective countries for appointment to the highest judicial offices or be jurisconsults of recognised competence in international law. The judges are elected for a term of nine years. As in the CJEC, judges may finish cases they may have begun even if they are replaced after expiry of their term of office.

A judge may not exercise any political or administrative functions, or engage in any other occupation of a professional nature. As for the CJEC, no member may deal with a case in which he previously took part as an agent, counsel of advocate or as a member of a national or international court or in any other capacity. It is self-evident that a member may not act as counsel etc. in any case before the ICJ.

⁵⁵ Articles 25 to 28 RP CJEC.

⁵⁶ Articles 36 and 65 SICJ and General information at: www.icj-cij.org/icjwww/igeneralinformation.htm.

No judge can be dismissed, unless in the unanimous opinion of the other judges of the court, he has ceased to fulfill the required conditions. The judges enjoy diplomatic privileges and immunities⁵⁷.

In line with the corresponding provisions for the courts mentioned previously, a new member of the ICJ must make *a solemn declaration* about his intention to exercise his function impartially and conscientiously. The reason for the absence of an oath⁵⁸ may be ascribed to the fact that the ICJ operates globally and therefore must be as culture-neutral as possible in the choice of means to impress the responsibilities of the office on its members.

A judge may declare himself *excluded* from taking part in a case, but the president may also call on a judge not to take part in a case; if the two disagree, the full court will have to decide the matter.

The court elects its president and vice-president for a period of three years. If not all the judges are sitting, the provision of dispensation must follow in rotation. A minimum of nine judges is required for a quorum. *Chambers* of three or more judges may be formed to deal with cases of special categories; there may also be a chamber formed for a particular case. Finally, *a chamber for summary proceedings* is formed annually, composed of five judges with two substitute judges. Ad hoc judges for particular cases, as well as assessors, may be appointed to the court.

The court itself adopts its own *rules of procedure*. As with the HRCourt, the ICJ may comprise a judge of the nationality of each of the parties.

⁵⁷ Article 19. This is the only statutory provision of the four courts examined here expressly affording diplomatic immunity to the judges. In view of the otherwise close correlation between the SICJ and the ECHR, the question arises whether this means that the judges of the HRCourt are less protected in this regard, since Article 51 ECHR refers to Article 40 of the statute of the Council of Europe which affords "the privileges and immunities as are reasonably necessary for the fulfilment of their functions". Detailed agreements with the Contracting States have been concluded in accordance with Article 40 (b) of the Statute.

⁵⁸ See Article 20 SICJ.

Article 32 SICJ contains provisions on *salaries and other emoluments* for the judges, including a guarantee that they may not be decreased during the term of office.

Only states may be parties before the ICJ which - presumably on account of the sovereignty principle - necessitates special provisions as to the extent of jurisdiction of the court; this is listed in Article 36 SICJ and includes the interpretation of a treaty, any questions of international law, the existence of any fact constituting a breach of an international obligation, and the nature or extent of reparation to be made⁵⁹.

The Rules of Court of the ICJ contain further provisions relating to the judges and the *internal functioning* of the court, as well as to the registry of the court. Judges are of equal status irrespective of age or length of service, but take *precedence* according to the date on which they began their terms of office or by the same length of service according to seniority of age⁶⁰. This is of significance for the *rotation* of judges and for the election of substitute judges which are to take place in an orderly manner.

For questions of *dismissal*, a special procedure is foreseen in Article 6 of the Rules of Court. The judge in question must be informed in a written reasoned statement including the relevant evidence. He is then, before *the full court*, afforded an opportunity to state his case, including the submission of evidence etc, where after the court will meet in private to discuss the matter and if necessary take a vote.

Articles 15 to 18 of the Rules of Court are concerned with the establishment of chambers and elections of members to sit in each chamber. The parties may request such a chamber for a particular case under Article 26, para 2 of the SICJ.

⁵⁹ Article 38 SICJ regarding applicable legal norms has been discussed in 3.2.2.

⁶⁰ Article 3 of the Rules of Court for the ICJ, which contains further rules on precedence.

The members of the court are to hold themselves permanently at the disposal of the court, entailing all meetings, unless they are prevented by illness or other serious reasons, “duly explained to the President”. The court fixes the dates and duration of the judicial vacations and conditions of leave to be accorded members under Article 13, para 2 SICJ.

Articles 94 to 100 concern judgments, separate opinions, requests for revision or interpretation and competence to carry out a revision or interpretation. *Deliberations are secret, but may be published by decision of the Court*, except regarding judicial matters. Judges may attach their individual opinions, whether *dissenting or concurring*, to the final judgment or have their opinions recorded in the form of a declaration⁶¹.

The Rules of Court also provide for a *revision procedure*. Under Articles 98 to 100 of the Rules of Court, *requests* for interpretation of the meaning of a judgment or revision thereof will be *decided by the court itself*, unless a chamber took the decision, in which case *the same chamber* takes the decision on the request. A *pre-condition* for revision is that a fact has been discovered which was unknown when the judgment was given and the fact was of a nature to be a decisive factor⁶². Furthermore, an application for revision must be lodged within six months after the fact was discovered. In no case can an application for revision be validly lodged after a lapse of ten years from the date of the judgment.

The internal functioning of the ICJ is governed by Articles 19 to 21, which leave it generally to the ICJ to resolve questions arising by adopting resolutions⁶³. The latest resolution prescribes the procedure after closure of the written procedure for deliberations of the court and subsequently after the oral proceedings are closed, in order to provide the best possible means for each judge to present comments and

⁶¹ Article 95.

⁶² The conditions for revision are laid down in Article 61 SICJ. The implications of the revision procedure foreseen for the EPO is discussed in 6.9.2.2.

⁶³ Article 19 of the Rules of Court. The resolutions are published on the ICJ home page, www.icj-cij.org. The current one still in force in April 2003 dates from 12 April 1976.

arguments to prepare for the oral proceedings as well as to prepare written notes on the questions that should be answered by the court and any tentative opinion. *Opinions are circulated*, after which a *further deliberation* is held at which the members must declare their views in reverse order of seniority. Finally, *a drafting committee is elected by secret ballot*. The president is *ex officio* a member of that committee, unless he is not a member of the majority opinion of the ICJ as it is then perceived.

5.3 The tribunal

5.3.1 Tribunals having to adhere to Article 6 (1) ECHR

The HRCourt has established that a wide variety of tribunals in Europe must meet the standards of Article 6 (1) ECHR. Even courts of cassation, which normally only decide matters of law, should in principle meet these standards. There is actually only one type of court which the HRCourt so far has excluded, namely constitutional courts, but only to the extent that their decisions only concern the constitutionality of a judicial decision⁶⁴. In other respects, however, acts of constitutional courts may be an issue for the HRCourt.

In the case of *Ruiz-Mateo v. Spain* regarding the applicability of Article 6 (1) to the Spanish Constitutional Court⁶⁵, the HRCourt did not accept the government's suggestion that the time taken by that court to decide issues referred to it should not be taken into consideration when deciding whether or not the length of the proceedings regarding expropriation and compensation had exceeded the standards set under Article 6 (1) ECHR. Two referrals made to the Constitutional Court had affected the length of proceedings, which had to be taken into account.

The HRCourt's reasoning in *Ruiz-Mateo* seems not to raise any question as to whether the HRCourt intended it as a deviation from that same case law. The HRCourt noted that it had consistently considered such proceedings to fall under

⁶⁴ *van Dijk*, Theory and Practice, p. 305, and the HRCourt in the *Sramek* case.

⁶⁵ Judgment of 27 May 1993. See also *Danelius*, p. 134 f., on the applicability of Article 6 to constitutional courts..

Article 6 (1) ECHR in cases where their outcome could be decisive for the outcome before the ordinary courts. *Frowein and Peukert*⁶⁶ note that, contrary to the HRComm which seems to presume that constitutional courts are outside of the scope of Article 6 ECHR, the HRCourt in the case of *Buchholz v. Germany*⁶⁷ did not exclude them in general, but stressed the significance of the facts of each specific case. Moreover, the referral to the German Verfassungsgericht of a complaint seeking to nullify amendments to the provisions for a public pension fund in *Süssmann v. Germany*⁶⁸ was considered to be directly decisive for Mr Süssmann's civil right and the procedure before that court therefore subject to Article 6 (1) ECHR.

As for international courts, such as the CJEC in Luxembourg, they are generally excluded from the scope of Article 6 (1) ECHR, on the ground that the EC or other international organisations that are not themselves a party to the ECHR cannot come directly under the scrutiny of the human rights organs in Strasbourg⁶⁹. Jacot-Guillarmod criticises this strict line, quoting other sources in concluding that it could reasonably be argued that some of the guarantees contained in Article 6 (1) ECHR could be applicable to certain proceedings before the court just mentioned, at least to the extent that the ECHR may be recognised as part of EC law⁷⁰. As already noted, this court recognises the need to adhere to human rights principles in its jurisprudence⁷¹, when it represents the constitutional systems of the EC member states⁷². On the other hand it discarded the principle of succession, i.e. that

⁶⁶ Europäische MenschenrechtsKonvention, EMRK Kommentar, 1985, p. 115.

⁶⁷ Judgment 22 April 1981.

⁶⁸ Judgment 16 September 1996.

⁶⁹ Cf. 4.8.3 regarding the HRComm decisions in the *Lenzing* cases.

⁷⁰ To this one could only agree; the internationalisation of Europe must not lead to a dilution of the rights enshrined in the ECHR. This author would point to the HRComm and HR Court themselves when saying that the transfer of powers to an organisation under an international treaty does not relieve states from their obligations under another treaty. From this statement one should be able to conclude that there is indeed an indirect guarantee that the individual at the international level under any circumstances enjoys the protection of Article 6 (1) ECHR.

⁷¹ See 3.4.2.

⁷² According to the principle of state sovereignty, not even a court would assume powers outside of those given to it by the state having established the very same court.

it had a responsibility to adhere to the ECHR as a successor to the member states, insofar as these states were bound by that convention⁷³.

From the ECHR case law on Article 6, *Grabenwarter* concludes that the need for court control over the exercise of administrative powers⁷⁴ is essentially defined by three criteria, the "effect" that the outcome of a conflict with the administrative branch of government will have for the individual person, the *balance of characteristics* of the conflict, or the existence of a *pecuniary* interest directly flowing from the conflict⁷⁵. He distinguishes between the core areas ("Kernbereiche") of public law and private law, respectively, and the gray area ("Randbereich") there between.

In arriving at elements useful for the definition of the scope of application of Article 6 (1) ECHR with regard to what is traditionally accepted as being subject to administrative powers, he notes that the so-called dynamic or evolutive interpretation of this Article does not fall within the purview of a *legal* development of interpretation. Rather, the development - or, to be more precise, the expansion - of the scope of application of this Article depends to a large extent on the current views in the contracting states, i.e. the elements contributing to this development or expansion are not legal in the sense that the legal methods of interpretation of the concepts addressed by this Article would have changed. Instead, the relevant factors are mostly non-legal, e.g. changing public opinion in the societies of the contracting states with regard to areas covered by the concept of "civil rights". In other words, this development seems to be dependent on political considerations varying over time. An example is provided by the changing view on the nature of social insurance, which was at one stage treated very differently in the contracting states, but had been harmonised to a large degree only a few years later⁷⁶. Originally,

⁷³ According to Jacqué, in *Macdonald et al.*, p. 892, who observes that the principle of succession was upheld only with regard to the GATT treaty under strict conditions that would hardly be applicable to the ECHR.

⁷⁴ "Verwaltungsgerichtbarkeit... als die wesentliche Rechtsschutzeinrichtung im Verhältnis zwischen dem Bürger und dem Staat", *Grabenwarter*, p. 3.

⁷⁵ *Grabenwarter*, p. 41 ff.

⁷⁶ *Idem.*, p. 46, and footnotes 48 and 49.

disputes over social rights were not included among the topics which enjoyed protection under Article 6 (1) ECHR, since they were held to be securely tied to the sovereign powers of the state. Today, they are recognised as civil rights.

This is regularly referred to by the HRCourt as the need to interpret the ECHR in the light of present-day conditions, as it also did in the *Matthews* case⁷⁷. This liberates the courts from having to limit the scope of the ECHR with regard to subsequent developments (contrary to the HRComm), such as the one in *Matthews*, i.e. that organs had been instituted which were not foreseen by the fathers of the ECHR and therefore as argued by the UK government could not be taken into account for the interpretation of the ECHR. It would therefore be surprising if the HRCourt would not interpret the scope of other Articles, including Article 6 ECHR, in the same expansive manner.

Having recognised the ECHR, it is clear from the above that the *BAs* as the judicial body of the EPO are subject to Article 6 ECHR and *have to meet the same criteria* as other tribunals falling within its scope.

The need for effective protection of ECHR rights leads to an evolutive interpretation which *takes subsequent developments into account* when deciding the scope of protection to be afforded to the individual. In turn, this answers in the affirmative the question put in chapter 3, whether subsequent agreements may influence the scope or understanding of earlier agreements.

The evolutive interpretation of the ECHR has led to an *expanding scope of application* for Article 6 matters. This expansion still seems to continue.

5.3.2 Powers of review

As a general instruction, the HRCourt has pronounced that a tribunal for the purposes of Article 6 (1) ECHR must be empowered to decide questions of fact as

⁷⁷ Para 39.

well as of law⁷⁸. This however does not mean that courts of cassation are automatically seen as falling below the standards of an Article 6 tribunal⁷⁹. Yet, problems may arise for a court of cassation, if its powers are seen to be too restrictive and there is no other venue to have a court decide e.g. issues of fact. This situation arises where the final decision does not lie with the court of cassation, but with an institution whose procedure does not meet the standards set for a tribunal. Under these circumstances, the case was not decided by a tribunal⁸⁰.

In view of the competence of the BAs⁸¹ under Article 111 EPC to exercise any power within the competence of the department whose decision was appealed, the scope of review should not be a problem area for the EPO system. A short overview of issues involved is therefore sufficient.

There are however a few issues to discuss regarding BA proceedings, namely whether a tribunal at appellate level is to hear a case *de novo* or as a review institution only concerned with arguments relative to the decision under appeal.

A further question decided by the HRCourt requires a distinction between an institution like the BAs of the EPO, which constitute its only judicial organ, and other appellate instances examining decisions by organs which are tribunals in themselves. The ECHR does not require an appellate instance, nor that first instance proceedings qualify as proceedings before a tribunal for the purposes of Article 6 ECHR, but it does require access at least to one such tribunal in order to resolve the dispute in issue.

The patenting procedure before EPO falls squarely within the core area of civil law as defined according to *Grabenwarter*. In his view, therefore, a meritorial

⁷⁸ *Le Compte et al*, para 51.

⁷⁹ See *Zumtobel and Fischer*.

⁸⁰ *Grabenwarter*, p. 383 f.

⁸¹ Contrary to the EBA, which does not have these powers and therefore would not qualify as a court under the HRCourt practice, see eg. *Fischer*, discussed in 4.6.

competence⁸² would be preferable, although he observes that the HRComm and the HRCourt do not as a rule go into this question, but regularly refer to the need for a tribunal to be competent to decide all issues⁸³. On the issue of a *de novo*⁸⁴ examination, Grabenwarter observes that the object of the procedure is rarely the same between the first and second instances, not even in systems where appeals lie on facts and not only on law⁸⁵. A conclusion to be drawn from these observations would therefore be that the *de novo* issue is not crucial for the characterisation of an appellate organ as a court.

The competence of the BAs may be characterised as harbouring elements of both meritorial and cassation systems. They are expressly competent to decide issues of fact and law and may furthermore remit cases back to the first instance solely on grounds of law, without deciding the case on its merits.

The ECHR requires that a tribunal be competent to decide all issues of fact and law. It does not require that disputes be decided at first instance level by a tribunal, but that there shall be available at least one instance meeting Article 6 requirements.

- For the BAs this principle is of no consequence since their competence is sufficiently wide.

Where the first instance is not a tribunal, but an appeal lies to a tribunal, the *time factor may be decisive* for whether or not the system conforms to Article 6 ECHR. This may have an impact on the EPO system, since the first instance does not in all respects conform to court requirements, while the granting and opposition procedures are time consuming in a system like the EPO based on examination of all substantial patentability criteria. The "reasonable time" requirement will be more difficult to meet as a result.

⁸² Grabenwarter, p. 379, "Meritorische Sachentscheidung", i.e. deciding the case on its merits.

⁸³ Grabenwarter, p. 380, referring to the *Le Compte et al. v. Belgium* case.

⁸⁴ Defined here as the competence of the appellate organ to reexamine the entire case, including the introduction of fresh legal and factual points of its own motion.

⁸⁵ Grabenwarter, p. 383, "bei reformatorischer Entscheidung".

5.3.3 Independent and impartial tribunals

5.3.3.1 Independent and impartial - general

Chronologically, one of the first cases addressing the requirements on the deciding body is *Albert and Le Compte v. Belgium*⁸⁶.

The applicants were medical practitioners who had been suspended from their right to practise medicine by a Provincial Council and later an Appeals Council on charges of, in the one case, having issued medical certificates on unfitness to work in spite of not having examined the patients in question, and, in the other, for improper publicity consisting in giving interviews to media, criticising the *Ordre des médecins*. The applicants complained that the Councils were not properly composed, since fellow doctors were sitting in judgment, having an interest in the outcome of the cases themselves. The councils were composed of medical doctors and assessors from the district courts. Regarding impartiality, the HRCourt did not find any violation of the ECHR. It reiterated a finding from a previous case⁸⁷ which also involved the Appeals Council, according to which the personal impartiality of members of a tribunal must be presumed until there is proof to the contrary. The attack from *Le Compte* was not addressed specifically against one or other of the members.

Objectively, the court could not find anything in the material submitted in the case to call it into question. The manner of appointment of the members did not provide any cause for treating them as biased; they did not act as representatives of the *Ordre* but - like the legal members appointed by the Crown - in a personal capacity. At this stage of the HRCourt case law, it was not required that a specific court for such complaints be created; it sufficed that the deciding body met the standards set by Article 6 ECHR for a tribunal. This is a result of the HRCourt's method of looking to the factual situation, regardless of the name given to an institution.

The following year, in the case of *Campbell and Fell*⁸⁸, the HRCourt laid down several principles for the examination of the independence of a deciding body, i.e. the manner in which the members are appointed, the duration of their term of

⁸⁶ Judgment 10 February 1983.

⁸⁷ *Le Compte, Van Leuven and De Meyre v. Belgium*, judgment 23 June 1981. The HRCourt was severely split in this case, with several dissenting opinions.

⁸⁸ *Campbell and Fell v. UK*, judgment of 4 May 1984.

office, the existence of guarantees against outside pressures, and whether the body presents an appearance of independence to the outside. This case concerned decisions by a Board of Visitors at a prison. It was considered acceptable that the board members were appointed by the Home Secretary and only for a couple of years, as well as there being no regulation with regard to their removal from office. However, on the test of appearances, the board failed, since the board also had functions such as supervising of the administration of the prison which necessarily associated it closely with the executive.

In 1986, a complaint by a couple named *Gillow* about housing restrictions on Guernsey was decided⁸⁹.

Due to lack of housing, potential residents could not expect housing permits, unless they had acquired employment considered to be useful under the law. The Gillows had resided on the strength of such a permit for a long period in a house owned by them, but had moved abroad. In accordance with the housing laws, they rented the house to tenants referred by the Guernsey authorities. After 18 years abroad, the husband retired and they moved back to England. The wife then applied for a permit for them to reside in their own house, which however was refused for lack of sufficient proof that Mrs. Gillow's employment was "essential to the community". The couple complained *inter alia* about the fact that the Royal Court had sat in almost the same composition in both Mrs. Gillow's civil appeal and Mr. Gillow's criminal appeal (before the appeals of Mrs Gillow were heard, he had been tried and convicted on charges of having occupied the premises in question without a licence).

Although the Royal Court had sat in the same composition when hearing all these appeals, this was not, according to the HRCourt, reasonably capable of giving rise to legitimate doubts as to its impartiality. Two individual members were however the same as had previously dealt with the Gillows. One had sat at criminal proceedings as a magistrate, the other was the president of the Housing authority. The HRCourt found that the former had only adjourned a hearing involving Mrs. Gillow *sine die*, and that the latter had actually not been involved at any stage in the applicants' case. It accordingly found no violation of Article 6 ECHR on the points raised in this respect.

⁸⁹ *Gillow v. UK*, judgment 23 October 1986.

A more recent case also related to Guernsey, *McGonnell v. UK*, was decided on 8 February 2000. The proceedings complained of concerned rights to build a residential house on land the complainant had bought on Guernsey. In the absence of a building permission, he had gone on to live in a shed on his property, which resulted in charges and conviction of changing the use of the land without permission. Mr McGonnell complained in particular about the fact that the Bailiff of Guernsey, who was the senior judge of the Royal Court, i.e. the appellate instance, had also been the President of the States Deliberation, which had adopted the development plan which excluded residential dwellings on the land in question, which was reserved for agricultural/horticultural purposes.

The HRCourt noted that its case law required that a tribunal be impartial both in a subjective and an objective sense. A tribunal must offer sufficient guarantees to exclude any legitimate doubt as to any prejudice or bias. The questions of independence and impartiality were normally closely linked and were therefore considered together. There was nothing in the ECHR to suggest that States were required to comply with any theoretical constitutional concept as such. The court was simply faced with the facts of the case; it had to decide that whether the Bailiff had the required appearance of independence or the required objective impartiality. The question was whether his non-judicial functions were compatible with Article 6 ECHR. He had in fact had personal involvement with the planning matters at the heart of the applicant's case; first in 1990 and subsequently in 1995. The HRCourt considered that any direct involvement in the passage of legislation was sufficient to cast doubt on the judicial impartiality of a person subsequently called on to determine a dispute over whether reasons existed to permit a variation from the wording of that legislation. There had thus been a violation of Article 6 ECHR.

This case follows in a long line of case law under which a judge may be disqualified for previous involvement with the case in another capacity. The facts may not prove any subjective partiality, but they are nonetheless in contravention of Article 6 ECHR if they give rise to reasonable doubt that the tribunal may not be impartial as a result of the involvement. Often the HRCourt has quoted the English maxim: "*Justice must not only be done, it must also be seen to be done*".

Appearances play a significant role when assessing impartiality. However, this conclusion was not self-evident from the outset of the HRCourt's practice, at least not with regard to the particular composition and procedure in Belgian courts, which have given rise to several complaints⁹⁰. The HRCourt did not accept that the procedure, in which a representative from the prosecutor's office took part in the deliberations of the court de cassation, necessarily made this court partial. Quoting the above maxim in *Delcourt v. Belgium*⁹¹, the HRCourt dismissed the applicant's complaint that this presence would make the court partial.

In *Borgers v. Belgium*, the HRCourt also dismissed a complaint directed to the impartiality issue. Instead the court considered that the Belgian practice raised an issue of inequality of arms, which was one feature within the wider concept of the right to a fair hearing; since one of the prosecutor's tasks was to recommend to the court whether the appeal should be allowed or not, an opinion to which the other party was not allowed to respond, the proceedings were not balanced. Moreover, this inequality was increased by the presence of the prosecutor during the court's deliberations. The HRCourt found a violation of Article 6 on this basis, but it was not unanimous; four judges dissented, and two issued a concurring opinion. Most of the dissenting judges wanted to stay with the *Delcourt* principles. A common reasoning among the dissenters seems to have been that the case law cited as a basis for 'reversing' *Delcourt* was actually only relevant with regard to impartiality, on which the HRCourt did not find any violation. The function of the prosecutor, procureur general, was one of an advisor to the court, not a party to the proceedings. It had a long standing in Belgian practice and had functioned well to harmonise the case law. He was completely unbiased and had to state his position in open court. Another dissenter could not find any convincing argument in the fact that the majority had referred to the evolution of the case law in reversing *Delcourt*. What the court had done was to use the argument of appearances, to which it however had referred in previous cases and yet arrived at the conclusion that no

⁹⁰ See e.g. *De Cubber v. Belgium*, 1984, and *Borgers v. Belgium*, 1991.

⁹¹ Judgment of 17 January 1970.

violation had occurred. Thus “appearances” was a stationary concept in the case law and could not form any basis for an evolutionary practice.

In the *de Haan* case, the issue was whether a judge - who presided over a tribunal called upon to decide on an objection against a decision for which he himself was responsible - made the tribunal partial⁹². The HRCourt found that the applicant’s fears that the tribunal would not be impartial were justified. In the absence of the possibility that a higher court had full jurisdiction, thus providing the guarantees of Article 6 (1) ECHR, the HRCourt found a violation.

One conclusion to be drawn from this judgment would be that *there is no right to have immediate access to an impartial tribunal*; it is obviously sufficient that in the hierarchy of competent organs there is at least one corresponding to the features required of a tribunal under the HRCourt case law. From the principle that exhaustion of all national remedies is a *sine qua non* for admissibility of a complaint in Strasbourg, this is a logical conclusion. However, it is not conducive to economy of procedure to require a party to appeal through all instances, where only the last instance offers a procedure in line with the conditions of Article 6 (1) ECHR.

Another aspect of the right to an independent and impartial tribunal is the *obligation of the state not to interfere with the due process of law* and the *exclusive prerogative of the judiciary to apply and interpret the law*.

The principle of separation of powers has given rise to a number of cases, e.g. the *Stran Greek Refineries* case:

The complaining enterprise had entered into an agreement with the Greek government during the Junta period regarding the construction of a large oil refinery, for which the government was going to be a joint investor. Later, after Greece had become a democracy, the new government, not wanting to abide by the contract, adopted a new law in spite of the fact that a lawsuit was pending before the Greek courts in which the company had requested damages from the

⁹² *De Haan v. Netherlands*, judgment 26 August 1997.

government. The aim of the adopted law was to avoid the state having to pay the requested damages. The HRCourt confirmed that the principle of the rule of law and the notion of fair trial enshrined in Article 6 ECHR precludes any interference by the legislature with the administration of justice designed to influence the judicial determination of a dispute⁹³. It concluded that the state had infringed the applicants' rights under Article 6 (1) ECHR by intervening in a manner which was decisive to ensure that the outcome of proceedings in which they had an interest was favourable to them. The applicant company was awarded damages in the sum of 116,273,442 drachmas, 16,054,165 US\$ and 614,627 French francs.

Miehsler and Vogler have addressed the concept of the *lawful judge*, a central requirement under German procedural law. In essence, for this requirement to be met, it must not be possible to assign a judge to a case in order to achieve a specific outcome, knowing the stated opinion on legal matters of that judge. Like Swedish courts, cases before the German courts are therefore assigned on a 'blind lottery' basis, having regard to the case load of each judge. *Miehsler and Vogler* observe that the question whether or not Article 6 ECHR governs the organisation of the courts in this respect had not yet been decided at the time the commentary was written⁹⁴. As seen above, the Strasbourg organs are careful not to seem to intrude upon matters which are for the states to decide, therefore the HRCourt has repeatedly stated that it cannot prescribe how a national system must be organised, it can only judge each case and conclude from the facts of that case whether a violation of Article 6 ECHR has occurred⁹⁵.

A more recent case, *Academy Trading Ltd et al. v. Greece*⁹⁶, may indicate a shift in the HRCourt's attitude to interpreting the ECHR in an expansive manner. It concerned the composition of the courts at different levels.

⁹³ *Stran Greek Refineries v. Greece*, judgment 21 November 1994. *Zielinski and Pradal et al. v. France*, judgment 28 October 1999, confirms this finding.

⁹⁴ Internationaler Kommentar zur Europäischen Menschenrechtskonvention, I. Lieferung - September 1986, p. 91 f.

⁹⁵ In Recommendation No. R (94) 12 regarding the independence, efficiency and role of judges, the Committee of Ministers of the Council of Europe has issued six principles for the promotion of the interests of a judiciary capable of ensuring the rule of law. Among these are Principle 1, point 2 e, on the proper distribution of cases, which recommends a system of drawing of lots or other automatic distribution of cases, in order to avoid influences from the parties or any other person concerned with the results of the case.

⁹⁶ Judgment of 4 April 2000.

The applicants complained about the partiality of the Court of Cassation, based on its composition and other circumstances. The case focused on a dispute between the applicants, who were guarantors to a loan of US \$ 14.8 million given by the Citibank to a shipping conglomerate GT. The applicants had sued Citibank, claiming that it had caused them to sell ships at below their insured value to a competitor to which Citibank had given a loan at generous terms, so that the former had been able to acquire the ships. Citibank had therefore acted contrary to business morality under the Greek Civil Code. On appeal, the Court of Appeal reversed the first instance's negative decision and granted the applicants' claim for damages. It considered the circumstances under which Citibank had first refused an extension of a credit, as a result of which GT went bankrupt, whereupon Citibank took over the management of the ships, sold them to a third party and then granted that party the same credit which it had refused to give GT, to prove that Citibank had indeed acted contrary to business morality. This judgment was appealed by Citibank to the Court of Cassation. The Fourth Chamber of the Court of Cassation hearing the case was composed of five judges. However, one of the judges retired and the president decided that the case had to be reheard in another composition. When eventually the new Fourth Chamber of the Court of Cassation reheard the case, one of the judges who had participated in the deliberations of the first Fourth Chamber was present, whereas the initial rapporteur had been replaced. This Chamber overturned the court of appeal judgment. The allegation of the applicants that the change of rapporteur had been made because the initial rapporteur would have proposed to uphold the court of appeal's decision was not accepted by the HRCourt, presumably because it could not find any indication that any of the judges of the Court of Cassation had been subjectively biased. It found neither that the confidence of the public had suffered as a result of the replacement of the rapporteur, nor that the fact that the daughters of two judges were working at the time for a Greek businessman who allegedly was a friend of Citibank's head provided grounds for calling into question the impartiality of the Fourth Chamber eventually handing down the decision.

Rather than underlining the need for justice to 'be seen to be done' by acknowledging any justification of the fear of the applicants, the HRCourt seems to have wanted to delimit the conditions of partiality, which is understandable, since this issue is very thorny, given that it is largely based on subjective impressions and the facts of each case may vary widely. It is difficult to draw any conclusion as to what was the deciding element for the HRCourt. Possibly it could not find any evidence in the reasons for the decision of the Court of Cassation backing the applicants' contentions. Otherwise this case is partly a parallel to the *McGonnell* case, in so far as it addressed allegations regarding the composition which included a 'judge' who had sat in a previous composition of the court, albeit that a decision by the court in this composition had not been issued.

5.3.3.2 *Disqualifying elements - impartiality and independence*

The starting point of the Strasbourg practice is that a judge is presumed impartial until otherwise proven⁹⁷. Likewise regarding independence, the presumption is that the tribunal in question meets the standards set by Article 6 ECHR in this respect. The conditions to be met are twofold; the subjective and objective impartiality of a judge must be ascertained.

A judge is not considered partial simply because he or she took part in pre-trial decisions, whether alone or together with other judges⁹⁸. However, circumstances may raise legitimate doubts about impartiality. The *Hauschildt* case was a complex case concerning charges of fraud and embezzlement. The proceedings lasted several years. In the meantime, Mr Hauschildt was detained on remand, and several pre-trial decisions were taken regarding extensions of the detention, the conditions for detention and material to be presented in evidence etc. Many of these decisions were taken by one particular judge, the same one who later presided over the proceedings at first instance. Pre-trial decisions had also been taken by a second instance; some of the appellate court judges involved in these decisions later also took part in the actual criminal proceedings against Mr Hauschildt.

In the *Hauschildt* case, the HRCourt found that it was not its task to review the relevant law and practice in abstracto, but to determine whether the manner in which they were applied to or affected Mr Hauschildt gave rise to a violation of Article 6 (1) ECHR. This is in line with its cautious approach, based on the margin of appreciation doctrine as well as on its established standard of avoiding a theoretical concept defining its outer borders. This in-casu approach makes it difficult to establish any common lines of reasoning. However, in the *Hauschildt* case, the sheer number of occasions of re-hearings of the question of detention brought the majority of judges to the conclusion that this particular judge could legitimately be doubted as to his impartiality. This conclusion seems to have been

⁹⁷ See e.g. the *Hauschildt v. Denmark* case.

⁹⁸ *Hauschildt v. Denmark*.

based in particular on the fact that one of the reasons for keeping the accused in custody was that there was specific reason to fear that if at large the suspect would commit a new offence of the same nature (Section 762 (2) of the Administration of Justice Act), which presupposed that the judge had a particularly confirmed suspicion that the suspect was guilty of the crimes being investigated⁹⁹. The majority of the HRCourt also referred to the number of occasions on which the judge had relied on this particular provision in arriving at the decision that the detention should continue.

A minority of three judges held that the application should have been rejected as inadmissible, since Mr Hauschildt never challenged the judge. He had thus not exhausted available domestic remedies. If the application was admissible, this minority disagreed on the merits of the case, holding that it was part of a judge's functions to take part in pre-trial proceedings and later to sit in judgment at the trial itself with an unbiased mind and that judges were trained and capable of doing so. They pointed out that the pre-trial hearings are summary and that the evidence and the manner in which it is presented differs from that in the trial itself.

Two further dissenting judges held that the trial judge is the person most familiar with the case and that he therefore is the best placed to decide on pre-trial measures. They found the quantitative argument not very convincing. In a case concerning economic activities of a complex nature it would naturally fall to the judge to make several interventions in the investigation, including taking decisions on the extension of the detention.

The conclusion of a violation seems indeed to have been based on a quantitative argument. The *Hauschildt* case therefore seems less apt to form a basis for forging any principle. The reasoning in that case is however very comprehensive and therefore useful to study.

⁹⁹ The HRCourt referred to this provision in para 51 of its reasons.

The *Langborger* case¹⁰⁰ addresses another aspect, that of members of the court having a professional interest in the outcome of the case. It concerned the Swedish Tenancy Court, which sat in a composition with two lay members from each of the organisations responsible for rent negotiations, one representing the interest of the house owners, the other representing the Swedish Tenants' Association. Mr Langborger complained that he was not free to negotiate his own rent, but had to abide by any agreement that these two organisations had reached. The HRCourt found that the composition of the Tenancy Court was lacking, since the four members could be legitimately feared to have interests contrary to his own in the very matter that was before the court.

This case may have to be read narrowly, in the light of other decisions where the HRCourt declined the existence of a legitimate fear, e.g. in the *Academy Trading case*. A claim that the change in composition of an appellate chamber showed that there was bias on behalf of the court was dismissed, mainly because the applicant had failed to show that the measure involved any illegality or amounted to a radical or unusual departure from the normal internal practice of the court.

A much earlier judgment, *Ettl v. Austria*¹⁰¹, denied any objective partiality of boards handling cases of land reform. The Provincial Board consisted of three judges and two civil servants, and the Supreme Board of three supreme court judges and five civil servants from the federal ministry. Even if the civil servants were in majority, the law assured the boards independence and prohibited public authorities from giving them any instructions. The participation of civil servants and experts served to assure a balanced decision. The five year appointment term, combined with virtual irremovability did not put their independence in doubt.

The principle to be won from these cases would be that *the presumption that the court is independent and its judges impartial is a strong one*. It seems not sufficient merely to point to concrete facts that may create a doubt, as in the *Academy Trading*

¹⁰⁰ *Langborger v. Sweden*, 1989.

¹⁰¹ From 1987.

case, even if appearances play a large part in the HRCourt's assessment, as in the *Hauschildt* case.

5.4 Principles safeguarding the judiciary

In 1994, the Committee of Ministers of the Council of Europe adopted Recommendation no 12 on the independence, efficiency and role of judges. Its preamble refers to Article 6 ECHR as well as to the United Nations Basic Principles on the Independence of the Judiciary as endorsed in 1985 by its General Assembly¹⁰². Both texts, in so far as they are valid for civil proceedings, are summarised below. They outline minimum requirements for courts of law in order for them to be considered to meet the prerequisites for a judiciary under Article 6 ECHR as well as under the corresponding UN agreements. Together with the statutes and rules of court of other international courts of law summarised in 3.4, they are used in this thesis as suitable standards for the assessment of the boards of appeal of the EPO as a judicial instance.

5.4.1 Recommendation (94) 12 on the independence, efficiency and role of judges, Council of Europe

Six principles are enumerated in this recommendation, which also includes an explanatory memorandum. The first principle addresses the obligation to guarantee the *independence of judges*, which requires in particular that it should be guaranteed by the constitution of a country or equivalent legislation. Elements in upholding this independence are that decisions of judges are not to be reviewed outside any appeal procedures as prescribed by law, that the terms of office and remuneration of judges must be guaranteed, that no other organ except the court itself decides its own competence, that the government or the administration may not take decisions to invalidate judicial decisions retroactively, except for amnesties, pardons and the

¹⁰² The text of these Principles as well as a Manual on guidelines for the independence of judges and the selection and training of judges and prosecutors were adopted at the Seventh UN Congress on the Prevention of Crime and the Treatment of Offenders, Milan, Italy, 26 August - 6 September 1985 (A/Conf.121/22). Although criminal proceedings were the focus of this congress, basic principles for the judiciary are equally valid for civil proceedings.

like. The executive and legislative powers are to ensure that the independence of judges is upheld and that steps are not taken which could endanger it.

The *professional career* of judges should be based on *objective criteria*; in particular the *authority taking decisions on selection and career* of judges should be independent of the government and the administration. Should judges be appointed by government, special rules are appropriate, such as the establishment of an independent body to give government advice which it also follows in practice. In the decision-making process, judges must be able to act without restrictions, influence, inducements and the like. The *distribution of cases* should follow in a manner so as to ensure that no party or other person concerned with the result may influence it. Distribution may be done by drawing of lots or a system of *automatic distribution*. A case may not be withdrawn from a judge without valid reason. Valid reasons and the procedure to be followed should be provided for by law. A decision to withdraw a case from a judge must be taken by an authority enjoying the same independent status as the judges themselves. Judges shall have *guaranteed tenure* until a mandatory retirement age or the expiry of their term of office. It is essential that the independence of judges is guaranteed when they are selected and throughout their professional career and that there is *no discrimination*. All decisions concerning the professional life of a judge should be based on objective criteria. No pressure of any kind must be exerted on the judge. Any reporting duty, e.g. to the president of a court on backlog cases, should not include any duty to report on the merits of the case.

The second principle, *the authority of judges*, requires that the persons connected to a case be subject to the authority of the judge and consequently that judges have sufficient powers and ability to exercise them in order to be able to carry out their duties and maintain their authority and the dignity of the court.

Third, judges require *proper working conditions*, i.e. the executive must ensure that there is a sufficient number of judges, that they are properly trained, including study visits and the like, that they are properly remunerated commensurate with the dignity of their office, that there is a career structure to recruit and retain able

judges, that there is adequate support staff and equipment, that non-judicial tasks are assigned to other persons and that steps are taken to ensure the safety of judges. It is necessary that judges are appointed in sufficient numbers. In the course of their careers, judges must receive training that keeps them abreast of important new developments, in legislation and case law, social trends and relevant studies on topical issues or problems.

Fourth, judges are to be guaranteed the *freedom of association* to safeguard their independence and protect their interests.

The two last principles are concerned with the *responsibilities of judges and failure to carry them out*. Judges have the duty to protect the rights and freedoms of all persons. They must have the power to exercise their judicial responsibilities to ensure that the law is properly applied and that cases are dealt with fairly, efficiently and speedily. This requires, inter alia, that the judge is able to act independently and impartially, that he ensures that every party is given a fair hearing and that the procedural rights of the parties are respected, that he steps down from a case where there are valid reasons, but only then. He should also be able to give clear and complete reasons for his judgments and he is obliged to undergo necessary training to carry out these duties in an efficient and proper manner.

Failure to carry out their duties may require disciplinary measures against judges (sixth and final principle). However, these must be taken so as not to prejudice judicial independence. Accepted measures may include withdrawal of the case, moving the judge to other tasks within the court, reduction of salary for a temporary period and suspension. Appointed judges may not be permanently removed from office without valid reason until mandatory retirement. Reasons must be defined in precise terms in law; they may relate to incapacity to perform judicial functions, to the commission of criminal acts or serious infringement of disciplinary rules. Should such measures become necessary, a special body, unless the court itself deals with the matter, should take decisions; this body should be controlled by a

superior judicial organ. Finally the judge must be accorded due process, e.g. have the right to answer any charges.

The recommendation covers criminal as well as civil cases, and lay judges as well as professional judges¹⁰³.

*5.4.2 United Nations Basic Principles on the Independence of the Judiciary
- The Manual on Judges with Guidelines for the selection, training,
conduct and career of judges*

The Basic Principles adopted at the 7th United Nations Congress are six in number, as are those of the Council of Europe Recommendation (94) 12, but they are slightly differently categorised, relating to 1) *independence*, 2) *freedom of expression and association*, 3) *qualifications, selection and training*, 4) *conditions of service and tenure*, 5) *professional secrecy and immunity*, and 6) *discipline, suspension and removal*.

The first principle addresses the obligation of the judiciary to decide matters before them *impartially*, which means that it must have jurisdiction over all issues of a judicial nature and exclusive authority to decide its own competence. There shall be no inappropriate or unwarranted interference with the judicial process, nor shall decisions by courts be subject to revision, except for judicial review or mitigation by competent authorities, in accordance with the law. Tribunals may not be created which do not use the established legal procedures. The independence of the judiciary entitles and requires the judiciary to ensure that judicial proceedings are conducted fairly and that the rights of the parties are respected.

Second, judges are *free to exercise* their freedom of expression, belief, association or assembly; they shall however always conduct themselves in a manner so as to preserve the dignity of their office and the impartiality and independence of the judiciary. They are also free to form and join associations of judges or other

¹⁰³ Explanatory memorandum, para 11.

organisations to represent their interests, to promote their professional training and to protect their judicial independence.

Third, any method of *recruitment to the judiciary* shall safeguard against appointments for improper motives. Persons selected for judicial office shall be individuals of integrity and ability with appropriate training or qualifications in law. There shall be no discrimination against a person, except for the requirement that candidates must be of a certain nationality.

Fourth, the *term of office* of judges, their *independence, security, adequate remuneration, conditions of service, pensions and the age of retirement* shall be *adequately secured by law*. Judges shall have guaranteed tenure until a mandatory retirement age or expiry of their term of office.

Fifth, they shall be bound to *professional secrecy* with regard to deliberations and confidential information acquired in the course of their duties other than in public proceedings, and shall not be compelled to testify on such matters. Judges should enjoy *personal immunity* from civil suits for monetary damages for improper acts of omission in the exercise of their judicial functions, without prejudice to any disciplinary procedure or right of appeal or compensation from the state.

Finally, there shall be an appropriate procedure for *disciplining judges*, which shall be expeditious and fair. The procedure shall be kept confidential, unless otherwise requested by the judge. Suspension or removal shall only be possible for reasons of incapacity or behaviour that renders the judge unfit to discharge his duties. The proceedings must be determined in accordance with established standards of judicial conduct. Any decision in such proceedings must be subject to independent judicial review.

In the discussions at the 7th United Nations Congress preceding the adoption of these Basic Principles, some delegations had expressed a preference for adopting guidelines elaborated by the Committee on Crime Prevention, whereas the majority preferred the basic principles, referring to the complexity of the matter.

Nevertheless, a manual containing the offered Guidelines was attached to the Report.

The above Guidelines are collected under *eleven different headings*, starting with the objectives and functions of the judiciary and continuing with its independence, organisation, qualifications, selection and training, posting, promotion and transfer, tenure, immunities and privileges, disqualifications, discipline and removal, court administration, and miscellaneous matters. The Guidelines express the same concern for proper guarantees to be afforded the judiciary in more detail than the Basic Principles. Its preamble reveals the aims of the guidelines, i.e. to uphold the principles of equality before the law and the right to a fair and public hearing, which necessitates that the principles be translated into pragmatic recommendations for day-to-day application. Realising that of the various components of a system of justice *"judges stand at the apex with ultimate power over freedom, rights, duties and property of citizens"*¹⁰⁴, the preamble states it to be appropriate first to give consideration to the situation of judges in relation to the justice system; for these reasons the guidelines are to be adopted with respect to the selection, training, conduct and career of judges, "in light of the objectives and functions of the judiciary and of the independence which must underpin all its activities."

¹⁰⁴ Item no. 8 of the Preamble of the Manual on Guidelines for the Independence of Judges and the Selection and Training of Judges and Prosecutors. This corresponds closely to item no. 7 of the preamble to the Basic Principles: "judges are charged with the ultimate decision over life, freedoms, rights, duties and property of citizens."

CHAPTER 6 THE BOARDS OF APPEAL AS AN INTERNATIONAL TRIBUNAL

6.1 Introduction

Based on the organisation of international tribunals and the necessary safeguards for the judiciary discussed in chapter 5, the present chapter studies the Boards of Appeal in the same respects. Thus their organisation is addressed in 6.2, the status of their members in 6.3, the scope for review of appeal cases in 6.4, human rights aspects of disciplinary case in 6.5, independence in 6.6, impartiality in 6.7, the concept of a tribunal established by law in 6.8 and the Boards of Appeal as the sole judicial instance of the EPO in 6.9.

6.2 Organisation of the Boards of Appeal

6.2.1 General

Provisions concerning the organisation of the BAs are given in the EPC itself, its Implementing Regulations (IR) and in the Service Regulations to the EPC (SR), the latter laying down general provisions on employment matters, including obligations on all permanent staff.

In the EPC itself, there are specific provisions with regard to the competence of the BAs and the EBA, the independence of the members, exclusions and objections concerning individual members and the adoption by the respective boards of rules of procedure, which are to be approved by the Administrative Council¹. The IR contain provisions on allocation of duties to the BAs and designation of their members as well as the procedure for adoption of the rules of procedure.

6.2.2 The Presidium - distribution of members

According to Rule 10 EPC, the Presidium adopts the Business Distribution Plans (BDS), which are published each year. The Presidium consists of the Vice-President

¹ Articles 21 to 24 EPC.

of the department to which the boards belong, the Directorate-General 3 of the EPO, chairmen of the boards and elected members. Although Rule 10 EPC previously also named the President of the EPO as part of the Presidium, for reasons of strengthening the independence of the boards as the second and last instance of the EPO, the President generally abstained from taking part in its meetings².

There are no procedures to be followed or criteria laid down for the distribution of members or rotation, except for the allocation of technical classifications which governs the distribution of technically qualified members. The chairman of the LBA makes a proposal in cooperation with the vice-president, which is then presented to the Presidium for adoption.

There is a need for experienced lawyers on newly established boards. Because of the rapid growth of BAs, new boards have constantly been created over the last decade, and the legally qualified members will thus have to expect to be moved quite frequently and at irregular intervals, unlike the technically qualified members who, as noted above, are allocated duties according to their own field of expertise and therefore normally work within only one board during their tenure in the BAs³. Together with the language skill factor, which plays a role in the distribution of the lawyers to even out lingual imbalances due to the distribution of technically qualified members, this situation excludes any foreseeable manner of rotation for the legally qualified members⁴. As a result, their ability to serve as a harmonising factor is correspondingly diminished.

Rule 10 (3) EPC prescribes that the rules of procedure for the boards, RPBA, shall be adopted by the Presidium, whereas the corresponding rules for the EBA, RPEBA,

² Rule 10 EPC was amended with effect from 2 January 2002. The new Rule prescribes that the Vice-President DG 3 chairs the presidium, which otherwise is composed of twelve members, six chairmen and six other members, elected by the members of the boards of appeal for one year. For the item of adopting the distribution plan, all chairmen are members of the Presidium, Rule 10 (4) EPC.

³ The number of TBAs grew threefold from six at the beginning of 1990 to 18 at the beginning of 2000. In March 2003 there were 20 Boards, excluding the DBA. These numbers reflect the overall increase in applications filed at the EPO.

⁴ The language criterion is suggested in Article 2 (2) of the distribution scheme for the LBA as published in Supplement to OJ No. 1 2002, p. 6 f., and for the TBAs in Article 3 (1), *idem*, p. 14. There is no express language distribution provision for the lawyers for the allocation to specific boards.

are adopted by this board itself, in accordance with Rule 11 (2) EPC. Both will have to be confirmed by the Administrative Council.

6.2.3 *The Enlarged Board of Appeal - EBA*

The role of the EBA and its organisation is different from the one of a plenary court, such as they are organised under the ECHR or the Statutes of the CJEC or the ICJ. First and foremost, the EBA does not decide any appeals on their merits, but decides or issues opinions on referrals of questions of law from the boards themselves or from the president of the EPO⁵. Secondly, the members of the EBA are taken from the members of the Boards of Appeal. It is therefore neither a plenary court nor a separate court composed of judges who are not themselves members of the appellate instance. The EBA is not a third instance above the BAs⁶, but a board alongside the others, albeit with a different competence and composition for the harmonisation of BA case law on legal issues. In taking decisions, the EBA consists of two technically qualified members and five legally qualified members, one of whom - currently the vice-president of DG3 - is its chairman. Formally, only the board referring a question is bound by the decision of the EBA.

Unlike all three of the courts of comparison, there is no basic rule governing the representation of member states within the EBA. This may be a result of the general prohibition against taking orders from national governments and others laid down in the Service Regulations⁷, in an attempt at neutralising unacceptable influences from national interests.

⁵ See Article 112 EPC for details.

⁶ *Singer/Stauder*, Europäisches Patentübereinkommen, 2. Auflage 2000, Artikel 112, p. 597, at 4. *Paterson* states that the EBA "provides the highest hierarchical level of judicial authority within the EPO", but limits himself immediately to remarking that the EBA is not third instance, p. 211, at 4-175-4-180. Since there cannot be any higher judicial level than the boards as the only judicial instance, the EBA is a board among others, particularly in view of the fact that at present (February 2003) the parties cannot bring their case before the EBA. In 6.9.2 the proposed revision procedure is discussed, which could lead to another conclusion. However, as long as the EBA cannot qualify as a court under the conditions set by the HRCourt, see 4.6 and 5.3.2, the effect of the revision procedure, even if entering into force in future, still cannot make the EBA into a higher court instance or an organ "at the highest judicial level".

⁷ Article 14 SR. A permanent employee shall not seek or take instructions from any government, authority, organisation or person outside the organisation, and may not accept any honour or other decoration or favour, gift or payment of any kind from anybody outside the organisation.

In the beginning of its existence, all legally qualified members of the BAs were also members of the EBA. This system was however changed after criticism that too many members could mean that the members sitting on the EBA would not gain enough experience⁸. As a result, from the beginning of the 90's the number was restricted. Under the distribution plan and the rules of procedure there are two groups, permanent members and other members, of which the permanent members regularly take part in cases referred to the EBA. There is further a rule to prevent a narrow representation of legal cultures; not more than two members sitting on the same case may be of the same nationality. However, this provision does not exclude that only four nationalities may be represented on the EBA in a given case. In spite of the fears expressed regarding too many members on the EBA, a practice was introduced in the nineties of appointing national judges as ad hoc members on the basis of Article 160 (2) EPC⁹, a provision that was originally intended to bridge over gaps in the early years of the EPO's existence until there would be enough cases in the BAs to support a permanent appellate instance.

Over the years, the possibility of members of the referring board to be members of the EBA in the referred case has changed considerably, in spite of the fact that the rules of procedure have remained unchanged. The changes are reflected in the distribution plan, adopted at the beginning of each calendar year. In the distribution plan valid for 1991, for example, Article 2 (4) prescribed that any member involved in a case referred to the EBA or in a decision which was the subject of a referral was to be replaced by an alternate member. For the year 1992, this strict rule of exclusion was eased so as to make it possible, but not obligatory, for the chairman of the EBA to replace such a member with an alternate EBA member after consulting the EBA members¹⁰.

Article 1 (2) of the Rules of Procedure of the Enlarged Board of Appeal (RPEBA) prescribes that at least four of the members of the EBA may not have taken part in the proceedings before the board of appeal referring the point of law. Together with

⁸ From the start of its existence to the end of 2002, the EBA had issued 68 decisions and opinions.

⁹ Starting in 1993, OJ EPO 1993, 65, two national judges were appointed as substitute EBA members.

¹⁰ The latter rule still applied for the year 2002, except for a clarification of which members to be consulted, which are defined as the permanent EBA members.

Article 2(4) of the distribution plan, this system theoretically enables the entire three member board taking the referral decision to take part in the EBA decision.

*6.3 Status of the members of the Boards of Appeal*¹¹

6.3.1 Introduction

There are no provisions on precedence or seniority among members, nor on the equal standing of members. As a rule, for the purposes of the distribution plan, the eldest technically qualified member of a technical board is appointed deputy for the chairman¹². Technically qualified members are routinely appointed as rapporteurs, even in cases where legal questions prevail. A second rapporteur may be appointed in these cases, which normally means that the legally qualified rapporteur will prepare and propose a decision on the purely legal questions in the case. For the disciplinary board, the Vice-President DG 3, who is also the chairman of this board, designates any member to deputise for him.

The evaluation of the status afforded under the relevant provisions in the EPO, its IR and Rules of Procedure for the BAs, as well as in the respective distribution plans follows the structure used in Recommendation (94) 12 and the corresponding United Nations corresponding on the independence of the judiciary. As the independence of the judiciary does not emerge from a provision such as Article 23 EPO proclaiming that members are independent, but rather is a function of concrete safeguards in practice, the elements which together form the total of safeguarding measures were used instead as categories. Within each element, the law applicable to the BAs was compared with the corresponding law applicable to the three international courts as summarised in chapter 3. This follows an imaginary temporal axis, from qualification, selection and training via powers to disciplinary measures or retirement.

¹¹ This part applies mainly to the technical boards.

¹² There is no written rule requiring this however, and in a few boards, a legally qualified lawyer is appointed deputy, see the distribution plan for 2003, Supplement to OJ No ¼003. As from 1 May 2003, a further member may be designated for the monitoring of the case, Article 3a RPBA.

6.3.2 Qualifications - Selection - Training

There are no general provisions about the required qualifications for a post on the BAs. Each vacancy note contains a job description, but the qualifications required there are not always upheld¹³. A board in a given case normally consists of three members, two of whom are technically qualified and one legally qualified¹⁴. Most technically qualified members are recruited from the first instance, whereas the lawyers mostly have national experience, being former judges or having held posts relating to patent law or having been patent attorneys with legal qualifications. Some legally qualified members have experience from the Legal Division (DG 5) of the EPC.

Members selected to the BAs do not have to be qualified as judges. Most vacancy notes¹⁵ address the desirability of such a qualification, but this can and has been waived in practice. In comparison to the selection of members to the HRCourt, the CJEC and the ICJ, differences in function must be considered, which do not enable a full comparison. These courts require by nature of their respective functions that the member states are equally represented on the court.

Having regard to the qualifications required, the EPO provisions do not seem to be completely satisfactory, since no court qualification or experience is required in practice, although considered desirable. Instead, stress is laid upon patent law experience. However, training of new members in matters essential for courts of law could make up for such deficiencies. New members, whether recruited internally or externally, are given introductory courses, wherein inter alia the special obligations on members are addressed.

¹³ So, for example, was the position as a judge prescribed for the post as vice-president of the DG3 in the vacancy note of 1996. The Administrative Council, however, waived that requirement in its final choice of candidate.

¹⁴ See Article 21 (3) (a) EPC. An extended BA is composed of three technically qualified members and two legally qualified members.

¹⁵ The vacancy notes are published inter alia in the Official Journal of the EPO (*OJ*), see e.g. no 12, 1995, where the post as Vice-President DG3 was announced, or *OJ* no 12 of 1998, announcing posts as legally qualified members.

The Service Regulations (SR) for permanent employees of the EPC lay down a procedure for recruitment which is, *mutatis mutandis*, followed for the recruitment to the BAs¹⁶. Special conditions for employment are valid for recruitment as members to the BAs, which may call for a different procedure¹⁷. Selection boards are created *ad hoc* for each post, consisting of technically qualified members for the technical field in question, and of technically as well as legally qualified members in cases of recruitment of lawyers. The Vice-President DG3 and the chairman of the LBA, as well as a representative of the personnel department, DG 4, are as a rule members of the selection boards¹⁸. Appointments are made by the Administrative Council, on proposal from the President, who generally follows the recommendation of the selection board (Article 11 (3) EPO). The Vice-President proposes members to the EBA to the President. There is no consultation of any selection board in these cases; the discussions, if any, are held within the EBA itself or the special authority named in Rule 10 EPO, the Presidium, for example with regard to which member should fill a vacancy as permanent member of the EBA.

Each member is appointed for a renewable term of five years. At the start of a member's service in the BAs, he or she must take an oath, Article 15 (1) SR. Members, like any other EPC employee (except the President who has the immunity and privileges afforded diplomatic agents), are afforded immunity from jurisdiction in respect of acts, including words written and spoken, done in the exercise of their functions, enjoy inviolability for all their official papers and documents; they and their immediate families are exempt from immigration and other restrictions regarding travel¹⁹.

Obligations vis-à-vis the EPC are listed in Title II, Chapter 1, Articles 14 - 24 SR, which include a reference to incompatible activities for permanent employees in general, Article 16 SR. Special provisions for members of the BAs are found in Articles 15 and 20 (2) SR. The latter exempts members from having to get permission

¹⁶ Chapter 3, Articles 5-11, SR.

¹⁷ Article 7 (1), first paragraph, SR

¹⁸ Annex II, Competitions, Article 1, Senior employees may be recruited by another procedure than by competition, Article 7 (1) second paragraph, SR. This covers recruitment to the Boards of Appeal.

¹⁹ Article 14, Protocol on privileges and immunities of the EPO.

from the EPC in order to publish themselves in matters dealing with the work of the office, as other permanent employees are bound to have; a member can only be refused to publish himself with the agreement of the Presidium. In addition to the obligations on members laid down by the EPO, the IR and the SR, the members themselves have adopted a Code of Conduct, approved by the Administrative Council, addressing activities outside the tasks of the BAs as the appellate instance of the EPC²⁰.

In addition, the code of conduct adopted by the members themselves addresses essential points with regard to outside activities. In comparison to the strict prevention of any outside activity applicable for judges of the ICJ, the members of the BAs are less restricted. Their situation may however be equated with that of the judges of the HRCourt, who may engage in activities which are considered compatible with their functions as judges. The difference between these two lies in the procedure by which conflicts are resolved. Within the HRCourt such matters are decided by the court, i.e. in plenary session, whereas a BA member can be prevented from publishing himself by way of a decision by the Presidium, and in other matters is equally subject to disciplinary procedures foreseen for permanent staff as a whole. The requirement that the entire judgeship decide such matters would lessen the risk of a minority taking a decision for irrelevant reasons.

Taken as a whole, the status of members of the BAs is deemed as satisfactory from the point of view of qualification. The selection process, being laid down in some detail and the institution of selection boards should prevent appointments for irrelevant reasons or discrimination, even if some doubt may be voiced with regard to possible influence by the executive through the hierarchical structure of the EPC and the status of the Vice President as subordinate to the President of the EPC.

As for the training of judges, an objective comparative study is impossible for lack of comparative data. New members are given introductory courses of about one week. Subsequently, each member is entitled to one travel mission within a three-year

²⁰ The Code of Conduct is published in the so-called EPO Codex, which contains the SR, Conditions for contract and auxiliary staff, Basic Guidelines, the Pension Scheme, Internal tax and insurance contracts, Agreements on privileges and immunities and other legal texts related to personnel matters.

period, which is usually spent on visits to industry for information about technical developments. Chairmen are entitled to one such mission per year. Additionally, talks on topics of relevance are organised at infrequent intervals. No general discussions are held among the members on legal practice or procedural problems, nor on how to approach them in a concerted manner.

6.3.3 Authority - Organisation - Powers

There seems to be no significant difference between the courts of comparison and the BAs when it comes to the guarantee of immunity and adequate remuneration, except possibly one of degree. The immunity of BA members²¹ is similarly defined in comparison to that of the judges of the HRCourt, which affords such immunity which is necessary for the persons in question to carry out their functions²². Of those compared, only the judges of the ICJ have express diplomatic immunity²³. Remuneration for members of the BAs follows tables laid down for all EPC personnel, all members are in grade A 5, the third highest grade of the office, only principal directors and chairmen of BAs, A 6, and Vice-Presidents, A 7, are graded higher²⁴. One somewhat critical comment may be that the grade level for members does not reflect their responsibilities seen in context of other managerial posts in the EPC, in other words, they are categorised at the same level as directors (managers) of Directorate-General 2, which may not be adequate for a quasi court of law.

In contrast, the organisation of the BAs may seem lacking in a number of respects. Apart from the presidium, which adopts rules of procedure for the BAs and the EBA²⁵ and the distribution plans, members as a rule have no influence on the organisation.

²¹ Article 14, Protocol on privileges and immunities for the EPO, prescribes that employees "shall, even after their service has terminated, have immunity from jurisdiction in respect of acts, including words written and spoken, done in the exercise of their function". There is however no special immunity for members of the BAs.

²² Article 40 of the Statute of the Council of Europe.

²³ According to *Bekker*, the immunity afforded under the EPC Protocol on privileges and immunities provides a good example to be followed. However, this is said only in relation to the immunity of the organisation as such, and does not seem to have taken individual immunities into account.

²⁴ It goes without saying that the President of the EPO is not remunerated in accordance with any table.

²⁵ See Rule 10 EPC, which is based on Article 23 (4) EPC. These Rules, RPBA and RPEBA, contain provisions on preparations for oral proceedings, procedure in cases of objections against an appointed member etc.

Instead, much of the administration is agreed on and implemented with the agreement of a group not “provided for by law”, e.g. groups organised by the V-P whose membership is closed. This practice does not conform to corresponding practices in the other three courts. The HRCourt, for example, meets in plenary sessions to elect president and vice-presidents, to set up chambers and adopt rules of procedure. Even allowing for the high number of BA members, currently slightly over 120²⁶, the principle of equality of judges requires that each judge be afforded the possibility to take part in assemblies for the organisation of the BAs²⁷. It should be noted, however, that most members will have the opportunity to comment on proposals for amended or new rules of procedure, either through their membership in committees or as members of the Legal Board of Appeal or the Enlarged Board of Appeal.

Another practice deviating from the requirements set down for the courts of comparison concerns the distribution plans, which are adopted by the Presidium, but for which there are no criteria in writing, except for a general reference to technical and language requirements in Article 3 (1) of the BDS for the TBAs²⁸. There are no written criteria for the legally qualified members, neither regarding their term on one board, nor regarding the manner in which or the frequency by which they should rotate. This may be compared to the importance attached to the organisation of judges under e.g. German law, which requires strict criteria, based on the principle that there must be no reason to suspect that a judge has been appointed for any other than relevant reasons in a foreseeable manner²⁹.

The above and unwritten rules have resulted in a system where each lawyer serves on more than one technical board (a maximum of two boards per lawyer is attempted) and where there may be as many as three lawyers on every board at any given time. This result seems to be in conflict with another function of the lawyers (also according to unwritten rules), namely to safeguard the harmonisation of legal

²⁶ In September 2002.

²⁷ As a measure of comparison, the German Court Constitution, *Gerichtsverfassungsgesetz*, provides for a presidium to take decisions on organisation of the court. The presidium shall consist of 10 judges, if there are 80 or more judges in the court, § 21 a) GVG.

²⁸ Supplement to OJ No 1, 2003, p.15.

²⁹ Cf. 5.3.3.1 and the reference to *Miehler/Vogler*, at footnote 89.

practice. The system risks the criticism that the boards do not constitute one court, but rather act as separate courts unto themselves, a situation which is further cemented by the fact that the technically qualified members do not rotate, except where new boards are created to which “their” technical fields of expertise are transferred.

It should however also be noted that for the assessment of purely technical questions, no high correspondence can be expected and is also not required, as both the technical questions to be answered and the technical tools used to resolve them may vary widely depending on the specific technical field to which the invention belongs. But for the development of tools for a harmonised application of technical prerequisites - novelty and inventive step above all - it is still necessary, as seen from the abundant case law on such issues, that boards keep their case law consistent, regardless of technical fields. The foreseeability of in which way the boards resolve such questions may systematically be seen as a procedural problem, i.e. part of the due process requirement. To this end, the legally qualified members could contribute by their experience from different boards in such harmonising efforts. By the strong growth in the number of boards, however, this function is less likely to succeed.

The distribution plans for the TBAs (DBS)³⁰ do not contain any provisions on the criteria by which cases shall be assigned to one or other legally qualified member. A few chairmen have introduced an automatic scheme, in the sense of Recommendation (94) 12, to obviate the risk of any undue influence, leaving it to the registrar to assign members in accordance with for example percentage criteria³¹. An automatic scheme is always preferable, from the point of view of the obligation to

³⁰ The result of the plans with regard to the distribution of members and rules relating to allocation of duties and designation of members is published in the beginning of each year in the OJ EPO. The plan concerning the distribution of legally qualified members is not published.

³¹ Cf. Third proposal for a European Patent Litigation Protocol (EPLP), in which it was stressed that assignments must be made so as to exclude any discretion, see doc. WPL/SUB 20/01, Comments to Article 97 EPLP, p. 49 f. A possible schedule for such an automatic assignment is enclosed as Annex IV to that document, and proposes that the chairman is chosen from a list of all judges according to an alphabetic order, who has a language knowledge suitable for the case at hand and does not have the same nationality as the rapporteur.

transparency and the ability of the parties to understand the criteria underlying this or that member having been moved to another board or assigned to a case³².

Normally, the senior technically qualified member of a board will deputise for the chairman, which is noted in the distribution plan. This is however not laid down by legislation. It may also be noteworthy that this unwritten rule is not applied for the Disciplinary Board of Appeal, for which the chairman decides who will deputise without consulting its members³³.

The EBA has a more transparent composition; it is assigned permanent and alternate members and external members rotate in alphabetic order according to the Administrative Council listing of the Contracting States³⁴.

Compared to the strict system for assigning members valid for the courts of comparison, the above structure does not seem to be in keeping with the obligation to uphold the independence of the judiciary, nor to contribute to retaining able judges. It needs reinforcement in the line of the CJEC and the ICJ, both of whom guarantee that judges take precedence in order of their length of service³⁵ (without creating any hierarchy among them). This will affect rotation, but in a transparent manner, so that parties are ensured that judges are not appointed for any other than neutral reasons and in the interest of the efficient organisation of the court.

³² The automatic lottery system advocated by the Council of Europe in Recommendation (94) 12 should not be understood as a system of pure chance, which could lead to an uneven workload. Instead, a lottery system for assignment of members is an orderly system of assigning each new case to the judge having the lowest number of cases or in accordance with percentages. Should imbalances still occur due to unequal complexity of cases, an auxiliary rule should provide that the affected judge is taken out of the lottery roster for a certain time period or a certain number of cases.

³³ According to Article 1 of the Rules of Procedure of the DBA, the distribution plan is drawn up entirely by its chairman. Traditionally, the V-P DG3 is appointed chairman of the DBA. The latest version of these rules is published in the booklet Ancillary Regulations to the EPO, 2000, issued by the EPC.

³⁴ Article 3 (1) BDS for the EBA, Notice concerning the composition of the EBA and the BAs for the 2003 working year, Supplement to the OJ ¼003, p. 4. Likewise, the LBA has two groups of members, permanent and alternate. A further criterion for designation is individual workload, a result of the fact that lawyers are assigned to TBAs as well. The deputy is named in Article 3 (1) BDS for the LBA, see p. 7 of the Supplement.

³⁵ See 5.2.2.2 and 5.2.2.3.

Also, career possibilities are not ideal, since vice-presidents serve the interests of the EPC as an international organisation, i.e. working within the executive branch, and the remaining posts as chairmen largely are predestined for technically qualified members³⁶. There is no separate post as deputy chairmen foreseen in the EPC professional employee hierarchy.

A basic problem with regard to the upholding of the integrity of the members of the BAs and thus to the protection of their independence, lies in the practice of the last decade of appointing the Vice-President to be the chairman of the EBA as well³⁷, which creates an unclear situation entailing risks of undue influence from the executive. The Vice-President is the highest manager of the boards administratively, whereby he is answerable to the President of the EPC under Article 10 (3) EPO. In cases of conflicting interests he has to carry out the instructions of the President. Thus, there may be doubts as to the integrity and independent authority of EBA decisions.

The fact that the Vice-President is not independent from the executive may also influence decisions to be taken by the Presidium for the other BAs, such as the Distribution Scheme, which may ultimately have an undue influence on the workings of these boards. At least it must be noted that this system is not in line with the corresponding systems of the three courts of comparison and that therefore their standards are not met³⁸. One remedy against this deficiency would be to adopt detailed provisions to safeguard against any undue influence from the executive with regard to the inner organisation and workings of the BAs, for example provisions releasing the Vice-President from his position in the managerial hierarchy of the EPC, provisions on criteria for the rotation of members and assignment of cases, and a system ensuring the participation of every individual member in the decision process

³⁶ Currently, four legally qualified members are chairmen, three for technical boards and one for the Legal Board (disregarding for a moment the Enlarged Board of Appeal, since it does not decide any appeals, see 5.3.2).

³⁷ The same problems connected to the chairmanship of the EBA arise also with regard to the DBA, for which the V-P of DG3 also is appointed chairman.

³⁸ It should however be noted that the ECHR court has found collegiate bodies consisting of judges as well as civil servants in expert capacity as satisfying Article 6 ECHR with regard to independence, even where the civil servants constituted a majority of the tribunal, see e.g. *Etl and others v. Austria*, judgment of 24 March 1987, paras 38 - 40, provided that they are afforded the necessary independence by law.

affecting the internal organisation and the rules of procedure for the boards, using the powers of the plenary court of the HRCourt, the CJEC and the ICJ as a model.

Due to the need for authority of decisions, provisions for the HRCourt, the CJEC and the ICJ give judges powers to hear witnesses under oath, to discipline parties or witnesses and experts, and to take all other decisions necessary to carry out their duties to ensure a fair trial. The BAs are more restricted in this respect, as is the first instance of the EPC³⁹.

According to the first draft of Article 117 EPO (then Article 153, paragraphs 3 to 6), the BAs were empowered to hear witnesses and experts under oath and even had the right to impose a fine for a witness who failed to appear or refused to testify. Each member state had to treat an instance of perjury before the EPC as committed before their own courts of law. Parties, witnesses and experts could be heard by their own competent court⁴⁰. In 1971, however, in a meeting in Brussels, a working group took a majority decision to delete the provision concerning oaths to be taken before the EPC. Instead a provision was inserted which empowered the EPC to refer the matter to the national courts, whereby the powers to require an oath and issuing fines for refusal to testify were made redundant⁴¹. This result deviates from the standards set in Recommendation (94) 12⁴². As far as could be established, no such referral has yet been made on the order of an EPC organ. One example has been found in which a witness made use of his right to be heard before a court in his country of residence, under Article 117 (4) EPO⁴³.

³⁹ The organisation of the taking of oral evidence may be seen as part of the procedure. But to the extent that a judge does not possess the necessary tools to exercise powers which are seen as a normal part of his duties as a judge, this problem is also one bearing on the classification of an organisation as a court and therefore falls within the scope of the present chapter as well as under chapter 8.

⁴⁰ Erster Arbeitsentwurf eines Abkommens über ein europäisches Patentrecht, Artikel 151 bis 170, Bonn, 15 November 1961.

⁴¹ BR/144/d/71 K/Gs, p. 30 ff. See also the criticism of Rau, in Mitt. 2000, 223 f., Defizite des Beweisrechts des EPÜ - die Straflosigkeit falscher eidesstattlicher Versicherungen vor dem EPA, discussed in 8.4.3.

⁴² See for example the second principle on the authority of judges.

⁴³ T 582/90.

There are no sanctions by which the BAs can discipline parties or others appearing before them. However, due to the nature of patent procedure, emotions rarely run high and cases of disciplinary problems are equally rare. If a representative oversteps the boundaries of decency, the Regulation on discipline for professional representatives⁴⁴ offers the possibility of reporting him or her to the Disciplinary Committee of the Institute of Professional Representatives (epi) under the system laid down by the Regulation. The Disciplinary Board of Appeal shall as the appellate and last instance decide the matter. These cases are rare⁴⁵.

The SR recognise the right of all staff to form associations, but there are no specific rules taking account of the particular position of members of the BAs⁴⁶. The SR furthermore contain rules about the obligations of permanent staff, which are applicable both to employees subject to instructions from the president and the members of the BAs⁴⁷. The particular position of the members was not considered for the purposes of the SR, except in two respects: 1) the members are to give a solemn undertaking before taking up their duties, corresponding to an oath at the national level, with regard to their acts as members⁴⁸ and 2) members cannot be prevented from publishing a work, except by a decision of the Presidium⁴⁹.

6.3.4 Responsibility - Discipline - Removal

With regard to the responsibility of judges, it would seem that the obligations under Article 23 (3) EPO to apply only the convention and to disregard instructions meet the standards of the courts of comparison. However, there are no provisions

⁴⁴Published in Ancillary Regulations to the EPC, 2001, p. 182 ff.

⁴⁵Of the nine cases applying the RDR mentioned in 'Case law', 2001, one case concerned the level of proof required, *D 5/86*, and four cases addressed the status of the person originally reporting the defendant (no right of appeal), *D 15/95*, *D 1/98*, *D 28/97* and *D 24/99*. Of the remain five cases, *D 20/99* and *D 16/95* concerned the scope of application of the RDR. *D 11/91*, quoted in chapter 1 and discussed in 6.5, concerned inter alia the impact of the ECHR on the length of a penalty to be imposed on the defendant. Case *D 12/88* was made obsolete through a new regulation allowing attorneys to advertise their services.

⁴⁶Article 30 SR prescribes that permanent staff shall enjoy freedom of association and recognises trade unions or staff associations of European civil servants.

⁴⁷Mainly laid down in Articles 14 and 16 - 25 SR.

⁴⁸Article 15 SR.

⁴⁹Article 20 (2) SR.

providing for a procedure, whether for disciplinary measures or for removal of judges, should they, in conflict with Article 16 SR, have devoted themselves to activities incompatible with their duties. Article 17 SR requires that an employee inform the President of the office if he finds himself to be called to decide in a case in which he has a personal interest. Since this obligation is, as far as members of the BAs are concerned, already laid down in Article 24 of the EPO itself, the SR expressly does not apply to them in this respect⁵⁰.

The scope of the concept of "in their decisions" under Article 23 (3) EPO is discussed from time to time. Two main schools of thought have emerged from these discussions, one using a narrow method of interpretation, leading to the view that the members are subject to all decisions by the President of the office or the Vice-President DG 3 which do not relate to a member's involvement in deciding specific appeal cases, whereas the second school finds the concept to include most day-to-day matters, even if only preparatory or remotely connected to specific cases.

Members of the BAs are obliged under Article 15 SR to conduct themselves so as not to detract from confidence in their independence and are obliged to secrecy with regard to votes cast. The solemn declaration to be given by a member at the beginning of his service refers to his undertaking to perform his duties "in accordance with the convention and the principles of procedural law generally recognised in the contracting states as well as to act in taking decisions to the best of (his/her) knowledge and in all conscience without respect of persons, solely in the interests of truth and justice".

Disciplinary measures are foreseen in the SR and may take the form of withdrawal of salary or pension rights, suspension and finally removal. For BA members, Article 23 (1) EPO is meant to guarantee that they are not removed during their term for irrelevant reasons. It prescribes that such removal can take place only if there are serious grounds and if the EBA has proposed removal to the Administrative Council.

⁵⁰Article 17 (2) SR.

Until now⁵¹, no proposal for the removal of a member during his five year term has ever been made by the EBA. Instead, it was discussed, in the frame-work of proposals to strengthen the independence of the members put forward by a working group in the mid-nineties⁵², whether Article 11 EPO would allow the removal of a member at *the end* of his term. Paragraph 4 of this article provides that the Administrative Council shall exercise disciplinary authority over all employees falling within the article, i.e. including the members and chairmen of the BAs, as well as the Vice-President of DG3.

Proposals made for a procedure to be followed under Article 11 EPO for the removal or members after expiry of the five-year appointment period were not implemented in view of objections 1) that Article 23 EPO was the applicable provision, which left the competence with the EBA, 2) that there were good reasons for the automatic re-appointment for the protection of the independence of the members, and 3) that the proposed procedure would instead lead in the wrong direction, since it would subject members to yet another influence⁵³. Nor is there yet a procedure foreseen for cases falling under Article 23 (1) EPO, in order that a member threatened by removal may be ensured due process. In any event, even if such a procedure existed, the fact that the Vice-President is also the chairman of the EBA, which is competent to make proposals to the Administrative Council for the removal of a member, means that there is no provision for an independent instance⁵⁴ to advise the executive organ as required under for example the Basic Principles.

There is thus, for the time being, no adequate procedure for the removal of members. For other disciplinary measures, the SR apply, which means that there is an appellate

⁵¹ February 2003.

⁵² The so-called Sedemund-Treiber group, which presented its proposals for the strengthening of the independence of the members of BAs in doc CA/84/97 of 11 November 1997. Except for reorganisation of the selection procedure and some other minor adjustments, none of these proposals had yet been implemented (end of 2002).

⁵³ The follow-up working group's proposals are of 24 March 1999, the response signed by 56 by members is dated April 1999. Individual members also contributed comments on the proposals.

⁵⁴ The EBA cannot qualify in this respect, since it is chaired by a person belonging to the executive organ or at least subject to the executive. Either the entire membership of the BAs should form an organ for this task, in line with the model courts for removal of judges, see 5.2.2, with rules on the majority (or unanimity) required for removal, or an organ be appointed by the Administrative Council.

instance within the EPC for members, i.e. the Appeals Board of the Administrative Council⁵⁵. Whether this institution would meet the requirements of the courts of comparison or Recommendation (94) 12 or the Basic Principles appears doubtful, in view of the need for an independent organ to contribute in the process of assessing the situation. There is one instance of disciplinary measures initiated, namely the withdrawal of salary for the participation in a meeting with the staff union of the EPC in 2001. Doubts regarding the existence of a legal basis for such a measure were raised in view of the SR, which do not contain any express provision in this respect. In the end no sanctions were imposed on BA members.

6.3.5 The registrars of the BAs

Each Board has a registry at its disposal. The registrars are not part of the Boards, in the tradition of French courts for example, where the greffier is a qualified judge. The registrars are civil servants having no particular protection against dismissal. They form part of the general support staff of the EPC. In contrast to the organisation of the HRCourt, which although it is funded by the Council of Europe has a standing outside the authority of the Secretary General, the registries are ultimately answerable to the President of the EPC and may therefore be dismissed by him alone, without interference from the Administrative Council. This "political chain of command, which would be incompatible" with an independent tribunal according to the HRCourt's position⁵⁶ is firmly established in the EPC structure. A question not yet addressed by the HRCourt is whether it is necessary that the registrars be as well protected as the judges of a court.

⁵⁵ Article 52 SR, which applies to members, subject to Article 23. Again, the members are subject to the same provisions as other (permanent) permanent employees of the EPO. The question remains to what extent acts by members would fall under Article 23 EPC or be considered under Article 52 SR.

⁵⁶ Mahoney and Prebensen, *The European Court of Human Rights*, in *Macdonald et al.*, p. 624.

6.4 *Scope of review*

6.4.1 *HRCourt case law on Article 6 (1) ECHR and administrative proceedings*

The HRCourt has tried to abstain from any generalisation of the scope of application of Article 6 (1) ECHR to administrative proceedings. It held in the *König* case that the problem of the "autonomy" of the meaning of expressions used in the ECHR, compared to their meaning in domestic law, had already been raised on several occasions, referring as examples to the meaning of the word "charge" in Article 6 (1) ECHR as interpreted in the *Neumeister*, *Wemhoff*, *Ringeisen and Engel cases*⁵⁷. The same autonomy had to apply for the concept of "civil rights and obligations", since otherwise the results might be incompatible with the object and purpose of the ECHR. However, recognising the autonomous nature of concepts in the ECHR did not mean that domestic legislation was without importance. The substantive content and effects of the right under domestic law had to be established. The HRCourt also had to take account of the national legal systems of the other contracting states.

The German government argued in the *König case* that where a dispute was between an individual and the state in its sovereign capacity it fell outside of the ambit of Article 6 (1) ECHR. This was the situation at hand; König had been awarded a licence to practise medicine and a licence to run a medical clinic. Both had been acts undertaken by the state as a sovereign power.

The HRCourt observed that König did not object to the disciplinary proceedings as such, but claimed the right to exercise the professional activities for which he had already obtained authorisation. If his appeals were successful he would not be granted new authorisations, the court would simply annul their withdrawal.

The HRCourt then discussed the nature of medical practice in Germany, concluding that the running of a clinic was in part seen as a commercial activity, that the practice of medicine was not a public service, since a doctor was free to practise or not, once

⁵⁷ *König v. Federal Republic of Germany*, judgment 31 May 1978, para 88. The salient parts of this decision with regard to the scope of Article 6 (1) ECHR and the definition of civil rights and obligations are found in paras 89 - 95.

he had obtained his licence. The fact that a doctor had a general responsibility for the health of the society as a whole did not alter the fact that his practising medicine was on the whole of a private nature.

The reference to the domestic nature of the right in question and the need to look beyond appearances seems to have constituted the beginning of the case-by-case assessment approach used by the HRCourt. In those days, the HRCourt did not seem to have entertained the idea that administrative decisions would fall under Art 6 (1) ECHR⁵⁸. Nor had it decided the scope of review to be allotted to a court for the legal system to comply with Article 6 (1) ECHR. Its dictum in the *Ringeisen* case had clarified the need to look at the facts of a case in substance, to assess their meaning, and from there to conclude whether a protected right had been at stake in the proceedings before it.

In the *König* case, the HRCourt established that the concept of civil rights and obligations had an autonomous meaning, so that the category of national law to which it formally belonged would have less influence on the court's ruling. It has since held that for a procedure to fall within the scope of Article 6 (1) ECHR, it is sufficient that its outcome is decisive for private law rights and obligations. The traditional sovereign or non-sovereign capacity in which the state's relationship with the individual is measured, has less significance, although the nature of the right under national law may influence the classification. In the *König* case, the reason his rights to practise medicine and run a clinic were considered private rights depended on the nature of the German law. A sufficiently large number of elements in the German law indicated that they were private rights; a physician was not forced to serve, and the relationship between him and his patients was more of a contractual nature.

Since the *König* case, a rich variety of administrative proceedings have been found to fall within the scope of application of Article 6 (1) ECHR, some of them obviously because they are part of the human rights protected by the ECHR such as child

⁵⁸ In the *Ringeisen* case from 1971, the HRCourt distinguished between rights in private law as against public law, see *Harris et al.*, p. 174.

custody (Article 8 ECHR) or rights to property, including administrative decisions on the use of land, such as expropriation, water regulation, and reallocation schemes for farmers (Prot 1 Art 1), commercial activities, including rights to exercise professional activities as physicians, lawyers or architects, even claims for damages or for social security benefits.

Outside of the concept of civil rights and obligations would still, among others, fall cases regarding immigration, nationality, and as just discussed, patent applications. Military servicemen and public employees, at least those having status as civil servants, in particular the police and others serving the state in its undisputable capacity as sovereign, would have no case in Strasbourg, except when the dispute concerns matters that are to be equalled to the obligations carried by other private employers, e.g. a dispute concerning emoluments for services rendered or pension rights, where the state is looked upon as a private employer, regardless of the employee's area of work⁵⁹. Harris et al., like others, criticise this case law for making it difficult to establish a general formula for the scope of application of Article 6 (1) ECHR in this respect⁶⁰. For the purposes of the present thesis it is not necessary to discuss this criticism in more detail.

6.4.2 Board of Appeal case-law

In a number of decisions the EBA has confirmed that the patenting procedure falls within administrative law and that the procedure before the boards of appeal is to be characterised as civil administrative proceedings, i.e. proceedings which are judicial in nature. Under the ECHR case law, it is equally clear that disputes regarding the allowability of an application for or the validity of a patent are disputes concerning

⁵⁹ *Lombardo v. Italy*, 1992. Obviously, whenever the state has to abide by a law like any other private, natural or legal person, it is operating within the private sphere.

⁶⁰ *Harris et al.*, p. 185. *Grabenwarter*, p. 41 ff., distinguishes three categories of procedure in the ECHR case law; the earliest one looks at the effect of the procedure (*Auswirkungsjudikatur*), the second one balances elements (*Abwägungsjudikatur*) and the third and last one looks at the economic value involved (*Vermögenswertjudikatur*). The *Ringelsen* case would in this system fall into the first category, the *König case* into the second, and cases in general having a financial effect on the individual's position would fall into the third category. *Grabenwarter* recognises that the third category thereby is not independent of the other two, it can also be seen as an aspect of them or as serving the purpose of 'catching' cases that would otherwise go unprotected.

civil rights and obligations falling within the ambit of Article 6 (1) ECHR. The patent procedure aims at determining such disputes. Parties before the EPC are therefore guaranteed the rights afforded under that article.

Applying judge Marten's opinion⁶¹ on the appropriate appellate scope of review for the purpose of Article 6 ECHR to matters before the EPC, the scope of review afforded under the applicable law, i.e. the EPO and its Implementing Regulations, must first be determined.

It is assumed at the outset that Martens would identify "the aspects of the dispute" by the content of the complaint to the ECHR organs. Correspondingly, the aspects of an appeal case are decided by the extent of the admissible appeal, the grounds validly adduced thereto and the facts and arguments brought forward in the proceedings by the parties as relating to that appeal. All issues falling outside of this framework should be disregarded.

With regard to the issue of full jurisdiction, Article 114 (1) EPO allows the competent organ of first instance to actively look for facts, evidence and arguments going beyond those offered by the parties. Rule 60 (2) EPO goes even further, offering the possibility of continuing proceedings despite the fact that the opposition has been withdrawn. On the other hand, Rule 55 (c) EPO requires an opponent to state the extent to which the patent is challenged and the grounds on which the opposition is based, as well as to indicate the facts, evidence and arguments presented in support of the opposition.

For appeals, corresponding provisions are found in Article 108 and Rule 64 (b) EPO. The BAs may either exercise any power within the competence of the department responsible for the decision under appeal or may remit the case to that department for further prosecution (Article 111(1) EPO). This includes application of Article 114(1) EPO as well as Rule 60 (2) EPO.

⁶¹ See 4.6.

The BAs thus have full powers according to *the language of the law* to decide on appeal whether a patent shall be awarded or not, even to the extent that it goes beyond the requests and facts presented by the parties. It is clear, then, that in this respect the BAs would fulfill the requirements for a tribunal according to judge Martens, even to the point of creating a surplus⁶².

In practice, the EBA has limited the extent of scrutiny to be exercised by the BAs. Firstly, in *G 7/91* and *G 8/91*, the EBA distinguished between civil proceedings and administrative proceedings, concluding however that the latter kind of proceedings *at the appeal stage* should be seen as civil in nature, which would not justify any examination of the entire patent by a board of its own motion as otherwise allowed under the EPO. In contrast to the competence given under Rule 60 (2) EPO to continue opposition proceedings, the withdrawal of an appeal against the maintenance of a patent would therefore terminate proceedings automatically, regardless of any doubts concerning the validity of the patent or even where the BA members would agree that the patent was not valid.

It may be said that these decisions *neither* advocated the restraint recommended for subject-matters where the discretion of an executive organ had to be given room, in the sense that the issue of inventive step is necessarily one of evaluation, even if methods have been adopted to make it as objective as possible, *nor* regarded them as a matter of expediency. Instead, the EBA introduced at the patenting stage the notion of civil administrative appeal proceedings, restricting them to correspond closely to the appeal review in patent litigation between two parties, although a decision at the patenting stage takes effect *erga omnes*. This notion is, however, not as radical as it may seem, since the difference between patent litigation *after* opposition and *inter partes* cases *in* opposition proceedings is small, if at all existent. The possibility for the patentee in opposition proceedings to limit the scope of protection through amendments of the patent claims in response to a request from a potential infringer that the patent be declared invalid is often reflected in the same allowances given by national patent law in patent litigation cases, with the effect in both situations that the amended patent is valid *erga omnes*. What may still be under discussion is whether

⁶² Which may in itself be a violation of the right to a fair hearing.

in the latter situation the limited protection takes effect *ex tunc or ex nunc*, whereas it is clear from the EPO that after opposition proceedings amended claims are always valid *ex tunc*⁶³. Barring this difference, both types of litigation contain an element of class action, where the decision takes effect not only for the parties involved in the court action but also for the public in general.

Against the requirement imposed on a tribunal according to the HR Court to offer the parties an adversarial trial⁶⁴, such restraints as advocated by the EBA are fully in line with the requirements as outlined by judge Martens. An appellate tribunal competent to decide on all matters raised by the appellant within the time limit for the appeal satisfies Article 6 ECHR.

The EBA continued its reform of BA procedure in cases *G 9/91* and *G 10/91*. At issue was the limit of examination of grounds for opposition, and hence the limit of the scope of review on appeal. Its conclusion that no ground for opposition could be examined on appeal, unless it had been invoked within the time limit for opposition in accordance with Rule 55 (c) EPO, was mainly based on the observations that this rule would otherwise lose its function and that a BA would not be in a position to revoke a patent that it would have found invalid, unless an appeal had been filed at all. The fact that oppositions were filed post-grant was also a major factor, since it made them more similar to invalidity litigation at the national level. According to the EBA's decision in case *G 9/92*, the principle of party disposition should for these reasons prevail. In effect, these decisions have all but excluded Article 114(1) EPO from application at the appeal stage - except concerning amended patent claims, which have to be examined fully against all the prerequisites of the EPO⁶⁵, a result which is also in line with Article 6 ECHR.

⁶³ Article 68 EPC in conjunction with Article 102 EPC.

⁶⁴ See further 8.2.1.4.

⁶⁵ See e.g. *T 227/88*, OJ EPO 1990, 292.

The practice of 'vague norms'⁶⁶ in administrative law is less relevant to patent law, as it is - on substance - governed by legal provisions in great detail⁶⁷. This conclusion would hold true even though the procedure before the EPC has largely been developed by practice. Procedural provisions are mainly found in Articles 99-122 and 125 EPO and their ancillary rules. These provisions are general in nature, addressing the powers of respective departments of the EPC, prescribing some fundamental principles to be followed, such as the principle of legitimate expectation, laying down basic provisions for oral proceedings and the taking of evidence, offering the possibility of reinstating a party who has missed a time limit, and as a complementary means of redress referring to principles of procedural law recognised in the contracting states⁶⁸.

Article 109 EPO provides for rectification of an impugned *ex parte* decision by the department having taken the decision, barring that, however, the appeal is remitted to the board of appeal, which examines the appeal in accordance with Article 110 EPO. This article does not restrict the extent of the board's examination, which is currently governed by case law. The board of appeal is also not restricted as to the decision it may take under Article 111 EPO⁶⁹.

As a rule, the BAs do not examine of their own motion whether a first instance has followed general principles for the procedure. Matters examined *ex officio* on appeal are normally restricted to questions of admissibility and decisions erroneously taken by the first instances on such issues, in spite of being within the exclusive competence of the BAs⁷⁰. These may also include requests decisive for admissibility such as requests for re-establishment based on Article 122 EPO. In such cases the BA

⁶⁶ Sometimes referred to as 'soft law'.

⁶⁷ Examples of such detail are provisions governing the filing of a patent application in Rules 24 - 29 EPC, which are related *inter alia* to the request for grant and the content of the description.

⁶⁸ Procedural rules addressed to the parties will be discussed mainly in 8.4

⁶⁹ Article 111(1), second sentence, EPC: "The Board of Appeal may either exercise any power within the competence of the department which was responsible for the decision appealed or remit the case to that department for further prosecution."

⁷⁰ See e.g. decision *T 473/91*, OJ EPO 1993, 630.

is also competent to decide of its own motion the question of reimbursement of the appeal fee, under the conditions provided for in Rule 67 EPO⁷¹.

The BAs exercise restraint with regard to the discretion afforded the first instance by the EPO under Rule 86 EPO in proceedings before the Examining Division to admit amendments of the patent claims which are submitted late in the proceedings. In the leading decision *G 7/93*⁷², where a separate set of claims for Austria was submitted after the EPC had already issued a so-called Rule 51(6) communication confirming the approval of the applicant of the text for the patent, the EBA established that it is not the function of the board of appeal to review all the facts and circumstances as if it were the first instance, in order to decide whether it should have exercised its discretion in the same way. Instead the board should leave the department of first instance a certain degree of freedom when exercising that discretion, only overruling it if the board comes to the conclusion that the first instance did not exercise it in accordance with the interest of the applicant to obtain a patent legally valid in the designated states, weighed against the interest of bringing the proceedings to a close. This exercise of restraint is certainly one of expediency, promoting a speedy and efficient close of the proceedings.

The next element of significance in judge Martens' opinion relates to the facts of a case, in particular what *measure of control of the facts* the tribunal possesses. Martens seems to argue that a court should be able to take all facts into account, regardless of whether they were considered by the authority taking the decision under appeal. Under EPC practice, the principle of party disposition would however require that at least one party has referred to the fact in question, attacking it or relying on it in support of the appeal or in response to the appeal brief. Patent law being associated to property law rather than to the law of personality, and the principle of party disposition being recognised by the HRCourt, it would be justified to accept the restrictions following from that principle.

⁷¹ See the cases indicated in '*Case Law*', third edition, p. 511.

⁷² OJ EPO 1994, 775, in particular paras 2.5 and 2.6 of the reasons.

In so far as facts are relevant for an appeal, the boards also have full powers to review them and to reassess them, being free to come to a different conclusion as to their significance for the case. However, the question of assessment of facts has an exceptional aspect in the practice of the EPC as a whole, including the BAs, with regard to the taking of oral evidence, which as mentioned above⁷³ do not have any power to hear witnesses under oath or to impose sanctions. What is at issue here is the *quality of the evidence*. In adhering to the principle of free or unfettered assessment of evidence, when evaluating its significance the organs of the EPC are free to take into account the means by which the evidence in a specific case was secured. This is then a tool by which a lesser quality of the evidence may be counter-balanced by a higher standard of proof or a more reserved acceptance of the evidence. Generally, the boards apply the standard of "balance of probabilities", i.e. a fact is deemed as proven when the board concludes that it is more likely than not that the fact occurred⁷⁴. For certain facts, however, the stricter standard of "beyond any reasonable doubt" is applied, e.g. where an opponent contends that his own prior use prevents the invention from being patentable⁷⁵.

The quality of the evidence taken for the purposes of proceedings before the EPC is further influenced by the fact that the circumstances to be proven often date back several years. It is not uncommon for Boards to have to evaluate statements about facts ten years old or more, especially in cases where the opponent has contended a prior use which would destroy the novelty or inventive step of the invention. One way of improving the value of such evidence would be to require written documentation to support oral testimony.

The parts of the Martens opinion relating to the methodology of the HRCourt may seem less relevant for the BAs. The BAs have developed their procedural practices, on the one hand taking care that they do not unduly speak obiter dictum or generalise beyond the facts of the specific case, on the other hand trying to establish principles of a more general scope in the interest of guiding the parties. Examples of such

⁷³ Cf. above 6.3.3. These provisions are discussed in more detail in 8.4.3.

⁷⁴ 'Case Law', p. 357.

⁷⁵ See e.g. T 472/92, OJ EPO 1998, 161.

principles are e.g. the principle of good faith or legitimate expectation and the principle of party disposition⁷⁶. In view of its functions, the practice of the Enlarged Board of Appeal has general influence on procedures adopted within the EPC.

6.5 *Decision D 11/91*⁷⁷ - discussion

As summarised in chapter 1, the DBA in this case found a deletion of the defendant attorney from the list of professional representatives of the EPC for a limited time of several years appropriate, although the applicable provisions on their wording only provided for suspension for either six months (Article 4(1) (d) or an indefinite period, Article 4(1) (e) RDR. Since these cases should be treated as analogous to criminal cases, the principle "nulla poena sine lege" should prevail for the legal method to be used when interpreting these provisions.

Under the literal interpretation prescribed for penalty clauses, the wording of Article 4 (1) (e) RDR, "deletion... for an indefinite period.", must mean that a sanction may be imposed that is not fixed as to its term. An order applying this sanction would then read: X is deleted from the list of professional representatives for an indefinite period."

If the legislator had intended that all deletions be imposed as fixed periods, paragraphs (d) - deletion for not more than six months - and (e) would not have been separated. Instead, it would have been more logical to prescribe a minimum and a maximum term of deletion within which the disciplinary organs could choose a length appropriate to the severity of the particular infraction against the Code of Conduct.

The interpretation adopted by the DBA - "indefinite" meaning that the period, although not fixed by law, should be fixed by the deciding body - would go against an ordinary reading of the applicable paragraph in accordance with Articles 31 and

⁷⁶ Information to parties resting on these and other principles is published from time to time, see e.g. Guidance for parties to appeal proceedings and their representatives, OJ 1996, 342 ff.

⁷⁷ See 1.1.

32 of the VCLT⁷⁸, unless the result of such a mode of reading would be unreasonable or absurd. The DBA obviously found it to be so, since it tried to find a compromise sanction fitting to the behaviour of the appellant.

The facts of *D 11/91* are comparable to the situation in the *H v. Belgium* case, where the HRCourt found a disciplinary system under Belgian law deficient. This law did not state the conditions for a disbarred attorney to be reinstated to the bar. The HRCourt found that there was a lack of rules of procedure to guarantee H's right to due process for reinstatement.

The Belgian law⁷⁹ foresaw as main penalties warning, censure, reprimand, suspension for not more than one year and striking off the roll. H. had been struck off the roll. The HRCourt reasoned that the choice of penalty was not in itself against general principles of law. Transferred to *D 11/91*, this must mean that the sanction as worded in Article 4 (1) (e) RDR is not in itself against principles to be upheld under the ECHR. The Belgian law further contained a minimum term of ten years before a disbarred member could request to be reinstated and then only if there were exceptional circumstances warranting this⁸⁰.

In view of this HRCourt decision, the lack in the RDR of any system for re-entry could therefore be sufficient reason to question the legality of the provision itself as well as to contribute to the conclusion that indeed the result would be absurd, exonerating from a literal interpretation. *Nulla poena sine lege* prevents such a gap from being filled by case law. This could only be done by the competent legislator. Under these conditions, two alternatives seem possible: 1) the regulation could have been declared inapplicable for want of a reinstatement system and the sanction given in Article 4 (1) (d) RDR imposed, even if inadequate under the circumstances, or 2)

⁷⁸ Under Article 63 of the Community Trade Mark Regulation, if it were applicable, the conclusion of the DBA to choose a period of time not given in the law could be seen as an infringement of a "rule of law relating to their application" and an appeal hence lie to a higher instance.

⁷⁹ The Belgian Judicial Code, see *H. v. Belgium*, paras 27 - 31.

⁸⁰ This was the major difference to the RDR, i.e. the presence of a possibility of requesting re-enrollment to the bar which is absent in the RDR.

this lesser sanction could have been imposed simply for the reason that the maximum sanction was considered excessive.

Seeing that there was a gap in the law, the DBA could perhaps have chosen to impose an indefinite period tempered with the emergency measure of laying down conditions for reinstatement. However, this could be seen as going beyond the board's competence into the realm of the legislator, unless arguments could be found why the gap between six months and an indefinite deletion from the list was only to be seen as an unintentional oversight on the part of the legislator. If so, the DBA could perhaps have applied Article 125 EPO by analogy. Whichever alternative was chosen, the legislator would have been alerted to the deficiencies. The RDR has not yet been amended on this point⁸¹.

6.6 Independence

6.6.1 The concept of independence

True to its interpretation under the *Zumtobel doctrine*, the HRCourt has abstained from giving a general definition of the concept of independence. Nevertheless, in *Ringeisen v. Austria*⁸², the HRCourt established that the independence of judges must be protected vis-à-vis the executive as well as the parties to the case. In the *Belilos* case⁸³, the court stressed the importance of appearances, given that otherwise parties could have legitimate doubts about the independence of a tribunal. The *Belilos* case concerned the quality of a police board sitting in judgment of a charge of taking part in an unlawful demonstration, imposing a fine on the complainant, whereas the *Ringeisen* case concerned a permit for transfer of agricultural land, i.e. the determination of civil rights and obligations.

⁸¹ March 2003. Decision *D 19/99* of 18.12.2001 concerned the sanction of deleting the same representative as in *D 11/91* from the list for six years. The DBA this time imposed a reprimand in accordance with Article 4 (1) (b) of the RDR for the failure of the representative to give the disciplinary body sufficient information for it to conduct an adequate investigation. The DBA took the view that sanctions under the Regulation were similar to penal sanctions and therefore had to be interpreted strictly, i.e. narrowly, point 5.1. This excluded competence for the DBA to sanction acts committed by a representative in his capacity as a national representative (which had been part of the complaint decided by the first instance). Nevertheless, he had an obligation under the European system to co-operate fully with the disciplinary organs of the EPC.

⁸² *Ringeisen v. Austria*, judgment of 16 July 1971.

⁸³ *Belilos v. Switzerland*, judgment 29 April 1988.

Harris et al. quote a statement from the case of *Campbell and Fell* in elaboration of the concept of independence, namely that in determining whether a body can be considered to be independent “regard must also be had to the manner of appointment of its members and the duration of their term of office, the existence of guarantees against outside pressure and the question whether the body presents an appearance of independence”⁸⁴. Jacot-Guillarmod quotes the HRCourt in the *Langborger* case, expressing the same considerations⁸⁵.

Again, one is left with an examination of the facts of each case. The HRCourt has found that the appointment of judges by the executive is not in itself a violation of Article 6 ECHR, provided that the selection of the appointed judges has followed objective criteria and that the law contains guarantees against pressure from the executive or parliament, for example guaranteeing their irremovability during the term of office, although the latter is not an absolute requirement⁸⁶. The *Campbell case* concerned prisoner’s rights in disciplinary proceedings, adjudicated by the prison Board of Visitors, whose members were appointed by the Home Secretary for a term of three years or less. The HRCourt accepted the manner and term of appointment, as well as the fact that the law did not contain any guarantees against removal from office during their term of office, concluding that these circumstances did not threaten the independence of the members. In the *Langborger* case, on the contrary, the composition of the Swedish Housing and Tenancy court including two lay assessors nominated by tenant’s and landlord’s associations was found to cast doubt on the court’s independence⁸⁷. The HRCourt noted that these assessors had been nominated by two associations both of which had an interest in maintaining a clause in tenants’ standard contracts that they were alone competent to negotiate rents, a clause that *Langborger* sought to have repealed in his own contract. He could therefore legitimately fear that the assessors had a common interest contrary to his own. The HRCourt observed that it appeared difficult to separate the question of impartiality

⁸⁴ *Harris et al.*, p. 231 f. *Campbell and Fell v. UK*, judgment 28 June 1984.

⁸⁵ *Jacot- Guillarmod* in *Macdonald et al.*, p. 397. *Langborger v. Sweden*, judgment of 22 June 1989.

⁸⁶ *Campbell and Fell*, paras 79-80. Also on this point, the appointment of the Vice-President of DG 3 as chairman of the EBA is in conflict with the HRCourtcase law.

⁸⁷ Judge Martens dissented with regard to the reasons for the decision, holding that there was no reason to discuss the independence of the court.

from that of independence, but noted at the outset that the personal impartiality of the lay assessors was not in doubt.

In the case of *H. v. Belgium*, the HRCourt noted that the members of the Council of the Ordre des avocats were elected by their peers and were not subject to any authority. This was accepted as constituting an independent body. The HRCourt instead found a violation of Article 6 ECHR based on deficiencies of the law and of the procedure, which made it all but impossible for the disbarred complainant to prove that there were exceptional circumstances justifying his re-enrollment to the bar. The HRCourt came to the same conclusion in the case of *Albert and Le Compte v. Belgium* regarding disciplinary proceedings in the medical profession, i.e. that the Appeals Council satisfied Article 6 ECHR, referring to its finding in the case of *Le Compte, Van Leuven and De Meyere*⁸⁸.

Having established the criteria of manner of appointment, term of office, guarantees against pressure and the appearance of independence, the HRCourt in its subsequent case law has consistently referred to them⁸⁹. In cases where one or a few members of the court could put the independence of the court in doubt, the HRCourt noted whether the persons in question formed a majority and in which function they were sitting on the court. In the Ettl case, not even the fact that the members were civil servants and constituted the majority of the competent body could put its independence in doubt, according to the HRCOURT, since the law assured their independence and prohibited public authorities from giving them any instructions. It is to be noted that the HRCourt in general accepts experts sitting on judicial bodies for the sake of expediency or because they contribute special knowledge.

One of the few exceptions is the *Langborger* case, from which it may be concluded that the interest of experts must be examined in order to ascertain whether their

⁸⁸ *Le Compte et al. v. Belgium*, from 1981, and *Albert et al. v. Belgium*, from 1983.

⁸⁹ E.g. *Campbell and Fell v. UK*, criminal charges of 1983, *Ettl et al. v. Austria*, land reform dispute of 1987, *Belilos v. Switzerland*, criminal charge of 1988, *Hauschildt v. Denmark*, criminal charge of 1990, *van de Hurk v. Netherlands*, dispute over milk production restrictions of 1994, *Pullar v. UK*, criminal charges of 1996, and *Entleüner v. Austria*, land dispute of 2000.

interest as representatives of specific groups may collide with that of one or both of the parties to the case.

In the case law of the BAs, decision *G 6/95* is of particular interest, since it rests on the assumption that the BAs are not subjected to the Administrative Council as an executive organ of the EPC. The question had arisen whether Rule 71 (a) EPO, adopted by the Administrative Council for the purpose of making a communication mandatory, was applicable to the BAs. The EBA found that this rule was not binding on the BAs, for several reasons. It referred to the independence of the members of the BAs under Article 23 (3) EPO, and to the provision in paragraph 4 of the same Article as well as Rules 10 and 11 EPO on the adoption by the BAs of their own rules of procedure, with the subsequent approval of the Administrative Council. These provisions did not support the view held by the president of the office that hierarchically the BAs were bound to apply the rules adopted by the Council before its own rules of procedure. On the contrary, the EBA held that the independence for the BAs through the independence of its members as laid down in the EPO made it necessary to apply the rules of procedure of the BAs. Article 11 (2) of those rules provided that a board might send a communication with the summons to oral proceedings, thus conferring discretion on the boards. In contrast thereto, Rule 71 (a) EPO made such a communication mandatory. While it had to be assumed that the Administrative Council, having already approved Article 11(2) of the Rules of Procedure of the BAs⁹⁰, did not intend to create a conflict by subsequently adopting Rule 71 (a) EPO conflicting with that article, Rule 71 (a) EPO could not be interpreted as binding on the boards.

Another provision, Rule 66 (1) EPO, further supported this view, by stating that provisions relating to proceedings before a department taking the decision under appeal also apply to the appeal proceedings, unless otherwise provided. The proviso indicated that special rules for the appellate instance should prevail. The EBA concluded that Rule 71 (a) EPO did not apply to the BAs.

Compared to the ECHR case law, the above indicates that the EPO and its application in practice would fulfill the requirements relating to independence, i.e. the manner

⁹⁰ RPBA.

in which members are elected and the boards are composed, the term of office of the members and other provisions, guaranteeing that members are not removed from office during their term of office for undue reasons. Whether or not the fact that the chairman of the Enlarged Board of Appeal is also answerable to the executive in his role as vice-president of the boards of appeal would constitute a violation of Article 6 ECHR in this respect cannot be deduced with any certainty from the ECHR case law, as this or any similar question has never been raised so far. There is however a risk that the EBA may be criticised for having taken policy views when deciding a controversial legal issue, since its chairman as subordinate to the President of the EPC is not clearly distanced from the executive.

6.6.2 Independence and dissenting opinions

Some of the factors influencing a judge's independence are addressed in the Basic Principles and Recommendation (94) 12. As concluded in chapter 5, most of these are also addressed in the law applicable to members of the BAs. There may however exist further factors not easily established which may have an influence on a judge's independence. Some concern the mode of arriving at decisions and the possibility for individual members to express their dissent publicly.

It is not part of the continental European tradition to allow public dissenting opinions. In German law, they are forbidden under the Court Constitution Act⁹¹, which dates back to 1877⁹². This is considered to be a necessary result of the secrecy of deliberations and voting, indeed as constituting part of the obligation to uphold independence under the German Constitution⁹³.

⁹¹ With the exception of the German Constitutional Court, BVerfG, § 30 BVerfGG. The secrecy of deliberations is valid for all German judges and cannot be waived, see § 43 and 45 DRiG (Deutsches Richtergesetz). The cited provisions have been quoted from Schönfelder, *Deutsche Gesetze*, updated as of 17 January 2001, Verlag C.H. Beck, München.

⁹² The current issue of the GVG is from 9 May 1975, but rests on the GVG of 27 January 1877.

⁹³ As reasons for the secrecy are mentioned safety against irrelevant influences, consideration of the authority of the court to the outside world and the need for peace within the court, and protection against harassment from the public, see *Deutsches Rechts-Lexikon*, Band 1, "Beratungsgeheimnis".

In the boards of appeal, the provision that deliberations of the board shall remain secret⁹⁴ has also been referred to as constituting a bar to dissenting opinions⁹⁵. The EBA did however allow a dissenting opinion to be published as part of its decision in G 3/92⁹⁶. In the diplomatic conference adopting the EPO⁹⁷, the Swiss delegation was opposed to a proposal from Norway to publish the names of dissenters and their reasons, holding that decisions were collective and that public dissenting opinions would risk leading to less majority decisions, since members might not want to be associated with the minority. In the end, the committee discussing this issue decided to reject the Norwegian proposal, which was supported only by the Scandinavian delegations⁹⁸.

The independence of a judge is an individual obligation; it cannot be transferred to the collective deciding body. In consequence thereof, Article 23 (3) EPO does not speak of the independence of the boards of appeal, it speaks of the independence of the members.

Dissenting opinions by their nature contribute to a careful weighing of arguments pro and contra possible outcomes of the case. Consequently, each judge assumes a greater responsibility for forming an opinion supported by relevant references to the law and

⁹⁴ Article 13 Rules of procedure of the boards of appeal.

⁹⁵ In spite of the German legal standpoint on this matter, such an opinion may be discarded as inconsequential; the obligation to secrecy would otherwise be a bar to revealing any of the board's reasons for its ultimate decision as taken by the majority. The protection seems therefore not foremost directed to protect the individual judge, but rather the authority of the court as such, the need of which is debatable, as also admitted in German legal circles. In any event, several European states such as most Nordic countries have succeeded in combining secrecy of deliberations with the possibility of issuing dissenting opinions.

⁹⁶ The *Latchways case* regarding a lapsed patent which was found revivable under certain conditions. This case led to Article 21a of the Rules of procedure of the EBA, providing for the indication in a decision of the view held by a minority, if the majority of the EBA agrees thereto, however without indicating any names or the size of the minority.

⁹⁷ Norwegian law even obliges judges to deliberate publicly, according to the documents of the diplomatic conference for the adoption of the EPC, see e.g. M/PR/I, page 95, Rule 67 (66) - Examination of appeals.

⁹⁸ In the work towards a European Patent Litigation Protocol, proposed Article 175 (doc WPL/SUB 20/01) includes the right for a panel member to express a separate opinion in the decision. The Swedish delegation insisted that dissenting and concurring opinions should be published together with the decision, to form an important part of forthcoming case law (WPL/SUB 32/01).

other arguments, in order to convince his or her collective body of colleagues⁹⁹. Independent thinking is thus promoted and presumably the quality of the deliberation and of the final judgment will be improved. In contrast, a collegiate court may run the risk of falling into a practice of accepting majority opinions without a full discussion. If the same group of judges participates for a long time in the same board of appeal, for example, in view of the composition of personalities there is a risk that this practice will solidify, culminating in with an inflexible court to the detriment of the parties.

Dissenting opinions also promote individual responsibility for the decision by each judge for the reason that he or she is no longer anonymous to the world. Although neither the Basic Principles nor Recommendation (94) 12 require individual judges to be able to publish their dissenting opinions, this individual responsibility should be seen as a desirable counter-balance to the power of a collective group of the judiciary, i.e. the chamber or board responsible for the case, to resolve legal questions by a majority decision binding the parties, and in the case of patenting, being binding *erga omnes*. Barring the publication of dissenting opinions, parties will remain unaware of this fact, which may lead to wrong conclusions about the legal situation, e.g. if in a later case the majority shifts to the opinion of the dissenting judge¹⁰⁰. Parties may criticise the court for not having warned about the possibility of a different outcome, since it may have prevented them from preparing themselves adequately for a future shift in case law.

A third beneficial factor is that the parties will know by the absence of dissenting opinions that a decision was unanimous, which will strengthen the authority of such decisions. This is more effective than the assumed but unsubstantiated authority of decisions from cultures where dissenting opinions are kept secret.

The arguments against public dissenting opinions are mainly that the judgment is of the court as a whole, not of individual judges. The court must be absolutely

⁹⁹ See eg. Hussain, I., *Dissenting and Separate Opinions at the World Court*, 1984, listing arguments pro and contra public dissenting opinions, p. 2 f.

¹⁰⁰ Dissenting or separate opinions can often help clarifying a decision, being a kind of *obiter dicta*, *ibid.*, p. 3.

anonymous and backed by law in all its majesty. Dissenting opinions may result in judges dissenting for the reason of wanting to turn the spotlight on themselves¹⁰¹. It is feared that dissenting opinions may enfeeble the court. A further argument is that disclosures of opinions of individual judges may contribute to a pressure against them, threatening to weaken their independence.

However, it may be questioned whether a judge who is prevented from expressing a dissenting opinion is given satisfactory room to properly exercise his obligation under the law to be independent¹⁰². On the presumption that the power of the court is to apply the law as it sees fit, without interference from other branches of government, it must have a responsibility corresponding to and balancing this power. If the law is capable of harbouring two plausible solutions, it would consequently be an obligation of the court to tell the parties so, thus signalling to the legislator that amendments to the law may be necessary to clarify the latter's intentions and to the public that the practice may change in the future. The risk that a judge whose opinion is not acceptable to everyone could be put under pressure can be disarmed by an indefinite term of office. If this is not thought feasible or appropriate, a judge can always make the pressure public. Each judge has the same instruments at his disposal, which should be a guarantee against external pressure¹⁰³.

Hussain adds that there is the further argument for open dissenting opinions for an international court like the ICJ that a court consisting of judges from different major legal systems should not lose their voice in a majority opinion¹⁰⁴. Although the jurisdiction of the ICJ does not correspond to that of the BAs of the EPC, the analogous arguments can be made as to the obligation of the BAs to consider the

¹⁰¹ Ibid. p. 2.

¹⁰² As a curiosity, an article in the *Süddeutsche Zeitung* of 7/8 July 2001 on the dissenting opinions of the German Constitutional Court may be quoted; five positive contributions resulted from this practice, according to the author: 1) progress from anonymity to transparency, 2) clarification of the law 3) clarification of the extent of complex legal issues, 4) promotion of a careful discussion (cf. above), and 5) promotion of legal satisfaction in that the losing party knows that there were arguments in his favour.

¹⁰³ In addition to those mentioned in footnote 102 here above, this would be a sixth argument for public dissenting opinions, perhaps the strongest of them all. For arguments against dissenting opinions, see also footnote 93 above.

¹⁰⁴ Ibid., adding "especially on important aspects of international law", p. 3.

different legal systems of the member states to the EPO, as foreseen by Article 125 EPO.

6.7 Impartiality

6.7.1 The concept of impartiality

Impartiality, like independence, involves several aspects. A judge must be objectively impartial, i.e. on the facts no elements may exist which may put his impartiality in doubt. Laws on exclusion of judges generally take account of such facts, making it obligatory for the judge to whom such facts apply to step down. These instances are normally easily identified and dealt with by the court itself. Examples are the exclusion of a judge who dealt with the case as a member of the first instance, or of a judge who has relations with any of the parties to the case, either as a relative or as a partner in an enterprise.

The second kind of exclusion is categorised as subjective, concerning to the inner inclinations of the judge. These instances are more difficult to establish, often they are brought by one of the parties, referring to acts in the case which the party sees as a sign of bias.

The HRCourt has a consistent case law on its criteria for impartiality, although on the facts of each individual case it may seemingly decide differently¹⁰⁵. However, it may be difficult to accept its conclusion in *Academy Trading*, if, as the reasons indicate, the HRCourt accepted the facts as presented by the applicant company. On those facts alone, one would rather have expected the court to have found a violation, perhaps not on the subjective criterion, but on the objective one, namely the complaint that a judge who had sat on the case when heard by the Court of Cassation for the first time was assigned to the case at the rehearing, whereas the previous rapporteur had been changed. It seems as if the HRCourt found the relationship between the two hearings of the case too tenuous to warrant exclusion, in which case it is not clear why one of the judges was replaced. Vice versa, if the rapporteur had to be replaced,

¹⁰⁵ Compare for example the *De Haan v. Netherlands*, *McGonnell v. UK*, and *Academy Trading v. Greece* cases, discussed in 5.3.3.1.

it seems inconsistent not to have changed the entire composition of the chamber. On the subjective criterion, had the plaintiff in *Academy Trading* objected as early as possible after having gained knowledge about the relationships at issue, one would rather have expected the judges in question to have stepped down voluntarily.

6.7.2 Exclusion of members

In accordance with the Basic Principles and Recommendation (94) 12, the EPO provides for exclusion of members in specific cases, Article 24 EPO, if they have a personal interest in the case or previously have been involved in the case as representative, or if they "participated in the decision under appeal". The RPBA contain additional provisions in Article 3¹⁰⁶. The procedure of Article 24 (4) EPO has to be applied whenever a board has knowledge of a possible reason for exclusion, which automatically requires a decision by a board in another composition. Normally, a disqualified member will step down voluntarily. Parties may however also object to a member during the proceedings, as long as they did not act procedurally in the knowledge of a possible objection, without challenging the composition at that time.

In practice, the promotion of technically qualified members from the first instance to the boards will result in a "quarantine" period, whose length will vary from board to board, depending on its backlog of cases. Under a general practice, not laid down by any legal provision, a board will not contain a member who has worked with the case in any capacity at the first instance, although the same member did not take part in the decision under appeal itself. The reason for this is to avoid any criticism of undue influence from the first instance.

Additionally, decision *G 5/91* established that the obligation of impartiality extends to employees of the first instance whose function is to take decisions affecting rights of parties. Therefore, the fact that one of the members of an opposition division had worked as an employee for one of the parties to the case shortly before joining the EPC, had to be assessed on its merits to establish whether this could be seen as making the division partial in any respect. In its subsequent decision, the board

¹⁰⁶ Corresponding provisions are included in Article 3 of the RPEBA.

referring the question to the EBA found that there was no reason to disqualify the member, based mainly on the following arguments¹⁰⁷:

The member whose participation was objected to had been employed by the EPC for a few years when the opposition case in issue was examined. The party had not objected that the member was subjectively biased, but had expressed concerns that he could be subconsciously biased, since for several years prior to his EPC employment he had pursued cases against the party, either opposing its patents or defending the patents of his employer against oppositions by the party. The board held that a period was appropriate during which care should be had not to involve a recently employed person in cases where prior employers or other business relations acted as parties. However, with time the risk that an employee would deliberately or unwittingly hold biased opinions would diminish. In the case at hand, the board could find no indications that the member had exerted any undue influence on the case. The communications issued by him appeared appropriate and to the point, having regard to the technical issues involved in the case. As the "quarantine period" was held to be sufficient, this was also no reason to disqualify the member.

From more recent practice¹⁰⁸, the following picture regarding the EPC approach emerges:

The chairman of a board was objected to on two grounds, i.e. for having taken part in *ex parte* appeal proceedings regarding the same patent, which was now being examined in *inter partes* opposition appeal proceedings, and for having expressed an opinion on the apportionment of costs, if the proceedings had to be postponed as a result of the objection raised, which was understood by the objecting party as being "a threat" against them and therefore partial under Article 24 (3) EPO.

¹⁰⁷ *T 261/88*, decision of 16 February 1993. Waage, p. 43, at 2-12, apparently overlooked that the case was not one of routinely concluding that the rapporteur had not been biased; the conclusion was based on two factors : the patentee had only alleged a subconscious bias, and the need for a quarantine period when a person changes career and is liable to meet previous competitors from another aspect. As a last measure, the board then studied the communications issued by the rapporteur, in order to establish if on the technical facts of the case, any bias could be noted.

¹⁰⁸ *T 1028/96*, OJ 2000, 475, para 1 of the reasons.

The board, in a totally new composition, after the technically qualified member and the legally qualified member had both excused themselves from the proceedings regarding the exclusion of the chairman, first decided that the procedure under Article 24 (4) EPO applies only after it has been decided that it is admissible under Article 24 (3) EPO. Such a pre-examining decision may be taken by the board in its original composition, i.e. with the member present against whom the objection was directed. When the objection is admitted, this member must not take part in the proceedings in which the objection is being examined on its merits.

In addition to the two exclusionary elements under Article 24 (3) EPO, i.e. that the objecting party must not have taken any procedural step while being aware of a reason for the objection and that the nationality of a member cannot validly be objected to, the board in *T 1028/96* found it self-evident that an objection had to be based on reasons and that if no or only unreasonable grounds had been brought forward, the objection should be declared inadmissible. Likewise, an objection would have to be declared inadmissible, if the facts and arguments referred to did not support the objection. It should be noted that by the term "*support*" the board obviously did not intend to require for admissibility that the reasons for the objection be strong enough to make it allowable, rather, as is discernible from its reasons regarding admissibility¹⁰⁹, the board referred to the objection as having been clearly presented and *sufficiently* reasoned, i.e. the arguments brought forward were relevant to the issue raised, so that the complaint could at all be examined. In spite of the fact that the board held that the board in its original composition could decide on the admissibility of the objection, this preliminary question was decided by the board in its new composition.

Both objections were admitted. On the question of allowability of the objection based on Article 24 (1) EPO, the board found that this article specifically refers only to the decision under appeal, and not to any decision taken previously for the same patent.

¹⁰⁹ Point 4.3 of the reasons.

Therefore, the objection raised under Article 24 (1) EPO was not well-founded and could not be allowed¹¹⁰.

On the issue of Article 24 (3) EPO, the 24 (1) question was examined again, on the basis of the contention that the original chairman of the board could be suspected of partiality because of his participation in the ex parte appeal proceedings. The respondents referred to the fact that in opposition proceedings under Article 19 (1) EPO an examiner having taken part in the pre-grant proceedings may not sit as chairman of the opposition division, arguing that such prohibition should apply all the more so to the second instance, with which the board agreed. Given that the very same technical issue, sufficiency of disclosure, as had been decided on the same facts in the pre-grant examination proceedings and the appeal against the decision of the examination division, had to be decided in the opposition-appeal proceedings, the original chairman would have to confirm or not his previous own judgment. For those reasons, the board concluded that the same chairman could have difficulty in re-examining and deciding the case without having a preconceived or anticipatory opinion. The objection was allowed. Given this finding the board left undecided the objection that his attitude in the oral proceedings could give rise to an other well-founded objection under Article 24 (3) EPO.

It may be discussed whether the fact that Article 24 (1) EPO was found not to apply is consistent with the finding that the chairman's presence at the pre-grant appeal proceedings constituted an issue for the purpose of suspected partiality under Article 24 (3) EPO. The board based its finding that the first objection was inadmissible on the narrow, literal interpretation of the words "*decision under appeal*". This paragraph is of a formal nature, a party does not have to allege that a member is partial. The exclusion of a member for this reason follows automatically from the devolutive nature of an appeal, i.e. that the case is no longer within the competence of the first instance, and hence may not be tried by any person having been part of that instance.

¹¹⁰ Point 5, in fine, of the reasons.

Looking at the structure of Article 24 (1) EPO, it is justified to conclude that it must be read literally, i.e. since only members of the opposition division and not the board had taken the decision under appeal, the board members were not formally prevented from taking part in the case on appeal. Such an understanding of the scope of Article 24 (1) EPO is then consistent with the interpretation that the presence of a member or members at a previous stage may make them susceptible to an objection under Article 24 (3) EPO which is directed to the actual attitude of a member or the facts surrounding a member's presence which may lead to a justified doubt about that member's impartiality. The two paragraphs of Article 24 EPO are therefore not exclusive of one another.

Decision *T 1028/96* may be contrasted to an earlier decision, *T 843/91*, in which a board had taken a decision to remit the case to the first instance with the order to maintain the patent on the basis of amended claims. The Opposition Division stated in its decision that it was bound, pursuant to Article 111 (2) EPO, by the decision of the board, which had maintained the patent with amended claims, with regard to the description which had been adapted by the patentee after the remittal. The opponent appealed the decision and the appeal was allocated to the same board as had taken the decision to remit. The opponent objected to this composition, claiming that "because they had participated in the decision under appeal, one could not expect that a Board of the same composition would critically review the step they themselves had undertaken to the opponent's disadvantage", and requested that the appeal be submitted to a competent board composed of members who had not participated "in the decision under appeal".

The objection resulted in replacement of the original members for a decision on the objections raised. In its new composition, the board found the objection admissible, for the reason that it was not based on any of the excluded elements under Article 24 (3) EPO (nationality and late objection). It did not discuss any other issue under admissibility such as those referred to by the board in *T 1028/96*. Nor did it discuss the possible implications arising out of the fact that in its previous decision to remit the board had decided technical issues relating to the scope of protection sought. Obviously for the reason of *res judicata*, the board concluded that no BA, not even in the original composition, would be competent to change the previous decision in

that respect¹¹¹. The review on appeal could only cover questions relating to the adaptation of the description. The original members of the board could therefore not be said to have any personal interest in the case.

*Waage*¹¹² observes that a member may object to another member under Article 24 EPO in conjunction with Articles 3 of the RPBA and the RPEBA, respectively. It is not possible to establish whether this has happened in practice. It is assumed that in most of such cases, the member himself would have indicated to the chairman that his presence on the case might evoke protests and propose that he step down voluntarily¹¹³. Such a step may or may not be noted by the chairman in the file when allocating the case to a new member. For reasons of transparency to the benefit of the parties, a note should be made in all case of changes of composition.

6.8 *Tribunal established by law*

This element in the characterisation of a valid tribunal has not been discussed very often in the literature, presumably because in most cases it is easily established whether the tribunal was legally established. From the aspect of assessing the BAs, it is of less importance. The EPO is recognised as a valid instrument conferring powers on the EPC and the Boards of Appeal within that organisation. The structure of the Boards and procedural provisions governing their activity would at first sight seem satisfactory and characteristic of courts of law at the national level¹¹⁴.

¹¹¹ The BAs have decided that when a case is remitted with the order to maintain the patent in any specific form, a later appeal, as far as the facts are the same, does not reopen any issues that were decided by the first board. A later board is bound by the decisions taken on the same facts by the first board, see e.g. *T 843/91*, OJ EPO 1994, 818.

¹¹² p. 38 at 2-6.

¹¹³ *J 3/95* perhaps being an exception, since the rapporteur in that case remained as a member of the EBA (*G 1/97*) which replied to the question raised by the LBA in that case. However, it is not possible to find out whether anybody, be it a party or a fellow member, did in fact object to this arrangement. These cases are discussed below, para 6.9.2.

¹¹⁴ See the DBA in *D 11/91*; the necessary powers were delegated by the contracting states to the Administrative Council, see the summary in Annex II.3.

6.9 *The Boards of Appeal as the sole judicial and final instance at the European level*

6.9.1 *The current system - the function of the EBA*

According to the EPO system as practised, the BAs provide an appellate, independent and judicial review of decisions of the first instance. The EPO does not foresee any third instance. The fathers of the convention were careful that the BAs should not be seen as a supra-national international court with powers to overrule domestic judgments in the contracting states, in spite of suggestions from several patent organisations that parties to an appeal should have direct recourse to the Enlarged Board of Appeal¹¹⁵. Simultaneously there was concern that several BAs could lead to a disharmonious application of the EPO.

Against that background the Enlarged Board of Appeal was created, not as a third instance, but as a body with additional members (seven in all) to respond to questions of law of a more general nature. In particular, this would be possible although the EBA would consist of colleagues to those in a particular board who had found reasons to refer a question under Article 112 EPO.

By denying the parties to the case direct access to the EBA, the situation where colleagues would sit in judgment of decisions taken by other colleagues was avoided. The organisation of the EBA and its functions were instead made similar to those of a plenary composition of a court of law. Examples are abundant; the courts of comparison all have rules providing for such situations¹¹⁶. But, and this is essential, a plenary court does not sit in judgment of colleagues; it decides the case directly on substance in an enlarged composition. Where important corrections are necessary,

¹¹⁵ See e.g. BR/169 d/72 zat/GM/bm, minutes from a hearing on 15 March 1972 with non-governmental organisations; with regard to the doubts about allowing such an opportunity, see e.g. BR/186 d/ert/GM/bm, p. 50 f., minutes from the governmental conference meeting on the same date, where these proposals were rejected. An indication of the limited scope intended for the EBA is given in BR/132 d/71 zat/AK/di from a meeting on 28 October 1971, where a majority agreed that the president of the EPC should only have access to the EBA when two BAs had decided the same legal question differently; only Netherlands was for a wider scope of application. Earlier, the delegations had been even more reluctant to allow the president any access at all, holding that the EBA should not give opinions on abstract questions not relating to cases which were no longer pending before the BAs, BR/12 d/69/mt, p. 25 f., and BR/26 d/70 zat/EV/K/bm, p. 18.

¹¹⁶ See 5.2.2.

they are decided by the court itself, i.e. this would be done by the Board taking the decision that needed correction.

The EBA does not decide the cases itself. It only has the power to answer questions referred to it by a board, which then is bound by that answer in its further processing of the case. The possibility for the President of the EPC to refer questions is very limited. The referring board does not take any decision in the matter until the EBA has given its answer. Boards tend to find a balance in their reasoning leading to the question, thereby providing the EBA with helpful material, facts, and legal arguments, pointing out negative and positive results of one or other solution. The EBA "has rather the character of an instance of law, which takes a position regarding fundamental questions of interpretation which have been referred to it, as is known from the CJEC in Luxembourg"¹¹⁷.

The importance of the EBA decisions lies in their harmonising function; although only the referring board is formally bound by its decision, as a rule other boards will follow the principle laid down by the EBA. Frequently, parties refer to EBA decisions for support regarding a point of law.

6.9.2 Future revision by the EBA of BA decisions

6.9.2.1 The ETA case

In 1997, the LBA decided to refer questions to the EBA concerning the fact that the BAs are the final instance of the EPC and the ensuing result that their decisions cannot be challenged before any further instance¹¹⁸. In spite of this legal situation, a party whose patent had been revoked by a TBA tried to revive the proceedings by requesting the Legal Division (LD) to enter the filing date of an application for re-establishment of rights filed after the TBA took its decision, and to delete the patent register entry that the patent was revoked. The LD found itself not competent to decide these issues, since the TBA decision was final and no appeal lay from BA

¹¹⁷ Dybdahl, L. *Europacisk patentret*, Gadjura, København, 1999, p. 226, referring to Article 177 of the Rome Treaty, translated from the Danish original.

¹¹⁸ *J 3/95*, OJ EPO 1997, 493.

decisions. It should at the outset be noted that the matter before the LBA was thus not an appeal against the TBA decision, but against the LD's refusal to entertain ETA's requests for amendments to the patent register.

The background facts were as follows:

In decision *T 456/90*¹¹⁹ the TBA held oral proceedings on 23 October 1991 and subsequently issued a decision dated 25 November 1991. This decision does not say whether the TBA had announced that its decision would follow in writing or the proceedings continue in writing. It is also silent on whether the substantive proceedings were closed so that no more submissions from the parties would be accepted. A few days after the oral proceedings, the TBA received from the patentee a clarification as to its request, which was either to have the patent maintained in the form accepted by the opposition division or in a modified form, depending on requirements that the TBA could impose after its deliberations¹²⁰. The LBA and the EBA both understood the latter to be an offer to file amended claims. The appellant/opponent filed two watches - also a few days after the oral proceedings - to clarify certain observations that it had made during the oral proceedings.

The TBA did not admit the watches into the proceedings, considering them late filed. The patent was revoked for lack of inventive step based on evidence already on file. Part of the reasons for this conclusion was that a feature of the claim was considered as not contributing technically to the art, but only having aesthetic qualities. The TBA also concluded that, given the prior art on file, it could not see any alternative means of amending claim 1 so as to lead to a different decision.

The patentee requested in January 1992 before the TBA that his rights be restored for further prosecution of his patent in *T 456/90*, but was informed by the chairman of that board that no action could be taken in the case. The Vice-President of DG3 also informed the patentee that decision *T 456/90* was final and not subject to review. In November of that year the patentee requested before the Legal Division that the entry in the patent register that the patent had been revoked be deleted with effect from the date of decision *T 456/90*, and an entry regarding the date for the request for re-establishment be made. The Legal Division refused both requests for the reason that the decision to revoke the patent had the effect of ending the proceedings once and for all.

¹¹⁹ See in particular points VII and VIII, as well as point 5. The case is also known as the *ETA* case, after the name of the patentee.

¹²⁰ Facts occurring after the decision in *T 456/90* are summarised in *J 3/95* and *G 1/97*.

The patentee appealed and requested that the LBA allow the entries to be made. He argued that his request for re-establishment had never been examined and was therefore still pending, that the TBA still had powers to order such entry, and that the entry regarding the state of the patent gave the wrong impression about the state of the proceedings. The patentee's information in writing after the oral proceedings that he was prepared to file new claims was not granted, although the decision mentions it. Since the TBA was entitled to exercise the powers of the opposition division under Article 111 EPO, the decision was within the jurisdiction of that division and must be subject to appeal. The LBA decision, under point V.4, finally refers to arguments concerning alleged procedural violations, which however are not specified in that decision¹²¹.

The patentee, invited by the LBA to comment on a possible dismissal of the appeal for the reason that decisions of the boards are final, argued further that his rights to be heard had been violated by the refusal to take a decision on his requests after decision T 456/90 and on his appeal against that decision. Under Article 32 TRIPs, he argued, a decision to revoke a patent must allow an opportunity of review. No details as to the material procedural irregularities purported to have occurred are specified in the LBA decision¹²².

Based on the conclusion that all the requests of the patentee aimed at obtaining a review of the T 456/90 decision, the LBA saw two possible courses of action¹²³: either a jurisdictional action as requested by the appellant, i.e. either reopening the appeal or entering a new appeal against the appeal at issue¹²⁴, or an administrative action as had been taken after T 456/90. But, added the LBA, there was also a possible third course of action involving a special jurisdictional procedure equivalent to the principles generally adopted for this purpose in the contracting states, of which the LBA refers to seven¹²⁵, without referring to any concrete provisions, observing that the EPO did not provide for a review based on serious irregularities such as the violation of fundamental procedural principles.

¹²¹ The patentee referred to several other grounds and legal principles which are not discussed here.

¹²² Point VIII, 4. (b), (ii).

¹²³ Point 3 of the reasons.

¹²⁴ This is understood as meaning an appeal against the *T 456/90* decision.

¹²⁵ France, Spain, Italy, Germany, Austria, Switzerland and England. The LBA also referred to the Court of Justice of the European Communities, Article 41 of the second protocol on the Statute of the Court, see point 9.

The LBA found that the question as to the administrative or jurisdictional procedure to be adopted by the boards of appeal raised an important point of law, since neither the EPO nor the case law, the procedural or administrative practices of the boards of appeal provided a clear answer.

In *G 1/97*, the EBA answered as follows:

The jurisdictional measure to be taken was to refuse the request for a revision as inadmissible. The decision on admissibility was to be taken by the board which issued the decision forming the subject of revision. The EBA decision only applied to requests directed against a decision of a board of appeal bearing a date after that of the EBA decision. The Legal Division must refuse an entry into the patent register of such a request, if it is based on an alleged violation of a fundamental procedural principle and aimed at the revision of a final decision of a board of appeal¹²⁶.

Like the LBA, the EBA did not address in what respect, if any, the board in *T 456/90* had committed any procedural violation. The EBA noted that the patentee complained that it had neither during the appeal procedure, nor in the oral proceedings, been informed that the board considered revoking the patent, but did not comment on these complaints.

The EBA did not accept any one of the remedies that the patentee proposed to be applicable to a case like the present under the EPO, but found that the texts of the EPO did not provide for requests of the kind described by the LBA. The EBA also discarded the proposal that Article 125 EPO would provide the necessary legal basis for introducing a procedure of revision, since that Article only aimed at closing gaps in the law with regard to procedural principles generally recognised in the member states. A completely new procedure would extend far beyond this scope¹²⁷. Article 125 EPO merely provided a means of supplementing existing procedures in case a lacuna became apparent.

¹²⁶ The above is a summary of the four headnotes attached to the EBA decision.

¹²⁷ Point 3 (a).

The EBA further pointed to the accepted boundaries of the judge, who cannot simply decide as the need arises to substitute himself for the legislator. Statute law should in principle provide him with reference points. The plans for setting up a European Patents Court had been abandoned for the EBA, which is not authorised to consider cases of violation of fundamental rules of procedure. To 'correct' this by way of Article 125 EPO would go against the will of the legislator¹²⁸. Nor would it be possible to proceed by analogy, as in national systems, since there is no analogous provision in the EPO. The EBA would have to decide on all practical aspects of a case of any special review procedure it established, wherein national solutions would not be very helpful, since they ranged from the discovery of new facts to any breach of rules of procedure.

The existence of Article 122 (6) EPO for the protection of innocent third parties applied in the case of a revocation of a patent specifically for cases of re-establishment. A similar provision would have to be adopted if a revision procedure was adopted, which could only be introduced by the EPO contracting states. Article 125 EPO could not serve as a basis for admitting an appeal against a final decision of a board of appeal. Neither could it be applied to the several remedies proposed by the patentee, since this would create serious uncertainty, eg with regard to time limits¹²⁹.

The EBA had strong doubts about the applicability of Article 32 TRIPs, not least because the decision in T 456/90 had been issued three years before TRIPs entered into force on 1 January 1995, and the EPC was not a party to that convention. Further, Article 62 (5) TRIPs had to be considered, which required that administrative decisions be open to judicial review, which was precisely what the EPO offered. The EBA was not convinced by the argument that Article 32 TRIPs also required review whenever a judicial instance had revoked the patent¹³⁰.

¹²⁸ Point 3 (b).

¹²⁹ Point 4.

¹³⁰ Point 5. The discussion by the EBA on possible interpretations of TRIPs is left aside here, as not relevant for the issue of access to courts in the context of the LBA referral. It suffices to mention that the EBA found that Article 65(2) TRIPs takes precedence over Article 32 TRIPs, the former being *lex specialis* (directed to procedural matters) in relation to the latter.

After having concluded¹³¹ that the answer to the question whether requests aimed at the revision of a final decision of a board of appeal may be validly submitted had to be answered in the negative, the EBA turned to the last question raised, namely how to handle such requests, choosing the jurisdictional alternative, apparently for the main reason that a request of the kind now under consideration would necessarily be addressed to the board of appeal taking the decision in issue. The board should therefore take a formal decision to reject the request as inadmissible¹³².

In its final decision in *J 3/95*¹³³, the LBA refused¹³⁴ the appeal, having considered *G 1/97* and arrived at the conclusion that none of the requests could be examined in view of the reasons for that decision. The LBA pointed in particular to the fact that *G 1/97* could not be applied to cases where the decision of the BA had been taken before the date of the EBA decision¹³⁵. Point 4 of *G 1/97* prevented the Legal Division from registering the kind of information requested by the patentee. Exercising its powers under Articles 21(1) and 111(1) EPO, the LBA applied the order of the EBA, concluding that such requests could not be validly filed, since it was not foreseen by the EPO and, moreover, the EPO did not provide for the entry of such information¹³⁶. To allow the president to provide for such entries under Rule 92(2) EPO was not justified, since the requests underlying them had to fail irretrievably.

6.9.2.2 Discussion

Did the TBA commit any procedural violation in T 456/90?

Firstly, neither *J 3/95* nor *G 1/97* established that there had been any procedural violation committed in *T 456/90*. The claim that the patentee had not been heard properly as required by Article 113 EPO, which was based on his requests for re-

¹³¹ Point 6.

¹³² Rule 65 (1) EPC uses the terminology "the Board of Appeal shall reject it (i.e. the appeal) as inadmissible".

¹³³ Of 8 May 2000.

¹³⁴ The French order reads: "Le recours est rejeté."

¹³⁵ *G 1/979*, point 6.

¹³⁶ Article 127 and Rule 92(1) EPC.

establishment and other actions after 25 November 1991, must be left without consideration. It is assumed that both the LBA and the EBA did the same. Only if the TBA of *T 456/90* had committed a procedural violation before taking its decision and this violation had resulted in the loss of the patent would there have been cause to refer any question to the EBA on how the LBA should decide the appeal.

All three decisions¹³⁷ are vague about what actually happened at the oral proceedings in *T 456/90*. The decision itself only mentions that oral proceedings were held on a specific date. It was not stated in that decision, nor does *J 3/95* or *G 1/97* comment at all on this point, whether at the close of these proceedings the chairman announced that a decision would be issued in writing, whether he closed the debate or whether it was simply stated that the proceedings would continue in writing. The subsequent acts of the parties would be assessed differently, depending on which alternative had been given at the oral proceedings.

In the *first* alternative, the parties could not expect that any further submissions would be considered by the board, at least not if it was also announced, *second* alternative, that the debate was closed. Only if the parties had been informed that the proceedings would continue in writing, *third* alternative, could they legitimately expect that the board would at least examine further submissions before issuing the decision.

Decision *G 12/91*¹³⁸, which addressed the question of when a decision is final and no more submissions can be validly made, was handed down only on 17 December 1993, i.e. after the *T 456/90* decision. The question, which was referred by a decision dated 22 November 1991, by another BA than the one taking the decision in *T 456/90*, concerned decisions taken at first instance, in that case by an opposition division. It is therefore not quite transferable to a board of appeal decision, which takes immediate effect, given also that the appeal procedure is less administrative in nature¹³⁹. The practice of the boards was not settled on this point in late 1991, otherwise the question referred in *G 12/91* would not have been necessary. The EBA

¹³⁷ The last decision in *J 3/95* is not relevant here.

¹³⁸ OJ 1993, 313.

¹³⁹ See *G 9/91* and *G 10/91*.

established that a decision after written procedure closes the procedure when the decision is handed over to the EPC postal service by the decision-taking department's formalities section. Contrary to decisions by the boards of appeal, for which the EPO prescribes in Rule 66 (2) that the date must be indicated in the decision, the date was not of importance for the first instance, presumably because its decisions are appealable.

Indirectly, then, the EBA in *G 12/91* established that decisions by the BAs take effect as of their date, a natural conclusion since they cannot be appealed. The only question then remaining in relation to *T 456/90* is whether there was a procedural violation committed between 23 October 1991 and 25 November 1991.

During that period, one opponent and the patentee submitted observations. The patentee offered amended claims depending on the requirements that the board could have after deliberation, and the opponent filed some watches in support of an argument. The action of the patentee indicates that he was of the opinion that the proceedings were not closed, and that he was expecting a communication from the board, should it not accept the claims on file.

However, in view of Article 108 EPO and the Guidance to appellants and their representatives, OJ 1984, 376, part 1.2¹⁴⁰, parties are expected to file requests and cannot rely on the EPC to prescribe what requests they should submit. The Guidance also indicates that oral proceedings are intended to enable the board to take a final decision. A party to appeal proceedings cannot therefore expect any further opportunity to discuss the case or file amendments, unless it has been announced that the proceedings will continue in writing. Since the patentee did not file any new claims, the board was not in a position to examine whether such claims would have been allowable. Given this assumed background, no procedural principle seems to have been violated through the fact that the board did not react to the offer made by the patentee. The comment by the board in its final decision that it could not see any amendment that would be allowable may be seen as indirect information to the patentee, which could explain why no further opportunity was given.

¹⁴⁰ Valid at the time *T 456/90* was pending.

If, on the other hand, it had been announced that the proceedings would continue in writing, there had been reason for the board under the principle of legitimate expectation to tell the patentee that it could not do anything without a request or that the board could not see - as stated in the decision - any amendment that would make the invention patentable. It must be presumed that either the LBA or the EBA would have noted in their respective decision, if it had established any circumstance constituting a procedural violation. Since neither of them did so, it may be fairly assumed that the TBA did not decide to continue the proceedings in writing. The TBA may have announced that a decision would follow, but without announcing the order of that decision or a date on which the decision could be expected. On balance then, the non-reaction of the BA to the patentee's letter may be questioned, but it could not be seen as a substantial procedural violation, given that oral proceedings had already taken place.

The patentee also complained that the board had never indicated its opinion that the invention was not patentable for lack of inventive step. However, these were *inter partes* proceedings. Each party to such proceedings must be prepared to accept that the deciding TBA may be convinced by a ground or evidence presented by the other party, without having indicated beforehand that it agrees with that party. Article 113 EPO is only contravened where the grounds or evidence on which the patent is revoked have not been discussed in the proceedings or a party's arguments and evidence were not considered before the decision is taken. There is no general obligation in opposition proceedings for the deciding body to give its provisional opinion in advance to the parties¹⁴¹.

The opponent's submission was likewise disregarded by the board, as the watches were considered late filed. The parties were therefore treated equally as to requests or submissions made after the oral proceedings.

The decision to revoke the patent was mainly based on the observation that a characterising feature of the invention did not contribute technically but was merely a design feature, an argument that the opponents had submitted in the proceedings

¹⁴¹ See for example *T 275/89*, OJ 1992, 126, and *T 774/97*.

and to which apparently the patentee had had the opportunity to respond¹⁴². The documents cited, in particular D 7, had already been discussed by the parties before the opposition division. D7 and D 31 were said to have been discussed in detail in the oral proceedings.

The patentee filed two requests after the decision with the board, a) that re-establishment be allowed and b) that the information in the patent register that the patent had been revoked be deleted. The chairman of the board and the vice-president responsible for the BAs both informed the patentee that the decision of the board was final and not subject to appeal. - The requests later filed with the LD, as assessed by the LBA and the EBA alike, obviously were aimed at a review of that decision.

In conclusion, none of the decisions now discussed gives any indication leading to the conclusion that the board in *T 456/90* had violated any fundamental procedural principle.

The procedure before the LBA and the LBA decision

Prima facie, there had been a formal request to the Legal Division, from whose decisions an appeal lies to the LBA. However, since there was no applicable provision in the EPO relating to the patentee's requests, it would have been legally consistent and appropriate for the LBA to have equally rejected the appeal as contrary to the *ne bis in idem* principle and declared it inadmissible, for the following reasons.

Under the law, the LBA was unable to reopen the TBA proceedings regardless of whether or not there had been any procedural violation. Board of appeal decisions take immediate effect as of the date they are rendered, unless the case is remitted to the first instance for the completion of formalities, e.g. in case the patent is maintained, which did not apply in *T 456/90*. Therefore, the Legal Division decided correctly that it had no powers to decide on the requests submitted on 11 November 1992 by the patentee that the filing date for an application for re-establishment under

¹⁴² See point V of *T 456/90*, containing a summary of the parties' observations.

Article 122 EPO be entered in the patent register and that the entry regarding the revocation be deleted from the same register.

In such a situation, where the law does not offer any extra-ordinary means of having the final decision set aside, it seems that the LBA should likewise have declared itself incompetent and, if not declaring the appeal inadmissible directly, should at least have refused the requests in its first decision. Indirectly, the EBA itself drew this same conclusion by denying the power of a judge to substitute himself for the legislator¹⁴³.

In any event, questions referred under Article 112 EPO must be decisive for the BA which refers them, otherwise they will not be admitted¹⁴⁴. It would therefore have been possible for the LBA to refer the questions before having decided on the admissibility, avoiding the ambiguity of the order, which may suggest that a future request could be considered allowable. Article 112 EPO does not focus on questions of substance, on the contrary it specifically addresses legal questions of general import. Thus, there is nothing to prevent a BA from referring questions before the issue of admissibility has been decided. Further, the refusal of the requests¹⁴⁵, rather than a rejection of the appeal as inadmissible, indicates that there had been no need to refer the questions. Once the requests were admitted, they had to be examined. The referred questions were therefore not directly decisive for the case.

The LBA indirectly challenged the finality of BA decisions, against the EPO system. The referral under Article 112 EPO is questionable with regard to the principles of "audiatur et altera pars" and "ut sit finis litium", in other words in view of the legitimate expectation of the other parties to the case that the final decision of a Board of Appeal will stand.

¹⁴³ Point 3 (b).

¹⁴⁴ Cf. *G 2/99*, in which the EBA in detail discussed whether a question was admissible, which it would not have been, if there had been any other means by which the board could have avoided it. The EBA discussed the obligation for the BA to examine the matter on substance (i.e. investigate the prior use in issue) before referring a question on the applicability of the provision to the very same prior use.

¹⁴⁵ It is assumed here that a declaration of inadmissibility would have read: "Le recours est rejeté comme irrecevable", cf. the French version of Rule 65(1) EPO.

By referring the questions, the LBA took a stance on a legal remedy for which no provision is made in the EPO¹⁴⁶. The LBA did not exclude that the final decision in *T 456/90* might be set aside in subsequent proceedings. It also took a stance on the issue of procedural violation, accepting the arguments of the patentee, however without stating in the decision in what respect/s there had been such a violation or how it had arrived at such a conclusion, to the possible detriment of the opponents. The LBA was obviously of the opinion that the EPO was deficient, otherwise it would not have referred to the third venue of introducing such a procedure. It finally discussed three different options, two of which were not law. This was clearly a political statement going beyond the powers of courts of law into the area of responsibility of the legislature.

The LBA stated itself¹⁴⁷ that the object of the proceedings was to determine the powers of the Legal Division. However, the LBA never arrived at adjudicating this issue. It only had to conclude that there is no procedure for review of final decisions of the BAs. The LD could itself have declared the request inadmissible, but even with the decision it chose to take, *T 456/90* could not be set aside and the proceedings reopened. This was clear to the LBA before it took the decision to refer. There was also no support in the law for entries in the patent register of the kind requested by the patentee. And the LBA was certainly aware that it was not competent to decide which procedure should be introduced to handle cases of procedural violations in the boards of appeal. Nevertheless, the LBA took upon itself to judge the necessity of amending the law. There is thus a contradiction between the legal situation and the reasons given by the LBA for the questions referred, i.e. that an important point of law arose. It is questionable whether the applicable law or the case law of the boards of appeal was unclear. Instead, the legal situation was that no provision or guidance was required, since the EPO system does not foresee any third instance or leave scope for any extra-ordinary review of final decisions of the final instance.

¹⁴⁶ This is true in spite of the fact that J 3/95 does not contain any preferences of the members of the LBA themselves.

¹⁴⁷ Point 2.

The EPO is clear. A BA final decision cannot be reviewed. If there was political unease about the procedure of *T 456/90* and the lack of an extra-ordinary procedure in the EPO, this could have been reported to the Administrative Council as the body responsible for the EPC as an organisation, and the correct venue for legislative initiatives.

The procedure before the EBA

The facts related above suggest that actually no important point of law arose as a result of *T 456/90* or the venue taken by the patentee via the Legal Division. Had it still been important to have indications on how to react to a request like the one in the ETA case, it would have been for the TBA itself to decide how to handle this. In one sense then, the EBA encroached upon the independence of the board members. Its decision was also unnecessary, since the TBA in question had already done exactly what was later prescribed by the EBA in *G 1/97*; its chairman had refused to reopen the case, informing the patentee that the decision was final. The only addition was that the EBA stipulated that the entire board must take a formal decision rejecting the request as inadmissible. Such a step could have been taken through a simple amendment of the Rules of Procedure of the Boards of Appeal by the competent organ, i.e. the Presidium, if considered necessary.

A final point to be noted is the composition of the EBA, in whose decision the rapporteur of *J 3/95* referring the questions to the EBA took part. Under the then applicable rules of procedure of the EBA¹⁴⁸, Article 2, at least four members of the EBA "should not have taken part in the proceedings before the Board of Appeal referring the point of law.". Thus the composition in *G 1/97* was in accordance with these rules. It leaves room, theoretically, for all three members of the referring Board to have a seat on the EBA.

In view of the fact that questions are sometimes referred for the reason that the members of the Board could not agree to a solution, a better solution would be to

¹⁴⁸ Published in OJ 1983, 3, and 1989, 362.

have all of them sitting on the EBA¹⁴⁹ - although not all of them are permanent members of the EBA - to avoid conclusions that the choice of member to sit on the EBA was made for irrelevant reasons or even a desire to achieve a certain result or that the opinions of the other two members were not of any interest. To have only one or two members from the referring Board invites such conclusions, which may damage the authority of EBA decisions at large, as well as categorise members into two classes of judges. The only other appropriate alternative seems to be a rule excluding *any* of the referring members from sitting on the EBA¹⁵⁰.

Also, Article 24 (1) EPO requires that a member of a BA or the EBA has not taken part in the decision under appeal. While this provision is directed to decisions of first instance, it would seem necessary to apply it by analogy to decisions by which questions are referred to the EBA, in order to avoid doubts in the minds of the parties as to any undue influence from previous involvement in the issues discussed by the EBA. This is particularly important, since EBA decisions must deserve unquestionable authority.

Subsequent actions - the adoption of Article 112 (a) EPO

In any event, the EBA discussion of the lack of opportunity to redress major procedural errors - despite the fact that none had been established - led to proposals for the introduction of such a measure, proposals which were adopted at the November 2000 diplomatic conference to amend the EPO. They consist in introducing a new Article 112 (a) EPO¹⁵¹, which empowers the EBA to receive and decide requests by parties for revision of BA decisions, submitted on the ground that fundamental procedural principles had been violated in the procedure addressed¹⁵².

¹⁴⁹ With some exaggeration this is reminiscent of the rule of the HRCourt that the member elected from the responding State always sits on the case, Article 27 (2) ECHR.

¹⁵⁰ See Article 97 of the proposed EPLP on automatic assignments, to exclude any possibility of discretion in the choice of panel members, WPL/SUB 20/0, comments, p. 49 f. Cf. above, 6.3.3.

¹⁵¹ The text of this Article is reproduced in Annex III.

¹⁵² The adopted provision has already led to a request for revision, T 315/97, decision of 2 October 2002. The board took this decision under the system recommended by the EBA in G 1/97 to reject requests for reopening of the procedure as inadmissible.

The envisaged procedure under new Article 112 (a) EPO¹⁵³, offers the following perspective:

1. It changes fundamentally the relationship between the BAs and the EBA. The latter will be directly accessed by the parties to an appeal procedure before a board of appeal, although as yet only BAs and to some extent the President of the EPC have such access through referrals. The EBA was not conceived as a third instance. It consists of members of the BAs, i.e. the same members who may be examined as to complaints about procedural violations in future. This may put in doubt whether the rights of parties to an independent and impartial judiciary will be considered as satisfied under the new system.
2. While extra-ordinary means for setting a final decision aside may exist in most member states to the EPO, the organisation of the review procedure under Article 112 EPO, using colleagues of the same court was justified by a reference to a system in Canada¹⁵⁴, whereby judges of the same court may sit on cases of both the first and appellate instance of the same court. However, to import a specific legal feature from a system not connected to any of the member states to the EPO is at best dangerous, since it is well known that legal features working well in one legal context may be completely inappropriate in another system. A better route to follow would have been to study the systems for correction of severe errors in judgments of final instances in the member states to the EPO, in order to find viable models¹⁵⁵. In particular, Recommendation (94) 12 and decisions of the HRCourt should be considered.

¹⁵³ Adopted in 2000, it will be some years yet before it will enter into force, because ratification processes in the various member states as a rule are not very expedient. The EPC, adopted in 1973, entered into force in 1978. One example of a vagueness that may prove difficult to apply in a transparent and consistent manner is the possibility to reject a request as inadmissible for being "clearly unallowable". While reminiscent of the ECHR "manifestly ill-founded", the latter, if criticised heavily by *Harris et al.*, still uses stronger language to stress its exceptional quality.

¹⁵⁴ CA/PL 17/00, p.7. This arguments ignores furthermore that the Canadian court contained in itself two different instances and that therefore there had to be rules to prevent "contamination" from one to the other. The proposal acknowledges this difference, but draws the conclusion that it fits the EPO system even better *because* the EBA is not a separate higher instance. This argument is difficult to accept, if not impossible to understand.

¹⁵⁵ The LBA mentioned seven member States to the EPC as providing for such a review, but did not give any details as to their systems.

3. In another reference in the travaux préparatoires the HRCourt Grand Chamber was mentioned. However, such a model presupposes that the decision taken by a BA, like that of a chamber of the HRCourt, does not gain immediate effect, so that the case could be referred to an extended board, as it may be referred to the Grand Chamber¹⁵⁶. A further significant difference is that the EBA currently does not decide appeals, only questions of law, referred to it by a board or the President of the EPC.
4. What was overlooked in this comparison was that the Grand Chamber does not examine any allegation of procedural violation, but takes a decision on the whole case based on its merits. It is also noteworthy that the Chamber itself may relinquish the case to the Grand Chamber under Article 30 ECHR. All the members of the Chamber originally sitting on the case are then automatically members of the Grand Chamber. This is in sharp contrast to the EPO system, which should prevent the EBA from having any of the referring members sitting on the case. A decision taken by the Grand Chamber could never question the authority of the original judges on the case, whereas a decision taken by the EBA on revision always will do so.
5. None of the parties to the case can have direct recourse to the Grand Chamber of the HRCourt. If any of the parties requests such a referral under Article 43 ECHR, a panel of five judges decides whether there are good reasons to allow such a request. Further, the ECHR system is closely associated with plenary court rulings, which is far different from the solution for the BAs with an EBA consisting of colleagues to themselves.

The following are likely results of Article 112 a) EPO if ratified according to its present wording:

1. The EBA will be composed of colleagues, who without having taken part in the criticised procedure will judge their own colleagues. This not only puts their colleagues in a position beneath the EBA panel (although today all BA

¹⁵⁶ Article 30 ECHR.

members have equal status); it also makes the finality of board of appeal decisions questionable. Further, it opens the EBA to challenges by the parties for disqualification, if the panel does not decide as requested, since its members may be considered to have been biased because of their close daily relationship with other members of the BAs in taking decisions together in various compositions.

2. The boards will not be competent to address the problems themselves, which would have been the natural solution to choose, in order to protect the integrity of the members as constituting a judicial instance¹⁵⁷. If the incident of *T 456/90* is felt to be of such a frequency that a review procedure is necessary, wherein the Board itself is not competent to review the procedure, a better solution could have been to make the decisions by the Boards of Appeal not final and, in the case of a complaint raised in the course of the proceedings, offer a possibility for the deciding board or any of the parties to *refer the entire case for decision by an enlarged board* or other panel of judges, modelled on the HRCourt procedure.
3. The new extra-ordinary revision procedure will offer parties a further means of access to a procedure before a BA, albeit limited to cases where the deciding panel of the EBA finds that the BA in question had violated a procedural principle.
4. The conditions under which a revision may take place are not adequately defined. It is often not possible to distinguish procedural from substantial issues. There is a risk that decisions which were procedurally in order may be set aside and the case referred for further prosecution by the board which will

¹⁵⁷ There are national systems in Europe which allow a group of judges to assess complaints against fellow judges, e.g. where supreme courts are concerned, above which there is no further instance, e.g. the Netherlands (source: judge Willems, member of the BAs, interviewed). But the differences for the BAs are threefold in comparison to the conditions for national judges; they work in an incomplete legal environment, the procedural exigencies are not completely harmonised due to different legal cultures of those representing legal qualification and they will in fact be judged by one EBA member who is subordinate to the President of the EPO. The latter can be seen as violating Article 23 EPC.

have to take the same decision again or - even worse - that the board will find it in its interest to change the decision on substance.

The above criticism does not deny the necessity of having a venue to redress severe procedural aberrations committed by a court of final instance; on the contrary, many court systems at the national level allow for such an opportunity beyond the final decision or judgment. Even for the CJEC, the HRCourt and the ICJ, which undeniably are courts of final instance, provisions to this effect apply.

The fundamental difference is that the above international courts are competent themselves to redress such problems. Through the proposed legislation for the EBA, the Boards of Appeal risk being reduced to an administrative second instance, since a part of themselves in special composition but without the necessary competence to decide the case both on facts and law, the EBA, may be directly accessed by the parties themselves.

Already before the revision system under Article 112a EPO has entered into force, the epi concluded - erroneously - in a comment to the draft EPLP: "In contrast to the revised EPO where the Enlarged Board of Appeal decides on the review of decisions taken by *the Boards of Appeal which constitute a lower level of jurisdiction....*" (emphasis added)¹⁵⁸.

Even if seen as a higher level instance, the EBA is still not a court because it has no power to adjudicate patent cases in full and does not meet Article 6 (1) ECHR requirements. If the Boards of Appeal are reduced to an administrative instance by the new procedure, the EPC and its member states are in violation of Article 6 ECHR¹⁵⁹, which requires access to at least one adequate court instance for disputes regarding civil rights and obligations. In turn, this would necessitate the creation of

¹⁵⁸ WPL/SUB 6/02, Comments from epi on the so-called EPLP 4, WPL/SUB 2/02, with a draft Agreement on the establishment of a European patent litigation system, point 8, commenting on proposals for petition for review of decisions from the Court of Appeal within the proposed EPLP system.

¹⁵⁹ As well as of TRIPs Article 62 (5).

a proper European Patenting Court¹⁶⁰, with the appropriate functions and powers and whose judges are ensured safeguards corresponding to the standards set according to the ECHR.

Looking for alternatives, one would come upon the Grand Chamber provision of the ECHR which could be used as a model for revision. Transferred to the BAs, this would have required that all the members of the BAs sit on review cases, which is clearly unwieldy from a practical point of view, since in the beginning of 2003 there were some 120 members on these boards. It is therefore not a simple task to organise a forum which would meet the necessary standards while at the same time conserve the authority of the BAs themselves.

In any event, there is scope for improvement of the system under the EPO as now foreseen by Article 112 (a) EPO. The first and foremost improvement would be to have the review panel (whether for the initial admissibility issue or for the subsequent review examination) composed exclusively of national judges appointed under Article 160 EPO, as once proposed by Justice Jacobs for the EBA when exercising its normal function¹⁶¹. These judges are well qualified in matters of patent law and in particular experts in procedural law, they are not involved in day-to-day work within the Boards of Appeal and thus distanced from the members of the BAs and therefore best suited to render neutral decisions on the actions of a criticised board.

If this alternative is not seen as viable, the need to ensure that the BAs will be recognised in future as a judiciary would require that the members of the board that issued the challenged decision will sit on the EBA review panel, which would consist of seven members, i.e. the three TBA members and four other members. Should the challenged decision have been taken by a five-member board, the EBA would have to be enlarged to sit with eleven members.

¹⁶⁰ Not to be confused with the proposed European Patent Court for litigation, see 9.5.1. The coordination of resources seems appropriate, because of the scarcity of experienced patent judges in Europe, as discussed in chapter 9.

¹⁶¹ EIPR, 1997, p. 224 f.

CHAPTER 7 ACCESS TO A TRIBUNAL

7.1 Introduction

The notion of access to a tribunal is understood in this thesis in the narrow sense of defining the conditions for admissibility of an appeal to the boards of appeal, in particular the conditions for the legal recognition of a person as a party to the proceedings. Neither the quality of the tribunal, nor the extent of its competence is considered under this heading. After a reference to ECHR case law on this subject in 7.2, the present chapter moves to general conditions for admissibility, 7.3, problems concerning the identity of the parties including corrections of identity, 7.4, and problems of transfer of a patent application, a patent or the position as opponent to a patent, 7.5. Interventions are treated in 7.6, re-establishment of lost rights in 7.7, res judicata problems in 7.8, and finally problems concerning abandonment of the patent application or patent and the effects of withdrawal of the appeal or opposition are addressed in 7.9.

7.2 Access to court

7.2.1 General

The ECHR system being open to all natural and legal persons¹, the HRCourt has seldom had to consider the problem of party identity, in particular since it is not an instance at the appellate level but a control means for ascertaining whether a complainant has been offered the guarantees of Article 6 ECHR. Instead, the focus of the ECHR control system is on the powers necessary for an organ to qualify as a court of law. In this respect, the ECHR case law sometimes classifies a limitation of or lack of power or jurisdiction as a problem of access, e.g. if the organ competent to try the complainant's case under domestic law did not meet the procedural or jurisdictional requirements as set down in Article 6 ECHR and the case law thereunder, the HRCourt may find a violation of the right of access². In the structure of this thesis, however, systematically such issues are as a rule placed in either the category dealing with the requirements on the tribunal itself (chapter 6) or that of the

¹Article 34 ECHR: "any person, non-governmental organisation or group of individuals".

²See e.g. *Fischer v. Austria*, judgment 24 April 1995, where the applicant complained that his right of access to a court invested with full jurisdiction had been violated because the Austrian Administrative Court only had limited powers of review, paras 26 and 27, summarised in 4.6.

minimum requirements to be met by the procedure applied by the tribunal (chapter 8).

ECHR cases which are concerned with the narrower question of access in the sense of *either* that a court of law was not foreseen in the law as an instance available for certain areas of the law³ *or* turning on whether a person was entitled to appear as a party to proceedings or to instigate proceedings as a party have mostly turned on *costs*, which may be insurmountable for some individuals, denying them in practice from access to a tribunal⁴. This does not seem to be a problem with regard to parties before the EPO, who comprise mostly industry, which is not as cost-sensitive as natural persons, although discussions have been held about the pecuniary inaccessibility of the EPO as a patent granting authority for natural persons or for small and medium size enterprises (SMEs) because of the relatively high costs involved with regard to fees of various kinds⁵.

Costs in the form of fees are not of any particular concern for appellate proceedings. For the BAs, fees may hardly be said to be an issue⁶.

A patent applicant or an opponent may always present his own case without being represented, except where the party is a non-member state resident⁷. During appeal proceedings, other fees will still be levied, such as renewal fees⁸, but these are not

³ See e.g. *Oerlemans v. Netherlands*, judgment 23 October 1991, regarding the alleged lack of a court instance for disputes over land use (no violation found; in practice Dutch civil courts were competent to review decisions of administrative authorities, including their lawfulness).

⁴ See *Airey v. Ireland*, the first and most noted case.

⁵ A study by the Roland Berger Forschungs-Institut 'Utilisation of patent protection in Europe', carried out in 1994, tried to establish any difference in perception of the need for patenting between small and medium enterprises (SMEs) on the one side and larger enterprises on the other side. One problem, as perceived by the SMEs, seemed to be prohibitive costs, not only for the patenting procedure as such, but also for the maintenance of patent protection as well as for the costs of having to defend them in court, see e.g. the summary on pages 9 - 15. In this study, SMEs were defined as enterprises with up to 100 employees, p. 10 (In the graph on page 80, however, SMEs include up to 1000 employees). It comes as no surprise that smaller companies were more critical of EPO fees than larger companies. The former tend to stress the cost/benefit ratio of patenting as a ground for not applying for patents before other reasons, p. 109. In a more recent study on the economic value of patents, Ernst and Young, CA/6/97 Add.1, EPO 1997, SMEs are limited to companies with up to 250 employees, p. 48. See also 2.3.

⁶ In February 2003, the appeal fee was 1022 Euro.

⁷ Article 133 (2) EPC.

⁸ Article 86 EPC.

related to the appeal as such. The access to the Boards of Appeal procedure cannot be considered to be too restricted for these reasons.

One concern, however, may be that access in the form of being able to *present one's case at an oral hearing* might be prevented for reasons of cost or as an impractical matter because of the necessity to travel to Munich. Unlike the proposal for a patent litigation protocol to the EPC⁹, there is no possibility for the EPO organs to arrange oral proceedings in another member state¹⁰.

A less prominent problem in ECHR case law, and practically unknown in EPC case law, is access to court which is prevented on account of *lack of personality*¹¹. In the EPO, a few cases have occurred concerning objections to opposing parties (legal persons) because they had ceased to exist legally¹².

Neither is there any *bar to oppositions based on contract law*. The existence of an exclusive licence agreement is not decisive of an opponent's right to file an admissible notice of opposition¹³. In case V 7/92, the proprietor had requested that the opposition be declared inadmissible for the reason that it was against good faith to attack a patent, despite the fact that the opponent himself was an exclusive licensee.

⁹ See e.g. WPL/SUB/2/02, Article 7 of the draft Agreement on the Establishment of a European Patent Litigation System, which foresees that the Court of First Instance may comprise Regional Divisions, enabling oral hearings to be held in a contracting state when appropriate, to avoid criticism that the access to oral proceedings is illusory for cost or practical reasons.

¹⁰ Barring the possibility of hearing witnesses before national courts, Article 107 and Rule 72 EPC.

¹¹ *Holy Monasteries v. Greece*, judgment of 9 December 1994, where the HRCourt acknowledged the legal personality status of the complaining monasteries as entities separate from the Greek state, see paras 48 and 49. The monasteries therefore had standing to file complaints against Greece.

¹² See e.g. T 525/84 of 17 June 1988, cf. below, 7.4.2, on the question of identity of the appellant.

¹³ Decision of the Opposition Division in case V 7/92 (application 84 114 826.5), dated 13 May 1992, OJ 1992, 747. This decision was not appealed. The opposition was rejected on substance, i.e. the patent was upheld as granted.

The Opposition Division referred to the function of the opposition as being in the interest of the general public¹⁴, and to German doctrine¹⁵, which held that licence agreements could have a preventive effect at the national level, if the contract expressly stated that the licensee was prohibited from attacking the patent. Such a recognition was however at variance with the purpose of oppositions in centralised proceedings before the EPO. The Opposition Division also referred to the CJEC, which had not accepted that such clauses barred attacks, and concluded that such matters were for national civil courts or authorities to decide. It observed that the reasons given so far did not answer the question of admissibility of an opposition filed by a party who had already by a final judgment been ordered not to challenge the European patent¹⁶, but that this situation was not relevant in the present case. Even if a no-challenge obligation could be inferred from a contract, it did not justify a ruling that the opposition was inadmissible¹⁷. The request of the patentee was rejected¹⁸ and after examination of the opposition on substance it was rejected and the patent upheld.

From a general point of view, then, access to appeal and/opposition proceedings does not present any particular problems in relation to Article 6 (1) ECHR.

7.2.2 Party status - formal and substantive admissibility conditions

Even if a tribunal is available to resolve the conflict, *access may be lacking for formal reasons*. The question of *locus standi* may arise, e.g. after a transfer of rights which may not be recognised by the competent court. There may be limitations in law for a person to appear as party.

ECHR cases addressing issues of party status are rare. Except for the *Airey* case, which turned on costs for representation which were considered prohibitive, only

¹⁴ See e.g. point 3: "the purpose of the .. opposition... being in the interest not only of individual competitors but also of the public at large." It seems that the Opposition Division saw its own function as primarily that of representing the interests of the public.

¹⁵ See the reasons, points 2-4.

¹⁶ Or as a result of negative decisions relating to Article 85 and 86 of the EEC Treaty, see point 8.

¹⁷ Reasons, point 10.

¹⁸ The Opposition Division apparently saw itself rather as a representative of the public than an arbiter between two parties in civil proceedings. The decision was not appealed.

three cases were found searching for "status of party", one of which concerned specific rights under Article 6 (3) ECHR in criminal proceedings.

The first case, *Artico v. Italy*¹⁹, concerned the right of adequate defence either in person or through a lawyer, which is reinforced by the obligation of the State to provide free legal assistance in certain cases and is therefore not directly applicable to civil disputes.

The second case is *Ruiz-Mateo v. Spain*. Apart from the issue of the length of proceedings²⁰, the main issue was whether the lack of locus standi for the Ruiz-Mateo family before the Spanish Constitutional Court was a breach of the principle of equality of arms. The facts of the case in this respect turned on a law expropriating the shares of the RUMASA SA, a parent company of the RUMASA group. The law applied exclusively to these shares. The family had no access to court under the general legislation on expropriation, unless this law was declared unconstitutional by the Constitutional Court. Under this law, in the proceedings before the Constitutional Court, only the representatives of the state authorities and the Attorney General were heard.

The HRCourt found Article 6 (1) ECHR applicable. The civil and constitutional proceedings were so interrelated that it would be artificial to deal with them separately, and this would have weakened considerably the protection afforded in respect of the applicants' rights. By raising questions of constitutionality, the applicants were using the only (indirect) means available to them to complain about an interference with their right of property²¹. - With regard to the principle of equality, the majority of the court found that the fact that the applicants had not been given any opportunity to reply to the observations filed by the Counsel for the state (who could not be dissociated from the beneficiary of the expropriation) nor had been able to challenge his opinion in the civil courts, whereas the Counsel had advance knowledge of their arguments and could comment on them in the last instance before the Constitutional Court, to constitute a breach of Article 6 (1) ECHR.

Lastly, *Hamer v. France*²² concerned a civil-party application²³ filed in conjunction with criminal proceedings against a suspect on behalf of a relative to a man who had been shot. Mme Hamer maintained that her co-application implied a claim for damages. The person charged was later acquitted. Under French law, such an action did not relieve the person from filing claims for damages. Since Mrs Hamer had not done this and had not acted in any other way so as to make known her intention of claiming damages, the HRCourt found that Article 6 ECHR was not

¹⁹ Judgment of 30 April 1980.

²⁰ Length of proceedings is discussed in 8.7.

²¹ Para 59.

²² Judgment of 27 June 1996.

²³ So a co-application could be equalled to an intervention on the side of the public prosecutor, i.e. supporting the criminal charge.

applicable²⁴. The outcome of the criminal proceedings against the accused had therefore not been decisive for the establishment of Mme Hamer's right to compensation, who could not be considered to be a party.

A party to a case must put forward requests in the proceedings in order to be given the *opportunity to be heard* as a party. If so, he has to be recognised as a party even before a constitutional court. Under the EPC, this principle should not cause any legal problems, neither in *ex parte* nor in *inter partes* cases, given the procedural provision rendering party status to "any person" under Article 107 EPC and the principle of party disposition recognised by the BA case law. However, the issue of straw men decided by the EBA in decisions *G 3/97* and *G 4/97* raises questions with regard to the right of access to a court, which will be discussed below in 7.5.

7.2.3 Transfer of party status

The identity of a party to a specific case may change as a result of a transfer of the right to the patent application or patent or a third party replacing the original opponent. In proceedings before the EPO, the change of identity of *the patent applicant or patentee* is foreseen by Rule 20 EPC, which provides that a transfer shall be recorded in the patent register on production of documents satisfying the EPO that the transfer has taken place. The register renders at least a passive legitimacy in a formal sense; communications from the EPO may be validly sent to such a person, regardless of his legal standing as seen under national legislation. From the point of view of the EPO, the registered person also has a positive authorisation thereby; procedural acts by such a person are accepted as valid.

With regard to *oppositions*, there is no similar provision in the EPC. The EBA has however held that an opposition may be transferred as a result of e.g. the merger of two enterprises whereby the opponent ceases to exist, or where the entire possessions of the opponent, to which his interest in opposing the European patent belongs, have been transferred to another person²⁵.

The legal situation under the EPC may give rise to a question of discrimination and the right of appeal. As to the ECHR case law, there does not seem to be any

²⁴ Paras 74-75.

²⁵ *G 4/88, OJ 1989, 480.*

precedent addressing exactly the above situation of a change of identity. ECHR cases involving locus standi issues relate mostly to the standing as victim under this convention for family members to a deceased applicant.

7.2.4 Appealable decisions

In a system where the first instance proceedings do not offer the guarantee of a proper court, the right of appeal is of course imperative. Under the EPC, an appeal lies to the boards of appeal in cases where a decision has been taken by the Receiving Section, the Legal Division, the Examining Division or the Opposition Division, as long as the decision has terminated the proceedings²⁶. Special leave of appeal may be granted in cases where the proceedings are not terminated as regards one of the parties. Only parties adversely affected by the decision may appeal, whereas other parties to the proceedings (before the first instance) are considered to be parties as of right, under Article 107 EPC.

Parties as of right have a particular standing; they may take part in the proceedings by filing requests and comments, in short they are entitled to be heard. However, they cannot continue the proceedings, if the appellants are to withdraw their appeal, and they are bound by the requests and grounds filed by the appellants.

In the HRCourt's case law the right of appeal is an issue under the right of access to a court, i.e. it is the powers of the appellate instance that is the object of the court's examination for compliance with the ECHR. The extent of appealable decisions, therefore, does not appear to raise any specific issues of interest to study.

7.3 Admissibility issues - general conditions

A patent applicant whose application is refused entirely or in part²⁷ has full access to the boards of appeal via an appeal meeting the requirements of Articles 106 - 108 EPC and related implementing provisions (mainly Rules 64 and 65 EPC). In view of the open-ended possibility for "any person" to file an opposition against the grant

²⁶ Article 106 EPC. Exceptions to the right of appeal are listed in paragraphs 4 and 5.

²⁷ I.e. where the applicant has filed several alternate requests with varying extension of protection, a decision not granting a broader request than what was allowed is considered to have affected him adversely, see e.g. *T 234/89*, OJ EPO 1989, 79.

of a European patent and from there the right to appeal, the access to the boards of appeal of the EPO appears to be more extended than required under the ECHR, having regard to the conditions of a genuine dispute and of a direct link between the the object of the dispute and the effect of a decision for the parties in question²⁸. Generally speaking then, basic admissibility conditions should not pose any problem in comparison with the exigencies of the ECHR case law.

Some questions do arise however. Admissibility issues take up a fair amount of EPO case law²⁹. For appeals, in addition to time limits and the condition of the payment of an appeal fee, the EPC prescribes that only persons adversely affected by a decision of first instance may appeal³⁰. This is accompanied by rules and practices for the proper identification of parties³¹. Furthermore, an appeal may be declared inadmissible if it contains no request or does not define the content and extent of the appeal so clearly as to enable the BA and the other party/ies to understand what it is about³². A minimum required is that the appellant sets out the legal and factual reasons on which he bases the appeal, so that the respondent and other party/ies will be in a position to prepare meaningful response/s and the Board can direct the appeal proceedings efficiently³³. Finally, an appeal which otherwise is admissible may still be rejected, if it represents a violation of the *ne bis in idem* principle.

²⁸ See e.g. *Balmer-Schafroth et al. v. Switzerland*, judgment 26 August 1997, concerning the conditions for operation of a nuclear plant for an operating license to be renewed, as against the complainants' constitutional right to protection of life. The link between the operating conditions of the nuclear plant and the protection of human lives was not considered direct and therefore Article 6 ECHR was not applicable (majority decision 12-8). The minority held the opposite view, criticising the majority for not having explained in what respect the connection was too tenuous or hypothetical or even why the complainants' had to show a priori that there was an imminent danger to their lives. They had not even been afforded the opportunity to show in court how serious the danger was. The minority also questioned why the operation of nuclear plants was not subject to court scrutiny when other activities such as quarries, motorways and waste-disposal sites were. The Federal Council who had jurisdiction to decide the matter at hand was not an independent or impartial tribunal; this was not disputed in the case. It was also to be noted that other European countries offered an array of review machineries for dealing with disputes of the kind at hand.

²⁹ An overview of questions of admissibility of an appeal is given in *Case Law*, p. 519 - 532.

³⁰ Articles 108 and 107 EPC, respectively.

³¹ Rules 64 and 65 EPC set out requirements and the effects for the appellant of not having met them.

³² Decision *T 432/88*, not published in the OJ EPO. An appeal is not sufficiently reasoned if the grounds only refer to earlier submissions and do not address the reasoning of the decision under appeal. The BA and the other party are then left to conjecture in what respect the appellant considers this decision to be defective (point 3 of the reasoning in *T 432/88*).

³³ Decision *T 220/83*, OJ EPO 1986, 249.

The prerequisites under the EPC for an admissible appeal correspond to accepted limitations according to the ECHR. Formal conditions such as the payment of a fee, written notices of appeal containing requests and written grounds for the appeal to be filed within prescribed time limits, and requirements for the substantiation of an appeal are acknowledged by the HRCourt as justified conditions³⁴.

A legitimate purpose for observing strict time limits does not constitute an undue interference with the right of access to a court, even if it means that there is no time for correction of the identity of the appellant³⁵. As a rule limitations must be proportionate to the aim sought to be achieved. In the *March Gallego case*, a decision had been taken in summary proceedings for the payment of a bill of exchange. An application to set this decision aside was declared inadmissible as it had been made by the wrong party, the natural person Mr March instead of the company March Gallego S.A. This mistake could not be remedied within the short prescribed time limits for the proceedings. The HRCourt reiterated its case law that the access to a court is not absolute and that it may be subject to limitations, as long as these limitations do not restrict or reduce a person's access in such a way or to such an extent that the very essence of the right is impaired. In the instant case, given the object of the procedure, which made it necessary to act diligently, these conditions were not excessive.

As noted above, the EPO case law sets a standard for an admissible appeal with regard to its extent and legal basis. The grounds of appeal must be explicit enough for the BA and the other parties to the case to understand its extent and the matter which has to be studied in preparation for the proceedings. Mere payment of an appeal fee does not constitute a valid notice of appeal³⁶.

³⁴ Villiger, p. 253 f. The ECHR is itself stricter, in that a complaint can be declared inadmissible, if it is considered to be incompatible with the convention, manifestly ill-founded or to constitute an abuse of the right of application, Article 35 (3) ECHR.

³⁵ *Edificaciones March Gallego S.A. v. Spain*, judgment 19 February 1998.

³⁶ *T 778/00* of 6 July 2001, intended for publication, points 2.3 and 2.4 in particular. The board started from the premise, as given under Article 108 and Rule 64 (b) EPC, that an appeal must contain an expression by the appellant of his procedural intention, thus the requirement that the notice contain a request. See also *J 19/90*, to which the board referred as the leading case establishing that the payment of the appeal fee could not be seen as an expression of such an intention.

In contrast to the TBA in case *T 432/88*, the TBA in *T 632/91* declared the appeal admissible, although the notice of appeal from the patent applicant only contained the wording "we hereby file notice of appeal to the decision". The BA was of the opinion that the request could only be that the decision under appeal should be set aside and a patent granted on the sole version of the patent application, which had been refused by the first instance. Likewise, the TBA in *T 875/98* found that an appeal was admissible under Rule 65 (1) EPC, although it did not refer to any deficiency in the decision under appeal, as required under Rule 64 (a) EPC and the relevant case law³⁷.

Thus, a notice of appeal and the grounds of appeal must be read in conjunction with the procedural steps taken by the appellant before the first instance, in order to ascertain whether the appeal can be admitted. In spite of the fact that, according to Rule 64 (b) EPC, the notice of appeal shall include a statement regarding the extent to which the impugned decision should be set aside, the case law of the BAs is liberal, not requiring an express request. It is considered sufficient that a request is implicitly understandable, e.g. if a patent has been refused, it is presumed that the appellant wants a patent to be granted, as requested before the Examining Division³⁸.

The assessment whether the appellant is adversely affected by the decision under appeal must be made on an in-casu basis, which renders it less interesting from a legal-systematical standpoint. However, one question had to be cleared by the LBA in decision *J 12/83*³⁹, namely whether an applicant who appeals a decision to grant a patent in a specific version may be considered to have been adversely affected when having discovered afterwards that by mistake separate claims for Austria had not been submitted. The LBA rejected the appeal as inadmissible on the ground that if an applicant has not disapproved the text proposed by the EPO for grant, he is

³⁷ *T 875/98* cites several decisions dealing with this sufficiency requirement, e.g. *T 220/83*, in which the TBA found the appeal lacking in that it had not set out the legal and factual reasons why the contested decision should be set aside.

³⁸ As indicated above, the intention of the appellant is established not only from the notice of appeal but also from the totality of the appellant's submissions, i.e. including those made in the first instance, see cases cited in 'Case law', p. 526 f., under Rule 64b EPC. From decisions *T 7/81* (OJ 1983, 98) and *T 32/81* (OJ 1982, 225), it was largely inferred that the board and other party/ies to the case could by consulting the file of the first instance often establish what the appeal had to be about, in which case it would as a rule be declared admissible.

³⁹ OJ EPO 1985, 6. See in particular points 4 - 7 of the reasons.

presumed to have agreed and thus cannot be considered to be adversely affected by the granting of the patent in that version.

The requirement of an *adverse effect* for the right to appeal a decision corresponds to the ECHR case law on the requirement for admissibility of a complaint that the person filing the complaint is considered to be a *victim* under this convention, Article 34 ECHR. This concept is not to be understood in the procedural sense of having to prove that there has been a violation, but that the application to the ECHR organs made by the person who claims to have been the victim of a violation⁴⁰ could be continued by another person under certain conditions. For example, in *Dalban v. Romania*⁴¹, the HRCourt held that the widow of the original applicant, who had complained about a violation of Article 10 ECHR on the freedom of expression, was still to be considered a victim after her husband's death, since the decision by the Supreme Court of Romania to discontinue the case of libel against him had been taken solely because of his death. This decision was not an acknowledgement on the part of the authorities that there had been a violation of Article 10 ECHR. The widow had a legitimate interest in obtaining a ruling that her late husband's conviction constituted a breach of the right to freedom of expression.

As a general requirement, the adversity condition is standard in procedural law of modern societies. Adversity is generally limited to the effects of the order of a decision under the principle that reasons do not acquire binding legal force⁴². This principle has found its application in the EPO case law in *T 109/99*⁴³ as follows: The rejection by the Opposition Division of the opposition and maintenance of the patent as granted could not be seen as adversely affecting the patentee, who before the first instance had in the first alternative requested that the opposition be rejected as

⁴⁰ For a complaint to be admitted, it must meet formal conditions and the negative conditions of neither being vexatious or frivolous nor in violation of the *ne bis in idem* principle nor manifestly ill-founded.

⁴¹ Judgment of 28 September 1999, see in particular paras. 39-45.

⁴² See e.g. *Welamson, L., Rättgång VI*, 1974, p. 26 f. No appeal lies from the reasons alone for a decision. According to *Welamson*, this principle applies even if a party could be negatively affected by the reasoning in a future litigation. However, one condition must be fulfilled: The judgment must not differ as an effect of the choice of *ratione decidendi*.

⁴³ *T 109/99* of 13 September 2000, reasons point 2. In spite of this conclusion, the board in point 3 still went on to examine this issue, arriving at the conclusion that the notice of opposition did meet the conditions under Rule 55 © EPC. It must be assumed that the board did so in the light of the case law requiring the boards to examine the admissibility of oppositions of their own motion, see e.g. decisions *T 289/91*, OJ EPO 1994, 649, and *T 522/94*, OJ EPO 1998, 421.

inadmissible for lack of an indication in the notice of opposition of the extent to which the patent was opposed. The appeal of the patentee was consequently rejected as inadmissible. During the proceedings, the board explained to the parties that the patentee's objection on inadmissibility could be argued within the framework of the opponent's appeal⁴⁴.

Early in the boards' history, a patentee could file a valid opposition against his own patent, granted in the version approved by himself, according to decision *G 1/84*⁴⁵. The EBA's main reason for this conclusion was that the wording of Article 99 EPC did not prevent it, since "any person" had to be taken in a broadest possible sense, and the possibility for the patentee who had discovered that the granted version was not patentable⁴⁶, to have the patent amended in centralised proceedings was in line with the object of the examination by the EPO to ensure that issued patents would remain valid. This conclusion was also based on the philosophy that the procedure was largely an ex officio one, i.e. the party disposition principle had not yet been adopted at the time of this decision. The EBA also drew attention to the fact that otherwise the patentee could engage a straw man to file the opposition, which was a procedural step to be avoided.

Contrary to this early finding, on the same question in *G 9/93*, the EBA came to the opposite result, which was later indirectly confirmed by its decisions *G 3/97* and *G 4/97*⁴⁷ on straw men. In *G 9/93*, the EBA decided that the patentee could not oppose his own patent. It was contrary to the structure of the EPC to allow a party on the one hand to approve a text for the patent with the legal effect that it could issue, but at the same time find the patentee adversely affected by a decision to grant the patent in that very same version. Such an opposition could no longer be admissible.

Having regard to the adversity requirement of Article 107 EPC, this result was to be expected from a strictly logical point of view. That there is a need for allowing the patentee either to have the scope of protection of his patent narrowed or even revoked in centralised proceedings is, however, equally apparent. From the points

⁴⁴ Point VI under the heading Summary of Facts and Submissions.

⁴⁵ For more details, see Annex II.

⁴⁶ For example because a condition or conditions had been overlooked or separate claims should have been filed for a designated state having made reservations to the EPC.

⁴⁷ OJ 1999, 270.

of view of procedural economy and a reasonable interpretation of the scope of the term "any person" being entitled to file an opposition under Article 99 EPC, the outcome of *G 1/84* is to be preferred. The need for an efficient solution is seen also in the fact that *G 9/93* was followed by the adoption in the 2000 diplomatic conference of a special procedure for limitation of the scope of protection of a patent in special proceedings before the EPO⁴⁸. There are however difficulties attached to the proposed procedure; since the European patent, once it is granted by a final decision, transforms into "a bundle of national patents"⁴⁹, some delegations at the diplomatic conference had constitutional hurdles to overcome. a central procedure for limitation would entail the surrender of further sovereign powers to the EPO⁵⁰.

In *G 4/97*⁵¹, starting from the wording of the provision on oppositions, the EBA held that since no interest was required under Article 99 EPC, which could otherwise have been shown e.g. by being active in the technical field in question, straw men could file admissible oppositions. This would force the conclusion that patentees again could file oppositions against their own patent contrary to *G 9/93*, unless the EBA had continued by stating that the rights for straw men to file oppositions would not apply to patentees, as a result of *G 9/93*. This presupposes a duty to investigate whether the patentee is in effect giving the opponent instructions.

The EPO has no means of establishing what the facts on crucial points are, unless investigations are started. By the same premise as expressed by the words "any person", the EPO is prevented from such initiatives - the opponent cannot be forced to state any interest in the technical field concerned. Furthermore, the EPC does not give the EPO any tools by which this task could be undertaken. Whether or not as in *T 649/92*⁵², an umbrella seller or a pharmaceuticals company is the party having filed an opposition against a patent within the field of biotechnology is irrelevant for

⁴⁸ New Articles 105 a - c EPC. See also the discussion in 7.9.1.2 below.

⁴⁹ Or more precisely, a European patent confers, "in each Contracting State in respect of which it is granted, the same rights as would be conferred by a national patent granted in that State", Article 64 (3) EPC. Article 2 (2) EPC stresses that the granted European patent is subject to the same conditions as a national patent. Cf. *van Empel*, who prefers to speak of a bundle of European patents, p. 24-26 at 54-58. Nevertheless, the European patent can suffer different fates under varying national laws and practices.

⁵⁰ See *Körber A.*, in VPP Rundbrief Nr. ½001, p. 21. The states in question were Denmark and Sweden.

⁵¹ *G 3/97* and *G 4/97* are based on the same reasoning. *G 4/97* is quoted here because of it being written in English as the procedural language.

⁵² OJ 1998, 97, referring the questions answered in *G 4/97*.

the admissibility of the opposition as long as neither the umbrella seller nor the pharmaceuticals company is indeed only representing the interests of the patentee⁵³.

An appeal by the opponent, not based on any of the grounds for opposition as laid down in the notice of opposition or examined in opposition proceedings and unconnected with the evidence presented in the first instance, is tantamount to a new opposition and therefore inadmissible⁵⁴. The Board cited only Article 108 and Rule 65(1) EPC, which suggests that the legal ground for rejecting the appeal was based on the appellant not having filed the appeal in accordance with these provisions. The adversity requirement was not addressed, presumably because the appellant was negatively affected by the order of the decision. By relying on an entirely new ground and entirely new evidence, the appellant had distanced himself from the decision under appeal, contrary to the case law which requires that the appeal remain within the legal and factual framework of that decision⁵⁵. The connection to the decision under appeal must not be too tenuous⁵⁶; it is not sufficient that there is identity between the parties to the case as well as the object of the dispute, the patent in suit, in both instances.

The adversity requirement is closely related to the *identity* of the appellant. In the BA case law this has given rise to the question whether an incorrectly indicated appellant in the notice of appeal can be corrected as a deficiency under Rule 64 (a) in conjunction with Rule 65(2) EPC after lapse of the time limit or by application of Rule 88 EPC on corrections.

Party succession represents a special situation with regard to the adversity requirement and will be discussed below, 7.5. This problem is also related to the question of the admissibility of oppositions and appeals by so-called 'straw men', i.e.

⁵³ a second problem arising from this case is that the disconnection of an opposition from an interest, e.g. a business interest of a competitor in the same technical field, seems to be at odds with the case law concerning the requirements for a transfer of opposition or the position as opponent party to be recognised, see below 7.5.2.

⁵⁴ *T 1007/95* of 17 November 1999, points 3 -5 of the reasons, in particular point 5, distinguishing the case from others where there was a link to the decision under appeal through the grounds of opposition, which was not the case here.

⁵⁵ As specified by decision *T 220/83*.

⁵⁶ Cf. the ECHR requirement of a connection between the complaint and the decision whereby a dispute is settled.

persons who appears as a party to the proceedings although in actual fact they are acting on behalf of the opponent or patentee, without revealing the proper facts.

7.4 Party identity

7.4.1 The patent applicant

Several decisions by the LBA⁵⁷ address requests for correction of the name of the applicant under Rule 88 EPC . These cases are distinguished from the Rule 64 (a) cases discussed below, since the application of that provision presupposes an appeal and because of the need to establish that the appellant has standing to appeal. The LBA⁵⁸ concluded that such corrections are allowable and laid down three conditions for a correction to be made, i.e. that it be established that a mistake was made, what that mistake was and what the correction to be made should be. According to *J 8/80*, the burden of proof must be a heavy one. *J 25/86* considered the conditions of Rule 88 EPC fulfilled, "whenever it is possible to establish beyond a reasonable doubt the identity of the applicant", whereas *J 18/93* observed that the second sentence of R 88 did not apply to such corrections. The burden of proof is thus set at the highest level, which corresponds to what the EBA required in *G 11/91*, quoting the second sentence of Rule 88, namely that it must be clear that nothing else would have been intended than what was offered as the correction. But if that holds true, a more exacting requirement has been laid down than what was expressly prescribed by the LBA.

Since all cases during examination are *ex parte*, there is no other party to the particular case whose rights have to be considered. However, the question of a correction of the applicant or patentee may arise after opposition, in which case consideration has to be had to the other party/ies.

7.4.2 The appellant

Regarding the establishment of the identity of the appellant, the case law of the BAs tended early on to be liberal; if it was possible to identify the appellant by way of other data, e.g. such as could be found on file, including the first instance file,

⁵⁷ *J 7/80*, *OJ EPO 1981*, 137, *J 8/80*, *OJ EPO 1980*, 293, *J 18/93* of 2 September 1994, *J 17/96* of 3 December 1996 and *J 31/96* of 25 November 1997. The three latter cases all contain mainly the same reasoning.

⁵⁸ See e.g. *J 17/96*, point 1.

completion of the name was generally allowed⁵⁹. Where the identity of the appellant can be established by way of the mention of the name of the patentee in the notice of appeal and the name and address of the representative, from the patent number and the request that the decision to revoke the patent be set aside, the boards accept that the appellant must be the patentee and Rule 65 EPC does not even come into play⁶⁰.

From the wording of Article 65 (2) EPC it is clear that the word "deficiency" covers the situation where the name of the appellant is missing altogether, since the absence of the name of the appellant is easy to establish for the EPO and will inevitably be discovered in the course of checking data initially.

The question whether a name incorrectly given to *the appellant* could be corrected under Rule 64 (a) and 65(2) EPC was also favourably answered in the early case law. Decision *T 1/97* may be cited as an example from later years of this practice: the board found that where the name of the appellant had been incorrectly given in the notice of appeal, this deficiency could be remedied in accordance with Rule 65 (2) EPC⁶¹. This meant that a mistake in the notice of appeal falling within Rule 64 (a) EPC relating to the name and address of the appellant was considered to be a deficiency under Rule 65 (2) EPC, which then allows the board to invite the appellant to remedy it.

Where a party has been invited to remedy a deficiency consisting of a lack of name and address in the notice of appeal, but fails to do so within the time limit set by the board of appeal, the appeal shall be rejected as inadmissible under Rule 65 (2), last sentence, EPC⁶². The object of providing these data in the notice of appeal is to make it possible to check the identity to establish that this party is entitled to appeal. Failure to do so even after an invitation could not be equated with the condition of

⁵⁹ See e.g. decision *T 483/90*.

⁶⁰ Decision *T 867/91*, of 12 October 1993, reasons point 1.

⁶¹ Other cases are *T 272/95* regarding groups of opponents/appellants, *J 25/86* on the identity of the appellant/applicant, and *T 25/85*, *T 219/86*, *T 298/97* and *T 97/98* addressing the identity of the opponent.

⁶² Decision *T 938/94* of 23 June 1999. The appellant had responded only one month after expiry of the time limit set by the board.

Rule 64 (b) EPC as interpreted by the jurisprudence of the boards of appeal with regard to the extent of the appeal⁶³.

Likewise, an appeal by the patentee, to which the respondent objected because the patentee company had been indicated in the form for application for the patent as registered in Guernsey, whereas this company was actually registered in British Virgin Islands (no further address given), was rejected as inadmissible for failing to give the address of the genuine patentee, although he had been invited to do so under Rule 65(2) EPC⁶⁴.

Sometimes the identity of the appellant can be presumed to be the person who was adversely affected by the decision under appeal, if no other indications to the contrary are present. In *T 920/97*⁶⁵, for example, the letterhead on which the notice of appeal had been made indicated another legal person (French) than the adversely affected person (a Dutch company). Since however the French company was not indicated as the appellant in the notice and the representative explained that it had only *taken charge* of the opposition (i.e. being administratively responsible for *monitoring* the opposition), the board accepted that the appeal complied with Rule 64 (a) EPC.

This rather diverse case law gives rise to the question how the word "deficiency" is to be interpreted, i.e. taken in its narrower meaning of a lack of sufficient data to identify the appellant, as perhaps suggested by the choice of this particular word⁶⁶, or comprising also data regarding this party which were incorrectly indicated in the notice of appeal. For incorrect data, Rule 88 EPC provides a possible solution, but this venue has the disadvantage, as seen from the position of the respondent, that it can be brought forward at any time during the proceedings⁶⁷. A correction is declaratory only and does not change any facts in comparison to the contents of the document in question as originally intended, according to *G 11/91*. The procedure under Rule 65 (2) EPC is not very different in this latter respect ; it only serves to identify who was the genuine appellant filing the notice of appeal. This route may

⁶³ *T 938/94, reasons point 5.*

⁶⁴ *T 537/98* of 14 June 2000.

⁶⁵ Dated 19 December 2000.

⁶⁶ If the intention was to include cases of incorrectly given data, the word "discrepancy" would be more apt. a natural reading in accordance with the VCLT is preferable, unless it leads to ambiguities or unreasonable results.

⁶⁷ If, however, the BA only discovers an inconsistency at a late stage, a correction under Rule 65(2) EPC may also follow later, see below.

have the advantage that the identity is checked at an early stage of the appeal as part of the examination for admissibility.

When an incorrect appellant is indicated by mistake in the notice of appeal, the conditions under Rule 88 EPC and *G 11/91* for correction require that it would be possible to discern that only the new name offered could be the correct one. This can only be concluded if the preceding procedure is also examined, i.e. from the identity of the parties before the first instance. However, the case law under Rule 88 EPC requires that the reader can deduce already from the document in question *per se* that a mistake was made and what the mistake was⁶⁸. Incorrect data cannot always be detected from the notice of appeal itself. In order to find any *discrepancy*, the first instance file has to be inspected. The question therefore remains whether the practice of allowing the *remedying of deficiencies* consisting of incorrect data is justified or even if the conditions for correction can be met at all.

In decision *T 97/98*⁶⁹ the TBA applied Rule 65 (2) EPC in conjunction with Rule 64 (a) EPC, stating that this remedy was available "if it was the true intention to file the appeal in the name of said person and if it could be derived from the information in the appeal ..., where necessary with the help of other information ... on file, e.g. as they appear in the impugned decision, by whom the appeal should be considered to have been filed", inter alia referring to decision *T 1/97*. In reaching its conclusion regarding the proper interpretation of the word "deficiency", the board reasoned that if it was allowable under Rule 65 (2) EPC to add a name that was entirely missing after expiry of the time limit for appeal, it would be inappropriate to refuse the substitution of the name of the person who had intended to file the appeal for an *incorrectly named* person. It therefore interpreted the word *deficiency* as implying not only a complete lack of any data but also incorrect indications of the identity of the appellant. However, the board then went on to apply the further condition of *true intention*, which is a condition known from *G 11/91* when examining the correction offered for a patent description⁷⁰.

⁶⁸ Cf. 'Case law', p. 231. It should be noted, though, that the strict conditions under Rule 88, second sentence, EPC, are limited to errors in patent descriptions, claims or drawings.

⁶⁹ Decision of 21 May 2001, OJ 2002, 183.

⁷⁰ The EBA laid down that a correction is acceptable if it is clear from the document itself that a mistake had been made and that nothing else than the offered correction would have been intended.

Contrary to the reasoning in *T 1/97*, it may be argued that the purpose of the provisions of Rules 64(a) and 65 (2) EPC require them to be applicable only during the time for appeal, i.e. four months from the date of the decision under appeal at the most, in the interest of the respondent party and the public to be able to establish upon expiry of this time limit, whether or not an appeal has been lodged. If data may be changed later, the purpose of the time limit is lost. Secondly, there may be different effects for the respondent, depending on whether the board applies Rules 64 (a) and 65 (2) EPC or after a request from the party for a correction under Rule 88 EPC. Applying the former at an early stage of the appeal would better protect the respondent's rights to a fair procedure by the setting of a time limit within which the appellant has to remedy the deficiency.

From the aspect of a fair hearing of both parties, the conclusion that incorrectly provided data are a "lesser evil" than the omission of the entire name and address of the appellant is not convincing. In spite of the assumption above, the remedy of incorrect data under Rule 65(2) EPC may occur at a late stage, depending on when the board observes that there is e.g. a discrepancy of names. The severity of the mistake made by the appellant should not govern the content of this provision. Rather, the justification for an extensive interpretation must rest on the principle of protecting the rights of the would-be respondent in the first place, not the interests of the appellant.

*Singer/Stauder*⁷¹ seem to presume that Rule 64 (a) EPC is limited to the situation where the name or address of the appellant is missing entirely, which is an interpretation compatible with a natural reading of the provision. They add, however, that the appeal is admissible where the identity of the appellant can be derived unequivocally from the file. Maybe this remark means that, like some of the BAs, they perceive a need for a communication under Rule 65 (2) EPC when it is not possible to establish the identity directly from the file, in which case the scope of Rule 64 (a) EPC is again enlarged.

Against this *extensive* reading, a reading of Rule 64 (a) EPC together with Rule 65 (2) EPC supports the narrower scope because of the possibility to establish

⁷¹ Singer/Stauder, EPÜ, 2nd edition, p. 569: "Ist R 764 a) nicht erfüllt, weil Name und Anschrift des Beschwerdeführers fehlen, so setzt die Beschwerdekammer nach R 65 (2) eine Frist für die Mängelbeseitigung", and "Die eindeutige Identifizierbarkeit des Beschwerdeführers aus den Akten reicht doch aus für die Zulässigkeit".

immediately that a name or address is missing, whereas incorrect information is less susceptible of detection, unless the first instance file is studied.

The *narrower* reading is supported by a natural reading mode according to the VC. The word *deficiency* indicates a missing element. If the provision was intended to cover data that are inconsistent when compared to the first instance file, the choice of the word *discrepancy* for the text would appear to have been more appropriate.

In any event, even if we accept a broader scope for Rule 65 (2) EPC, we are still left with the problem of establishing the conditions which have to be fulfilled for a correction or completion under Rule 65 (2) EPC to be allowable, in such a (foreseeable) manner that the rights of other parties are protected.

Returning to *T 97/98*⁷², the TBA observed that Rules 64 (a) and 65 (2) EPC could not be seen as forming an exception to the principle that the appellant must be identifiable within the time limit for appeal (as observed above, in the interest of the respondent's rights) and that therefore Rule 65 (2) EPC also applied to the situation where Rule 64 (a) EPC had been observed on the face of it, but where on closer study of the file it was discovered that the given appellant had not been a party to the first instance proceedings. To this conclusion one cannot agree, if one accepts that the purpose of a time limit for appeal is to inform others, in particular the other party/ies to the first instance proceedings about the appeal. It seems rather that the purpose behind the procedure under Rule 65 (2) EPC is exactly to fill in a *missing piece* of information, which can and usually will be ascertained at an early stage.

The next question is whether the board should be obliged to draw the attention of the purported appellant to the aberration thus discovered, if Rule 64 (a) EPC and consequently Rule 65 (2) EPC do not apply to incorrectly given identities. Decision *G 2/97*⁷³ negates such an obligation.

Rule 88 EPC may entail a still harsher procedural effect for the respondent. If for obvious reasons the losing party in the first instance can be presumed to have an interest in appealing, and the incorrectly indicated appellant is connected in such a

⁷² See the reasons, point 1.

⁷³ OJ 1999,123. The question referred only to a deficiency with regard to the payment of the appeal fee, but may be read analogously as not requiring a board to inform parties of each deficiency that may have been discovered.

way to the correct party, e.g. by way of being part of a conglomerate of companies, that it can be accepted as a mistake, allowing a correction by application of Rule 88 EPC could delay the proceedings still further, since no time limit is prescribed. It is however true that, for Rule 65 (2) EPC to function more efficiently than the Rule 88 procedure, the board must check the file at an early stage.

In order to preserve the respondent's right of due process, i.e. timely information about an appeal, one could agree with the conclusion of the board in *T 97/98* that the word *deficiency* should be taken in the broader sense of covering both missing data and incorrect data regarding the name and address of the appellant, *but only provided that there would be a guarantee that the deficiency is completed within a short time from expiry of the time limits for appeal*. In that particular case, it was only discovered shortly before the appointed oral proceedings were to take place.

In a more recent case, the deficiency was also noted only shortly before the oral proceedings⁷⁴. The TBA in *T 454/98*⁷⁵ did not apply Rule 65 (2) EPC where the appellant was only identifiable through data given in the letterhead of the paper used for the notice of appeal and the grounds of appeal. The opponent and appellant were different legal persons with seats in two different European countries, having two different representatives, although both belonged to a international conglomerate of companies. Moreover, despite having been advised of this discrepancy by the TBA, the appellant did not submit any explanation or request. Under these circumstances the TBA was not in a position to conclude with certainty that the original intention had been to file the appeal in the name of the appellant and therefore declared the appeal inadmissible for failure to meet the condition under Article 107 EPC that the appellant must be adversely affected by the decision under appeal. The fact that the discrepancy was discovered only shortly before the oral proceedings no doubt also contributed to this result⁷⁶.

If one chooses to apply Rule 88 EPC, the three conditions enumerated in *J 17/96* would be applicable, i.e. that it must be established that there was a mistake (and not a deliberate change of party), what the mistake was and what the correction should

⁷⁴ This may in fact be the norm, since the file will as a rule be checked a final time only in preparation for oral proceedings.

⁷⁵ Decision of 17 May 2002.

⁷⁶ The board noted among its reasons that the time limits for appeal had long since expired.

be. For the remedy under Rule 65 (2) EPC to be accepted, no conditions are prescribed. In comparison, *T 97/98* introduced a condition *ultra lege*, the *true intention* requirement, whereas Rule 65 (2) EPC only requires a deficiency to be remedied, which again rather suggests that the intention of the legislator was only to cover the total lack of any data.

In examining the request for correction against the true intention condition, the TBA in *T 97/98* reported that a group of several companies, related to one another and having similar names, existed at the time of the appeal and that the representative was authorised for the two the companies which were involved in the case. Within the group of companies, one was responsible for the monitoring of patent matters. This company had instructed the representative to file the appeal, but because of the internal distribution of responsibilities, this was not to be understood as implying that the appeal had to be filed in its own name. Further, the TBA observed that it could be presumed that the representative's intention had been to file the appeal in the name of the losing party from the first instance. In the absence of facts to the contrary, it could therefore be concluded that the true intention had been to appeal on behalf of the opponent. Rights of other persons were not violated because they could also derive from the facts on file that the opponent should be the appellant. Without having expressly referred to Rule 88 EPC, this board still made use of terms applicable under that Rule.

As a rule a board cannot establish that the data given in a notice of appeal are incorrect without having recourse to the file of the first instance, as also recognised by the board in *T 97/98*. If it is accepted that Rule 65 (2) EPC covers incorrect data, the board must in each case, after having checked the correspondence between the names of the parties of the first instance and the name of the appellant, as a matter of course bring any discrepancy to the attention of the appellant, inviting it to remedy it. If the appellant responds in good time, the appeal will be accepted as valid with regard to this identity, without any further conditions. This conclusion is in keeping with the EBA decisions *G 3/97* and *G 4/97* on straw men; there is no requirement that a party prove a specific interest in the case or a connection to a certain technical field. However, the appealing party must be identical to one of the

parties in the first instance or be able to prove a legally valid transfer, the latter giving rise to other procedural problems⁷⁷.

From the respondent's point of view, a broader interpretation of Rule 65(2) EPC, if at first sight giving the appellant easier access to the appeal proceedings than originally may have been intended, still should represent the better way of establishing the appellant's bona fide status, since this would at least arguably take place at an early phase of the appeal proceedings⁷⁸. A remedy under Rule 65 (2) EPC establishes that the appellant was indeed the adversely affected party and that this was already the case before expiry of the two-month time limit under Article 108 EPC for a notice of appeal to be validly filed. This presupposes that the identity check is made as soon as the notice of appeal has reached the EPO, i.e. either the Examining Division or the Opposition Division responsible for the first instance proceedings.

From the human rights aspect of *equal treatment*, problems of identity and the possibility to correct them are *not* problems of access, except for the admissibility issue involved. a respondent party has a right to know if the appellant is validly identified⁷⁹, in particular to be able to assess whether the appeal is likely to be admitted and hence examined on its merits. Going by the HRCourt's reasoning in *March Gallego*, point 7.2 above, there should not be any possibility to rectify data regarding the appellant after expiry of the time limit for appeal under the EPC, at least not after expiry of the further two months for submission of the grounds of appeal, since it would not be an undue burden on the appellant to at least supply its correct name even if the appellant is one of several with similar names in a conglomerate of interrelated legal persons. The above, preferred, interpretation of Rule 65 (2) EPC would then only apply during the short time span for an appeal of four months at the most, in order to comply with the principle adopted by the HRCourt. A strict application of such a principle would be in the interest of third parties as well, who should be able to rely on information provided after expiry of the relevant time limit on whether or not there was an appeal lodged within that period.

⁷⁷ See 7.5 below, regarding transfers.

⁷⁸ The fact that in *T 97/98* the discrepancy of names was only discovered shortly before the appointed oral proceedings may be assumed to have been exceptional.

⁷⁹ Which is not the same as requiring that the appellant is the true one and not a straw man.

The comment in *T 97/98*, i.e. that the rights of others would not be violated by the allowed correction because they also could have studied the entire file to arrive at the same conclusion as to the identity of the appellant, is not quite correct. Due to the renewability of patent rights, and in particular due to the fact that an amended or revoked patent usually takes effect *erga omnes*, an opposition before the EPO must be considered a class action, whose outcome will affect all members of the public alike, even if filed only by one opponent. It has an effect beyond the parties⁸⁰.

It is therefore not only of interest to the other parties if an appeal is lodged or not, but also to the public at large, i.e. mostly for competitors active in the same technical field as the one to which the patent belongs, but who did not lodge any opposition themselves. Irrespective of whether one could gather from the content of the appeal file itself or in combination with the file of the first instance that something was amiss, these other interested persons would have no standing to object, unless they met the conditions of intervention under Article 105. Only the respondent party could object with any legal effect. The possibility for third parties to file objections under Article 115 EPC is considered irrelevant, since in appeal proceedings they will be ignored, on the principle that no new material will be examined in such proceedings, except under the strict conditions of the case law on Article 114 EPC. But these third parties would still gain from being able to establish the status of an appeal at an early stage .

A third "indirect" possibility of extending the period of appeal is represented by the means under Article 122 EPC to have lost rights reinstated, under the conditions set out there. If namely the appeal period has expired when the appellant files the correct name, in order to protect the respondent, Article 122 EPC could be made applicable to this situation, since the correct appellant had not been named within the time period given in the EPC. However, in the words of the board in *T 97/98* this would create yet another inappropriate situation in comparison to the appellant who forgot to indicate its identity entirely, but who may still submit the missing data after expiry of the time limits under Article 108 EPC under Rule 65 (2) EPC, with the effect that the appeal on this point becomes admissible, without having to explain the reasons why this was not already done in the notice of appeal.

⁸⁰ a revocation of a patent after opposition proceedings before the EPO has the effect according to Article 68 EPC that the application and the patent shall be deemed not to have had, as from the outset, the effects specified in Articles 64 and 67 EPC. The revocation thus takes effect *ex tunc and erga omnes*. See also 2.2.3.

For a reinstatement to be granted under Article 122 EPC, the party in question must convince the deciding body that "in spite of all due care required by the circumstances, he was unable to observe a time limit"⁸¹. It is difficult to imagine a situation where due care could be shown, regardless of whether the mistake was failure to indicate the identity of the appellant at all, or "merely" to supply incorrect data, since the appellant itself is in possession of all correct data.

In any event, the alternative machineries governing access to the boards of appeal are not fully satisfactory either⁸². To place some restriction on the appealing party in the interest of the respondent is desirable as part of the principle of due process, in keeping with the ECHR case law. Such a restriction could be that the correction should be filed within the total of four months laid down in Article 108 EPC for appeals. Likewise, if Rule 65 (2) EPC is to be construed to cover discrepancies as well as deficiencies, the same time limit should apply, which of course requires that the responsible BA receives the file before expiry of the four months. However, this leads to a conflict with Article 109 EPC regarding rectification in *ex parte* cases, for which the first instance has a total of three months at its disposal. Under these circumstances, a better alternative would perhaps be to allow four months from the date on which the parties are officially informed about the appeal having been lodged with a specific BA. Any provision to safeguard the interest of the parties in a swift procedure to establish whether the appeal is admissible must be based on unequivocal conditions which are easy to establish by both parties to the case. Another problem, addressed in decision *T 525/84*⁸³, is the establishment of a party's existence. Two opponents had appealed against a decision to maintain the patent in amended form. The respondent objected that one of the opponents no longer existed, as shown by the fact that it was no longer registered in the commercial register at its place of business as required under national law (Germany). The register stated that the opponent company had gone into liquidation and that this legal person had expired. The board could do no more than decide on the evidence given that the appeal was inadmissible.

⁸¹ This particular legal remedy will be discussed in more detail below, 7. 6.

⁸² Cf. *H v. Belgium*, in which the HRCourt observed that lack of a proper procedure for establishing whether or not an attorney could be reentered into the registry of the Bar Association was a violation of Article 6 ECHR.

⁸³ 17 June 1998.

Decision *G 3/99*⁸⁴ addresses the not uncommon practice of joint or common oppositions, i.e. one single opposition filed by several legal or natural persons. Since the conditions to be fulfilled had not been discussed in the previous case law, and the referring TBA had encountered problems in trying to establish the identity of a group of natural persons belonging to a political party and seeking to oppose a patent in the field of biotechnology, there was reason to clarify a number of issues, not least in attempting to lay down principles in the interest of the other party, the patentee, who had *inter alia* objected to changes in the individuals of the group.

A common representative under Rule 100 EPC is not the professional representative or an authorised attorney acting on behalf of the group, but one of the members of the group of opponents, who is authorised by the group to act for it, e.g. signing the power of attorney needed for the professional representative to appear before the EPO. Under Rule 100 EPC, if no common representative is appointed by the group, the first named person is authorised to act in that capacity. By having a common representative, all members of the group do not have to sign filed documents, in fact only the common representative would be entitled to do so, acting on behalf of the group⁸⁵.

Although this is an expedient way of organising the group, it makes it necessary for the group to appoint another common representative, should the previously appointed person decide to leave the opposition. The principles for a common opposition also apply to an appeal filed by the group of opponents. Only the existing group as a whole is entitled to appeal, through the common representative or a professional representative, duly appointed by the common representative⁸⁶. Deficiencies are notified to the common representative under Rule 100 EPC, and the appeal is deemed not to have been filed if this representative does not remedy the deficiency within the prescribed time limit⁸⁷.

The only issue resolved by decision *G 3/99* which could be seen as problematic was the fee issue, resolved in favour of the opponents. The interpretation of Rule 100

⁸⁴ Dated 18 February 2002.

⁸⁵ *Ibid.*, point 14.

⁸⁶ *Ibid.*, point 17.

⁸⁷ *Ibid.*, point 18.

EPC is straightforward and reasonable, also in view of the position of the patentee.

7.5 Transfer of patent applications, patents or opponent status

The right to a patent is governed initially by Article 60 EPC, whose paragraph 3 introduces the presumption or fiction⁸⁸ that the applicant has the right to exercise the right to the European patent "For the purposes of the proceedings before the European Patent Office". It may be assumed at the outset that this applies only to the original applicant, who will be automatically entered in the European patent register⁸⁹. Any further person who claims to have acquired a right to the patent application must meet the conditions laid down in Article 72 EPC and according to Rule 20 (1) EPC submit documents satisfying the EPO that the transfer has taken place. The transfer will take place only when a fee has been paid (Rule 20 (2) EPC). The transfer takes effect only when and to the extent that the documents referred to in paragraph 1 have been produced (Rule 20 (3) EPC)⁹⁰.

If there is a dispute over the right to a patent or patent application, Article 61 EPC becomes applicable, and from there Rule 20 EPC may apply, but only when the judgment as to which party is entitled to the patent has become final⁹¹.

Transfers of patents and mergers among opponents sometimes cause doubts as to the right of appeal or the status as party of a specific natural or legal person or as to the time when the transfer became legally valid. In this context, it is of interest to note that the conditions vary, depending on the position of the party as patentee or opponent in the proceedings. Partly this is derivable from the EPC itself, partly from the case law of the BAs⁹².

⁸⁸ See M/PR/1, p. 31, Article 58(60), of the minutes of the 1973 Munich diplomatic conference.

⁸⁹ *J 26/95*, point 2 of the reasons. For an overview of register practices re transfers of applications and patents, see e.g. *Dybdahl, L.*, Transfer of Rights and Their Registration in the European Patent and Community Patent Registers, IIC, 1998, p. 387 ff.

⁹⁰ See *J 18/84* for a review of conditions to be met.

⁹¹ See decision *J 38/92* of 16 March 1995.

⁹² The relevant provisions on patent transfer and registration are found in Articles 60- 61, 71 - 72, and Rule 20 EPC. The leading case on the conditions for a valid transfer of an opposition is *G 4/88*, OJ EPO 1989, 480.

*7.5.1 Transfer of European patent applications and patents
- entry into the patent register of the EPO*

Decision *T 553/90*⁹³ took the view that a patent proprietor who had been registered as the new owner during the opposition proceedings would take the place of the previous patent proprietor and that the new owner's entitlement to the patent could not be questioned in subsequent proceedings before the EPO. The TBA concluded this on the basis of Article 20 EPC, according to which appeals against the entry into the patent register of the EPO of transfers of patents or applications are to be heard by the LBA and that therefore the TBA was not competent to decide this issue. Since proceedings before the LBA were ancillary to grant proceedings, but grant and opposition proceedings were governed by the fiction in Article 60 (3) EPC that the applicant is deemed for the purposes of proceedings before the EPO to be entitled to exercise the right to the patent, neither the opposition division nor the TBA was competent to decide this issue.

The significance of Rule 20 EPC was not addressed by the TBA in *T 553/90*, which creates a dilemma: If it is clear that there was a mistake, so that on the facts no satisfactory documents had been produced (e.g. the assignor of the patent who had signed the transfer agreement was no longer in existence when the purported transfer took place), must the assignee wrongly registered under Article 60(3) EPC still be accepted as the new proprietor and hence be a party to the grant, opposition or appeal proceedings, or can Rule 20 EPC be applied independently by the TBA? This question was answered in the affirmative by *T 553/90*, but no specific reasons were given other than that the board concluded that it could not be competent, obviously as a result of Article 20 EPC.

In an earlier decision, *T 653/89*, the deciding board had noted that the patent register functioned to give the patentee a formal and at least passive right to receive communications regarding the application or patent. The register provided the EPO with a legally valid addressee for communications. The register therefore had only a declaratory character⁹⁴. The board did not enter into any discussion as to whether an entry in the register also entitled the registered person to actively appear in the case, excluding other persons from acting on behalf of the patent. It may be argued

⁹³ OJ 1993, 666.

⁹⁴ I.e. the addressee had a passive legitimacy.

that the language of Article 60 (3) EPC supports such an extended interpretation and that subsequently registered transfer/s therefore would have the same legal effect. The only outstanding question would then be whether the entry is binding on all organs of the EPO.

The conclusion in *T 553/90*, which seems to indicate that in all subsequent proceedings the entered person must be accepted as entitled to exercise the patent and hence to appear on its behalf, has been made less final by decision *J 26/95*⁹⁵. In this decision the LBA agreed that in principle it was the task of the department of first instance⁹⁶ to decide whether sufficient documentation of the transfer of the patent had been submitted. Therefore the substitution of another party for the original applicant was only possible when this department had made the entry itself or where there was clear-cut evidence of the transfer. The LBA took it upon itself in the case to decide that the evidence of a transfer was sufficient to accept the successor in title to appear as party for the patent application in the appeal proceedings. From this it may be concluded that the competence of the Legal Division as the first instance is not totally exclusive.

The conditions for documentation to be sufficient for the entry into the patent register were discussed in *J 38/92*. The LBA started⁹⁷ from the legal point that, for a transfer to be valid, Article 72 EPC prescribes that the parties have both signed the assignment contract. It was a necessary condition for a valid transfer to be accepted by the EPO that the documentation submitted under Rule 20 EPC directly prove this fact, either through the original or an attested copy of the contract. It was not sufficient, as had been accepted by the Legal Division, that the party requesting entry into the patent register had submitted a copy of a judgment to this effect, since the judgment had not become final at the time the request had been accepted. Although the judgment referred to a contract between the parties, it had not been shown to the Legal Division that the conditions of Article 72 EPC had been met. In the situation where litigation was still pending between the parties, the Legal

⁹⁵ OJ 1999, 668, point 2 of the reasons. Since the assignments from applicant A to applicant B and hence to applicant C had not been signed by both respective parties, but only by the assignors, and the first assignment did not explicitly mention the European patent application, the LBA found that the appeal had to proceed in the name of A.

⁹⁶ I.e. the Legal Division.

⁹⁷ See point 2 of the reasons. Other procedural problems were also addressed in the decision, inter alia a change of name and the question whether the appeal had been lodged out of time, but the appeal was finally declared admissible by the LBA.

Division should have applied Article 61 EPC and stayed the procedure under Rule 13(1) EPC until such time when the litigation had been finally closed. During the appeal proceedings, the respondent, who was the party requesting the entry into the patent register, submitted a judgment from an appellate court, showing that it had the right to the patent and that this judgment had become final. This was in the opinion of the LBA sufficient for the procedure to continue and the respondent to be entered as the successor in title to the patent.

*J 10/93*⁹⁸ addressed the extent in time when a transfer can still be recorded; this is possible even if the patent application is withdrawn, as long as there is still a possibility that the application can be restored under Article 122 EPC. It is of interest to note that the LBA exercised its powers under Article 111(1) EPC and decided the request for transfer itself, which may be interpreted as deviating from *T 553/90*, if that decision is extrapolated as covering not only the situation where a transfer has already been registered, but also a request for a transfer to be recorded. In a subsequent appeal regarding the same application, *T 1061/99*, after the examining division had rejected the applicant's request for restitutio, the latter appealed. During the appeal proceedings, the application lapsed for lack of payment of annual fees. This was considered tantamount to a withdrawal of the appeal, a conclusion confirmed by the applicant.

In response to an objection from the opponent/respondent to the appeal proceedings that the appellant either did not exist or had no standing to appeal, *T 675/93*⁹⁹ clarified that as long as an assignment had not been filed, the EPO had to treat the original applicant as being party to the proceedings. This party, although in liquidation, was adversely affected by the decision to revoke the patent. Its representative had a valid power of attorney to act, hence the appeal was admissible as it had been filed in the name of this applicant.

In *T 245/97*, one of the respondents had objected that appellant B was not entitled to appeal, since the name of the patentee in the preceding opposition proceedings had been a. The board explained that, as B had been recorded as patentee already

⁹⁸ OJ 1997, 91. In point 4 of the reasons the LBA stated that as long as legal remedies are available, there is legitimate interest to have a transfer recorded. The legal security of other parties would not be affected, if they can see from the file that suitable steps for restoration of the application have been taken.

⁹⁹ Dated 16 September 1997, see reasons point 1.

before the decision under appeal, the new patentee was entitled to exercise the right to the patent. On the cover page of this decision the name of B appeared as patentee, whereas A appeared in the text of the decision, incorrectly. This could be corrected under Rule 89 EPC, according to the board, and did not result in any unclarity as to the correct identity of the appellant.

This raises the question of whether the *time of change* of identity of the patentee or applicant is of any significance. What must be the reaction of the EPO if the patent is transferred to a third person after the notice of appeal is filed but before the time limit for filing the grounds of appeal has expired? Is it possible under Rule 13 EPC to have the proceedings stayed until such time as the new patentee has been entered into the register, or shall the old patentee be regarded as entitled to continue the appeal proceedings? If the latter is the case, there is a risk that the old patentee may have lost interest in the patent and simply does not file timely grounds, as a result of which the appeal made by the new proprietor will be inadmissible. In order for the new owner of the patent not to be precluded from access to the proceedings, they should be stayed to give him the opportunity to be registered.

*J 8/96*¹⁰⁰ introduced the concept of a rebuttable presumption attached to the entry of an applicant or patentee in the registry, but within the confines of Article 61 and Rule 13 EPC. - Article 61 requires a dispute about the ownership of the patent, and Rule 13 offers a possibility of staying proceedings, in order that the alleged owner may establish his rights. However, this does not give a BA any independent power to examine documents for transfer nor to decide that another natural or legal person is the rightful successor.

*J 38/92*¹⁰¹ established that registration is not justified where a court judgment, not yet final, has given the right to the patent or application to a transferee, Y. Instead, the Legal Division must suspend the proceedings, and await a final judgment. The alternative of a transfer under Article 72 EPC cannot take place, unless it is based on a contract signed by both parties. The LBA remitted the case with the order to continue the proceedings, to revoke the mention of the grant to Y and to publish a new mention with the original owner, X.

¹⁰⁰ Point 6.1.

¹⁰¹ 16 March 1995.

The board in *T 478/99*¹⁰² declared the appeal by appellant II admissible, since he had been party to the first instance proceedings and was adversely affected by the decision under appeal, as required under Article 107 EPC. As no transfer of the patent had been requested at the time of appellant II's appeal, he was still entitled to exercise the rights of the proprietor (Rules 20(3) and 61 EPC). The fact that the assignment had been made before the date of filing of the appeal had no legal effect, as opponent/appellant I had contended. This is in line with the fiction and the provision that the transfer only takes effect when sufficient documentation has been presented to the EPO warranting the requested entry.

The dispute whether the boards should have competence to decide with finality the identity of a patentee in a case of a transfer of patent rights was decided in the negative by the board in *T 656/98*¹⁰³. The issue had arisen whether a transferee of a patent would be recognised even if the formalities for registration of the transfer had not been completed before expiry of the period for appeal under Article 108 EPC. The legal division of the EPO had recorded the transfer with effect from 6 November 1998, whereas the decision under appeal was dated 20 April 1998. The board also denied that there is a general power of the boards of appeal to consider and, where appropriate, allow requests for a change of party with retroactive effect, in particular since Rule 20 EPC specifically forbids such an effect¹⁰⁴. Decision *J 16/96* was mentioned in this context, but the board distinguished itself therefrom on the fact that the LBA was competent to decide the ex parte appeal concerning the registration of the patent department of a company as an association of representatives, since an appeal lies from decisions of the legal division to the LBA.

The competence of the EPO to register transfers ends with the publication of the mention of the grant of the patent in the European Patent Bulletin¹⁰⁵, in accordance with Article 97(4) EPC, providing that the patent takes effect on that day. From that day then, under Article 2 (2) EPC, the European patent has the effect in each

¹⁰² Dated 7 December 2000, see point 1 of the reasons.

¹⁰³ Decision of 18 May 2001.

¹⁰⁴ Point 11 of the reasons.

¹⁰⁵ See e.g. decision *AT 1/84*, OJ 1984, 276, by the appeals division of the Austrian Patent Office.

designated state of a national patent and national law alone is applicable to the patent¹⁰⁶.

7.5.2 Transfer of opponent status

For a transfer of the position as opponent, decision *G 4/88*¹⁰⁷ acknowledged the right of succession by heritage as provided for in Rule 60 EPC, and consequently by analogy the right of transfer of assets. An opposition was assignable or transferable to the same extent as other assets. If the assets of an opponent were transferred to a universal successor in law, this party was thus entitled to pursue the opposition. In practice, where part-transfers are concerned, there will be a check as to which assets were transferred, in order to establish whether the opposition in question was indeed part thereof¹⁰⁸. For cases where the entire legal person being the opponent merged with a third person with the effect that the former ceased to exist, where the universal assets of the opponent were transferred to a third person or the name of the opponent changed, *G 4/88* clarified that the opposition could be continued by the third person as a universal successor in title, by analogy with Rule 60 (2) EPC allowing a universal heir to continue an opposition as successor to the original opponent. This principle has since been followed by the boards of appeal¹⁰⁹.

The EBA expressly avoided answering the question whether the opposition could be transmitted or assigned independently of the existence of an interest in instituting the opposition¹¹⁰. It rather kept the response to the question referred in *T 349/86*¹¹¹ vague: An opposition pending before the EPO may be transferred or assigned to a third party as part of the opponent's business assets together with the assets in the

¹⁰⁶ See e.g. decision *DE 2/87*, OJ 1987, 438, which concerned whether or not the German Patent Office could charge a fee for registering a transfer, or if it was obliged to enter the transfer recorded in the EPO patent register. The EPO had registered the transfer during the time limit for opposition, under Rule 61 EPC. In spite of this, under German law the new proprietor could not act for the patent until he had been registered according to German law, an act which carried a fee.

¹⁰⁷ See Annex II.2

¹⁰⁸ See decision *T 659/92*, OJ 1995, 519.

¹⁰⁹ See e.g. *T 475/88* of 23 November 1988 and *T 933/94* of 29 September 1999 (merger), *T 563/89* of 3 September 1991 (sale of the opponent company), *T 339/97* of 16 November 1999 (The assets of a liquidated company were transferred to a successor), *T 799/97* of 4 July 2001 (the assets of the bankrupt opponent company were sold by the bankruptcy attorney, with approval of the local court (Amtsgericht).

¹¹⁰ Point 5 of the reasons.

¹¹¹ OJ 1988, 345.

interests of which the opposition was filed”¹¹². Since the assignment at issue covered only part of the business assets of the assignor¹¹³, G 4/88 must be interpreted as allowing part assignments to validate a transfer of the position as opponent. This however creates a problem with regard to the nature of oppositions and the substantive conditions (or rather the lack of them, such as a commercial interest) for opposition.

In spite of the cautionary approach of the EBA in G 4/88, T 659/92¹¹⁴ concluded that a transfer of the economic assets in the interest of which the opposition was filed was required. In this case, the opposition as such had been transferred alone, in a contract only signed by the assignor. The BA considered that a transfer of industrial property rights as such - including the right to oppose a patent - did not presume any transfer of economic assets linked to the opposition and refused to accept the assignee as party. The request by the assignee to have the appeal proceedings continued was refused¹¹⁵ and the proceedings were declared terminated.

In T 670/95¹¹⁶, the BA listed the types of transfers that would make a successor a party to the opposition proceedings, in accordance with decisions G 4/88, T 659/92, T 355/86, T 563/89 and T 870/92, adding that what applied to opposition proceedings was also valid for appeal proceedings. A new opponent can only obtain party status when he can prove that a transfer has validly occurred. Until such time, the original opponent remains a party.

As for patent holders, mergers whereby the original opponent ceases to exist validate transfer of opposition status, T 933/94¹¹⁷, as does the sale of the assets of a bankrupt enterprise, T 799/97¹¹⁸.

¹¹² The order of the decision, English official translation from German.

¹¹³ The commercial vehicles operation of MAN Augsburg-Nürnberg (assignor and original opponent) had been transferred to MAN Nutzfahrzeuge GmbH (assignee and new opponent).

¹¹⁴ OJ 1995, 519, point 2 of the reasons.

¹¹⁵ The original opponent and appellant had withdrawn its appeal.

¹¹⁶ Decision of 9 June 1998, point 2 of the reasons.

¹¹⁷ Dated 29 September 1999, concerning the merger of Hüls AG with Degussa AG. The same is acknowledged for companies in liquidation where the officer in charge sells the property of the company, T 339/97 of 16 November 1999.

¹¹⁸ Of 4 July 2001, point 2 of the reasons.

In *T 1142/97*¹¹⁹, the TBA allowed the transfer of opponent status as an ancillary to the transfer of Bayer AG's silicon business, without discussing whether it was sufficiently close to the patent to form the necessary link to an interest in filing the opposition. The board only noted that the other appellant/opponent had not objected, but did not mention the position of the patentee on the issue.

Likewise, *T 19/97*¹²⁰ allowed the transfer of the party status as opponent/appellant through an unbroken chain of transfers of the business operations or part thereof in whose interest the opposition or appeal had been filed. The board continued¹²¹: The transfer of the position as opponent as an accessory to a right connected to a part of a business activity must be distinguished from its procedural effect in the proceedings at hand. The latter must as a procedural formal requirement be made dependent on a sufficiently supported request. Under the rule of law, a transfer cannot take place without the acknowledgement of the board, since otherwise procedural acts could be undertaken without the new party being heard. For the same reason, a change of party could not have retroactive effect. Even if a conclusion as to the change of position as opponent is only of a declaratory nature, a request that the board take a formal decision on the matter is procedurally a valid one, since a formal recognition of this change is dependent on a legally valid interest on the side of the appellant. The new appellant was not originally a party to the proceedings and therefore had a procedural right to have his position as party formally established¹²².

A recent decision, *T 298/97*¹²³, has followed the generally adopted interpretation of *G 4/88*, According to Article 107 EPC, only an adversely affected party may appeal. This became a decisive point in *T 298/97*, since the original opponent had filed the notice of appeal, whereas the grounds were filed by a third party.

Questioned by the TBA, the opponent first explained that the functions of a patent department at A had been transferred to C. Later, different statements were made as to whether there had been no change (only a translation into another language of the original opponent's name), whether a transfer of assets from A to B had taken place,

¹¹⁹ Of 18 July 2001, point 2 of the reasons.

¹²⁰ Of 31 July 2001, points 2 - 6 of the reasons.

¹²¹ Point 5 of the reasons.

¹²² Points 5 and 6 of the reasons.

¹²³ OJ 2002, 83. See in particular headnote 3 and the corresponding point 7, and 12.2 of the reasons.

whereafter a had ceased to exist, whether there had been yet another transfer to D, or whether a still existed but under another name. The representative thus offered the board a variety of grounds (and a choice of opponents) and requested that the appeal be found admissible¹²⁴.

With regard to the transfer of opposition, the board stated¹²⁵:

"Save in the limited situation of a transfer of the right to oppose a European patent (or to appeal or continue an opposition appeal) together with the related business assets of the opponent's business, a commercial interest in revocation of such patent is not a requirement for being an opponent. Nor is possession of such a commercial interest sufficient to allow a successor in business to take over and conduct opposition or opposition appeal proceedings in the absence of evidence of a transfer of the right to do so together with the related business assets of the opponent."

"a) In the absence of such evidence, the transfer of an opponent's business assets to two separate persons cannot give either of them the right to take over and conduct opposition or opposition appeal proceedings."

"b) When such evidence is present, only the transferee established by such evidence can acquire such a right."

In its reasons, the TBA first observed that only adversely affected persons may appeal a decision of the first instance, Article 107 EPC, which meant that both the notice and the grounds must be filed by such a person. Then the TBA discussed whether there had been a transfer of the right to oppose the patent together with the assets in the interests of which the opposition had been filed, in accordance with *G 4/88*. The TBA mentioned that the EBA had not considered the question whether the opposition as such could be transferred, but went on to conclude that the EBA clearly found it excluded that this could be allowed, by way of its referring to Art 99 (1) EPC. Lastly¹²⁶, the TBA concluded that it could not allow the appeal to proceed in the name of either a alone, i.e. the person filing the notice of appeal, or a and B or a and C, since there was no evidence presented that either B or C had acquired the sole right to pursue the appeal together with the related business assets of a, or any of the named companies individually, since this followed from the refusal to accept a combination of these. For the same reasons the board could not accept any other combination of the aforementioned companies as party to the proceedings. Accordingly, since the grounds of appeal had not been filed by the

¹²⁴ Grounds outside the topic of 7.5.2 are not discussed here.

¹²⁵ Headnote 4.

¹²⁶ Point 14 of the reasons.

party adversely affected by the decision under appeal, it was dismissed as inadmissible¹²⁷.

T 9/00 observed that it is not the opposition as such which is transferred but the original opponent's status as a party to the proceedings. Only where the original opponent's business is not so structured as to allow the transfer of part of it as clearly connected to the technical field of the patent in question, is it necessary to transfer the whole of this opponent's assets for the assignee to be awarded the status of party.

7.5.3 Discussion

7.5.3.1 Transfer of patent applications and patents

The questions in relation to the ECHR are whether the fiction created by Article 60 (3) EPC is acceptable or whether it gives rise to unacceptable discrimination, and whether it is acceptable that this fiction can only be rebutted by a successful application to the Legal Division, in the sense defined by *T 533/90*¹²⁸. A further problem is whether the fiction, adopted as a means for the EPO not to have to investigate who is the true applicant or patentee (passive authorisation), must be accepted by the BAs, the first and only judicial instance of that same organisation, if mistakes are discovered or a board interprets the law differently compared to the Legal Division. Again reverting to the EPC may provide the answer; the boards of appeal "shall comply only with the provisions of this Convention"¹²⁹. Article 60 EPC, as well as Rule 20 EPC, therefore applies also to appeal proceedings, and the BAs would be bound by a finding of the Legal Division on the identity of the patent applicant patentee, even if based on an incorrect interpretation of the facts on file for the requested transfer.

¹²⁷ *Ibidem*, point 15.

¹²⁸ The problem of discrimination arises in relation to decision *G 3/92 Latchways* (see summary in Annex II.2), which poses another angle of view to the problem of establishing the identity of the rightful owner of a patent. The patent applicant, who had been unlawfully deprived of his invention, could have the European patent application revived when his right to the patent had been established under national law, in spite of the fact that the patent application was no longer pending before the EPO at the time of establishment of his right to the patent, having been left to lapse by the registered (unlawful) patentee.

¹²⁹ Including its Implementing Regulations, which are an integral part of the EPC, as laid down by Article 164 (1) EPC.

The EPC answer to the question whether a BA has the power to reassess the facts on which the Legal Division (wrongly) accepted to enter a new patentee in the register, probably lies in Article 164(2) EPC, according to which in case of a conflict between the EPC and its implementing regulations the provisions of the EPC shall prevail, meaning that the fiction, being governed by an article, still is valid. Under the law, then, the TBA in *T 553/90* was correct in its finding.

However, this does not solve the problem that an entry into the registry may only be challenged within a limited time period from the decision taken by the Legal Division, by appeal to the LBA, whereas a conflict regarding the identity of the patentee may arise a long time thereafter, perhaps only in appeal proceedings after opposition. At that stage, there would be no access to any court for an affected party, and the BA responsible for the appeal proceedings would not be competent to address the issue, for example by deciding whether or not the documentation presented by the purported patentee was sufficient to entitle it to the entry¹³⁰.

While a system of fictions as to the right to the patent is common in several contracting states to the EPC¹³¹, and the reason for such a provision is the need for an established person to be able to at least receive communications during the procedure on behalf of the patent application (passive authorisation) and perhaps even to submit requests and opinions with legal effect (active authorisation), the exclusion of a competence of the BA to rectify mistakes is a limitation of its powers which seems not to be compatible with the ECHR. If two persons both claim the right to the patent, the legal system requires the one who is not registered to obtain a decree by which he is entitled to the patent, under national law. Rule 13 EPC will in the meantime apply, giving this person the right to obtain a stay of the EPO proceedings, in order that the patent or application will remain pending, so that he

¹³⁰ This issue arose in case *T 64/98*, decided on 8 May 2002, but the Board did not raise it with the parties.

¹³¹ The same applies, *mutatis mutandis*, under Swedish and German law, Section 8 Swedish Patent Law (SPL); § 7(1) German PatG. According to Schulte, p. 229, the German Patent Office is not competent to review the right of the applicant to act on behalf of the application ("Anmelderfiktion"). *Jacobsson et al.* comment that an entry into the Swedish patent register of the patentee does not give him active authorisation before a court, i.e. his purported right to the patent is rebuttable, p. 281. For the entry as the applicant, the person must show evidence of transfer if he is not the inventor, Section 8, paragraph 4, SPL. Detailed rules are laid down in the Patent Decree (Patentkungörelsen (1967:838). Sections 7 - 9 cover the application diary, of which Section 9 requires that a person claiming to have obtained the invention must show evidence of the transfer of rights, whereas sections 38 - 44 contain rules for the patent register. Cf. J 8/96 on the rebuttable presumption of an entry in the patent register of the owner to a patent.

will not risk that it will lapse. When the decree has been obtained, the rightful owner can request to be registered, after which the EPO proceedings will be continued.

That this system is not fail-safe is shown by decision *G 3/92*¹³², in which an unlawful owner¹³³ had let the European patent application lapse, through his failure to file a request for examination¹³⁴. The rightful owner obtained the necessary decree only after the patent application had ceased to be pending before the EPO. Nevertheless, the EBA found that it was not a pre-requisite for the application to be revived in the name of the rightful owner by way of a new application that it is still pending before the EPO at the time the new application is filed. For the first time in the Boards' history, a dissenting opinion¹³⁵ was published together with the decision, holding that a new application claiming the old priority and application dates could only be validly filed as long as the original application was still pending at the time of filing. Under the EPC, only the courts of the contracting states have jurisdiction to decide claims to the right to an application and the EPO has no power to decide such issues¹³⁶. The provision on recognition of such a judgment also applies for the EPO. The recognised owner will be entitled to be entered in the patent register and to prosecute the application in the different ways prescribed in Article 61 (1) EPC.

This legal situation appears to be unsatisfactory. A possible remedy would be to apply *G 3/92*¹³⁷ by analogy - although it seemingly addresses only a very specific question concerning Article 61(1) EPC and judgments over disputes of ownership - to cases where a BA, having judicial functions, finds that a register entry is based on insufficient documentation. Such a BA should therefore be competent to raise the issue of who is the rightful transferee and to request the registered party to submit satisfactory documentation before this party is accepted as a party to the appeal proceedings. This could to some extent prevent the situation that arose in *J 1/91*, the referring case in *G 3/92*, and would also be in accordance with the reasoning in *J 26/95*.

¹³² OJ 1994, 607, the so-called Latchways case, after the name of the rightful owner. For a summary see Annex II.2.

¹³³ This person had filed a European patent application unbeknownst to the rightful owner.

¹³⁴ Failure to request examination results in the application being deemed to be withdrawn, Article 94 (3) EPC.

¹³⁵ No names or numbers were published.

¹³⁶ The Protocol on Jurisdiction and the Recognition of Decisions in respect of the Right to the grant of a European Patent, Article 1 (1).

¹³⁷ See also 8.2.2.2. A summary of *G 3/92* appears in Annex II.2.

There seems to be general agreement that the registering of a transfer of the patent application and patent creates a passive authorisation, i.e. the EPO may communicate with that person. Communications sent by the EPO to a registered person are legally valid, i.e. the EPO has discharged its duties as to this party's right to be heard under the EPC.

If, e.g. in line with Swedish law and as suggested by Judge Martens in the *Fischer* case¹³⁸, the court should have the right to examine the status of a party who was registered with the patent office as successor in title to a patent, the boards¹³⁹ should also not be bound by a registration which they find not to have been based on satisfactory documentation. For the boards to be recognised as a judicial instance under the ECHR case law on the right of access to a court, such a power seems necessary, at least where this issue has been introduced into the proceedings by one of the parties, e.g. as a ground for a request to declare an appeal inadmissible which was lodged by a patentee whose entitlement to the patent is questionable.

7.5.3.2 Transfer of opponent status

The case law regarding universal succession in the original opponent's assets does not raise any particular procedural questions concerning the access to a court. This is also true regardless of whether it takes place during the opposition proceedings before the first instance or after appeal. Nor do the requirements as to the evidence to be presented give reason to question the procedure. Generally, the boards have adopted the same principles for oppositions as are laid down in Article 72 EPC for the transfer of patent applications or patents, a two-party contract signed by both parties, a high level of proof that the assets were in fact transferred and that the contract was legally valid under national law.

For partial transfers, the legal situation is more difficult to analyse, mainly due to the fact that the EBA in *G 4/88* avoided adopting a position on the question of bare transfers of oppositions as such and to subsequent case law, which seems to contradict *G 4/88* or at least make it less compatible with the notion of an interest being linked to the opposition. The transfer at issue in *G 4/88* was a part transfer (of a commercial vehicles operation) and the request for transfer of the opposition was

¹³⁸ See 4.6. Judge Martens advocates full powers for a tribunal to decide *de novo* all issues before it.

¹³⁹ Provided the Boards of Appeal are considered to be a judicial instance.

made on appeal. The EBA referred to Rule 60 (2) EPC, remarking that by analogy a company absorbing an opponent by way of a merger should be able to take over the opposition¹⁴⁰ but that the EPC was silent on the possibility of an opposition being transferred either freely¹⁴¹ or with the opponent's enterprise or with part of that enterprise¹⁴².

Given the ambiguities of the case law as summarised above, a number of questions call for discussion, as seen both from a human rights point of view, which require effective and practical access to a court, and from the EPC, which does not require any opponent to show proof of an interest in the patent in issue, for the opposition to be admissible. The main questions are dealt with below.

1. Must an assignment always concern assets which represent operations in the technical field of the patent or are there exceptions? What is the significance of G 4/97 denying the condition of an interest for a valid opposition to be filed?

The conclusion of *T 298/97* that the EBA clearly had excluded the possibility of transferring an opposition as such exaggerates the significance of *G 4/88* to a point not allowed by this decision itself. The EBA explicitly did not want to examine the issue of a separate transfer of opposition: "it falls outside the scope of the reply to the question at issue to examine whether an opposition could be transmitted independently of the existence of an interest in instituting the opposition taking into account the provisions of Article 99 (1) EPC"¹⁴³.

Art 99 (1) EPC contains a number of requirements for an opposition to be validly filed: 1) within nine months 2) by a written notice of opposition, 3) and against the payment of a fee. The reference in *G 4/88* to this article can therefore not automatically be assumed to refer just to the lack of an interest for the valid filing of an opposition. On the contrary, if any conclusion may be drawn from this reference it would be that since no interest is required for an opposition to be validly filed under Article 99 EPC, no such interest would be necessary to establish a valid transfer of the position as party/opponent to the proceedings.

¹⁴⁰ Point 4 of the reasons.

¹⁴¹ I.e. the opposition would be the sole object of the transfer.

¹⁴² Ibidem, point 5 of the reasons.

¹⁴³ Point 5 of the reasons.

If, however, the response from the EBA means, containing as it does a reference to an interest linked to certain assets, that the *interest condition* applies only to partial transfers of assets, two different principles would be applicable, one to universal transfers for which no interest must be shown, and the other to partial transfers for which this condition must be met. This difference in treatment does not seem justified, since the positions of the new opponents do not differ, both have signed a contract assigning assets to them., i.e. there would be an *unjustified discrimination* of the latter category of assignees.

Another argument against the requirement for an assignee to show an "interest" before being accepted as a successor to the opposition is that the transfer must be seen as the latter replacing the original opponent, whereby the latter is recognised as having filed the opposition in time. Otherwise, if the assignee is seen as an opponent opposing the patent after the nine-month term for opposition, no transfers could be accepted as a basis for a replacement of the opposing person.

On the question of the opposition being transferred to more than one assignee or having been only partly transferred so that a would remain co-appellant together with another company, the TBA simply remarked that this was not possible as a matter of law¹⁴⁴. *G 3/99*¹⁴⁵, handed down only later, has clarified that common oppositions are admissible, but on condition, inter alia, that once a common opposition has been filed in the name of two or several natural or legal persons, no further person can join the group. This confirms the conclusion of *T 298/97*, albeit on another footing. The declaration in *T 298/97* that there is no scope for further parties to be added to the proceedings seems otherwise not to be relevant to the issue in that case, since a succession does not mean that parties are added, but that the original party is replaced.

The inadmissibility of a joint partnership of the original opponent a together with either B and C or both does not seem to be excluded by *G 4/88* as long as there is clear evidence of a contract to this effect. Rule 100 (2) EPC allows a transfer to be made to more than one person¹⁴⁶. Hence, what *T 298/97* found excluded by law, was in fact only prohibited through *G 3/99*. This decision did not have to consider the

¹⁴⁴ Point 7.4.

¹⁴⁵ Dated 18 February 2002. See point 12 of the reasons.

¹⁴⁶ According to paragraph 1 of Rule 100 EPC, this provision is applicable to oppositions as well.

situation in *T 298/97*. It is advisable, therefore, not to interpret *G 3/99* as having addressed and given an answer to the question whether two or more assignees to assets in whose interest the original opposition was filed may be recognised as successors and take over the opposition.

Apart from the above observations, *T 298/97* seems to have followed the main line of the BA case law, requiring clear proof of transfer of assets relating to the patent in suit. Its result is acceptable, in view of the rights of legal certainty enjoyed by the other party.

Another complicating factor arises through decisions *G 3/97* and *G 4/97*¹⁴⁷ regarding straw men and the absence of any condition for instituting an opposition, except the time limit and fee prescribed by Article 99 EPC. In one of the referring cases¹⁴⁸, an umbrella seller had opposed a patent for a biotechnological invention. The EBA established at the outset that the wording of Article 99 EPC, "Any person", allowed persons to act on behalf of other persons but in their own names, since there was no condition in the EPC that an opponent had to show a particular interest or skill in the art concerned to file a valid opposition. Possibly these decisions should not be interpreted as general in scope, but limited to the particular situation of straw men. However, the EBA did issue some general statements, of which the observation that no interest has to be shown for an opposition to be admissible cannot be seen only in the context of straw men, since it necessarily must apply to each and every opponent.

The problem seems to have arisen because the EBA in the later decisions did not analyse what might have caused the statement in *G 4/88* about a necessary link between "the interest in which the original opposition was filed" and the interest which an assignee has in taking over this opposition, and how that decision could be affected if a new principle was adopted.

It must be admitted that in reality an interest does normally govern the activities of competitors in deciding whether or not they should oppose a patent. The clarification given by the later EBA decisions is however that such an interest is not a *sine qua non* for the opposition to be admissible. This has repercussions on how *G 4/88*

¹⁴⁷ See 7.2.1 and 7.3 above. Summaries appear in 8.2.2.2 and Annex II.2.

¹⁴⁸ *T 694/92*, OJ 1998, 97.

should be understood; it is even possible that this decision has become obsolete through *G 3/97* and *G 4/97*.

T 9/00 seems to offer a reasonable solution to the dilemma: It is not the opposition as such, but *the original opponent's status of a party* which is transferred to a third person. When drawn to its extreme conclusion, this argument avoids the connection of an interest to the transfer. It would further allow a direct transfer of this status, which - although at first sight in contravention of the nine-month time limitation - would be permissible on two grounds:

1) It is a question of replacement into the status as party starting with the notice of opposition and therefore has a retroactive effect. If the subsequent opponent is seen as only taking over a party position in the opposition proceedings as from the date the transfer became legally valid, no transfer could give rise to a status as party, since the nine-month period would have expired.

2) No interest in the form of a connection to activities relating to the field of the patent has to be shown. The second ground is important from the viewpoint of the rule of law; it may namely be difficult to conclude with certainty whether an activity is close enough to pass muster. If the patentee does not agree that it is, the burden of proof would lie with the assignee, but it has to be established before deciding the issue, what criterion should apply. A first condition is that it must be sufficiently foreseeable to qualify as legal norms. This premise excludes a criterion of degree.

The TBA in *T 9/00* considered itself forced to admit that, where the crucial area of an enterprise's activities is not "coordinated" - i.e. not clearly distinguished from other areas of activity in an enterprise - so that one cannot discern to which area the opposition naturally belongs, it is not sufficient that a part of the original opponent's business assets are transferred; a universal succession is required. Taken to its extreme, this would force the umbrella seller to transfer the total of his business assets to the third person, since otherwise no interest can be found which could be said to have any connection to the [biotechnology] patent in issue. This begs the question: What interest would there be in this retail business that would warrant the acceptance of the assignee as successor to the opposition? If the assignor is the

actual straw man and the assignee the genuine competitor to the patentee in the field of technology, it would make no sense to require the latter to acquire the original opponent's umbrella business, whereas his own is clearly connected to biotechnology, an area in whose interest the opposition was indeed once filed, albeit through a straw man. This requirement corresponds to *G 4/88*, but no legal principle can be found why the competitor should be able to take over the opposition only for the reason that he was the "actual opponent" being active in the same technical field.

Decision *T 298/97* refers to the risk that if it were allowed to transfer "the opposition as such", competitors who had failed to oppose the patent within the prescribed time limit could later enter into the proceedings, which could lead to "trafficking" in oppositions, creating an abusive situation, but this does not follow from *G 4/88*. The question is whether this creates an abusive situation at all. "Trafficking" presupposes necessarily that an opposition procedure is pending. It is not possible to initiate proceedings by trafficking. The *procedural* situation would not change for the patentee as a result of the transfer. The already pending opposition proceedings would only terminate if the (sole) opponent withdrew the opposition (or the appeal as the sole appellant). *G 4/97* opens the door to secret party status. This must consequently open the door to allow a change of party regardless of the new opponent's interest in opposing the party or having acquired assets from the original straw opponent. To allow the transfer of status as opponent without any transfer of assets would therefore be in line with the reasoning of *G 4/97*.

With regard to the argument that the transferee or "new opponent" is out of time, it seems incorrect in that the transferee actually only *replaces* the original opponent, *ex tunc* as it were. Otherwise, no transfers of opponent status could be recognised at all, whether universal or not.

Based on the above, in order to protect the interest of the other party in legal security, two opposite solutions are possible: Access for successors in the status as party to the proceedings to the original opponent should either be limited to the case of universal succession of assets or freely available to those who have been assigned the right to oppose the patent in lieu of the original opponent. Since the latter alternative does indeed run counter to the fear expressed in *T 298/97* of an unallowable extension of the time limit for opposition, and such time limits are of

prime importance for the other parties to the case as well as to all third parties¹⁴⁹, and having regard also to the observation of *T 9/00* that it is not the opposition that is transferred, the first alternative seems the only remaining one which can satisfy the ECHR re guarantees for a fair trial for the patentee.

2. Do the conditions for transfer change depending on the time at which it is requested? Does the adverse requirement of Article 107 EPC force the legal condition of transfer of assets representing an interest to oppose the patent?

The EBA did not discuss whether the transfer of opponent status applied also to appeal proceedings. *T 563/89*¹⁵⁰ adopted this by analogy, without going into any detail as to the requirements for a transfer at this stage of the proceedings. The procedural legal situation is however more complicated at this stage, since the entitlement to appeal depends on the requirement of being adversely affected under Article 107 EPC. In *T 563/89*, the entire company had been sold, i.e. the assignee was a universal successor, a situation which had never been in doubt in case law as giving rise to an entitlement on the part of the assignee to be a party to the proceedings. This may explain why the TBA did not expand on the appeal situation and any further conditions which may have been justified.

The TBA in *T 298/97* also offers the argument that to allow new opponents after expiry of the nine-month time limit for opposition would threaten the assumption of contracting states that they had exclusive jurisdiction. This is less convincing. The transfer of an opposition (or rather of the position as party to the proceedings) presupposes that EPO opposition/appeal proceedings are still pending, which, if not excluding national jurisdiction, will as a rule result in the stay of any national proceedings concerning the patent, until the centralised proceedings are concluded. To this should be added that if one accepts that the assignee replaces the original opponent as per the filing of the notice of opposition, this problem does not arise.

Instead, if the interest of the patentee requires a limitation excluding transfers of oppositions as such, this should be based on the adverse effect requirement of Article 107 EPC. Like the more general principle discussed above, this again will require that the entire assets of the original opponent be transferred.

¹⁴⁹ The opposition being a class action with legal effects for the general public.

¹⁵⁰ Of 3 September 1991, point 1.1 of the reasons.

3. *Given that the current case law requires evidence that the latter's assets or part thereof which were transferred to him entail the interest in which the opposition was made, what evidence must an assignee to an opponent present in order to be entitled to continue the proceedings as a successor to the opponent, when the original opponent was not active in any field to which the patent belonged?*¹⁵¹

The question, which is a real one, serves to illustrate the dilemma of connecting an interest to the opposition¹⁵². If the only evidence required were that the entire assets of the original opponent had been assigned to the assignee, the condition of an interest connected to the filing of the original opposition would no longer be necessary, solving the cases where the original opponent cannot provide any such link to the interest to oppose the patent. From the point of view of the other party, the patentee, a universal succession condition would be satisfactory, since there can be no dispute about whether or not an interest is close enough to justify recognition of a successor to the status of opponent in the case. It is also satisfactory from the point of view of the opponent/umbrella seller who would otherwise be treated worse than other opponents, given that he has no opportunity to present a link to this interest, to which his assignee could attach a right to succeed him as a party. The present practice of requiring an interest for part transfers to be recognised as transferring the position as a party to the proceedings would discriminate the 'straw opponent', in a way apparently not foreseen by the EBA. Unless a principle were adopted whereby the quality of being a 'straw opponent' justified separate treatment, such discrimination would not be acceptable.

However, the following counterargument could be adopted: There is a justification for this discrimination in that the opponent behind the straw man has an interest in keeping his identity from being known. While straw men are accepted under *G 4/97*, it necessarily entails a risk for this person that the proceedings may be discontinued out of his control. In return for the advantage of not having to reveal his identity, the

¹⁵¹ Cf. *G 4/97* and the questions referred to it by TBA 3.3.4 in *T 649/92* concerning an umbrella seller who had opposed a biotechnology patent, and who had admitted that he was acting for a third party. The EBA declared such oppositions admissible, provided that the requirements to be represented by a professional representative under the applicable provisions of the EPC were not thereby circumvented, which was an unallowable abuse of proceedings and that the patentee itself was not the opponent. A parallel decision, *G 3/97*, is also discussed in 8.2.2.2.

¹⁵² Even if *T 9/00* tries to separate the position of party from the opposition, there is at least an indirect interest link through the activities of the opponent; it is impossible to sever these activities from the assets transferred. Therefore the assumption by most BAs that the opposition is being transferred for the new opponent to appear as a party is understandable.

opponent behind the umbrella seller must accept that the opposition may terminate at any point in time. This apparently led the EBA to consider justifying such oppositions with the argument that it is the straw man who is the opponent in a procedural sense, since nobody else can act procedurally in the case, albeit that the opponent behind him may give him instructions, which the straw man is in a position to disregard, even if this may be less likely, given that an underlying contract between the two may induce him to follow such instructions.

7.6 Conditions for intervention

Interventions as a means of access to centralised proceedings before an EPO organ, including a board of appeal, are mainly governed by Article 105 EPC¹⁵³. The EBA has established both that an intervention presupposes that opposition proceedings are pending at the time of the filing of the intervention and that interventions are admissible also during appeal proceedings¹⁵⁴. With regard to the condition that the opposition proceedings still be pending for an intervention to be admissible, the TBA in *T 381/89*¹⁵⁵ had to reject an intervention as inadmissible, which had been filed after the only appellant had withdrawn its opposition, in view of the conclusion of *G 8/91*¹⁵⁶ that the withdrawal of an opposition is equal to and has the same effect as the withdrawal of the appeal. Since a second opponent in that case had not appealed the decision of the first instance itself, that opponent was only a party as of right and could not continue the appeal proceedings.

In *G 1/94*¹⁵⁷, the EBA further adopted an exception to the principle laid down in *G 10/91* that new grounds may not be raised after expiry of the time limit for opposition, so that an intervener may introduce new grounds, the reason being that he must be able to defend himself against the patentee's action, viz. in national

¹⁵³ Under the ECHR case law, no cases could be found corresponding to this procedural means of joining already pending proceedings; cases addressing intervention were devoted to military intervention or interventions by authorities, including courts or court officials, towards individuals, e.g. in child custody cases. Examples in point are the *Feldbrugge and Borgers cases v. Belgium*, *Kress v. France* and *Androunicou v. Cyprus*. ECHR cases which would be relevant were instead found in the context of fair proceedings. A few such cases are mentioned in this chapter.

¹⁵⁴ *G 4/91*, OJ 1993, 339, and *G 1/94*, OJ 1994, 787, respectively.

¹⁵⁵ Of 22 February 1993, points 2 and 5 or the reasons.

¹⁵⁶ OJ 1993, 346. The analogue conclusion of *T 381/89* was later confirmed by decision *G 8/93*, OJ 1994, 887, which held that the withdrawal of an opposition terminates the proceedings if the opponent is the sole appellant. Schulte has criticised this opinion, see below.

¹⁵⁷ Point 13 of the reasons.

litigation for infringement, a prerequisite under Article 105 (1) EPC¹⁵⁸. The EBA in *G 1/94* reasoned that the purpose of intervention could be lost if the purported infringer were not able to attack the patent in every aspect, including raising new grounds as to why the invention was not patentable. However, should a new ground be raised, the case should be remitted to the first instance, as ordered in *G 10/91*, unless the patentee himself does not wish it to be remitted.

An intervention thus offers an 'extension' of the time limit for opposition, but for reasons controlled entirely by the patentee; either he has instituted court proceedings of his own volition or he has caused the intervener to do so after having requested him to cease infringing. The protection of prior activities in the patented area by innocent third parties would not be satisfactory, if the patentee could stop them before it is decided that the European patent will indeed be maintained by a final decision. A third party who is brought to court for his activities needs to be able to take part as a proper party in the centralised proceedings before the EPO¹⁵⁹.

The institution of national court proceedings is an absolute condition for intervention, which have to take place before a proper court of law. This provides the EPO with a necessary and indisputable starting date for the time period for intervention. Relying merely on a request from the patentee to the intervener to stop infringing the patent is not sufficient and will cause the BA to reject the intervention as inadmissible¹⁶⁰.

The question of *calculation of the time limit for intervention* and the two alternative means for intervention offered by Article 105 (1) EPC was the object of decision *T 296/93*¹⁶¹. In that case, the patentee had instituted national infringement proceedings at a certain date. Later, after expiry of the three-month intervention period calculated from the institution of the first proceedings, the purported infringer filed an

¹⁵⁸ As an alternative, this paragraph second sentence, allows intervention where the patentee has requested (*ex tribunam*) that the alleged infringer cease to infringe and the latter has instituted court proceedings with the request that the court declare that he does not infringe, or in other words that the patent is invalid in a respect overlapping with his activities.

¹⁵⁹ Problems concerning interventions have caused a not insignificant number of decisions: As of October 2001, 26 decisions were found on the Espace-Legal CD-Rom, searching for "Article 105" cases, and 33, searching for 'intervention'.

¹⁶⁰ Decision *T 195/93* of 4 May 1995, point 3 of the reasons.

¹⁶¹ OJ 1995, 627. The admissibility of the intervention was discussed in point 2 of the reasons.

intervention with the EPO, claiming that he was entitled to have the period calculated from the date of subsequent proceedings which the intervener had instituted himself, requesting the court to declare the patent invalid. The TBA found that the two preconditions for intervention under Article 105 EPC were mutually exclusive, so that once a time period for intervention had been triggered, e.g. as in the present case by court proceedings for infringement, the purported infringer could not create a second time period by instituting invalidation proceedings concerning the same patent. The board also agreed with the patentee that a time limit as a matter of procedural law should not be under control of the party itself. This interpretation was followed later by decision *T 144/95*¹⁶², which also considered reimbursing the appeal fee and ordered it for the main reason that the intervener could not be adversely affected by the decision under appeal, and hence could not be an appellant¹⁶³.

Decision *T 446/95*¹⁶⁴, also agreeing with *T 296/93*, declared an intervention inadmissible which was based on a letter by the intervener to the patentee, obviously to provoke the second alternative basis for an intervention. The patentee however was not provoked, but only answered that he was of the opinion that the intervener had infringed the patent. This was not sufficient to establish that the latter had been requested to stop infringing the patent.

The decision requiring pending proceedings¹⁶⁵ led the TBA in *T 517/97* to conclude that an intervention filed by fax later the same day than the fax containing the withdrawal of the sole appeal was inadmissible, on the presumption that the withdrawal had instantaneous effect as it did not require consent from anybody, not even the TBA, but was a completely voluntary procedural act. The TBA could not find any principle by which it would be possible to conclude that the proceedings

¹⁶² 26 February 1999, point 2 of the reasons. This decision also discusses the appeal fee, but from the (incorrect) observation that the intervener could not be adversely affected under Article 107 EPC and therefore not entitled to appeal, point 2.8. This reasoning excludes any possibility of an intervener to obtain the position as appellant, unless the intervention occurred before the first instance. It is difficult to justify a difference in treatment of interveners made dependent upon the time for an action against them that they cannot themselves control. If the first intervener was not entitled to appeal, this should apply to the latter also, which is clearly absurd. Instead the intervention should be seen as an opposition albeit belated and put the intervener in a position as if he had been an opponent in the first instance also.

¹⁶³ These conclusions will be discussed in 8.3.1.

¹⁶⁴ 23 March 1999, see point 2.2 of the reasons.

¹⁶⁵ *G 4/91*.

had lasted until midnight that day, as the intervener had protested. Since the withdrawal had also been faxed to the EPO, it had been possible to establish the exact time it had been received there¹⁶⁶.

7.7 Conditions for *restitutio in integrum*

7.7.1 EPO case law

Article 122 EPC offers a separate extra-ordinary means of access to proceedings before the EPO for a party who would otherwise have lost his rights, e.g. through a provision like Article 94 (3) EPC, whereby the patent application is deemed to have been withdrawn (and the proceedings thus terminated) if the applicant fails to file a timely request for examination¹⁶⁷. An applicant or patentee¹⁶⁸ who is successful in obtaining a ruling of re-establishment under Article 122 EPC will have his rights restored. The same applies in a limited sense to opponents, in spite of the clear wording of Article 122 EPC, "The applicant for or proprietor of a European patent,shall have his rights re-established....". In line with *G 1/86*, the TBA in *T 210/89* rejected an application for re-establishment of the time limit for the opponent's filing of the notice of appeal.

The EBA has defined the scope of application not only with regard to the scope of an opponents' right to make use of it, but also with regard to what rights are protected. Hence, in *G 3/91*¹⁶⁹ the EBA decided that the time limits excluded from re-establishment mentioned in Article 122 (5) EPC also cover extension of the time

¹⁶⁶ 25 October 1997, points 4-5 of the reasons.

¹⁶⁷ Article 95 EPC offers an extended period for such requests. It is not considered here.

¹⁶⁸ The EBA in *G 1/86*, OJ 1987, decided that the means of re-establishment applies also to opponents who have filed their notice of appeal in time, but who fail to file the grounds of appeal before expiry of the time limit therefore. This was based on the observation that the appeal falls into two different phases, the notice of appeal and the grounds of appeal. A timely notice of appeal and payment of the appeal fee initiates the appeal; hence the respondent cannot be taken by surprise if the time limit for the grounds of appeal will be restored under Article 122 (19) EPC. The EBA referred in this context to the fact that the division of the act for appeal into two distinctive parts had been introduced only at the diplomatic conference adopting the EPC and that this had the significance of changing the appellant's position; once an appeal was in existence, the appellant/opponent had a right to equal treatment compared to the appellant/patentee, points 7-9. Under the principle "*cessante ratione legis cessat ipsa lex*", there was no need to interpret Article 122 verbatim (point 10).

¹⁶⁹ OJ 1993, 8.

limits under Rule 104b (1b) and (c) EPC¹⁷⁰ in conjunction with Articles 157 (2) (b) and 158(2) EPC, regarding the payment of the filing, search fee and designation fees.

Through decision *G 5/92*¹⁷¹, the EBA extended this exclusion to the time limit under Article 94 (2) EPC for payment of the examination fee. In *G 5/93*¹⁷², the exclusion from re-establishment found in *G 3/91* was modified to apply only to Euro-PCT applicants who had applied for re-establishment after that latter decision was made available to the public.

The conditions for re-establishment are strict. Apart from a time limit of two months from the date at which the applicant or patentee can fairly be said to have been made aware of the failure ("the removal of the cause of non-compliance with the time limit", Article 122 (2) EPC), with an absolute time limit of one year after expiry of the time limit that was not observed, the applicant must show that he was exercising all due care as required by the circumstances but still was unable to observe the time limit. The request must be submitted in writing, giving the grounds and facts on which it relies (paragraphs 2 and 3) within the same two-month period. The *restitutio* tool covers time limits given in the EPC carrying the direct¹⁷³ penalty of refusal of the application or a request or the fiction of withdrawal of the application or revocation of the patent, or the loss of any other rights or means of redress.

Both the identification of the starting date for the two month time limit and the due care condition must be based on the specific circumstances of each case, which makes the case law necessarily casuistic¹⁷⁴. However, some principles have emerged.

Errors in law are not excusable. a presumptive appellant in a disciplinary case cannot rely on the fact that the decision (together with information on how and when

¹⁷⁰ Replaced by Rule 106 EPC by a decision of the Administrative Council of 13 October 1999, in force as of 1 March 2000.

¹⁷¹ OJ 1994, 22.

¹⁷² OJ 1994, 447.

¹⁷³ " if the non-observance in question has the direct consequence, by virtue of the Convention, of causing", Article 122 (1) EPC.

¹⁷⁴ An overview of this case law until 1992 appears in NIR 1993, p. 185 ff: *C. Holtz, Rättspraxis I EPO ang art 122 EPC "återställande av försutten tid". Särskilt om omsorgskravet.*

to appeal) was not sent to him personally¹⁷⁵. The same applies where the person requested extension of the time limit for the grounds of appeal¹⁷⁶, which is not possible under the EPC.

The acts of a professional representative are imputable to the applicant or patentee¹⁷⁷. Should an assistant be trusted with such tasks, it is the responsibility of the professional representative to have trained the assistant, issued sufficient instructions and to ensure that the assistant is properly supervised¹⁷⁸.

If an automatic system is used for monitoring time limits, it is not sufficient to rely on the system, unless there is an incorporated cross-checking facility incorporated, to ensure that the required action is also undertaken¹⁷⁹. For smaller firms, not able to rely on costly computerised systems, a cross-check was not considered necessary, as long as the firm normally worked efficiently and had reliable personnel¹⁸⁰. Special circumstances may make an independent cross-check necessary, e.g. where two persons are responsible for the same file, to ensure that no misunderstandings may lead to inaction¹⁸¹.

Being "unable" to observe a time limit, implies an objective fact. To wait for information thought desirable for the party's case, is not appropriate. The possibility of re-establishment is not an option for the party to choose. A party who had deliberately abstained from filing the grounds of appeal could not achieve an appellate review through the back door of a request for re-establishment¹⁸².

The mistake of transferring the fee for appeal to the German Patent Office was not considered excusable, in spite of a contract between the EPO and the GPO from 1981 regarding the handling of communications and other administrative acts which are received by the one office, although they should have been addressed to the other

¹⁷⁵ *D 6/82*, OJ 1983, 337.

¹⁷⁶ *T 853/90*.

¹⁷⁷ *J 5/80*, OJ 1981, 343.

¹⁷⁸ *Ibid.*

¹⁷⁹ See e.g. *J 9/86*, *J 26/92* and *T 828/94*. Re the latter see points 2 and 3 in particular.

¹⁸⁰ *T 166/87*.

¹⁸¹ *T 828/94*.

¹⁸² *T 413/91*.

office. The contract stipulated with regard to fees that they had to be transferred back to the party in question¹⁸³. As a consequence, the fee did not reach the EPO in time. The request for re-establishment was rejected.

Incidents of a force majeure nature are excusable, qualifying for re-establishment. So for example did a sudden power shortage, which led to a break-down of the computer system for monitoring time limits and resulting loss of data¹⁸⁴, although the TBA did consider whether the representative should not have checked that no data were missing in the system when the electric power was switched on again.

Where a representative has given the task of posting letters or sending faxes with specific instructions to an assistant, due care was recognised. There was no need for the representative to supervise the assistant and check afterwards that the task had been carried out¹⁸⁵.

The use of outside agents does not exempt the representative from responsibility. An appellant who had engaged a private delivery service to despatch the grounds of appeal only two days before expiry of the time limit under Article 108 EPC, could not defend himself by circumstances occurring beyond his control once the package had been left with this service, which had proven reliable in the past. The board allowed re-establishment for the (sole) reason that the Munich airport authorities had withheld mail for 36 hours before releasing it. The TBA discussed whether a representative leaving crucial communications with an outside service should not have given it detailed information on, inter alia, the need for the package to be submitted to the EPO at a certain date at the latest and requested a guarantee that this would be carried out, but was convinced that the extraordinary circumstances could not have been foreseen¹⁸⁶. This was followed by decision *T 381/93*, where the board added that an outside delivery service could be relied on provided that they had been given necessary and proper instructions by the party.

¹⁸³ *T 45/94*, point 2.3. The fee could therefore not reach the EPO in time. The TBA, point 3.3. 2, rejected the request for re-establishment on the fact that the appellant had not attempted that the mistake was an isolated one in an otherwise satisfactory system, as required by *J 2/86* and *J 3/86*, both OJ 1987, 362.

¹⁸⁴ *T 253/90*, following *J 2/86*.

¹⁸⁵ *T 949/94* and *T 1062/96*.

¹⁸⁶ *T 667/92*, points 7-8 in particular.

In two cases, the length of the delay after expiry of the time limit, was taken into account in deciding whether due care had been exercised¹⁸⁷. The TBA found that under the principle of proportionality, the loss of a patent application because of a procedural irregularity would be a severe result. The interests of a third party were protected under Article 122 (6) EPC. Therefore the delay of one and two days respectively, was excused and re-establishment allowed.

The date at which the time period starts running is generally the day when the party was informed about the loss of rights¹⁸⁸, but an earlier date may be established depending on the facts, e.g. when the party itself admits to knowing about the failure¹⁸⁹. Unless there are indications to the contrary or the date can be established by way of the so-called ten day rule, Rule 78 (2) EPC, the party's information is generally accepted¹⁹⁰.

7.7.2 Discussion

From the travaux préparatoires it can be inferred that a force majeure excuse is not required. The original proposal for a reference to force majeure was replaced by the final wording at the diplomatic conference adopting the EPC in 1973¹⁹¹. The reference to the circumstances in each case necessarily leads to a case law which may be seen as not entirely harmonised. Nevertheless, it can be safely concluded that the principles developed in arriving at an objectivised examination are in keeping with Article 6 (1) ECHR. Access in cases of excusable errors is safeguarded. The BAs would apply the in dubio pro reo principle in borderline cases.

The interest of other parties to avoid litigation at appeal level has received less, if any attention. Since these parties overwhelmingly represent the opponents to the patent, whose interests, as observed by *T 869/92*, are preserved through Article 122 (6) EPC on the right to continue prior use carried out in good faith between the time the loss of rights occurred and the time of the publication of the mention of the re-

¹⁸⁷ *T 111/92* and *T 869/90*.

¹⁸⁸ See e.g. *T 105/85*, point 2.

¹⁸⁹ *J 17/89* of 9 January 1990, p. 4.

¹⁹⁰ *T 99/96*, point. 4.

¹⁹¹ Cf. *J 5/80*, OJ 1981, 343.

establishment of the same rights, the relative ease with which patentees' requests for re-establishment are accepted does not violate any fundamental human rights' principles.

One item of criticism cannot be avoided; the risk of arbitrary results if the principle of proportionality is established on the basis chosen by *T 111/92* or *T 869/90*. The prerequisite of the law is that all due care must have been taken, in spite of which the party was unable to observe a given time limit. The facts to be examined under the due care requirement are therefore exclusively the facts taking place before expiry of the time limit, and may not include an assessment of the resulting tardiness.

It is therefore a fallacy to see due care as a function of the length of the delay. a short delay may very well be based on behaviour that shows great lack of due care, whereas a longer delay may be excusable. It follows that the principle of proportionality cannot be used as a reason to excuse "small" delays¹⁹². This principle instead questions the law itself. In instances where time limits have been set by the EPC, the penalty may be a loss of rights which are directly decisive for the party's ability to keep an application or patent pending. Applying the principle of proportionality in order to balance off such results could in the interest of that party result in discarding the law itself as too harsh. It is however self-evident that all penalties included in the EPC and its implementing regulations were adopted by a diplomatic conference consisting of representatives of the member states, of whom several have the same penalties included in their national laws. It may therefore be assumed that the principle of proportionality received adequate attention in the negotiations and that the conditions for restitutio as adopted still were considered appropriate. If over the years this opinion has come to be considered as too harsh, an appropriate remedy could be to introduce a restoration based on the payment of an extra fee, modelled on other similar venues in the EPC.

¹⁹² Subsequently, two separate boards found that Article 122 EPC has no room for application of this principle. In *T 1070/97*, 4 March 1991, and *T 971/99*, 19 April 2000, these boards found that the number of days by which the time limit was missed was irrelevant for deciding whether due care had been taken. If a time limit had been missed, and the appellant could not convince the board that due care had been taken in attempting to keep to it, the effect was that the request for restitutio must be rejected. Of interest to note is that the precedent set by the previous decisions was changed by the first board without first having referred a question to the EBA, as otherwise required by the RPBA. Both decisions turned on an erroneous application of the method of calculating the time limit for grounds of appeal, which that excluded that due care had been taken.

7.8 *Ne bis in idem - res judicata*

7.8.1 *EPO case law*

Under the ECHR, Article 35(2) (b), the HRCourt "shall not deal with any application submitted under Article 34 that ... is substantially the same as a matter that has already been examined by the Court or has already been submitted to another procedure of international investigation or settlement and contains no relevant new information."

The same principle of *res judicata* applies to final decisions of the boards of appeal, although not expressly included in the EPC. If a party tries to appeal such decisions, an administrative letter will be sent to the appellant, informing him that an appeal is not possible and any appeal fee paid will be reimbursed. The BA who took the decision will not act as a deciding body in the matter. In fact no decision is taken.

The principle of *res judicata* is also upheld in cases connected to Article 111 EPC, governing the option afforded the BAs to exercise any power within the department responsible for the decision under appeal or remit the case for further prosecution¹⁹³. It is not infrequent that remitted cases will later re-emerge before a board, whereupon the question arises whether this board may reassess substantive points already decided by the first board in the remittal decision, which were the objects of the *ratio decidendi* of that prior decision. This has been answered firmly in the negative¹⁹⁴, regardless of whether the appellant was an opponent or the patentee.

The findings of the above BAs were based on the order in Article 111 (2) EPC that the first instance to which the case was remitted is bound by the *ratio decidendi* of

¹⁹³ a search for "res iudicata" or "judicata" rendered some 50 BA decisions. Two cases under the ECHR were found under Article 35 (2) (b). This group of decisions does not necessarily lead to an absolute bar of the access to the boards as the judicial instance of the EPO, but may do so, namely if the party only requests the BA to re-examine issues that were already examined in the earlier appeal proceedings, and the facts were the same, concerning the same patent application or patent in the same category of proceedings.

¹⁹⁴ See e.g. decisions *T 934/91*, OJ 1994, 184, point 3 and 4, on the incompetence of the Opposition Division to take a decision on costs, although the BA had already done so, *T 113/92* of 17 December 1992, point 1, on opponents' request that claims be amended, *T 1063/92* of 15 October 1993, point 2, on the rejection to examine new documents in relation to already accepted claims, *T 843/91* of 5 August 1993, point 3.4, on the previous order in the remittal decision to the first instance to maintain the patent on the basis of a specific set of claims, and *T 153/93* of 21 February 1994, point 2, on a request from the opponent to reopen the issues of novelty and clarity of the claims.

the BA decision, in so far as the facts are the same. If the claims are not amended, this means that neither the patentee nor the opponent can reopen substantive patentability issues, not even after a subsequent appeal.

In *T 934/91*, the TBA observed that the first TBA had not referred the case under Article 111 (2) EPC, but taken a decision itself on the awarding of costs. This decision was nevertheless equally binding as if the TBA had decided the cost issue but remitted the case on some other point to be decided by the Opposition Division. The TBA quoted the definition of *res judicata* given in Black's Law Dictionary¹⁹⁵: "a matter finally settled by a court of competent jurisdiction, rendering that matter conclusive as to the rights of the parties and their privies".

The TBA in *T 843/91* clarified that all findings of fact on which the binding part of the order of the first decision by the TBA was based were no longer open to reconsideration and thus equally binding. If not, a remittal would afford a belated opportunity for attacking the binding part of the decision by adducing new facts. No such opportunity was provided by the EPC. Furthermore, legal certainty for the public and the interest of the individual to be protected against vexatious multiplication of suits and prosecutions would be jeopardised ("*expedit rei publicae ut sit finis litium*").

T 153/93 started from the EPC, finding that decisions of the BAs were final, since no provision existed by which their decisions could be appealed. Their judgments therefore constituted an absolute bar to any subsequent action involving the same matter or course of action as between the (same?¹⁹⁶) parties and their privies. As long as findings of fact were a *conditio sine qua non* for the ultimate order of the decision, they were *res judicata*.

The TBA in *T 690/91*¹⁹⁷ excluded the possibility of reassessing a priority document. The appellant/patentee tried to convince the TBA that the facts had changed because the claims had been amended. The BA considered that the previous decision of the

¹⁹⁵ 5th edition.

¹⁹⁶ The question mark is added here.

¹⁹⁷ Point 7. On the matter of priority rights the board still expressly stated that the application did not enjoy any priority rights, point 8, which may seem contradictory to what it had concluded on *res judicata*.

TBA interpreting a priority document was still binding since the facts *relating to that document* had not changed.

*T 167/93*¹⁹⁸ added the *proviso* that a matter is only res judicata if the decision was based on the same facts between the same parties to a case. It identified six elements to be corresponding in separate proceedings for the res judicata principle to apply: the matter had been judicially determined by the decision, in a final manner, by a tribunal of competent jurisdiction, where the issues of fact had been the same, as had the parties, and that the legal capacities of the parties had been the same¹⁹⁹. The patentee/appellant argued that the TBA was not competent to reassess a document which was held against the patent, since a previous TBA had already done so in examination proceedings and its decision on that point was therefore res judicata. As long as the proceedings in both cases involved a second appeal in the same opposition proceedings, all elements were the same, as they had been in the cited decisions *T 843/91* and *T 934/91*. But in the present case, the fifth element did not correspond, since the parties were not the same as the one present in the examination proceedings, i.e. the patentee²⁰⁰. The assessment of a BA in examination proceedings was no longer binding in subsequent opposition proceedings.

Another decision, *T 386/94*²⁰¹, was cited in *T 167/97*, in which a TBA had considered itself bound by an earlier assessment in ex parte proceedings against an applicant where the applicant was now an opponent in other proceedings, trying to convince the TBA that his application should be reassessed as a document against the patent which he was now opposing. The *T 167/93* TBA could not find any discussion on this matter in that decision, but concluded nevertheless that it could not agree that the principle of res judicata precluded an opponent from raising a particular issue which he had lost as an applicant in different proceedings. Finally, the TBA in *T 167/93* went to the travaux préparatoires for support, finding it in documents BR/184 e/72 and BR/209e/72 zat/QU/K. The reason for the final version of Article 111(2) EPC was that the first one, "binding all further decisions" was held to be too strict, since it would also bind the national courts of the member

¹⁹⁸ OJ 1997, 229, points 2.5 and 2.6.

¹⁹⁹ This would refer to the party position in the previous proceedings.

²⁰⁰ Equally it seems that the sixth element was not present, since the party position of the appellant/proprietor had changed from that of an applicant ex parte to appellant in inter partes proceedings.

²⁰¹ OJ 1996, 658.

states. The TBA finally found that the claims on file had changed significantly so that on any view of the law no estoppel arose²⁰².

*T 27/94*²⁰³ established that a BA may have decided specific questions in its decision but decided to remit the case for examination by the first instance with regard to other questions. These other questions may later have prompted the patentee, as in the present case, to amend his claims (in view of this first instance's assessment of the new documents causing the remittal), which was perfectly legitimate. The new claims were thus not res judicata.

The TBA in *T 367/96*²⁰⁴ considered a request for correction under Rule 89 EPC of a decision by a BA to be a request for review of that decision, which was excluded, since the BAs are a final instance, whose decisions are immediately res judicata (unless the case is remitted). It relied on *G 1/97*, which on questions referred to it by *J 3/95* on the administrative actions to be taken where such an attempt is made.

As an alternative, *T 367/96* could have chosen to reject a request for correction under Rule 89 EPC directly on a res judicata basis. Instead the TBA examined the merits of the request, finding that it did not only serve to correct "linguistic errors, errors of transcription or obvious mistakes", but would have paved the way for a re-examination of the factual or legal issues on which the decision was based. Since the request for correction was based on an alleged incorrect interpretation as to the content of a prior art citation, Rule 89 EPC did not apply and the request was refused.

²⁰² Which means that the finding as to party position was not necessary to arrive at the conclusion that the opponent's arguments on all issues could not be estopped. Strictly speaking, the reasoning of the TBA in points 2.1 - 2.11.3 should therefore be considered as an obiter dictum not decisive for the outcome. It is assumed that this reasoning was the cause of publishing the decision, since the effect of a change of parties had until then not been decided by any other board. Other boards have however quoted *T 167/93* as turning (partly) on the presence of a new and additional party, see e.g. *T 638/01*, p. 2.2.

²⁰³ Of 14 May 1996, point 2.2. This reasoning was followed by *T 609/94* of 27 February 1997, point 2.2. The mere clarification by amending some wording of the claim, which did not change its meaning, did not entitle the board to review the amended claim, which was res judicata, *T 436/95* of 29 September 2000, point 2.1.

²⁰⁴ Of 21 June 2001, point 1.2.

Following the withdrawal of the oppositions at first instance, the opposition division nevertheless revoked the patent²⁰⁵. The patentee appealed, and the question arose whether the assessment of a document made by a TBA in examination proceedings was still binding. The TBA did not make a direct reference to *T 167/93* as that decision was not based on the same facts; it had turned on the presence of a new party and new claims. In the present case, the sole difference was the party position of the sole remaining party, the patentee. The TBA concluded that the previous TBA decision was not binding.

7.8.2 Discussion

The case law on remittals and the effect of the ratio decidendi of a first board of appeal decision on subsequent appeal proceedings is largely harmonised. No question has yet²⁰⁶ been referred to the EBA, questioning the absolute binding nature within the scope of the phrase "as far as the facts are the same". This phrase has been interpreted to refer not only to the technical facts, i.e. the patent application and the claims, but also to the need for congruence as to category of proceedings and party position. If the facts of one of these three elements have changed between the first and second appeal proceedings, the second BA is not bound by the reasons for the first decision.

A strict upholding of this aspect of *res judicata* promotes legal certainty and the rule of law. However, it has to be analysed closer. The amendment or change of technical facts can lead to a review only in so far as it is relevant; it does not give rise to a review of the entire claim. This is a parallel to the case where amendments of claims are examined as to their allowability under Article 123 EPC. A new feature is only examined as to formal conditions (e.g. clarity or support in the description) to the extent that this feature has any bearing on the meaning of the claim. This may include a reexamination of other features of that claim, but only if the new feature changes their function or meaning. Likewise, *res judicata* should be acknowledged to the reasons of the first decision as far as the amendment has no such bearing on the rest of the claim.

²⁰⁵ *T 638/01*, of 12 September 2001, point 2.

²⁰⁶ March 2002.

7.9 Termination of proceedings

7.9.1 Abandonment of application or patent

7.9.1.1 EPO case law

An applicant has the opportunity to abandon its application. An unconditional intention to abandon the application is considered to be a completely unqualified and unambiguous withdrawal of the application²⁰⁷. An appeal that such a statement should instead be interpreted as simply requesting that the EPO should decide the case (i.e. refuse the application) will therefore be dismissed.

Whether an application is deemed withdrawn or abandoned is decided on the facts of each individual case. Since they have different legal effects, it is necessary for the EPO to establish the intention of the applicant²⁰⁸. Abandoning the application is considered to be a passive way of terminating the proceedings, meaning that the EPO will render a decision²⁰⁹ and no fees can be reimbursed, whereas a withdrawal is an active termination of the same and the applicant may as a result be entitled to refunds²¹⁰.

The EPC contains a number of fictions of withdrawal²¹¹. This may have far-reaching consequences: An applicant had been refused a request for correction and the addition of a designated state, and appealed the decision²¹². The patent application was not in issue. The applicant failed to reply to an invitation by the LBA to comment on a communication according to which the LBA stated provisionally that the additional designation was not allowable since it was out of time. The applicant did not reply and the LBA decided that the application was deemed to be withdrawn, despite the argument that this penalty was not proportionate to the failure to respond.

²⁰⁷ As shown by *J 6/86*, see Annex II.1.

²⁰⁸ *J 15/86*, Annex II.1.

²⁰⁹ Normally refusing the application. The applicant can be served by such a decision which will open the route to appeal, speeding up the process, if the applicant believes that the existing version of the application will receive a favourable decision on appeal. See *Schulte*, p. 641, under §34, 398, and *J 15/86*.

²¹⁰ *J 11/87*. Sometimes the applicant had made a mistake and wished to have the withdrawal or abandonment rescinded, which in this case was accepted, given that the first instance had misinterpreted the intention of the applicant.

²¹¹ E.g. Article 110(3) EPC on the failure to reply to an invitation under Article 110(2) EPC.

²¹² *J 29/94*, OJ 1998, 147, see points III and 1.2.2.

Once a patent has been granted, the patentee can no longer surrender it by informing the EPO, since it has been transferred - in spite of pending opposition proceedings - to "a number of national patents", another fiction of the EPC²¹³. However, the patentee can let the patent lapse in the designated states by failing to pay the renewal fees²¹⁴. When opposition proceedings are pending, by informing the EPO that this effect has occurred in all designated states, the patentee will cause the proceedings to be declared terminated in a decision given in accordance with *G 1/90*²¹⁵.

Decisions establishing that the patent has lapsed are based on Rule 60(1) EPC, in cases where the opponent has not requested that the proceedings continue, which is an option under this rule²¹⁶.

An alternative route to having the patent revoked while still pending before the EPO, i.e. in opposition proceedings, is to declare that the text on which the patent once was proposed to be granted is no longer approved. In such a situation, the EPO will take a decision to revoke the patent without going into its merits²¹⁷.

A question of access to proceedings before the EPO arose in *T 811/90*. The opposition division had rejected the opposition and no appeal had been lodged against that decision. Before this decision was despatched to the parties, the patentee filed an amended claim, which proved to have been unnecessary, had he known the decision earlier. The patentee sought to have his letter with the amended claim removed from the public file, although the case was already closed. This was denied at first instance, for the reasons that the documents concerned did not come under Rule 93(a) EPC on matters excluded from inspection or by decision of the President of the EPO. The respondent/opponent was of the opinion that the opposition proceedings had been closed at the date the time limit for appeal expired, i.e. before

²¹³ *G 1/90*, OJ 1991, 275, point 8 of the reasons. This decision was in reply to the question whether revocation of the patent under Article 102(4) or (5) EPC required a decision.

²¹⁴ See e.g. (chronologically ordered as to the date of the decision) *T 628/95*, *T 195/94*, *T 267/94*, *T 714/95*, and *T 636/95*.

²¹⁵ Point 7 of the reasons.

²¹⁶ See e.g. *T 267/94*.

²¹⁷ See *T 237/86*, OJ 1988, 261 and *T 1005/91* of 23 September 2002. The reasons for revocation will be that there is no basis under Article 113 (1) EPC on which the patent could be granted. This applies even if the patent was once granted with an approved text, which was not subsequently amended. A patentee wishing to abandon a granted patent is routinely asked to state instead whether the approval of the text for grant is withdrawn.

the patentee requested documents to be removed from the file and concluded therefore that the previous claim had been cancelled by the patentee.

Interestingly, the TBA rejected the opponent's submissions on a formal point, although he had been informed about the patentee's statement of grounds by the EPO²¹⁸ : Since he had not appealed the decision to reject the patent, he was not a party to the proceedings. Instead the TBA considered his submissions under the heading of third party observations, Article 115 EPC.

On the merits, the TBA observed that the patentee had filed an amended claim as a response to objections from the opponent. However, in the meantime, the opponent had withdrawn a request for oral proceedings, of which the patentee was not informed, nor had he been informed about the changed attitude of the opposition division regarding the need to hold such oral proceedings. - The TBA ordered the letter in question and its accompanying submissions to be removed from the file and returned to the patentee. Moreover, it ordered reimbursement of the appeal fee.

In the context of access to a tribunal, this decision is of interest under two aspects: The patentee can have access to proceedings before the EPO even after a patent has been granted and become final so that no proceedings are pending, whereas other parties to the previous opposition proceedings are not awarded party status. This approach is not in line with the principle of equality. The possibility of raising issues (mostly of an administrative nature) after a case has been closed as far as the EPO is concerned, however relates well with the Latchways case²¹⁹, and also with *J 3/95*²²⁰. The problem of this approach is that ex parte procedures like the processing of requests concerning an already granted patent may have effects for other parties to the original patenting procedure, which requires that they be accorded party status, "audiatur et altera pars".

If a BA has remitted the case for further prosecution, based on new evidence, the termination of proceedings by issuing a decision without hearing the parties is not

²¹⁸ Presumably sent by the registry of the TBA, since the appeal was filed in October and the grounds were sent to the opponent in December.

²¹⁹ *G 3/92*.

²²⁰ Discussed in 6.9.2.

acceptable²²¹. The BAs found that the immediate termination of opposition proceedings following remittal was not in accordance with Article 113 (1) EPC.

When a BA has established that the sole remaining appellant no longer exists, the appeal must be declared inadmissible and the proceedings terminated²²².

Two revocation cases are of interest, since they seem to contradict *G 9/93* in which the EBA reversed *G 1/84* to find that an opposition by the patentee against his own patent was not admissible. In the first case²²³, the patent had been maintained in amended form and the opponent appealed. The BA issued a communication, expressing the opinion that there had been a broadening of the scope of claim 1²²⁴. In response, the respondent/patentee informed the BA that she was of the opinion that the claim did not meet the requirements of the EPC. As a consequence, the BA revoked the patent, finding that this opinion was tantamount to disapproving of the text of the claims. Since the patentee had not submitted any other claims, there was no longer any version in which the patent could be maintained.

In the second case²²⁵, all parties appealed a decision to maintain the patent in amended form. During the appeal proceedings, the patentees stated that they wished the proceedings to be discontinued and the patent revoked. The TBA referred to Article 113 (2), providing that a patent may only be maintained in a version approved by the patentee. a request by the patentee that the patent be revoked had the same effect as a withdrawal of the patentee's approval of the text of the patent. The text of the submission by the patentees was clear enough for the TBA to conclude that there was no alternative version of the patent that they would approve.

7.9.1.2 Discussion

The exclusion of oppositions by the patentee himself, while accepting revocation requests by him in opposition proceedings started by others than the patentee, raises a question of rationality. Is it rational to accept the one, but not the other?

²²¹ *T 892/92, T 47/94 and T 120/96.*

²²² *T 525/94.* The same applied in *T 353/95.*

²²³ *T 269/94* of 29 June 1999. *G 9/93* is from 6 July 1994.

²²⁴ In contravention of Article 123 (3) EPC.

²²⁵ *T 1035/98* of 13 October 2000.

This question is related to the EBA decisions on straw men²²⁶. These decisions attempted to reconcile the acceptance of straw men as parties before the EPO, while simultaneously excluding patentees in contravention of *G 9/93* from being able thus to oppose their own patents. A consequence of *G 9/93* would be that a patentee in opposition proceedings would not be able to terminate the proceedings by a declaration like the ones in *T 269/94* and *T 1035/98*. Only where he is the sole appellant does he have a means by which he can terminate the proceedings, with the effect that the patent is revoked. The procedure for approval of the text for the grant of a patent is laid down in Rule 51. Its provisions govern the last formal steps in the examining stage of the patent before the decision to grant takes effect. An amended patent must also pass through these steps. However, this does not provide a legal basis for an extension of its scope of application beyond its purpose to cover a request from a patentee which in effect is an opposition to his own patent. There is no room for disapproval of any text in pending opposition proceedings.

But the reverse could be adopted as a better means of an efficient and expedient procedure²²⁷. If the patentee were allowed to oppose his own patent, he would not have to use alternative roundabout means to reach this goal and the BAs should not feel obliged to make interpretations of the sort described above in order to be able to terminate the proceedings in accordance with the wish of the patentee. Interpretations may result in arbitrariness, especially if they are without support or only have a remote connection to a related provision in the law. On balance, to allow the patentee to oppose his own patent is a more efficient way of having the patent discarded at an early stage in a straightforward fashion without having to litigate nationally. Moreover, the patentee would not be able to initiate non-validity proceedings, but would have to wait for actions from opponents. Finally, the situation would be clearer for third parties as well.

7.9.2 Withdrawal of the appeal or the opposition

A withdrawal of the appeal will result in termination of the proceedings, according to decisions *G 7/91* and *G 8/91*²²⁸, provided that the withdrawing party is the sole

²²⁶ *G 3/97* and *G 4/97*.

²²⁷ As discussed in 8.2.2.2.

²²⁸ OJ 1993, 346 and 356.

appellant²²⁹. These decisions turned essentially on the significance for appeal proceedings of Rule 60(2) EPC in conjunction with Rule 66 (1) EPC, allowing a body of the EPO to continue opposition proceedings even if the opposition is withdrawn. The EBA established that most BAs had concluded from withdrawals of appeals that the proceedings were closed, and approved this practice, which was "time-honoured" and "sanctioned by consistent case law". It accorded also with the general procedural principle of party disposition. i.e. that proceedings will not be continued if the procedural act which initiated them is retracted²³⁰. The proceedings would be terminated in *ex parte* and *inter partes* cases alike.

In 1994, the EBA found the same effect to be attached to the withdrawal of the opposition but not the appeal, where the opponent was the sole appellant²³¹. The EBA was of the opinion that a withdrawal of the opposition must mean that the opponent no longer wanted a decision on the matter. Logically this could only be regarded as a withdrawal of the appeal²³². The view of the other party or that of the BA had no bearing on the matter. The withdrawal of the opposition, therefore, immediately and automatically terminated the appeal proceedings, and this even if the BA was of the opinion that the requirements of the EPC were not satisfied.

An exception to the effect of withdrawal is the case where an opposition is withdrawn, but the patent was revoked by the first instance. This presupposes that the patentee is the appellant, since he is the only party adversely affected by the decision²³³.

7.9.3 Termination as a function of the patent's age or lapse in all designated states

Even if the term of protection of a patent has expired or the patent has lapsed in all designated states, there may still be a reason not to discontinue pending opposition proceedings, e.g. because of economic consequences for licence holders. Rule 60 (1) EPC therefore provides an opportunity for an opponent to request that the

²²⁹ See also *T 517/97*, cited in 7.5 above.

²³⁰ Points 4 and 5.

²³¹ Decision *G 8/93*, OJ 1994, 887.

²³² Point 2 of the reasons.

²³³ The TBA in *T 634/91* continued the examination of an alleged prior use after the opponent had withdrawn the opposition.

proceedings be continued. Decision *T 1213/97*²³⁴ offers an example where the board considered a request from the patentee/respondent to have the proceedings terminated after the patent had lapsed due to non-payment of the renewal fees for all designated states, as well as a counter request from the opponent/appellant to decide the appeal on substance. The board followed the opponent and issued a decision based on a full examination of the merits of the case.

The interest of legal protection for the opponent to have the patent revoked with retroactive effect may play a role as one element among others when considering terminating or continuing the opposition proceedings. In any event a decision on the merits of a case is justified when the proceedings are near their close and a decision can be taken without further delay. Of significance is also whether a decision on the merits or a formal closure of the proceedings will have different consequences, e.g. where the opposition division has dismissed the opposition whereas the board finds it necessary to revoke the patent²³⁵.

The opposite situation - i.e. where the patent was revoked at first instance and the patentee has appealed and requested that it be maintained - has not yet been decided²³⁶. The appellant/patentee may have a justified interest in having a final decision issued on the patentability of the invention for the same reason as an opponent, even if the latter does not only represent himself but also the general public²³⁷.

²³⁴ 16 November 2001.

²³⁵ *T 598/98* of 16 October 2001, p 1, in particular 1.6 - 1.9.

²³⁶ In case *T 1058/99*, not yet issued in February 2003, the opponent is the respondent. The patent has lapsed, but the board cannot terminate the proceedings of its own motion, under the principle of party disposition, unless the patentee/appellant withdraws the appeal.

²³⁷ An opposition is a class action from the point of view that its result has an *erga omnes* effect, i.e. it affects the rights of the general public as a whole. However, opponents as a rule only represent their own interests. Opposition proceedings therefore do not necessarily lead to a fair and substantially "correct" delimitation of individual rights as against the "right" of the general public, see 9.6.2.

CHAPTER 8 THE TRIAL

8.1 Introduction

To the three main issues of civil procedure¹ addressed in Article 6 (1) ECHR and discussed in this chapter are added two further topics arising from the peculiarities of the EPC, i.e. the general reference in Article 125 EPC to national laws to fill any procedural gap in the EPC, and the function of the EBA under Article 112 EPC to offer guidance where important points of law and of harmonisation of practices have arisen. These are dealt with separately in 8.2.

The *procedural standing* of a party is discussed in 8.3, when dependent on that party's relation to the patent, i.e. whether he is attacking or defending it or whether he is the appellant, respondent or another party as of right.

Questions concerning the right of *equality of arms and the law of evidence*, i.e. matters as between parties, are discussed in 8.4 and parties' rights to fair treatment according to their *legitimate expectations*, i.e. matters as between a party and the EPO, in 8.5. The latter is partly intertwined with issues in 8.4. Systematically these two topics are treated separately depending on who had acted, i.e. 8.4 discusses problems arising from procedural acts of *the parties* to a case, whereas 8.5 discusses problems arising from procedural acts of the *deciding body* of the EPO. Rights regarding *oral and public hearing* are covered in 8.6. In 8.7 the *length of proceedings* from the time of appeal to the final decision of the board is examined.

The principles to be applied are first and foremost the right of parties to be able to foresee the different stages of the procedure, i.e. *transparency*, secondly the right to a fair trial, i.e. *equality*, thirdly the right to defend one's case, i.e. *legitimate expectation or good faith*, and finally the right to a speedy trial, i.e. *expediency* or procedural economy².

¹ Fair hearings, oral, public hearings and length of proceedings.

² Expediency is in fact not an independent element or criterion of a procedure meeting the ECHR standards. Rather it is the result of how well the three first mentioned elements work in the system as a whole.

8.2 General principles of procedural law

8.2.1 The ECHR

8.2.1.1 Rights under Article 6(1) ECHR

The principles laid down in Article 6 (1) ECHR give rise to a wide variety of rights. However, lines of demarcation can be drawn. Essentially, we are dealing with the same catalogue of rights in a broad sense, namely *the right to be heard properly or the right to due process*, in order for a tribunal to have satisfied the obligation of conducting the proceedings in a 'fair' manner. The different aspects of this right may be categorised as follows: *The right to be represented by legal counsel*³, *the right to have access to all documents and submissions, the right to be given the opportunity to respond to submissions from the other party and from the court, the right to refer to and present evidence against an allegation made by the other party supported by evidence relied on by the latter, the right to have a hearing in one's presence and possibly also the right not to have the judge interfere in the proceedings*, the framework of which should be strictly at the *disposition of the parties or contradictory (adversarial)*⁴.

All of the above rights address the character of the procedure itself, i.e. the actions to be taken in the proceedings to bring the case to a close, the desired order in which cases should be decided, the treatment of the parties, guarantees for oral hearing and the public pronouncement of the final judgment of the court. In short,

³ This requirement is of less, if any interest, since the right to representation is written into Article 134 EPC. It should however be noted that the obligation on parties to be represented only by attorneys specifically recognised by the EPC may in the future have to be changed, in accordance with new signals from the EU, see the Green paper on patents of 25.6.1997, COM (1997) 314 Final, p. 18 f., at 4.4.2 and 4.4.3, in particular p. 19: "However, as a fundamental principle of the Treaty, the freedom to provide services may be limited only by rules which are justified by imperative reasons relating to the public interest and which apply to all persons or undertakings pursuing an activity in the State of destination...". Any aptitude test should be limited to what is necessary, for example to cases where the matters covered by the applicant's education and training "differ substantially from those covered by the diploma required in the host Member State". The Commission sets up four criteria for conditions for a diploma to be acceptable: they must be non-discriminatory, justified by imperative requirements, suitable for securing the attainment of the objective and not go beyond what is necessary (the principle of proportionality.) This may be the start of a globalization of the right to represent parties before national as well as international courts, starting with the latter. Article 133 EPC already accepts as representative any legal practitioner qualified in a contracting state.

⁴ Although not completely upheld for criminal cases, the principle of party disposition is valid for civil cases. The same principle is by and large recognised by the BAs of the EPO, although appeals contain an element of 'inquisition' in that a BA can - within the limits given by *G 9/91* and *G 10/91* - admit new, highly relevant evidence into the proceedings, whereas new grounds for opposition can only be examined with the approval of the patentee.

they constitute the collected obligations imposed on the court, each of which has an impact on how the court and its work should be organised.

8.2.1.2 Public hearing

This requirement is obviously aimed at preventing secret justice with no public scrutiny⁵. It has two aspects, *the right to a public trial and the right to have the judgment pronounced in public*.

An open society requires public control in order to secure confidence in the courts as upholder of the rule of law. There are however restrictions, in the interest of the parties, as seen from the exceptions expressed in the second sentence of Article 6 (1) ECHR. These restrictions pertain to the interests of morals, public order or national security in a democratic society where the interests of juveniles or the protection of the private life of the parties so require, or when the court finds it strictly necessary in special circumstances where publicity would prejudice the interests of justice. The pragmatic approach of the HRCourt has allowed exceptions from a strict literal interpretation, e.g. to allow judgments to be available in writing rather than having to be read out aloud in a court room at a given time⁶.

This right is not of great importance for the procedure before the EPO. Firstly, the right to at least one oral hearing is recognised in the EPC, Article 116. Secondly, in the interest of the patentee, the EPC, like national patent laws, makes use of the exception allowed when publicity would prejudice the interests of justice for cases regarding patent applications which have not yet been published. The interest of the patent applicant to keep information about his invention secret, unless his application proceeds to grant, is protected until expiry of the 18-month time limit under the EPC within which the application has to be published. Such non-public cases mostly concern formal questions raised at the filing of an application or shortly thereafter. At times, the LBA conducts appeals which are not public, but most appeals are instituted at a time when the application is long since published, and the hearings are consequently conducted in public. The proceedings before the

⁵ See e.g. *Pretto v. Italy*, judgment of 8 December 1983.

⁶ *Jacot-Guillarmod*, *idem*, p.392.

DBA are all secret under Article 20 of the Regulation on Discipline for Professional Representatives.

As to the public announcement of decisions by the BAs, it follows the procedure: if oral proceedings have been held, the decision is normally announced orally directly after deliberation; if not, the Board may issue the decision in writing, and it will then be available at file inspection.

8.2.1.3 Fair hearing

The right to a fair hearing encompasses a number of rights which have been acknowledged successively over the years to enjoy protection under Article 6 ECHR. According to *Harris et al.*, it has an open-ended, residual quality⁷. This may explain the increase in the number of cases under the ECHR as well as under Article 113 EPC⁸. The high figures may also be the result of the lack of a complete legal environment in which international organisations sometimes work. In the absence of a complete legal system, they tend to draw on experiences from national practices. These influences may vary according to the nationalities of those working within the organisations, although this mostly occurs unconsciously. However, quite frequently members have reason to discuss different approaches or legal solutions chosen in different national patent laws, in order to gain experience and have an as wide as possible basis for their decision on a specific point which is not expressly resolved in the EPC. There are also a considerable number of decisions in the EPC case law discussing various domestic laws as well, not the least in decisions referring questions to the EBA⁹.

When examining grievances against proceedings for not being fair, *Jacot-Guillarmod* has defined a number of principles developed by the HRCourt¹⁰:

1. The proceedings must be considered as a *whole*.

⁷ *Harris et al.*, p. 202.

⁸ See 1.3.1.3.

⁹ For examples, see annex II. EPO employees, including members of the BAs, are not to represent their home countries in carrying out their duties within the EPO, see Article 14 (1) of the Service Regulations for Permanent Employees of the European Patent Office.

¹⁰ These principles are listed in *Macdonald et al.*, p. 392 f.

2. The principle of "*equality of arms*" is but *one aspect* of the right to a fair trial. Each party must not be disadvantaged in relation to the other.
3. The *admissibility of evidence* may be considered from the point of view of the guarantee of a fair hearing.
4. Contending parties must be heard - the *principle of contradictory hearings*.
5. The *right to appear personally* is *not as such guaranteed* and the HRCourt has not elaborated any general theory.

8.2.1.4 Adversarial trial - equality of arms¹¹

8.2.1.4.1 Formal aspects

Both parties shall have the opportunity to present their case fully, as regards both the facts and their legal position¹². This includes the principle of equality of arms, i.e. each party shall be able to present its case under such conditions so as not to be put unfairly at a disadvantage vis-à-vis the other party.

The case of *Dombo Beheer v. Netherlands*¹³ concerned a conflict between an enterprise and its bank. Before the court of appeal, Dombo requested that a number of witnesses be heard, among them the person holding most of the shares in a holding company and who had also been the managing director of Dombo. The opposing party, the bank, objected to this person being heard, claiming that he was still with Dombo and therefore prevented from giving testimony under Netherlands procedural law. The judge agreed with the bank, having observed that the witness in a previous hearing had not protested when introduced by Dombo as its managing director. The bank thereupon called as witnesses inter alia the manager of the branch where Dombo had banked. Dombo objected, referring to the fact that this person as a manager represented the bank and should therefore not be heard, when its own witness had been prevented from giving testimony on the ground that he was too closely involved with Dombo. The two persons named as witnesses by either side had been the only ones present at a meeting where the extension of a credit for Dombo had been discussed and decided. No written contract had been signed. The judge however disagreed with Dombo and allowed the witness for the bank to testify. Dombo filed an appeal with the court of cassation. In the meantime, a new law on evidence had been adopted which allowed the hearing of parties as witnesses. The court of cassation however denied Dombo the opportunity to have its former managing director heard as witness, stating that it was not possible to anticipate the entry into force of the new law.

¹¹ *O. Jacot-Guillarmod* deals with these concepts under the umbrella heading of 'rights related to good administration of justice', see *Macdonald et al.*, p. 381 ff., from an expression used by the HRCourt in inter alia the *Delcourt* case.

¹² See e.g. *Feldbrugge v. Netherlands*, judgment 23 April 1986, concerning sickness insurance.

¹³ Judgment 22 September 1993.

The HRCourt first reminded the parties that the contracting parties to the ECHR had a greater latitude when dealing with civil cases than in criminal cases. But a fair balance between the parties applied to civil cases as well. Like the HRCComm, the HRCourt held that the right of 'equality of arms' in litigation involving opposing private interests implied that each party must be afforded a reasonable opportunity to present his case - including his evidence - under conditions that did not place him at a substantial disadvantage vis-à-vis his opponent¹⁴. The HRCourt further observed that both persons present at the meeting when the extension of the credit was negotiated had been empowered to represent their respective party, yet only the person representing the bank had been allowed to testify. It was difficult to see why they should not both have been allowed to give evidence.

Two dissenting judges held that there had not been any violation, since under Dutch law, the courts could freely assess the evidence. Thus the judge, after having heard the testimony from the bank manager, could have dismissed it because of his close affiliation with the bank. Had he heard the testimony of the managing director for Dombo, he could have dismissed it on the same grounds. Therefore, Dombo was not at a serious disadvantage compared to the bank. Further, the HRCourt had erred in concluding that these men had been on an equal footing when negotiating. The bank manager was only an employee whereas the managing director was in actual fact to be identified with Dombo and indeed held all its shares, albeit indirectly.

What is valid for oral evidence is also true for written submissions, see e.g. *Ruiz-Mateos v. Spain*¹⁵, in which the complainants had not been given the opportunity to file observations to the constitutional court because they lacked *locus standi* in that court, whereas the counsel for the state, who was their opponent in the civil proceedings concerning the expropriation, had been able to submit its observations on the lawfulness of the law of expropriation at issue. The contested law was only directed at the complainant company, thus discriminating it in comparison to other Spanish citizens or corporate persons, who had the opportunity to seize the administrative courts for compensation, whereas the complainant had not.

In this case as well, there were dissenting opinions; judge Matscher held that since Spain had not ratified Prot 1 at the relevant time, the complainant had no protection under its Article 1, and hence no rights under Article 6 arose. It was not for the HRCourt to enable such claims by having

¹⁴ Point 33.

¹⁵ See the summary in 7.2.2. This case illustrates how issues may intertwine to an extent that they hardly can be kept separate. The party status of the Ruiz-Mateo family turned both on the right of access to a court and on the principle of equality of arms.

recourse to Article 6, even when agreeing that the legal position of the case was clearly unsatisfactory and deficient from the point of view of general principles of law, although not contrary to the ECHR as a result of the lack of ratification. Judge Matscher went on to examine the substance of the case, disagreeing with the majority that the proceedings before the constitutional court made Article 6 applicable. In his view, the facts were not sufficient to constitute solid reasons for the applicability of that article.

8.2.1.4.2 Substantive aspects

Are limitations by substantive law allowed with regard to the right of a party to defend himself? This question was addressed by the EBA in cases *G 3/98* and *G 2/99*¹⁶, which concerned the scope of application of Article 55 (1) (a) EPC on non-prejudicial disclosures. EBA concluded that the defence of evident abuse regarding a disclosure made by a third party only provided protection for a patentee for the period of six months before the actual filing of the patent application with the EPO, not before the priority date. One of the arguments for a broader scope offered by a board referring the question in *G 3/98* was that the principle of equality of arms would be violated if a patentee could not defend himself against the reliance of an opponent on a disclosure which occurred before the priority date. In this situation, the application would have to be refused for lack of novelty, even if it was clear that the disclosure had occurred as a result of evident abuse on the part of a third party¹⁷.

The counterargument advocated by the EBA was that as long as substantive law restricted the defence available, this principle was not violated, since the right of equality was confined to procedural requirements. However, analogue ECHR case law on the obligation of contracting states as to the substantive content of domestic law has taken another course. It is one of the basic principles adopted by the HRCourt that Article 6 (1) ECHR must offer efficient protection. If this means that legislation has to be amended in substance, so be it. Even if the HRCourt refuses to examine domestic law or to comment upon its compatibility with the ECHR¹⁸, the court reserves its right to examine the *results of the application of that same*

¹⁶ These and other related decisions will be discussed in more detail in 8.4.4.

¹⁷ The Board had to refuse the patent in its final decision in this case, *T 377/95*, because of this narrow interpretation of the provision.

¹⁸ Cf. the *Golder case* in which the HRCourt laid down the principle that there is a positive right of access to a court implicit in Article 6 ECHR, otherwise member states could simply close its courts to certain grievances without infringing the ECHR. Analogous thereto, the guarantee of equality of arms would not be effective, if the legislator could prevent defences substantive law and still be found to be in conformity with Article 6 ECHR.

law. If these results show that Article 6 ECHR is violated, the HRCourt will find accordingly. *Wolf* has concluded that the principle of equality of arms not only guarantees formal equality, but also substantive equality "in the sense that each party must in effect be able to utilise and defend its rights, having regard to the procedural circumstances relevant for that party"¹⁹.

The above indicates that the principle of equality of arms does not only have a formal aspect, but that states are required not to restrict unduly the possibility of submitting counterevidence in defence of proprietary rights, even if this would affect the content of substantive law.

8.2.1.5 *Legitimate expectations*

The case of *Brumarescu v. Romania*²⁰ is an illustration of the aspect of legitimate expectation on judgments rendered by courts. A house owned by Brumarescu had been confiscated in 1950 under a new law. In 1993 Brumarescu started proceedings to recover ownership, which he did by judgment of a court of first instance. However, the Procurator-General applied to the Supreme Court to quash the judgment, on the ground that the state had been entitled under the then valid law to acquire property by legislation. Such legislation could not be reviewed by the courts. The Supreme Court agreed and quashed the first instance's judgment.

The HRCourt referred to the rule of law as part of the common heritage of the contracting states. Since there was no time limit to the power of the Procurator to apply against final judgments, these were liable to indefinite challenges. The Supreme Court judgment had infringed the principle of legal certainty. In spite of having declared that the courts could not judge in matters of confiscation, it had itself done so. Declaring the courts incompetent was in itself contrary to the right of access to a tribunal guaranteed under Article 6 ECHR.

Brumarescu is one of the very few judgments acknowledging that the right to peaceful enjoyment of possessions under Art 1 Prot 1 ECHR was violated. The HRCourt could neither find any justification on the ground of a public interest, nor that the measure had been taken in accordance with conditions provided for by law, nor that it satisfied the requirement of proportionality.

¹⁹ *Wolf*, p. 1281 f. Translated from the German original: "in dem Sinne, daß jede Partei unter Berücksichtigung ihrer prozessual relevanten Verhältnisse ihre Rechte gleich effektiv wahrnehmen und verteidigen kann". This issue will be dealt with in more detail below, part 8.4.4.

²⁰ Judgment 28 October 1999.

The case of *Colak v. Germany*²¹ is another of the few retrieved examples addressing the issue of legitimate expectation on the part of a party to proceedings as a result of the conduct of the authority handling the proceedings. The applicant, who had been charged with the crime of attempted murder, complained that he had not been given a fair hearing. After some pre-trial hearings, it was decided that the charges as brought should be tried by the Assizes court (Schwurgericht). During the ensuing hearings, the court referred to the alternative possibility that Mr Colak might be convicted of causing grievous bodily harm, rather than of attempted murder, a charge that carried a much lighter sentence. The applicant claimed that his counsel was later approached by the president of the court, who had assured him that there was no reason to worry; since the court had indicated this alternative, it was likely to be what the court would decide. The hearings continued for another week after this incident. Eventually, the court found the applicant guilty of attempted murder and sentenced him to five years' imprisonment.

The applicant claimed that the president's assurances must be binding on the court and that he was entitled to assume that the information was reliable. The HRComm was split, five members were of the opinion - assuming for the sake of discussion that the conversation alluded to had indeed taken place - that the applicant could not have any legitimate expectations as a result of the incident. Five members did not find any violation on the ground that the facts had not been proven.

The HRCourt found it impossible to establish with certainty whether the conversation had taken place. It was not excluded that the president of the court had conversed with the applicant's counsel. Even if the statements had indeed been made, the president could not speak on behalf of his fellow judges. The written prosecution submissions had been read out in court. The court had not excluded during the hearing that the accused could be convicted of attempted murder. The pointing out of the alternative possibility was only part of the court's obligations by law. - Consequently there had been no breach of Article 6 (1) ECHR.

It is difficult to formulate a general principle from the few examples found, since the HRCourt took note of the specific facts in each case, but one principle may perhaps emerge: If the facts are not sufficiently established, no case for legitimate expectation can be recognised. This puts a burden on the party in question to have acted diligently, for example by filing timely and sufficiently clear requests. Again, since the principle of good faith is already part of the EPC, Article 113, it is not expected to raise particular problems in the patenting procedure before the EPO.

²¹ Judgment of 24 November 1988. Although it concerns a criminal case it is mentioned here as an example of a strict limitation of the responsibilities of one judge of a collegiate court during the proceedings. Only the court as a whole can make binding conclusions. It may be presumed that this principle would not be less strictly applied in civil cases.

8.2.1.6 Length of proceedings

This particular requirement of Article 6 (1) ECHR is based on the observation that late judgments may be equivalent to *déni de justice*²². The HRCourt has established three criteria or tests by which the proceedings complained of will be assessed, i.e. the complexity of the case, the conduct of the applicant and the activity of the authority or court handling the case. As to the latter, it is one of the few criteria under Article 6 (1) ECHR that obliges states to take positive action to redress a situation which does not meet the standards set by the HRCourt. Such necessary steps may consist in giving the court system adequate resources so that it may process normal case loads in an acceptable manner or to organise the system so as to be as efficient as possible. This obligation also includes action to meet abnormal demands on the courts, at least if a backlog had arisen as a result of the abnormal situation and the state could not show that it had taken reasonable remedial action²³.

The case law cannot immediately be used to establish any further criteria; it is of necessity an *in casu* practice. But a few cases will be dealt with that may at least give an indication about the features of a system that the HRCourt has found to be of significance when deciding complaints about the length of proceedings.

The case of *Foti v. Italy*²⁴ concerned charges resulting from demonstrations and actions against the decision to transfer the capital of Calabria from Reggio to Catanzaro in the beginning of the nineteen-seventies. Several hundred arrests were made in the course of such actions, many of which were later followed by trials. The HRCourt decided for each applicant the date on which he was charged. In line with the *Eckle* judgment²⁵, the HRCourt considered the complexity of the cases, the conduct of the accused persons and the conduct of the authorities. On the first criterium, the court found that the charges hardly were complex, as they concerned minor offences such as insulting the police, obstructing highways etc. None of the delays were imputable to the accused who had only availed themselves of the right to appeal in a few cases. As to the conduct of the authorities, the HRCourt first noted that the decision had created tension in the region, and that the courts had been confronted with an unusual number of cases which in turn created an exceptional backlog. These considerations led to conclusions that delays caused by this situation could not be said to be excessive. However, for all the accused, measures taken by the prosecuting offices in getting cases transferred had been dilatory. Each of the accused had to wait for long periods (up to about four years in one case) until they were either committed to trial or an appeal by the prosecutor had been dismissed by

²² *Harris et al.* quote the HRCourt in *H v. France* (1989) saying that it underlines the importance of rendering justice without delays which might jeopardise its effectiveness and credibility.

²³ The case of *Union Alimentaria Sanders SA v. Spain*, 1989, quoted by *Harris et al.*, p. 224.

²⁴ Judgment 21 November 1983.

²⁵ *Eckle v. FRG*, 1982.

the investigating chamber or for a remittal to take place to another court. These periods were all considered excessive. The HRCourt noted that it was not going to decide in detail who had to be blamed for the delays; its responsibility was limited to adjudging the international responsibility of the State, the HRCourt limiting itself to holding the delay not to be reasonable.

The next case, chronologically, concerned claims for compensation for pollution from the Kloten airport outside Zurich. *Zimmermann and Steiner*²⁶ complained that the proceedings before the Federal Court had lasted more than three years. There was agreement that the case was not particularly complex, nor had the applicants contributed to the length of the proceedings. The HRCourt concluded that total inactivity on the part of the Federal Court could have been justified only by exceptional circumstances. The question was whether a state had to take positive action to prevent delays. The HRCourt confirmed this, pointing out that the contracting states had to organise their legal systems so as to allow the courts to comply with Article 6 ECHR. A temporary backlog would not involve liability however, provided that remedial action was promptly taken to deal with an exceptional situation. Among possible measures were to deal with cases according to urgency and importance, especially for the parties involved. If such a situation became prolonged, however, such temporary measures were no longer satisfactory, but had to be followed by more effective measures. In the case at hand, the structural difficulties had not been sufficiently considered. Even if the Federal Court had recommended certain measures in 1973, it had asked for them to be deferred, pending a full-scale revision of the Constitution of the Courts Act. Other measures taken, such as a revision of the rules of procedure were not sufficient either. In fact the backlog grew progressively until drastic measures were taken in 1981 to increase staff. - This is an early judgment indicating a positive obligation on states to allocate sufficient resources to courts and other authorities to enable them to comply with the 'reasonable time' requirement. It would have repercussions on the resources allocated to the patent procedure before the EPO, where there is a time frame of 20 years, the life time of a patent, to be considered. The instances where half of the patent term has already expired by the time the case is appealed to the boards of appeal are not uncommon.

The case of *Denev v. Sweden*²⁷ illustrates the dilemma presented by rights that are limited in time. The HRComm dealt with the question of which proceedings were to be taken into consideration when assessing the length of proceedings. It discussed in particular whether the application for leave of appeal to the Supreme Administrative Court should be included. The HRComm noted that if Denev had been given leave of appeal, the Supreme Administrative Court could have quashed the appellate court decision and remitted the case. Therefore, such a decision could have affected the applicant's claim for design protection. Hence, the time for the procedure before this court was to be taken into account. There was general agreement that the formal question before that instance was not very complex. Still, it had taken the Supreme Administrative Court almost two years to decide on the question of leave of appeal. No delay had been caused by the applicant's counsel. Given the short time of protection for designs, the HRComm concluded that the length of the proceedings had been excessive. The case came before the HRCourt under the control mechanism created by protocol No 9. On 9 September 1998, a screening panel decided unanimously that

²⁶ Judgment of 13 July 1983.

²⁷ Application 25419/94, decision of 9 April 1997. See also 4.5.

the court would not consider the case, since the case did not raise any serious question affecting the interpretation or application of the ECHR, which had not already been addressed by the HRCourt²⁸.

*Erkner and Hofauer v. Austria*²⁹ presents a specific problem of very complex proceedings concerning a land reform scheme involving 38 landowners and 266 hectares of land. In spite of this complexity, the length of more than 17 years (the proceedings were still not concluded at the date of the HRCourt's judgment) was considered excessive. The applicants were not to be blamed for using their rights to appeal decisions at various stages of the proceedings. Most of the appeals had been successful anyway. Some of their actions did however contribute to the length of the proceedings, e.g. their refusal to accept a drainage installation and request to have part of their land exempted from the consolidation process. The authorities were mostly to be blamed, having instituted the proceedings and therefore being obliged to act expeditiously. Specifically the HRCourt criticised the delays in adopting a new plan after a previous one had been set aside. Together, it had taken the authorities five and a half years to adopt the second, third and fourth plans.

As regards the length of the proceedings, the HRCourt reiterated its case law concluding that a period of 13 years was excessive to decide a dispute between a bank and a number of companies who were guarantors for a loan to a shipping conglomerate. This dispute concerned the bank's actions to call back the loan, allegedly because it had decided to finance another competing enterprise³⁰. The HRCourt did not go into any detail, concluding only that in spite of the complexity of the case, considering that the applicants were not responsible for any delays, the various periods of inactivity on the part of the State failed to satisfy the requirement of 'reasonable time'.

Complaints to Strasbourg about the *length of proceedings* are the most frequent ones. As seen from the cited cases, when assessing such cases, the HRCourt goes by three principles or tests, namely the *complexity* of the case, the *behaviour of the applicant* and the *activity of the court*. States have a *positive obligation* to put sufficient resources at the disposal of the courts for them to be able to process cases speedily. This issue may prove to be a sensitive one for the EPO, given the complex nature of patent applications in combination with the limited term of protection for the patentee.

²⁸ The panel was constituted under the then Article 48 (2) ECHR which prescribed a composition of three members, and laid down the conditions for the HRCourt *not* to consider the case. If the case was not to be heard by the court, the Committee of Ministers had to decide whether or not a violation had occurred (Article 48 (3)). The Committee of Ministers adopted a final resolution on 29 May 2000, see 4.5.

²⁹ Judgment of 24 March 1987.

³⁰ *Academy Trading vs. Greece*.

8.2.2 *The EPC*

8.2.2.1 *Article 125 EPC and EPO case law*

From the case law referring to Article 125 EPC³¹, the following immediate picture emerges:

There is no clear indication in this case law as to what the conditions are for a principle to be said to be *generally* recognised. Conclusions have been drawn upon the study of as little as the legal situation in one member state only, which hardly can be said to meet the requirement of a "generally" recognised principle, unless there are indications that the principle thus found would as a matter of course be valid in other member states as well, e.g. a principle of *jus cogens* character.

The case law has not yet established the conditions required for an "extension" of a principle from one member state to be valid at the European level under Article 125 EPC. The lack of clarity as to the extent to which a principle has to be recognised in national law for it to apply under the EPC makes the foreseeability of its application less reliable. For example, a principle may be accepted only within a narrow field of the law having no relationship to patent law. Again, there is uncertainty as to the general nature of such a principle.

There is always a danger that reliance on only a few member states will draw criticism of "nationalism"³². A reference only to national law, and maybe only to a minority of the states party to the EPC could create an impression that the laws of certain contracting states are more normative than those of others, which at worst could be taken as a biased approach. The reliance upon other international treaties and the practice thereunder does not share this weakness³³. On the other hand, the lack of sufficient legal provisions in the EPC and the need for the BAs be able to fill gaps may make reliance on national laws necessary, even if the research conducted is not completely exhaustive. If principles accepted within patent law or even civil law within the fields of proprietary or commercial law can be found to be common for a considerable number of member states, objections against reliance

³¹ See also the overview of Article 125 EPC in 3.5.

³² See 3.5.5.

³³ See examples from the BA case law summarised in annex II.2.

on such principles seem less reasonable, at least where no examples of a contrary principle could be found.

It appears doubtful whether the boards have succeeded in achieving a common approach by applying Article 125 EPC to resolve the question of the effect of ignorance of the law; some seem prepared to accept ignorance as a reason to examine the question of good faith and to recognise that there may be a legitimate expectation to be informed accordingly by the EPO, others - such as *T 861/94*- have touched on the subject without making a full analysis of it. It could perhaps be concluded that the BAs found no established principle to use. However, outside the scope of Article 125 EPC, there are decisions which address this issue, see e.g. *D 6/82*, *T 516/91*, *T 835/90* and *T 601/93*, in which a mistake in law was considered to exclude a finding of all due care as required by Article 122 EPC for re-establishment in favour of the applicant (again, Roman maxims may be quoted: "Ignorantia facti excusat, ignorantia juris non excusat" and "Ignorare legis est lata culpa").

Waage criticises some elements in the application of Article 125 EPC by the BAs³⁴, in particular when BAs restrict their analysis to two or three states. He uses *J 14/91* as an example and concludes from a further few examples that only a cursory comparative study is made³⁵. On their purported method of arriving at a procedural principle, *Waage* criticises the boards for devising solutions (adapted to the case at hand, he implicitly suggests) rather than formulating a principle that can be said to be sufficiently general to apply³⁶. He concludes that the list of principles thus enunciated shows case specificity, i.e. "they derive neither from interpretation of the procedural provisions of the EPC nor from national law. For all that they are still a full part of European patent law"³⁷.

As to the *scope of Article 125 EPC*, the following conclusions can be drawn:

Article 125 EPC is excluded from application where the EPO has provisions of its own. It has been interpreted - in accordance with its express wording - to be strictly

³⁴ *Waage*, p. 219 ff.

³⁵ *Idem*, p. 225 f. at 4-20.

³⁶ *Idem*, p. 228 at 4-24.

³⁷ A reminder of the statement from *Zweigert and Kötz* is in order here, see 1.1.

limited to procedural matters; matters of fact or of substantive patent law have been found to fall outside. The use of a principle by way of Article 125 EPC does not imply that any specific national law becomes applicable in the absence of an EPC provision. It protects the principle of equality before the law.

In actual fact the interpretation of an existing provision should not fall under Article 125 EPC, but for the interpretation of that Article itself, see for example *J 14/91*. However, boards have made use of Article 125 EPC in order to find applicable methods for interpretation, for example with regard to the scope of application of Article 122 EPC³⁸.

The EBA has not yet decided which standards have to be met for a principle to be considered generally acceptable in the meaning of Article 125 EPC. The EBA has referred to the ECHR as setting acceptable standards for the procedure before the EPO, but has not yet quoted any specific case law which could form the basis for such standards, nor has it established whether there are standards under the ECHR case law which would not apply to procedures under the EPC.

Likewise, in spite of the fact that general principles of law constitute part of the sources of law for the International Court of Justice under Article 38 SICJ, concern has been expressed over a tendency to use this as a "blank cheque to go delving among selected municipal laws"³⁹. Jennings refers, as a discouraging example of the generalisations that may ensue, to the use by American corporation lawyers of the principle *pacta sunt servanda* "in propagating simplistic views of the unqualified binding character of contract, that are otherwise not to be met with, outside relatively primitive societies, and presenting them as part of international law"⁴⁰.

It is obvious that the principle of the foreseeability of the law ('the rule of law') requires a more precisely defined standard by which a principle can be found to be sufficiently general to qualify as a legal basis for the examination of facts and evidence in the EPO procedure. Such a standard should start with the requirement that the national systems of all members states must be at least cursorily examined

³⁸ See decisions *G 1/86* and *T 210/89*.

³⁹ *Morgenstern*, p. 42, referring to a statement by Sir Robert Jennings in *What is international law and how do we tell it when we see it?*, SchwJIR, 1981, p. 59-88. The quote appears on p. 72.

⁴⁰ Jennings, p. 73.

before any conclusion is drawn as to whether there is any principle sufficiently general to be applied. In the absence of any clear result from such comparative research, principles applied by other international courts could be applied as sufficiently stable and recognised. The question then arises whether only one or several or most international courts should be taken into account. From the aspect of the present thesis, an examination of the HRCourt practice would be sufficient, in particular as the member states of the EPC are also bound by the ECHR⁴¹. Perhaps this could be followed by a study of CJEC case law, since this court has particular significance for Europe.

Nevertheless, EPO practice has generated a number of principles found by the boards to be sufficiently general to apply in the practice of the EPO pursuant to Article 125 EPC, including the following:

Good faith

On the basis of the principle of good faith, the request in *J 12/80* for correction of designated states was allowed, since the error - a non-member state had been wrongly designated - had been obvious.

The principle of good faith also puts the burden on the EPO to investigate of its own motion why claims have not been filed⁴² together with the patent application and to notify the applicant accordingly, before a decision is taken, in order to give the applicant an opportunity to file evidence or complete the application.

The principle of *legitimate expectation* was addressed as a subcategory to the principle of good faith in *T 905/90* and *J 14/94*⁴³. A new, more severe practice regarding conditions for fee reduction was the contentious item in *T 905/90*. The appellant claimed that the previous practice had led to a legitimate expectation that a party would be entitled to the reduction even if he only filed inessential items. However, the board did not recognise this, since the party in fact had only paid the amount he considered due.

⁴¹ As on 1 March of 2002 there was only one exception, Monaco, which is not a separate contracting state to the ECHR.

⁴² Which meant that no filing date could be accorded the application.

⁴³ Both concerned with the effect of new practices.

The continuation in *J 14/94* by the EPO of proceedings for more than two years despite the fact that the renewal fee had not been paid, gave on the contrary rise to a legitimate expectation on the part of the applicant that the application could proceed to grant. The activities of the EPO contrasted with the later finding that the application was deemed to be withdrawn, in violation of the generally recognised prohibition of "*venire contra proprium factum*".

Changing case law will have a delayed effect until the new case law can be said to have been made available to the public at large, i.e. through the publication of decisions changing previous practices⁴⁴.

Erroneous information from the EPO may also lead to legitimate expectations, hence an action resulting from such information must not put the party in a worse situation than if he had not reacted to the information⁴⁵.

However, under the principle of legitimate expectations a party cannot rely on being actively reminded of an error or deficiency in submissions to the EPO⁴⁶, unless the EPC explicitly requires this. The EBA recognised that there may be situations when a warning would be due, but only where the deficiency can be readily identified within the framework of the normal handling of a case. A party cannot, however, expect the EPO to provide courtesy services as a matter of routine.

Right to be heard

This principle was considered as basic in *T 80/84*, but the board also held that it did not exclude restrictions as to the right to represent a party to persons of specific qualification.

Termination of proceedings

A party who can start proceedings is also competent to decide to cease being a party to the same proceedings. No person is forced to continue being a party⁴⁷.

⁴⁴ E.g. *J 27/94* and *J 25/95*, in which the appellant cited *J 11/91*.

⁴⁵ See *T 669/90* and *T 460/95*.

⁴⁶ *T 690/93* and *T 861/94*. *G 2/97* later confirmed this limitation of the principle.

⁴⁷ *T 789/89*.

Fair hearing

This principle has to be taken into account under Article 125 EPC according to the board in *T 439/91*. The right to a fair hearing demands that a party be invited to comment on observations from the other party. Simply communicating the observations is not sufficient, even if Article 113 EPC has been followed literally.

8.2.2.2 Principles emerging from EBA case law

Article 112 EPC sets limits to what the EBA can achieve⁴⁸; the EBA is an instance parallel to the BAs to which other boards and the president of the EPO⁴⁹ have access, but it is their prerogative to decide if they consider a question arising from the appeal to be such as to call for a referral. The EBA has in the course of its case law repeatedly stated that it must be very careful not to extend a question or generalise it unduly. This cautious approach, to decide only what is necessary for the referring board to be able to reach a final decision, may mean delays in developing guiding principles for the boards - as well as for the first instance bodies - but is on the other hand commendable, since it does not prejudice future boards from solutions better adapted to their concrete needs in a specific case⁵⁰. The EBA practice may limit the utility of the response to the referring board itself, since more often than not similar cases raising similar issues can be distinguished on the facts by the responsible boards, allowing them to decide them to their own liking, thus diminishing the function of the EBA as a harmonising force.

The reasons for a referral may vary, which is not unimportant for the degree of harmonising influence of EBA decisions or opinions. In some instances a referral may have been made as a result of the board not being unanimous on the answer to a question. Because there is no tradition in the boards to disclose dissenting

⁴⁸ Under the new procedure adopted by the diplomatic conference in November 2000, the EBA will be competent to review final decisions by other BAs and set them aside if a fundamental procedural violation had occurred, see 6.7.2. This will give parties direct access to the EBA but on a limited scale, hence it will not change the passive nature of its function as an instance of largely consultative nature. Decisions of substance will still be taken by the respective competent board. The new system may possibly enlarge the case load of the EBA.

⁴⁹ The access of the president is limited to issues on which the Boards have decided differently, Article 112 (1) (b) EPC.

⁵⁰ One exception to this careful approach is *G 1/97*.

opinions, the public is not made aware of such diverse views⁵¹. This is an unfortunate limitation on the expression of legal reasoning. Dissenting opinions are particularly appropriate at the international level, where the harmonisation of practices should be based on as many available principles as possible as are already accepted at national level. The refusal to discuss these openly in decisions with reference merely to the secrecy of deliberations among board members in taking their decisions represents an unnecessary restriction, which could be detrimental to a desirable development of the law.

In cases where the EBA finds an answer without having to go beyond the EPC itself and its travaux préparatoires there may be reason to assume that the referral was made necessary because the board members could not agree and/or that the board found the question to be too important to be resolved by a majority vote. This may be of guiding value to other boards, but if there is a possibility to distinguish cases on their individual facts and the issue is contentious, the risk is higher that the response of the EBA will not have a general influence.

If an issue has been referred because it arose for the first time in the history of the BAs, the response from the EBA is more likely to be applied by the boards in general⁵².

From the case law of the EBA several principles emerge:

⁵¹ Only the EBA has done this, in the Latchways, 7.5.3.1, and Motorola cases (*G 4/93 on reformatio in peius*), see also the RPEBA, Article 12a, OJ 1994, 442, according to which a minority view may be published as part of an EBA decision or opinion, where the majority of the EBA agrees.

⁵² As an example, *G 4/92* made it mandatory to safeguard the interests of a party not attending the oral proceedings from being surprised by new matter being introduced into the proceedings. Still, *Waage* characterises the EBA as having moderated the opinion in *T 484/90* considerably, see p. 81. Apparently the BAs have not found it moderate enough, since some decisions endeavour to interpret the EBA narrowly, see e.g. *T 341/92*, OJ 1995, 373 and *T 133/92* of 18 October 1994. In the former the board did not consider it necessary to hear the absent proprietor regarding an objection to its amended claim in a main request, but decided to allow its auxiliary request immediately at the close of the oral proceedings. In the latter, the board considered that restricted claims amended during oral proceedings did not have to be communicated with the opponent for observation as long as it was to be expected as an attempt from the proprietor to overcome the opponent's objections. In the latter case, the board also noted -surprisingly - that amended claims were neither a fact nor evidence and therefore they fell outside the scope of *G 4/92*.

Safeguarding the rights of the rightful owner takes precedence over the principle of legal security for the public

In a few cases the EBA has taken a surprisingly bold attitude in defending proprietors' rights, the prime example being *G 3/92, Latchways*, whose application was deemed revivable although the usurping application was no longer pending before the EPO and in fact had lapsed. After *Latchways*, a rightful owner may have access to EPO centralised proceedings, even if there is no application or patent pending before the EPO. This principle amends the principle of *res judicata*. Were it not for *Latchways*, a case no longer pending before the EPO would remain closed, regardless of the reason for the closure⁵³. After *Latchways*, the public can no longer rely on the finality of decisions taken by the EPO.

Cessante ratione legis, cessat ipsa lex

was cited by the EBA in *G 1/86* as the basis for not interpreting Article 122 EPC literally regarding the scope for re-establishment. The board enlarged the scope for re-establishment to include opponents, but limited to grounds of appeal filed out of time, as a result of the application of this principle⁵⁴.

An accessory follows its principal

This principle was found by *G 4/88* to mean that a total transfer of property assets includes the position of being a party to opposition proceedings, thereby acknowledging that the position of opponent is transferable as an accessory to these assets⁵⁵. This decision also introduced an element of interest, i.e. the economic activity exercised by an enterprise, which led it to file an opposition, is the carrier of the interest in which the opposition was filed. Insofar as such economic property is transferable, the "interest" in carrying out the opposition is also transferred.

⁵³ Whether or not the appeal has been declared inadmissible, allowed or dismissed or, as in *Latchways*, where the patent application had lapsed because of failure of the wrongful owner to pay required annual fees. An application for which the renewal fee has not been paid in due time is considered to have been withdrawn. Article 86(3) EPC, which requires a decision.

⁵⁴ Only the patent applicant or proprietor may apply for re-establishment, *expressis verbis*, under Article 122 (1) EPC. Where an opponent has filed a notice of appeal and paid the appeal fee, however, Article 122 is open for re-establishment as regards the time limit for filing the grounds of appeal. *Re "cessante ratione legis"*, see point 10 of the *G 1/86* reasoning. see also D 11/91, discussed in 6.5.

⁵⁵ Point 6 of the reasons.

The right to represent a party - limitations

While recognising the right of parties to freely choose their own counsel, *G 2/94*⁵⁶ acknowledged problems connected to the appearance of former board members as representatives and referred to the custom in member states of a certain term of quarantine, in order to avoid the impression that the board members allocated to the case risk being considered as unduly influenced by pleadings from a former colleague.

In *G 4/95*⁵⁷, the question of the right of so-called accompanying persons to present a party's case was discussed; the EBA held that presentation of technical facts and evidence relating to such facts was in principle acceptable; the representative was however responsible for supervising the person, and the presentation always needed approval from the deciding body of the EPO. The function of a representative under the EPC was broader than just presenting the party's legal standing by making requests of a legal procedural nature.

The principle of impartiality

*G 5/91*⁵⁸ established that all bodies of the EPO having competence to decide issues for applicants or other parties to cases before it are in principle obliged to apply this principle, as long as their decisions affect the party in any way, thus extending the validity of this principle to the first instance.

The nature of appeal proceedings

G 9/91 and *G 10/91* described the nature of appeal proceedings as being different from the purely administrative proceedings of first instance, equating appeals with civil administrative court proceedings. The extent of discretion afforded the EPO under Article 114 (1) EPC to investigate matters of its own motion therefore did not have the same weight in the second instance of the BAs. This characterisation limited the applicability of Article 114 (1) EPC in appeal proceedings with respect to grounds for opposition, whereas there was a need for a strict application of

⁵⁶ OJ 1996, 401, in particular points 4 - 7.

⁵⁷ OJ 1996, 481, in particular points 4, 7 and 8 - 12. *G 2/94* and *G 4/95* were decided the same day.

⁵⁸ OJ 1992, 617.

Article 114 (2) EPC as regards late filed submissions from parties. *G 9/91* and *G 10/91* were confirmed by *G 1/95* and *G 7/95*⁵⁹.

EPO proceedings are concerned with the patenting stage of an invention. The limited view expressed in *G 9/91* and *G 10/91* may be seen as less balanced, since the aim of the patent examination is to ensure that the patent does indeed meet the patentability criteria. From the point of view of procedural economy, litigation in centralised proceedings before the EPO would always have an advantage over national litigation, even if the examination and opposition proceedings were prolonged compared to today, provided that quality would improve as a result. This would call for a procedure at the opposition/appeal stage which had more scope for ex officio initiatives on the part of the EPO or which allowed parties to go beyond the first instance case.

On the other hand, and more important, the economy of centralised procedures as well as the right of equal treatment calls for limits to parties' opportunities to present new material other than new grounds on appeal, in analogy to the limitations as regards grounds⁶⁰. On this point, EBA guidance was needed, since the case law seemed to point in different directions as to when and under what conditions new grounds, evidence or amended claims should be admissible. The call for expedience with regard to the total length of EPO proceedings is especially valid in respect of proprietary rights such as patents with a limited time life, which should guide the generosity with which new material is accepted at a late stage of the proceedings. To date, however, the only principle emerging from the EBA case law is that new grounds for opposition which were not relied upon in the notice of opposition may not be invoked at the appeal stage of the EPO proceedings without the patentee's consent.

It still remains for a board⁶¹ to refer a question regarding the late filing of evidence and any limitation on the rights of the patentee to file amendments to patent claims late in the proceedings.

⁵⁹ OJ 1996, 615 and 626, respectively. See also 2.5.3.2 on the nature of inter partes patent proceedings.

⁶⁰ Discussed in 8.4.2.

⁶¹ By September 2002 no such referrals had yet been made.

The principle of party disposition

The EBA accepted this principle as being fundamental in its response to a referral of a question concerning *reformatio in peius*⁶². The referring boards⁶³ had questioned whether a party who had not himself appealed a decision of the first instance could file admissible requests going beyond that decision. The EBA upheld this principle, which as a consequence binds this party to accept the decision under appeal. With regard to the opponent, a request which would put the appellant/patentee in a worse situation than if he had not appealed is not admissible. However, the patentee is not treated in exactly the same way. Although a non-appealing patentee is in principle limited to defending the extent of the patent as maintained by the opposition division, the EBA did not exclude that requested amendments, which were found appropriate and necessary, could be examined on substance by the BA.

Other decisions addressing this principle are *T 239/96*⁶⁴ on the justification for allowing *reformatio in peius* under a legal system like the EPC which does not provide for cross-appeals beyond the time for appeal, a deficiency which in the opinion of that TBA could lead to cumbersome and unnecessary litigation unless *reformatio* were accepted⁶⁵, *T 60/91*, *T 96/92* and *T 488/91*. The latter three cases referred questions on the acceptability of *reformatio in peius* to the EBA. Later *T 50/96*, having established that the appellant had not raised any objection against the patent as to novelty or inventive step, chose not to raise these issues of its own motion, based on the principle of party disposition⁶⁶.

The notice of opposition provides the legal and factual framework for the proceedings

G 9/91 and *G 10/91* identified this principle as the basis for an analysis of the nature of appeal proceedings. According to its wording, this principle would mean that

⁶²In *G 9/92*. See point 1 of the reasons. Earlier decisions based on the same principle are *G 7/91* and *G 8/91*. See also *G 1/99* on the issue of *reformatio in peius*, 8.3.3.

⁶³In cases *T 60/91* and *T 96/92*.

⁶⁴23 October 1998.

⁶⁵Of 23 October 1998. See in particular points 2 to 6 of the reasons. The TBA remarked that the minority in *G 9/92*, who held that *reformatio in peius* should be accepted by the boards for the reason that the first task of the EPO was to ensure that only valid patents were issued, had not mentioned the significance of the lack of provision in the EPC for cross-appeals.

⁶⁶Decision of 17 August 2000, point 4 of the reasons.

evidence filed out of time would, like grounds not mentioned in the notice of opposition, also be excluded. However, in line with its practice not to go beyond the referred case, the EBA did not address the issue of evidence.

Prohibition against reformatio in peius

This principle has been upheld by the EBA, obviously as a result of the nature of EPO appeal proceedings as characterised by the EBA⁶⁷. Nevertheless, *G 1/99* made an exception, in that it allowed a patentee/respondent to file requests going beyond the scope of the patent as maintained, but not contrary to Article 123 (3) EPC.

Novelty and inventive step are separate grounds

G 9/91 and *G 10/91* did not address the question whether novelty and inventive step are two separate grounds, a question which was referred to the EBA in *G 7/95*⁶⁸. Except for a short statement in para 7.3 of *G 7/95*, the last sentence of the answer⁶⁹ to the question referred in that case is not discussed in the reasoning. The reader is therefore left to interpret the meaning of this statement. An immediate *e contrario* interpretation would be that where a novelty objection raised only on appeal is based on *other documents* than those mentioned and discussed in the notice of opposition, it is a truly new ground and therefore falls square within the confines of *G 10/91*, needing consent by the patentee to be examined, whereas if there is no new documentation cited, lack of novelty may be introduced even without the consent of the patentee. This conclusion is based on the premise that in the latter case the new ground would not introduce any new matter into the proceedings and that lack of novelty would automatically exclude the presence of inventive step. However, this seems inconsistent with the EBAs firm separation of legal grounds or bases from the evidence and arguments raised by the opponent. This unsatisfactory situation should give rise to referrals of further questions in the future⁷⁰.

⁶⁷ See decisions *G 4/92*, *G 9/92*, *G 4/93* and *G 10/93*.

⁶⁸ This decision addresses the question whether novelty and inventive step are two separate grounds, which was answered in the affirmative, but with the *proviso* that where inventive step is examined against the closest state of the art, novelty may also be examined against the same document, even if the opposition originally did not attack novelty.

⁶⁹ I.e. that novelty as a new ground may nevertheless be examined in connection with the examination of inventive step against the closest state of the art.

⁷⁰ As for the introduction of new evidence into the proceedings see below, 8.4.2.

Oppositions by straw men are in general admissible - no interest required

In point 2.1 of its reasons in *G 3/97 and G 4/97*⁷¹, the EBA lays down its *first postulate*; a straw man expressly wishes to file an opposition in his own name and does not wish to act on the basis of the principal's personal entitlement. Only the straw man can exercise procedural rights as a party. There is therefore no other "true" opponent than the straw man himself. When an opposition is initiated by a straw man "on behalf" of the patentee, as discussed in point 3.1, however, the EBA concludes as a *second postulate* that the nominal opponent is indeed representing the latter's interest. This presupposes that in the latter case the straw man is governed by the person behind him, which however was negated in point 2.1⁷².

This inconsistency results in an internal contradiction in *G 3/97 and G 4/97*. If the *first postulate* is accepted, i.e. that the nominal opponent by the nature of his being a party to the proceedings is free to act procedurally without any regard for the person behind him, the EBA view on this general legal situation necessarily conflicts with its *second postulate*. For it is not possible to find any element in this second relationship, as seen by *G 9/93*⁷³, reducing the latter to a mere representative who is always governed by the "true" party, i.e. the patentee, which is not of the same nature in the relationship "true opponent"/nominal opponent. If the relationship is seen in this light, the function of a representative, whether a straw man or not, is simply to carry out procedural acts which are deemed to be acts made by the party whom he represents. Therefore, a representative can never be party to a case, even if he presents himself as the party. The difference in comparison to an open relationship is exactly that the straw man never will be admitted to being a representative. Given the *second postulate*, a straw man could never be a true party⁷⁴, whether representing an opponent who wishes to remain unknown or a patentee who wants to oppose his own patent contrary to *G 9/93*. It follows that a straw man acting for an opponent cannot be accepted either.

⁷¹ See Annex II.2 for a summary and as discussed in 7.5.3.2 in connection with transfers of opponent status.

⁷² The main reason for not accepting straw men for patentees is that this would go against *G 9/93*, which held that patentees cannot oppose their own patents, since the proceedings would not be contentious.

⁷³ OJ 1994, 891, point 3. In point 4.1, the EBA mentions, in relation to *G 8/91*, the framework of generally recognised procedural principles, however without giving any references as to what the relevant principles would be.

⁷⁴ Even if formally accepted as such.

Conversely, on the premise that the above conclusion is not accepted and the straw man hence is seen as a true party to the proceedings as a result of the *first postulate*, there seems to be no justification for making an exception where the patentee is involved in the opposition, for the same reasons as accepting the straw man at all, namely that it is the straw man and nobody else who is the party and that an external person not recognised as a party to the proceedings cannot influence them against the will of the true party, the straw man. In other words, the reason given in *G 9/93* that the opposition proceedings would not be contentious would not be relevant, since the straw man is not obliged to follow advice from the patentee but stands free of any legal monitoring by the latter. If a straw man is the true party, whose actions cannot be governed by a person outside of the procedure when acting for an opponent, the straw man must be accepted as the true opponent even if there is a patentee behind with an interest to oppose the patent. It follows that the proceedings are indeed contentious.

Partly, the dichotomy of *G 3/97* and *G 4/97* lies in the *third postulate*, that the filing of oppositions by straw opponents must be excluded, if this is done in order to circumvent the obligation under the EPC to have professional representatives acting for the parties in certain cases⁷⁵. This postulate comes into conflict with the general wording of Article 99 EPC on the right of "[a]ny person" to file oppositions, which suggests that any natural or legal person, if domiciled in a member state, is free to oppose a patent in its own name without using a representative and without giving any reasons as to its interest in doing so as also confirmed in *G 3/97* and *G 4/97*. The problem arising from the third postulate is that it takes precedence over the first postulate to allow straw men by virtue of the wording of Article 99 EPC. In doing so, the third postulate in fact negates the first, as does of course the second postulate. The exclusion decided by *G 9/93* is in line with these postulates. The result is that "Any person" in Article 99 EPC does not mean what it says, but has a more limited scope, namely any person, except the patentee and a person who is not domiciled in a member state and therefore must be represented by a professional representative.

The several irreconcilable aspects described above make the extraction of a general and acceptable principle from decisions *G 9/93*, *G 3/97*, *G 4/97* and *G 3/99*

⁷⁵ In all cases except those where an enterprise is domiciled in a member state (Article 133 (3) EPC, professional representatives have to be retained, Article 133 (2) EPC.

difficult, if not impossible. To this complicated situation is added the further complication that the EPO does not have any powers to investigate whether in a given case the facts relate to the second and third postulates. When the EBA suggests that the examination whether there has been a circumvention of the law constituting abuse of proceedings should be governed by the principle of free assessment of evidence⁷⁶, it has necessarily left these matters entirely to the parties, since no investigation based on postulates Nos. 2 or 3 can be pursued by the boards of their own motion. The EBA also admits that there is a risk that postulate No. 2 will not lead to any result, but still concludes that this is no reason to admit such oppositions in general⁷⁷.

But, in the absence of any general and clear principle, there is a further danger not addressed by the EBA, namely that identical cases will not, or indeed cannot, be treated equally, violating the principle of equality, since any disclosure of a violation of the law as set down by the EBA will depend on the interest of the parties.

Accepting straw men in general, but excluding them in specific situations therefore does not seem adequate from a human rights point of view. However, it would not be satisfactory either if, against the wording of Article 99 EPC, the true interest of a party could be examined or assumptions as to the nature of a legal person's commercial activities would govern whether or not an opposition would be admissible, with decisions threatening to become arbitrary. Hence, free access to opposition proceedings should be guaranteed, whether or not it means that a patentee could oppose his own patent or a non-professional person would in fact carry out the opposition.

Additions to the EPC, Article 105 a - c, were adopted in November 2000 to remedy this deficiency, opening a legal venue for the patentee to limit his patent or even have the patent revoked⁷⁸. This supports the above analysis.

Good faith or legitimate expectations

⁷⁶ Headnote nr 2.

⁷⁷ Point 5.1.1.

⁷⁸ Special edition no 4 of OJ, 2001, p. 97. It remains to be seen when these amendments will enter into force. Because of the normally long periods needed for the necessary ratifications, this is expected (at the end of October 2002) to be several years away yet.

This principle was recognised by the EBA in decisions *G 5/88*, *G 7/88*, *G 8/88* and *G 9/88*⁷⁹ regarding documents mistakenly filed with the German Patent Office branch in Berlin. Although it was established that any provisions made by the President of the EPO for this situation (in the form of terms of an Agreement which was published in the OJ EPO) were not valid, the principle of good faith required that documents filed with the German office in Berlin before publication of the EBA decisions were to be treated as if they had been filed with the EPO at the date received by the German office. The EBA quoted the principle of good faith or legitimate expectations as being well established in European Community law and generally recognised in the Contracting States. Applying this principle to the cases at hand meant that measures taken by the EPO should not violate the reasonable expectations of parties to such proceedings.

G 2/97 on the other hand, did not impose any obligation on the boards of appeal to notify an appellant of deficiencies in a submission. This decision ended an era in which some boards had held it to be necessary to inform parties, at least when a time limit was still distant enough to make it practically possible for the party to remedy the deficiency. The EBA decision relies mainly on the fact that the EPC does not contain any express provision indicating such an obligation⁸⁰. It made, however, the distinction that when a submission is obviously based on an erroneous assumption on the part of a party, e.g. about the content of the law, which could be readily dispelled by correct information from the EPO, the EPO should warn the party⁸¹, if there is still time to correct the information.

The facts should be examined before the applicability of a provision is established
Finally, the EBA addressed a question of legal method connected to the questions referred in *G 3/98* and *G 2/99* on the earliest starting point for the period of grace under Article 55 (1) (a) EPC. The referring board in *T 377/95* had adopted the legal method that the scope of application of a legal provision had to be established before the facts relating to the provision could be examined and thus referred its question before having examined and decided whether or not there had been a disclosure of the invention by abuse. The EBA disagreed with this method, holding

⁷⁹ OJ 1991, 137, see in particular points 3.2 - 3.4.

⁸⁰ OJ 1999, 123, point 3.4.

⁸¹ Point 4.1.

that there was no such principle forcing any specific order in which formal and factual aspects had to be examined⁸². From this statement - and from the consideration of the EBA whether to dismiss the referral as inadmissible because the board had not shown that its question was necessary in order for it to be able to take a decision on the matter - it follows that the EBA held that the factual situation should be assessed as a first step before the scope of a legal provision is established.

It is possible that the EBA either did not research the procedural laws of the member states to the EPC or that it did not consider this issue to be of any significance. However, the finding of the EBA is contrary to *the principle of expedient procedure*. To force the deciding body to receive and examine evidence regarding events in the past, before it has established whether or not a provision of law is at all applicable to the alleged facts, will unnecessarily burden the procedure with time consuming examination of facts and evidence, which - given that prior public uses to which the referred question related more often than not date back several years from the point in time when the evidence is evaluated - may ultimately even prove insignificant for the outcome of the case. This would have been possible to establish in a far less time-consuming way for literally all EPO cases where the objection of prior use was raised - namely prior uses which took place before the priority date - by excluding any defence for the patentee as being outside the scope of the article. In the interest of giving the parties a fair trial within a reasonable time, it would be recommendable to apply the standard legal method of deciding formally the scope of a legal provision in order to decide whether it is applicable to the facts of the case before a factual issue is examined.

In any event, the EBA handed down its decision on the scope of Article 55 (1) (c) EPC, which limits a patentee's opportunity to use the defence under this article against a claim of prior use to the period of six months prior to the actual filing of the European patent⁸³. In future, therefore, the BAs will be spared the examination of facts and evidence filed by the patentee to counter an attack of prior use that allegedly took place before this period⁸⁴.

⁸² Point 1.2.2.

⁸³ Discussed in 8.4.4 below.

⁸⁴ On substance, the conclusion of the EBA has the effect of negating a defence for the patentee in more than 90 % of all European patent applications because they rely on a priority from a national first application, as observed by the Opposition Division in the *Passoni* case, 8.4.4.

8.2.2.3 Other principles adopted in Board of Appeal case law

The principle of "in dubio pro reo"

This principle which is generally applicable within the realm of evaluation of evidence has been adopted twice by the LBA in cases of restitutio under Article 122 EPC⁸⁵. It has less significance for technical appeals, except in *ex parte* cases for the evaluation of documents held against the application. Where, in *inter partes* cases, evidence brought by an opponent is not held to be clearly destroying the patentability of the invention, this principle may have been applied, but this could not be established by any search efforts⁸⁶.

The principles of "on the balances of probability" and "beyond any reasonable doubt"

are likewise relating to the assessment of evidence, i.e. setting two different standards of proof for the party having the burden of proof. The former standard is the main one for the BAs, as set down in e.g. *T 182/89*⁸⁷. The stricter standard of proof was applied for the first time in a case where the opponent had relied on its own prior use, not readily available to the patentee. Therefore the TBA found it equitable to require of the opponent to prove this use "up to the hilt"⁸⁸. The stricter standard has also been set for amendments to claims to exclude as far as possible the risk that the amendment would lead to a conflict with Article 123 EPC⁸⁹.

The burden of proof

The boards apply the fundamental principle that the burden of proof lies with

⁸⁵ *J 22/92* of 15 December 1994 and *J 16/93* of 20 June 1995.

⁸⁶ See also 8.4.1 on general issues arising in the law of evidence.

⁸⁷ OJ 1991, 391. This decision relating to the standard of proof regarding a claim that the invention was insufficiently disclosed. Other cases can be found in *Case Law*, p. 357 f.

⁸⁸ *T 472/92*, OJ 1998, 161.

⁸⁹ See e.g. *T 383/88*, of 1 December 1992.

the party adducing a particular fact⁹⁰. The patent proprietor is regularly given the benefit of the doubt if both parties have contrary opinions on a matter and the opponents cannot substantiate their own assertions⁹¹.

The reversal of the burden of proof is a function of the assessment made of the evidence submitted by the party having the original burden of proof. Therefore, most decisions relating to this issue are limited to the facts at hand and less amenable to generalisation in the form of any procedural principle. The standard case is where the board is satisfied that the evidence submitted is convincing to a sufficient degree for the party to have discharged its burden of proof. Any contrary statement from another party must then be proven - at the same level of proof - by that party.

8.3 Extent of appeal review

8.3.1 Interveners vs. opponents

8.3.1.1 EPO case law

Although the EBA has decided that an intervener may freely make use of any ground for opposing the patent, it has as yet not decided whether new grounds raised for the first time on appeal by an intervener presuppose that the appeal fee has been paid. Neither has the EBA decided whether such payment is a prerequisite for acquiring appellant status, regardless of whether new grounds have been invoked.

The only condition as to fees expressly required by law for interventions is laid down in Article 105 (2) EPC, requiring the payment of an opposition fee. The intervention is treated as an (extra-ordinary) opposition, and the principle of equal treatment therefore required this condition. There is nothing in this system that would seem contrary to the ECHR. By a national court action, the patentee has attacked the activities of the intervener. The object of an intervention, as commented by the EBA in *G 1/94*, is of a practical as well as of a legal nature⁹². The EBA however expressly declined to decide whether an appeal fee or only an opposition fee or both should be payable when an intervention was filed only at the

⁹⁰ See e.g. *T 270/90*, OJ 1993, 725.

⁹¹ *T 219/83*, OJ 1986, 211 (correction in OJ 1986, 328).

⁹² See point 13 of the reasons.

appeal stage. Answers to these questions from the EBA could have forestalled a somewhat disharmonious case law.

With regard to the payment of an appeal fee, some decisions only mention that it was paid without stating what effect, if any, this had for the position of the intervener⁹³. One board concluded from *G 7/91* and *G 8/91*⁹⁴ that an appeal fee was due for the intervener to be able to argue his case also with regard to new grounds⁹⁵. Unless he himself had paid an appeal fee to obtain the status of an appellant, the intervener would not be entitled to continue the appeal proceedings if the original appellant withdrew the appeal, which thus would terminate the proceedings, even if new grounds had been raised. This compels the interpretation that the BA would have required an appeal fee, even if the intervener had expressly stated that he did not wish to obtain the status of an appellant.

The TBA⁹⁶, when referring the first question to the EBA⁹⁷, considered that an appeal fee *could* be payable, but only related this to the situation where the intervener wanted to gain a party position as appellant. In the case before this board, however, the intervener had specifically paid the appeal fee under the condition that this was necessary in the view of the board in order to make the intervention as such admissible. This was found by the board to be a clear indication that the intervener wished to remain a party as of right and not become an appellant, wherefore the

⁹³ See e.g. *T 16/95* of 29 September 1998. *T 886/91*, 16 June 1994, point 2, which only mentioned that the intervener was to be treated as a party as of right, but was silent on whether the appeal had been paid. In *T 684/92* of 25 July 1995 the case was remitted because of a new ground having been introduced. Only the opposition fee was paid in that case.

⁹⁴ OJ 1993, 356 and 346, respectively. They concerned the procedural standing of parties as of right who have not themselves appealed the first instance decision, establishing that they had no independent right to continue proceedings, if the sole appellant withdrew the appeal.

⁹⁵ *T 1011/92*, point 3.3 of the reasons. This was analogous to the obligation to pay an opposition fee for an intervention under Article 105 (2) EPC.

⁹⁶ Decision *T 27/92* of 25 July 1994, quoting differing decisions on the point whether an intervention at the appeal stage would be admissible, i.e. *T 390/90*, point 2, and *T 338/89*, point 4. *T 27/92* of 25 July 1994 (which was the last of three decisions in that appeal case, the first one referring the question under Article 112 EPC to the EBA, dated 8 July 1993, the second one dealing with the substance of the case, and the third one dealing with the question of reimbursement of the appeal fee) was based on the fact that the intervener had withdrawn its intervention before the second decision had been taken but after the referral decision. The only issue left outstanding was therefore whether there was a legal ground for reimbursement, points 5-6. None of these decisions addressed the issue whether the intervener had raised new grounds, and if so, whether this would have made an appeal fee due.

⁹⁷ *G 6/93*. The proceedings in this case were terminated when the appellant withdrew the appeal.

board ordered reimbursement of the appeal fee⁹⁸. Perhaps it is justified to conclude from this case, that the board would have required and thus kept the appeal fee, if the intervener had specifically submitted that he acted as an appellant.

In *T 169/92*⁹⁹, the case in which the referral to *G 1/94* had been made, the board obviously also found that the appeal fee was due, since no decision to reimburse this fee was taken. The board did not discuss whether this meant that the intervener only had standing as a party as of right under Article 107 EPC. The intervener had relied on new grounds, and the case was remitted to the first instance. To the extent that the first board may have found an appeal fee due in order to admit new grounds, there is thus a difference of opinion among boards. Still, the correspondence among boards is higher when it comes to the connection between the appeal fee and recognition of the intervener's standing as an independent appellant.

*T 195/93*¹⁰⁰ concluded from *G 1/94* that the right to refer to new grounds would be meaningless, if it presupposed the payment of an appeal fee. After the original appellant had withdrawn the appeal, the board therefore decided that the intervener had independent status, basing this conclusion on a statement made in *G 1/94* that an intervener is free to invoke new grounds. However, the TBA eventually did not have to decide this question, since the intervention was declared inadmissible for other reasons.

A different board again decided, however, that an intervener did not have to pay any appeal fee. Since there was already an appeal in existence, the board did not consider itself forced to decide whether the intervener was only a party as of right or an appellant¹⁰¹. Hence, it reimbursed the appeal fee. The reason for this conclusion may have been that the intervener, like in *T 27/92*, had paid the appeal fee only provisionally.

T 50/95 accepted the new ground of inventive step, although the intervener had not paid the appeal fee. New documents were cited by the intervener. The board did

⁹⁸ So also *T 471/93* of 5 December 1995, point 2, and *T 590/94* of 3 May 1996, point 2.

⁹⁹ Of 12 July 1994, point 2.2 of the reasons.

¹⁰⁰ Decision of 4 May 1995, point 2 of the reasons.

¹⁰¹ *T 471/93* of 5 December 1995, i.e. taken after *T 101/92* and *G 1/94*.

not discuss any prerequisite for admitting them into the proceedings, but did examine them.

8.3.1.2 Discussion

The questions concerning national court actions and matters of calculation of the time limit for *intervention* are by now established in the case law. The one outstanding issue where there is room for harmonisation within the BAs is the question of *payment of fees*.

It is difficult to interpret the EBA as saying anything else than that it did not want to decide which fees an intervener at the appeal stage must pay. It obviously found that issue not to be before it, not even as ancillary or accessory to the question raised about the admissibility as such of an intervention at that stage of the proceedings. The EBA may even be interpreted to have meant that an opposition fee could be dispensed with at the appeal stage, having regard to the wording "whether an intervener in appeal proceedings has to pay an opposition fee ... or an appeal fee or possibly both" and "the Enlarged Board of Appeal does not consider it appropriate to forestall a consideration of such matters should they arise in individual cases..." .

It would however seem in keeping with the object behind an opposition and the parallel means of intervention to require an opposition fee also for the latter even if the intervention were only filed at the appeal stage. Article 105 EPC requires accordingly, and since the EBA found this article applicable to appeal proceedings, its finding should apply across the entire scope of the article, including the payment of an opposition fee. Oppositions and interventions both aim at having the patent revoked or limited and both result in a prolongation of the centralised proceedings. Because of its moderate size, it may be assumed that, as in most cases where fees are not tailored to cover the costs of the service rendered, the opposition fee was prescribed only to prevent frivolous or vexatious oppositions¹⁰².

If an intervener who intervened already at the first instance stage of the proceedings chooses not to pay an appeal fee, under Article 107 EPC this means that he can only

¹⁰² As from 6 March 2001, the opposition fee is 613 EUR, Supplement to OJ No 2/2001, item no 10, p. 6.

be considered as a party as of right and will run the risk - as correctly observed by *T 1011/92*- that the proceedings will terminate automatically if the (sole) appellant withdraws the appeal. Under the condition developed for obtaining appellant status, the right to rely on new grounds on intervention would still not offer complete protection of the intervener's interest in having the patent revoked in centralised proceedings.

Owing to the statement made by the EBA as to the reason for admitting new grounds even at the appeal stage, the right of the intervener to defend himself and the desire that the same grounds be examined at EPO level as in national proceedings, it could be argued, as have a few boards, that it would not be justified to require an intervener to pay an appeal fee before he can argue such grounds. This inevitably gives rise to the question whether this argument for not requiring any appeal fee makes it necessary to recognise the intervener as appellant party in all cases where the intervention is admissible in and of itself under Article 105 EPC.

In fact, two separate issues are involved here. The question whether the intervener should pay an appeal fee, in order for the intervention to be admissible where it has been filed during appeal proceedings, must be distinguished from the question whether this fee is required in order for the intervener to acquire an independent status as appellant. While *G 1/94* may be interpreted on its wording as not requiring the payment of an appeal fee so that the intervener can invoke new grounds for opposition, it is not necessarily connected to the issue of whether the intervener will be able to continue the proceedings if the original sole appellant withdraws his appeal. As was recognised by *G 1/94*, the former situation is caused by actions on the part of the patentee, against which the intervener is entitled to protect himself, by attacking the patent on any ground, regardless of the state of the EPO proceedings. This alone would justify the right of the intervener to rely on new grounds. This conclusion does not have any significance for the requirement of payment of an appeal fee, if the intervener wishes to acquire status as an appellant with the independent right of continuing the proceedings on his own. Contrary to his situation with regard to national proceedings, the intervener now has a choice; either he is content to remain a party as of right, or he wishes to acquire a better party position.

Further, to allow the intervener the status of appellant without having to pay the appeal fee would be against the *principle of equity*. Even if the intervener had no choice in the time at which he would be able to intervene, as a person active in the field of the patent he was always free to oppose the patent himself during the term for opposition. If he considered himself as an innocent third party, believing that he was not infringing, he would still be held responsible, if his activities would later be considered by a court to infringe the patent. Finally, had the patentee commenced an action at such a time when the third party would have been able to intervene during the first instance proceedings, the intervener would have had to pay an appeal fee if he wanted to obtain this position in subsequent appeal proceedings. Balancing the procedural acts of the parties on each side of the case and having regard to other opponent/s who did appeal, it is appropriate to require the payment of the appeal fee for the intervener to obtain the same position¹⁰³.

*Schulte*¹⁰⁴ criticises *G 4/91*¹⁰⁵ for having misinterpreted the concept of "opposition proceedings" when it decided that proceedings are not pending when the time limit of appeal is still running, requiring *pendency of proceedings before the EPO for an intervention to be admissible*. This is the case where an intervener filed the intervention after the decision of the Opposition Division was issued, but before the time period for appeal expired. According to Schulte, by such an intervention, the intervener obtains the position of opponent and is then entitled to file an appeal himself. It does not matter that other parties to the opposition proceedings of first instance do not appeal themselves. This is a further argument in support of the need for the intervener to pay the appeal fee in order to gain independent party status.

Schulte's conclusion is based on the legal premise that proceedings are considered to be pending before the EPO as long as the decision has not yet become final. An intervener who can intervene in the period for appeal is not dependent on the actions of other parties to the opposition proceedings, which is in line with the

¹⁰³ The situation where the intervener is the respondent is of no consequence, since the respondent's position is the same as a party as of right. The patentee will be able to terminate the proceedings by withdrawing his appeal, and the question of a fee does not arise for the respondent. In a case where parties on both sides have appealed, however, the same reasoning applies as for the case where the opponent/s appealed.

¹⁰⁴ *Schulte*, 6 th edition, p. 857, under § 59 note 224: Kritik.

¹⁰⁵ This decision was followed by *T 631/94*, OJ 1996, 67. The intervention was rejected because it fell squarely within the facts of *G 4/91*. The intervention could not have any effect, according to the TBA, since the proceedings were closed at the point in time when the decision had been despatched (quoting *G 12/91*), points 8 - 10 of the reasons.

object of admitting interventions during EPO proceedings. Once the opposition fee is paid and the other conditions are met, there is an opposition which can be pursued to the appellate stage, provided the appeal fee is paid, thus obtaining a party status independent of other parties to the opposition proceedings. This argument is indirectly supported by the legal effect of the expiry of the time period; only then does the decision of the first instance become final. Before that date the decision cannot be executed, and no European patent has yet been transformed into a bundle of “national patents”; i.e. proceedings are still pending.

Thus *Schulte's* reasoning is fully in line with basic procedural principles regarding appealable decisions or judgments and his criticism justified. His observations moreover illustrate the need for an intervener to pay the appeal fee, if he wants to have access to appeal proceedings. In *G 4/91* the EBA should have accepted the intervention and laid down the principles by which the intervener could bring the case to the boards of appeal, which would logically be to comply with Article 108 EPC by filing a notice of appeal, pay the appeal fee and subsequently follow up with grounds of appeal within the stipulated time limits.

The conclusion must then be that the intervener, having met all other conditions, may invoke new grounds for opposition on payment of the opposition fee, but that he only acquires the position of an independent appellant on payment of the appeal fee. If the intervention takes place before expiry of the time limit for appeal, the intervener is obliged to meet the time limit of Article 108 EPC; if the intervention takes place later, a fair construction of the legal basis for the intervention would be to set the same time limit for payment of the appeal fee as is prescribed for the opposition fee, i.e. within the time periods applicable under Article 105 (1) EPC, first or second sentence as the case may be. The opposite solution would go against the principle of equal treatment of the parties, both with regard to the patentee, who should not have to respond to an appeal, which would not have been admissible, had a regular opponent failed to pay the appeal fee, and other opponents. On the other hand, since the patentee through his own action nationally caused the intervener to react, some may find this to be sufficient support for a more liberal attitude toward the latter. However, already the fact that the intervener is allowed to enter as a full party into proceedings after expiry of the regular time period for opposition would seem to be a satisfactory balancing factor, so that the intervener

in every other respect must fulfil the conditions of the EPC for an admissible opposition and appeal.

8.3.2 Opponent vs. patentees

8.3.2.1 EPO case law

The extent to which a party may have his case examined is basically dependent on the extent of the case before the first instance. Although the patenting procedure before the EPO may be categorised as administrative, the EBA has attempted to direct appeal proceedings towards a procedure more akin to civil proceedings. It has declared that appeal proceedings have the foremost function of reviewing the first instance procedure in order to render a judicial decision on the correctness of the decision of the first instance; therefore essentially the same issues are to be dealt with on appeal, to the exclusion of new issues¹⁰⁶.

However, having regard to the patentee's position, which has been defined as a more sensitive one than that of an opponent, the EBA itself made exceptions from the principle of the appellate review being limited to the issues discussed in the first instance¹⁰⁷. The patentee is allowed a wider margin for amendments to his claims, based on the argument that if his patent is revoked in centralised proceedings before the EPO he has no further opportunity to save the patent¹⁰⁸, whereas an opponent always may institute national invalidity proceedings against a patent finally granted

¹⁰⁶ *G 9/91* and *G 10/91*.

¹⁰⁷ Whether the patentee is in a vulnerable position or not was discussed by Beier already in the late 1980's in *The Remedies of the Patent Applicant and his Competitors in Comparison - Balance or Imbalance? A Comparative Law Study*, Beier, F.-K., IIC 1989, p. 407 ff. Beier criticises the approach of the German patent office to focus on its function to prevent invalid patents from emerging, p. 437 and claims that it is virtually impossible to design a patent procedure which will take due account of the patent applicant's interests, unless a certain amount of bias in his favour is applied, p. 435 IV. Closing remarks.

¹⁰⁸ See e.g. *G 1/99*, Annex II. 12. This obviously reflects an opinion that the opportunity for conversion under Article 135 of the European patent application into national applications (examined in national proceedings) does not offer a good prospect of success. The response to this argument is that success is not an issue, but access is, i.e. the availability of a further procedure. *van Empel*, p. 317, remarks that the only cases where the contracting states are obliged to allow for conversion fall under Article 135(1)(a) EPC, leaving inter alia revocation cases outside. *Singer/Stauder*, p. 852, enumerates and describes the situation in a few member states, of which only Switzerland and Liechtenstein seem to acknowledge conversion where a European patent has been revoked. *Lunzer*, p. 823, only remarks that very little use has been made of this opportunity. The Swedish Patent Act, Section 93, allows for conversion under Article 135 (1) (a) EPC, i.e. only in the situation where the member states are obliged to offer a conversion opportunity. See also *Visser*, *The annotated EPC*, p. 217 f., who points out that some states who offer the less stringently examined protection of utility models allow for conversion of revoked European patents into such models.

by the EPO. If amended claims are accepted at the appeal level, the standing of the opponent will be enlarged - objections against the allowability of the new claims are admissible in so far as they are relating to the amendments.

A case law has developed which, although limiting the opportunity for the parties to have new material introduced on appeal, is not entirely adverse to examining new grounds or facts¹⁰⁹. The underlying arguments vary depending on whether the question concerns a new ground of opposition or a new claim filed by the patentee.

Under the two principles that the notice of opposition forms the legal and factual framework for the opposition and that no new ground may be invoked which was not relied upon already in that notice, the BAs routinely reject new grounds on appeal by *the opponent*, unless the patent proprietor agrees that they may be examined¹¹⁰. However, where a new ground was relied upon during the opposition procedure before the first instance, the EBA in *G 10/91* made a distinction; the first instance proceedings being administrative in nature allowed the opposition division to admit the new ground by application of Article 114 (1) EPC, under strict conditions¹¹¹.

This exception from the limiting effect of the content of the notice of opposition was applied by the TBA in decision *T 736/95*¹¹². The board remitted the case to the opposition division for further prosecution; in particular the opposition division was instructed to examine whether a fresh ground submitted before the opposition division¹¹³ was so relevant that it should be admitted into the proceedings. Under *G 10/91*, the TBA was prevented from examining the ground itself, since the patentee had not accepted its introduction into the proceedings. The TBA therefore could not express any opinion on the relevance of this new ground. The TBA was of the opinion that the opposition division had been obliged to consider the

¹⁰⁹ New grounds and new claims are treated as analogous elements based on the party disposition principle. New material in the form of evidence falls under 8.4.

¹¹⁰ A *fresh ground* as it was called by *G 10/91* is defined as a ground that was neither raised and substantiated in the notice of opposition, nor introduced into the proceedings by the opposition division. A new ground caused by the introduction by the other party of amended claims is excluded from this definition.

¹¹¹ Point 16 of the reasons.

¹¹² OJ 2001, 191.

¹¹³ The new objection was that the European patent as granted extended beyond the content of the application as filed (Article 100 (c) EPC)

relevance of the new grounds before discarding, i.e. whether it would prejudice the maintenance of the patent. Since this division had only rejected the ground as being late, without giving any reasons as to its relevance, but referring only to the fact that the patentee had not agreed to its introduction, the TBA drew the conclusion that no such consideration had taken place, but that the opposition division had relied solely on what *G 9/91* and *G 10/91* had found appropriate for the *appellate* procedure only.

The definition of late submitted grounds is composed of several elements. A ground mentioned after the time period for the notice of opposition has expired is considered late under the principle that the notice of opposition forms the legal and factual framework of the opposition¹¹⁴. Grounds of appeal are to be rejected without examination if they were not adequately substantiated in the notice of opposition¹¹⁵. But where the patentee has filed amended claims, new grounds may be raised if they are connected to the amendments. Such grounds are then not considered late.

Novelty and inventive step are considered to be two separate grounds, with the proviso that if an objection as to novelty has been raised late, it may still be examined with regard to the closest state of the art invoked in support of the (timely) ground of lack of inventive step¹¹⁶.

After the EBA had clarified this question, five separate basic grounds for opposition may be distinguished, novelty (Article 54 EPC), inventive step (Article 56 EPC), lack of sufficient disclosure (Article 83 EPC), lack of industrial applicability (Article 57 EPC), and lack of support for amendments or extension of subject-matter in contravention of Article 123 (2) or (3) EPC. To these objections, the grounds may be added which relate to matter not considered patentable because of its nature (Article 52 (2) EPC) or matter excluded expressly from patenting (Article 53 EPC).

Different inherent qualities of the basic grounds require establishment of whether different treatment of late filed matter is justified. This may influence the extent to

¹¹⁴ *G 10/91*.

¹¹⁵ *T 105/94* of 29 July 1997.

¹¹⁶ *G 7/95*, headnotes.

which such new matter could be introduced after expiry of the opposition period.

Any examination for patentability includes two objects or sides, the patent specification and the evidence, e.g. the state of the art, to be compared. These are weighed against one another. But for some grounds, new matter will only change the content of the material on one side of the equation to be compared, whereas for other grounds, new matter also changes the object on the other side.

In the examination for *novelty*, the state of the art (to the extent on file, i.e. introduced in the case) is examined as whole against the content of the patent as a whole. Each document is compared separately to the patent application, mosaics are not allowed. Novelty is mainly understood as a formal, sometimes referred to as an "absolute", concept, but exceptions are allowed. The skilled person may imply information which is not expressed in the document. Selected ranges may be accepted as new, although covered by known art.

The main purpose of the examination of the patent side for *inventive step* is to understand the claims so that they can be compared to disclosures of the state of the art. Again the notional skilled person is called in and an assessment is made about whether he would be able to arrive at the invention from the state of the art without using any inventive skills.

Examinations of both *grounds of novelty and inventive step* are directed to the extent of protection sought, and hence to technical substance, as to the claims as a whole. New matter in the form of further documentation of the state of the art is held against the invention, but the examination still takes place with regard to the same patent and the same claims, as a whole. *New matter relating to these grounds changes the object of examination on one side of the equation - the state of the art.*

The grounds under Article 83 and Article 123, while still directed to technical content, are of a different nature. Whereas novelty and inventive step grounds may be characterised as *general*, the former are exclusively formal and have to be *specific*. The opponent must indicate specific parts of the patent which allegedly do not meet the EPC. He may claim that the a certain passage of the description does not allow the skilled person to work the invention to arrive at the result claimed. A

notice of opposition directed to Article 83 is therefore a ground limited to that indication.

Likewise, for grounds under Article 123 EPC, the opponent must specify in what respect a claim fails formally, i.e. he must direct his objection to a specific part of the claim. An amendment of the claim made after publication and before grant may have extended the protection or lack support in the description as originally filed. If after expiry of the time for opposition, e.g. for the first time at the appeal stage, the opponent wants to introduce further objections relating to other amendments, the *object of examination on both sides of the equation - the evidence and a new part of the patent - have changed*. This equals a conceptual change of ground, although the legal term invoked is the same.

New objections (regarding parts of the patent not discussed at first instance) of insufficient disclosure or unallowable amendments should therefore be treated as *new grounds* in themselves and only be admitted with the approval of the patentee.

Grounds invoked during opposition proceedings before the first instance may *not* be considered late if they are caused by amendments made by the patentee to the claims under scrutiny, or if the opponent has an acceptable excuse for not having relied on it before¹¹⁷. This puts new grounds caused by a procedural act of the patentee outside the EBA definition, provided that the new grounds are relating to the amendments in such a way that they fall under the examination for patentability to which all amended claims are subjected; if this relationship is missing, the TBA in *T 1052/99* decided that such a ground must be rejected as inadmissible¹¹⁸. Having said this, the TBA still referred to the *prima facie* lack of relevance of the new

¹¹⁷ Even the EBA considered that a late, or 'fresh' ground is a ground that was neither relied upon nor substantiated in the notice of opposition, nor introduced by the opposition division into the proceedings, *G 1/95* and *G 7/95*. Given the preceding analysis as to unallowable extensions, the definition of a fresh ground should be a ground that was not substantiated in the notice of opposition, nor introduced by the opposition division. If there still would be reason to allow fresh evidence, which is not uncontested, an exception for the first instance could be to admit fresh evidence under the grounds of novelty and inventive step.

¹¹⁸ *T 1052/99*, point 2 of the reasons. The TBA pointed out that the objection was a new one, since it was directed to a part of the claims which had already existed in their granted version. The opponent contended that there had been an unacceptable combination of features for different embodiments which was not disclosed in the application and that this was outside *G 10/91*. The TBA disagreed, holding that this interpretation of *G 10/91* was unduly formalistic.

objection to the outcome of the appeal¹¹⁹. Since the order does not contain any decision rejecting the new ground as inadmissible, one may however have to conclude that a relevance test was indeed made, which makes this decision ambiguous.

An appeal by the opponent which is unconnected to the decision under appeal is considered as a new opposition and is hence inadmissible¹²⁰. The TBA did not agree with the appellant that, since the new ground - novelty - had the same document as a starting point as was relied upon for the original objection as to inventive step, there was a sufficient link to the decision under appeal. Instead the TBA pointed to the fact that the appellant had exclusively relied on new documents in support of the new objection. The second statement of *G 7/95* was not applicable, since that decision referred to a situation where the same document was relied upon as the closest state of the art. The TBA case turned on the actual admissibility of the appeal, and the board commented that it is self-evident that admissibility is a prerequisite for any request relating to the extent of matters to be considered on appeal. Therefore, neither the request to have a new ground introduced, nor the admission of a new document could make the appeal as such admissible. The appeal was rejected as inadmissible.

The TBA in *T 1139/98*¹²¹ decided that a late objection of lack of inventive step was not admissible, although the opponent had invoked lack of novelty based on the same evidence in the notice of opposition. This board disagreed with the opponent that the novelty argument implicitly also covered the ground of inventive step. The patentee did not agree to its introduction into the appeal proceedings. The TBA took note of the fact that, according to the minutes of the oral proceedings before the opposition division, the opponent had referred to both grounds but that the opposition division had disregarded the ground of inventive step. The decision under appeal also mentioned that this ground had been dismissed with reference to *G 10/91*. The TBA was satisfied that the opposition division had correctly exercised its discretion and had refused to admit this ground because it considered it to be insufficiently relevant.

¹¹⁹ This statement was made in the conjunctive tense, and should perhaps be understood as an obiter dictum.

¹²⁰ *T 1007/95* of 17 November 1998, points 1 and 2.

¹²¹ Of 20 December 1999, see in particular points 10-13 of the reasons.

The right of the *patentee* has given rise to a practice of admitting late amended claims, based on the consideration¹²² that the patentee, when faced with a decision not allowing previous requests or only allowing an auxiliary request, should have an opportunity to have the decision reviewed. Knowing the reasons only from the decision under appeal, it is equitable to allow the patentee to overcome these obstacles by amending the claims¹²³.

Amendments filed as late as during oral proceedings are also regularly admitted on condition that they are clearly allowable and do not cause any procedural delay¹²⁴. Amendments which are bona fide attempts at overcoming objections, as well as those whose admissibility could easily be established, will as a rule be admitted. An acceptable reason for the delay is to be taken into account for the purpose of admissibility (such as in response to a communication from the rapporteur). Conversely, when a new case arises, for example when new matter is claimed or the patentee has no excuse for his tardiness, the claims may be rejected.

Amended claims submitted one month before the oral proceedings were considered late filed but still admitted on the basis that they amounted to a fair attempt by the proprietor to defend the patent and would not delay the proceedings, since they were limiting the scope of protection and did not raise any new case which the opponent would have needed time to reconsider¹²⁵.

An example of a restrictive attitude is offered by *T 425/98*¹²⁶, where the TBA rejected the claims of a new main request filed in the oral proceedings before the board, for the reason that they were not clear and raised new issues under Article 84 EPC¹²⁷, which rendered the request inadmissible at that stage of the proceedings.

¹²² As well as on a presumed lack of access to a further procedure at national level.

¹²³ *T 840/93*, OJ 1996, 335. Claims filed already with the grounds of appeal should perhaps not be characterised as late, at least not if the patentee had not been advised before the decision under appeal about the reasons why his claims must fail.

¹²⁴ *T 543/89* of 29 June 1990. See also further cases indicated in *Case Law*, p. 547 ff.

¹²⁵ *T 116/99* of 18 October 2001.

¹²⁶ Decision of 12 March 2002, see in particular points 4.3 - 4.6 of the reasons. *Waage* finds that stringent statements as to the admissibility of new request, citing *T 794/94*, is difficult to reconcile with the leniency shown in practice, p. 92 f, pointing to *T 577/97*, where the board only excluded new requests when amounting to abuse of proceedings.

¹²⁷ The main claim had contained the expression "comprising of" which in the new request had been replaced by "consisting of", which - although it narrowed the scope of the claim - was unclear in view of disclosures in the description.

The board had previously issued a communication on its provisional opinion on previous claims, which it considered suitable for an earlier response than during the oral proceedings.

The above indicates that the patentee is generally given more room for amendments at a late stage than opponents for new evidence. Examples of a stricter attitude relate mostly to filings near, at, or after the oral proceedings. New claims filed one day before oral proceedings with a letter in which the patentee stated his intention not to be present at those proceedings were not admitted in *T 70/98*¹²⁸, for the reason that this amounted to an abuse of procedure; possibly the announcement of the patentee in the same letter that he would not attend the oral proceedings may have influenced the board with regard to the finding of an abuse.

Amendments by adding new dependent claims were not admitted in *T 829/93*¹²⁹ for the reason that they were neither necessary nor appropriate as a response to the attacks by the opponent.

New claims filed after the oral proceedings during the stage of continuation of the appeal proceedings in writing were not admitted, as the board had specifically indicated what should be submitted (only observations by the opponents relating to a specific auxiliary request by the patentee). The new requests were not related to these submissions and therefore not admissible¹³⁰.

8.3.2.2 Discussion

The approach in *T 736/95* to require a relevance test by the first instance as to a fresh ground was criticised by two of the members involved in *G 10/91*¹³¹ for deviating from that decision. The critics questioned inter alia why the board had not referred a question to the EBA on the matter. - The end result of *T 736/95* according

¹²⁸ Of 15 November 2001.

¹²⁹ Of 24 May 1996. It should be observed that these claims were not considered late filed, see point 4, but were specifically excluded under the case law relating to conditions for amendments during opposition proceedings as summarised in point 5 of the reasons.

¹³⁰ *T 436/97* of 30 April 2002, point 1.2 of the reasons.

¹³¹ E. Persson and G Paterson, Late-Filed Fresh Grounds in EPO Oppositions, European Intellectual Property Review (EIPR), issue 10, 2001, p. 501 f.

to the critics would be a re-adoption of the previous practice, both in first and second instance, to admit everything into the proceedings regardless of its lateness¹³². This criticism lends itself well to a discussion about the legal issues underpinning the patenting procedure, or in other words, the choice of a basic legal philosophy to govern the EPO procedure¹³³.

At the outset the critics state that the board in *T 736/95* decided the issue whether a fresh ground for opposition should have been examined by the opposition division in application of Article 114 (1) EPC. This is wrong. Instead, the board decided whether or not the opposition division should have examined *the relevance* of the fresh ground before deciding whether or not it was to be admitted, i.e. applying an already established practice for the first instance, a practice which the EBA had said in *G 10/91*¹³⁴ that it did not want to change. The opposition division had applied *G 10/91* directly¹³⁵, as if the division were a board of appeal, maybe because it had not realised that the EBA decision was limited to appeal proceedings. The critics contend that *T 736/95* was based on a confused and incorrect interpretation of *G*

¹³² It may be of interest to note that the new ground in *T 736/95* did not bring in any new matter into the proceedings, but required (only) a comparison of the granted claim with the application as originally filed. From this aspect, the critics were wrong in their characterisation of the factual situation in *T 736/95*.

¹³³ In fact, *T 736/95* was not the only or first decision to consider that the first instance had an obligation to assess whether a new ground was highly relevant or not. The BA in *T 986/93* of 25 April 1995, OJ 1996, 215, said frankly that it could apply the relevance test itself, when the Opposition Division (incorrectly according to the board) had declared a fresh ground under Article 100 c) EPC inadmissible. The board admitted and examined the new ground itself and refused the main request of the patentee on that ground. The board did not see any conflict with *G 10/91*, on the contrary it saw that decision as limited to grounds that were relied upon only after appeal (point 2.3). Finally it did not even agree to the second argument of the patentee that a fresh ground that had been declared inadmissible by the Opposition Division could no longer be examined on appeal.

¹³⁴ The relevant passage of point 16 reads: "The Enlarged Board of Appeal does not consider that there is sufficient justification for changing this practice insofar as it concerns the proceedings before the Opposition Division. It is obviously aimed at avoiding the maintenance of European patents which are invalid. Thus, an Opposition Division may, in application of Article 114 (1) EPC, of its own motion raise a ground for opposition not covered by the statement pursuant to Rule 55 © EPC or consider such a ground raised by the opponent (or referred to by a third party under Article 115 EPC) after the expiry of the time limit laid down in Article 99(1) EPC. At the same time, the Enlarged Board would like to emphasize that the consideration of grounds not properly covered by the statement pursuant to Rule 55 © EPC, as an exception to the principle established by the Board in paragraph 6 above, should only take place before the Opposition Division in cases where, *prima facie*, there are clear reasons to believe that such grounds are relevant and would in whole or in part prejudice the maintenance of the European patent. The possibility of disregarding facts and evidence in support of fresh grounds not submitted in due time under Article 114(2) EPC should of course also be kept in mind." (Emphasis added)

¹³⁵ It was clear from the opposition file in *T 736/95* that the patentee did not agree to the admission of the new ground.

10/91, stating that the board had confused the issue whether Article 114 (1) EPC should at all apply to opposition proceedings with the question whether an opposition division should examine the relevance of a fresh ground.

The TBA had concluded from the statement of the EBA in *G 10/91* that it did not want to change the first instance practice to mean that the practice of applying the relevance test according to *T 156/84* was to continue, hence the statement that the "EBA had indicated that the first instance at least needs to examine whether a fresh ground is relevant". The conclusion of the critics is however that this was an incorrect interpretation of *G 10/91*. The question would then arise what the EBA meant by saying that it did not want to change the practice before the opposition division and that therefore this instance was allowed ("may") to introduce a fresh ground of its own motion or admit it when relied upon by a party. It is true that the EBA also stated¹³⁶ that this should only take place exceptionally, i.e. only where there were clear reasons to believe that the ground would prejudice the maintenance of the patent. In the view of *T 736/95*, this was nothing else but the established relevance test. Be that as it may, the critics may have interpreted the EBA as excluding a relevance test altogether¹³⁷, limiting the admission of fresh grounds to situations where the ground in itself without any analysis would make it clear that the patent had to be revoked, whereas the TBA read it as saying, "go on as before where the first instance procedure is concerned" and "if the ground is sufficiently relevant to put the patent in danger, it may be admitted". The postulate must in any event be that an admission for the reason that the new matter clearly *is* relevant to the extent that it prejudices the maintenance of the patent in whole or in part presupposes an evaluation of its technical content, i.e. 'a relevance test' as it were.

The passage in point 16 of the reasons¹³⁸ may be a result of a divergence of views within the EBA itself. This would explain why the EBA in this passage agreed with the object of the examination (at first instance) to prevent invalid patents from emerging from the EPO. The problem with this is that it does not read well with a narrower object for the second instance review. If the members of the EBA did not agree on this, it would have been to the benefit of subsequent case law, if the minority view had been openly indicated, to avoid misreading of the decision.

¹³⁶ This is obviously the passage where the critics feel misinterpreted.

¹³⁷ In which case the EBA contradicted itself by referring to this test, making the decision ambiguous.

¹³⁸ See footnote 134 above.

Another interesting question to discuss is the philosophy to be chosen for patenting procedures, such as the one before the EPO, in particular at the appellate level.

The critics start from the premise that appeal proceedings before the EPO are judicial in nature and therefore to be equated with national proceedings in validity and/or infringement litigation over a finally granted patent. If there was a consequence for national proceedings of procedural steps at EPO level, i.e. if new grounds or evidence were not allowed into national proceedings, based on a procedural link to the centralised EPO proceedings, this premise would be correct. However, there is no such link, nor is there any case history estoppel created by the procedural acts of parties to EPO proceedings¹³⁹. The result is that a party will be able - at least in the first instance of national proceedings - to introduce again all facts and evidence presented late before the EPO, irrespective of whether they had actually been admitted into the EPO proceedings¹⁴⁰.

This has an overall procedural economy aspect: Where an opponent is denied the introduction of new matter at the EPO level, this matter is likely to be introduced at the national level when the patent has been maintained and the opponent has reason to expect that it would have influenced the decision of the EPO. Such introduction at the national level will necessarily have time-consuming and costly effects, since a European patent is usually valid in several states and therefore must be opposed in the corresponding number of national proceedings¹⁴¹. The argument against introduction of new matter in *first* instance EPO proceedings is less convincing from this aspect¹⁴².

¹³⁹ An example from UK may be mentioned here, see Karet and Jones, Estoppel stopped, EIPR, 1999, p. 36 ff.

¹⁴⁰ It must be observed here that unlike appellate instances at the national level, the BAs are the first judicial instance, i.e. a parallel should rather be drawn to first instance national proceedings, in which as a rule new matter would be admissible. An unfettered right to do so at the international level would however not serve the interest of a speedy procedure, in particular since a maintained patent still can be challenged at the national level. Cf. Waage, characterising the position of the EPO as 'uncomfortable', p. 106, at 2-110, having to steer between streamlining proceedings and giving the parties equal opportunities to be heard.

¹⁴¹ Depending of course on where the opponent desires the patent to be revoked.

¹⁴² This observation does not deny that appeal proceedings should in principle be limited to matter already examined by the first instance. But if Article 114 (1) EPC is to have any meaning, the first instance must be able to admit new matter in urgent cases. Should the legislator agree that opposition proceedings have to be limited to matters raised in the notice of opposition, Article 114 EPC should be amended.

The critics also object that there is a high risk that *T 736/95* will lead to a reversion towards an administrative character of appeal proceedings, since a decision on admissibility of the first instance may be challenged on appeal. However, this is a result of the relevance test as defined by *G 10/91* itself, not by *T 736/95*. If the EBA had wanted to avoid the ambiguity resulting from a relevance test, it could have said so in that decision¹⁴³. Instead the EBA in fact reinforced the relevance test by stating that it did not want to change the first instance practice, and even defined the exceptional circumstances when the relevance test could lead to admission of the new matter.

In order for an opposition division to see whether the new matter threatens the validity of the patent, it must necessarily go into a technical analysis of the new objection. An additional factor is that for the first instance proceedings no approval by the patentee is necessary for the new matter to be admitted. Once the opposition division has decided such an issue in a party's disfavour, that party is as a matter of course entitled to challenge the finding on appeal. This is not an effect of the obligation to consider relevance, but follows from the basic procedural principle of an appellant's right to challenge the decision adversely affecting him regarding essential points of the decision, including decisions on formal issues, and his right to be heard on all issues of significance for the outcome of the case. Conversely - if the opposition division is prevented from examining the new ground for relevance, so that it cannot establish that this ground is so highly relevant that it prejudices the maintenance of the patent *prima facie* - then the relevance test is a moot issue and new grounds must always be rejected as inadmissible, in which case the statement of the EBA as to the relevance test no longer applies.

The difference of opinion between the critics of *T 736/95* and the TBA issuing this decision seems rather to lie in whether the opposition division is obliged to carry out any relevance test at all before discarding new matter as inadmissible, as the

¹⁴³ The relevance test was adopted in *T 156/84*, *OJ 1988*, 372. The TBA found that there is to a certain extent a conflict between the first and second paragraphs of Article 114 EPC. As the purpose of the examination in the EPO was to safeguard that only valid patents would be granted, the first paragraph therefore took precedence over the second one, obliging the deciding body to exercise its power to examine matters of its own motion, including, assumingly, any matter brought into the proceedings by the parties, although submitted late under the second paragraph of the same article. The case concerned fresh evidence, but has been followed also in cases where a ground was submitted late, see e.g. *T 274/95*, *OJ 1997*, 99.

TBA concluded from *G 10/91*¹⁴⁴, or if it merely has a discretion to do so, as the critics obviously understand the unavoidable effect of *G 10/91* to be. The latter interpretation will have the effect of exempting the opposition division from giving *any reasons for not admitting* the new matter, whereas it will have to give such reasons if it is admitted, e.g. that the ground was considered so relevant that it threatened the maintenance of the patent. In that situation, however, the opposition division must in any event give reasons of a technical nature, since the ground is admitted and examined as to its technical content. Therefore, the effect of *G 10/91*, when interpreted as the critics do, will in fact be that the new ground will be tested twice if highly relevant, but only if admitted will the opposition division include any technical reasoning in its decision. If the former - hitherto established - practice is continued, the opposition division under *T 156/84* is not obliged to give detailed reasons for not admitting the new matter. It may suffice to say that the opposition division did not find the ground so relevant that this prompted its admission.

A more pertinent argument against the relevance test is that it is nothing but an examination of substance. Once the new ground has been looked into technically, it has for all intent and purposes already been admitted. It would be a fallacy to believe that it is possible to draw a qualitative line between a relevance examination for admissibility and a relevance examination for patentability¹⁴⁵.

*T 194/86*¹⁴⁶ illustrates the above characterisation well: Two different prior uses were relied upon by an opponent, the second one having been brought into the proceedings only at the appeal stage. The TBA considered that this was in fact a new ground of opposition¹⁴⁷ and indicated that the question of admissibility would

¹⁴⁴ Thereby following *T 705/90* of 15 July 1991, which had held that a decision to disregard new evidence had to be accompanied by reasons. It was not sufficient to state simply that the evidence was late.

¹⁴⁵ *Waage* cites a board as observing that a fresh ground under Article 100 c) EPC is much more straightforward to examine than e.g. an objection under Article 100 b) EPC, see p. 192 at 3-99. The nature and complexity of new matter is one of the factors considered in the admissibility examination.

¹⁴⁶ Of 17 May 1988. This is of course a pre-*G 10/91* decision, but the point is still well illustrated by it.

¹⁴⁷ Which is doubtful; the first prior use was invoked to prove that the invention was not novel, the second presumably also in support of this ground. While novelty was a legal ground invoked originally, i.e. in due time, the second prior use was only a separate factual situation relied upon for the same ground. The question to be resolved was therefore only whether the *late filed evidence* relating to the second use should be admitted.

be considered¹⁴⁸. Contrary to expectations of a discussion of reasons for and against admitting this new prior use as a new ground, the TBA continued to examine it in more detail¹⁴⁹, arriving at the conclusion that it had neither been proven *when* the prior use had taken place, nor under *what circumstances*. It therefore concluded that the issue of admissibility did not need to be considered "further", since the new facts had not destroyed the novelty of the claim in issue¹⁵⁰. This conclusion was expressly based on an examination of the substantive issues raised by the late submitted evidence of prior use, hence the board - wittingly or unwittingly - had already admitted the evidence relating to this use¹⁵¹. This case points to the difficulties of keeping the relevance test at a formal, procedural level, which already is a good reason for considering whether the relevance test is a useful instrument at all.

From the above, it appears that the relevance test is questionable in at least four respects:

First, any pre-examination of evidence gives the impression of prejudgment by the deciding body, which must be avoided under Article 6 (1) ECHR ("an ... impartial tribunal"). It is *illogical* to examine the probable substantive effect of a fresh piece of evidence, which must otherwise be discarded as inadmissible - and hence *not* examined. This circular argument must be avoided, if for no other reason than that it damages the credibility and hence the authority of decisions¹⁵². It also invites the deciding body to look for

¹⁴⁸ As indirectly indicated in a communication, see point VI (3).

¹⁴⁹ Point 2.

¹⁵⁰ Point 6. Possibly the board was only doing what the EBA later found to be a sound practice, to examine the factual situation before deciding the procedural point of admissibility, and if this did not embarrass the patent, to add the examination as part of the reasons. The justification for such an approach would be that the patent would emerge stronger, having been found novel over this new state of the art.

¹⁵¹ It must be noted, though, that this decision was taken long before the landmark *G 10/91* decision, excluding fresh grounds from examination without approval of the patentee.

¹⁵² "[T]he specious distinction between 'examining' and 'taking into account' is hardly convincing", *Waage*, p. 199, who continues to observe that the obligation introduced by *T 156/84* "enables malicious parties to bring forward their most relevant submissions with calculated slowness". He also criticises *T 736/95* for being obsessed with relevance, p. 200. As far as the appellate level is concerned, such an obsession is out of place, and the board also did not suggest the relevance test for itself, but only for the opposition first instance, in order to keep to *G 10/91*. From the object of having a harmonised procedure within the EPO, promoting efficiency, it would have been preferable not to make distinctions between the first and second instances. The effects of such an approach would however require a similar approach at the national patent litigation level, see further 9.6.

relevant material itself, which indeed would go against the dictum of ‘justice must not only be done; it must also be seen to be done’, as adopted in the HRCourt case law¹⁵³.

Second, and more importantly, such an examination necessarily puts the patentee in an unfavourable position, tilting the balance between the parties, i.e. this practice may be seen as a violation of *the principle of equality of arms*, which requires that the matter under examination be defined as to its extent at a reasonably early stage of the proceedings, taken as a whole¹⁵⁴. Only a foreseeable procedure with timely observations will enable the patentee to defend the patent properly. In order to keep this balance in the interest of a fair procedure for the opponent, any new request by the patentee would then have to be subjected to the same conditions, *mutatis mutandis*¹⁵⁵.

Third, the relevance test seems *not sufficiently clear*, since it is based on the content of the evidence, i.e. relating to the facts of the case, and therefore is less well suited as a foreseeable legal provision of a formal nature. It would therefore have been an improvement on *G 10/91* if the EBA had found itself in a position to discard this test as a legal means for admitting new matter or to lay down principles for its limitation. Such a limitation could have been introduced by way of an abuse principle or a time limitation beyond which nothing new, no matter how relevant, can be admitted, or the principle of excuse - if the party can show cause why the matter was not brought earlier, it may be admitted. None of these principles requires any relevance test. Each is based on matter that does not need to be pre-examined by the deciding body.

Fourth, the argument sometimes advanced for admitting evidence at any stage before the EPO that the patent will become stronger if all filed evidence is examined will lose credibility, if this is conditioned upon a relevance principle. If this is considered to be a valid argument, then all evidence,

¹⁵³ See 4.5.4 and the cases quoted under the subheading “Impartiality”.

¹⁵⁴ I.e. including the extent of opposition as given in the notice of opposition, laying down the factual and legal framework for the opposition procedure.

¹⁵⁵ In the case law of the BAs, amendments must be necessary and appropriate, arising from objections made by the opposing party or the first instance.

regardless of its lateness or relevance, should be admitted. If the board decides that such a document is not very relevant, it is still considered examined, which may prevent it being examined a second time later, thus promoting economy of procedure. Seen from this aspect, a *non-relevance* test would be more appropriate¹⁵⁶. This will require the board to issue more detailed reasons on the technical meaning of the document. In this, another drawback of the relevance test appears; it prevents the board from discussing the document in the decision although it has been examined as to its technical content. Where very late filed evidence is concerned, the new evidence has to be so relevant that it seems likely that the patent has to be revoked. If so, the patent cannot be strengthened by an examination under the relevance test, on the contrary, it will no longer exist¹⁵⁷.

The discussion about the appropriate extent of scrutiny at the appellate level raises the question about the level at which the boards of appeal operate. There is an argument for the characterisation of the boards as a *first* instance, namely the first *judicial* instance above a fully administrative instance, the opposition division¹⁵⁸. The EBA meant, on the contrary, that the post-grant opposition system changed the character of opposition proceedings, also before the first instance. But even the EBA did not conclude that this procedure was, or should be, completely civil in nature and thus accepted that new matter could be admissible if passing the relevance test. It is difficult to regard, therefore, the boards of appeal as a wholly second instance, limited to a review of what was already presented in the first instance.

This argument may be used as a basis for holding that a party who has for the first time received an authoritative decision by an administrative organ, giving the exact reasons why he lost his case, should be permitted to rely on new evidence, if this evidence is indicated in the grounds of appeal and is a bona fide attempt at

¹⁵⁶ It may in fact be argued that the relevance test in reality is a non-relevance test. Only if the document is discarded as non-relevant has the test served a purpose. In all other cases the document will be considered fully.

¹⁵⁷ The patentee will as a rule be given an opportunity to amend, in order to obviate this result.

¹⁵⁸ Cf. 2.5.3.2 and footnote 121. Cf. also *Waage*, p. 109, at 2-115: "the Boards constitute the first and last instance of appeal!" and "the Boards should not speak of 'two judicial departments'".

overcoming the objections of the first instance¹⁵⁹. Such a principle should apply to opponents and patentees alike.

On the other hand, civil administrative proceedings require that, after the term for grounds of appeal has expired, no new matter should be admitted, be they facts¹⁶⁰ or evidence. Also, even if the new evidence may seem to be bona fide and filed within the term for grounds of appeal, should the BA find that the circumstances are such that the evidence could and should have been filed earlier, it should still be discarded as late filed even if it is filed within that term. In this context, its relevance should not be considered. However, should the patentee - for reasons that he is entitled to more opportunities - be allowed to amend his claims during the appeal procedure, there is no reason to deny the opponent an opportunity to file new evidence against these claims, in the interest of a fair procedure and the principle of equality, as required under Article 6 ECHR.

A further proposal arising from this criticism is that the principle of inadmissible new grounds should also cover new matter in the form of new facts or evidence, in analogy from *G 10/91*, so that such matter would be excluded from appeal proceedings. This proposal would affect the standing of both parties to the opposition procedure, satisfying the equity principle¹⁶¹. There is good reason to adopt this analogy, as convincingly analysed by *T 951/91* and *T 1002/92*.

A more strict attitude against both parties would in all probability lead to earlier filings of the most relevant grounds and evidence as well as of more clearly allowable claim requests. This is what is needed in order to streamline the procedure and further the objective sought by the EBA to turn the boards of appeal into a true judicial instance. It would be desirable to keep the procedure before the first instance as close as possible to that of the appellate instance, in the interests of a fair procedure, where both parties are treated equally (not having overly much regard for the patentee's "vulnerable position", but requiring timely submission also

¹⁵⁹ In line with e.g. *T 389/95*.

¹⁶⁰ I.e. requests or grounds. As grounds lay down the legal framework of the opponent's case to be examined, which will always have to be substantiated by statements of facts and reliance on evidence, so requests as to the claims to be examined for patentability lay down both the legal basis and the factual framework for the patentee's case.

¹⁶¹ As suggested by *T 1002/92*. See the discussion below in 8.4.2. It is proposed that a strict practice for all parties would lead to earlier filing of all kinds of relevant material, which may prolong the first instance procedure, but will on the other hand streamline and shorten the appeal procedure.

from him). A system promoting reliance on the most relevant matter could also promote more efficient patent litigation, seeking to avoid late surprises for the patentee, calling for an opportunity for him to amend. Such measures not only serve the principle efficiency but also that of transparency as upheld by the HRCourt.

8.3.3 Appellants vs. respondents and other parties as of right - *Reformatio in peius* 8.3.3.1 *The EPO case law on reformatio in peius*

The EBA decisions¹⁶² on the subject of *reformatio in peius* present the following picture:

Reformatio in peius is essentially prohibited¹⁶³, i.e. a party who did not appeal himself may in principle only defend the result of the decision under appeal. However, exceptions may be made with regard to the position of the patentee; the patentee who is not the appellant may go beyond the maintained patent if this would be the only remaining possibility for him to save the patent, provided the amendment sought fulfils the conditions set by the EBA in *G 1/99*¹⁶⁴. The principle of prohibition of reformatio in peius does not extend to ex parte proceedings however; although a decision against an applicant cannot be reversed on points which were decided in the applicant's favour, new issues based on new grounds and/or evidence may be raised on appeal - also by the BA of its own motion - and decided in its disfavour. Ex parte proceedings essentially fulfil the function of establishing that the invention is patentable against the conditions of the EPC as a

¹⁶² *G 4/92, G 9/92, G 4/93, G 10/93 and G 1/99*, see summaries in Annex II.2. *G 4/92*, which gave an absentee party from oral proceedings the right to have new matter introduced at the oral proceedings communicated to him for observations, is not included here. Cases in which both parties have a standing to appeal are those in which the decision at least in part has gone against each of the parties, i.e. decisions maintaining the patent in amended form. A further condition upon the patentee is that he had submitted more than one request for a decision and that at least the main request was not allowed.

¹⁶³ *G 9/92 and G 4/93*. This result applies regardless of the position of the party in question, i.e. the prohibition applies to a non-appealing patentee as well as to a non-appealing opponent.

¹⁶⁴ See in particular points 2.2 and 2.3. Questions were citing paragraph 2 of the headnote of *G 4/93* which on its wording ("primarily restricted") did not totally exclude that a non-appealing patentee could validly file a request which went beyond the claim as accepted by the opposition division.

whole; the BA may therefore of its own motion introduce new matter on appeal¹⁶⁵.

The minority in *G 9/92* and *G 4/93* based its dissenting opinion on the original travaux préparatoires, which in its view gave preference to the principle of ex officio examination over the principle of party disposition; the cited travaux recognised the possibility that a patentee who had appealed the maintenance of his patent in amended form risked the revocation of the whole patent based on new material, which could be introduced into the proceedings. Even if the quoted statement concerned ex parte cases, later documents confirmed the validity of this principle for post-grant opposition cases as well.

The result of *G 1/99* is that the first prerequisite for the patentee's right to amend his claim is that the patent would have to be revoked for the reason that there was a deficiency in the amendment which nevertheless was allowed by the opposition division. If such an amendment would extend the scope of the patent as maintained (to the detriment of the position of the opponent/appellant) it is still allowable, if it is kept within the limits of Article 123 (3) EPC. As a last resort, the patentee may also be allowed to delete the offending feature, even if this conflicts with the prohibition of reformatio in peius.

The outcome in *G 1/99* to allow the patentee to file amended claims in response to objections from the opponent, but within limits,¹⁶⁶ presumably means that the patentee, being free to choose various alternative routes for pursuing his case, has to suffer the consequences of his ultimate choice.

*T 994/97*¹⁶⁷ dismissed an auxiliary request from the non-appealing patentee, referring to *G 1/99*, concluding that the request did not meet any of the three alternative conditions cited by that decision as admissible. This was due to the mistake made by the patentee to start from the granted claim instead of from the claim as maintained by the opposition division. Obviously the board must have found that the granted claim had been extended which was contrary to *G 1/99*.

¹⁶⁵ *G 10/93*, see Annex II.2. One may express this as a burden of proof issue. In ex parte proceedings the applicant has the burden of proof (generally speaking) that the patent meets all EPC patentability criteria; in inter partes cases, the burden is on the opponent that it does not.

¹⁶⁶ See Annex II.2.

¹⁶⁷ Of 24 August 2001, point 4 of the reasons.

Based on *G 1/99*, the board in *T 594/97*¹⁶⁸ admitted an amended claim in which a limiting technical feature had been added. One of the appellants had objected to an amendment for the reason that it violated Article 100 (c), Article 123 (2) EPC. The board agreed with this objection. The patentee then replaced it with another amendment, to which the appellant objected that it was not admissible, since the appellant's original objection had been withdrawn, and the new amendment therefore did not fall under *G 1/99*. The board disagreed and found the amendment appropriate and in conformity with Article 123 EPC.

Finally, decision *T 724/99*¹⁶⁹ discussed whether *G 1/99* applied, although it had been published only after the date on which the amendments were presented to the opposition division (yes), if *G 1/99* changed the case law, which would have put a time limit on its applicability (no), concluding that *G 1/99* did apply. The board then proceeded to examine whether the patentee's request met any of the admissible alternatives of *G 1/99*. The board found that there had been several possibilities for the patentee to restrict his claim and still overcome the objections under Article 123 EPC. The patentee responded by contending that there was no possible combination which would give him adequate protection. The board did not agree, but observed that if there was no amendment possible to overcome patentability requirements, then the invention was indeed not patentable. The prohibition against *reformatio in peius* required that the patentees appeal themselves in order to safeguard the protection as granted. The patentee had also filed a number of other requests before reverting to the patent as granted as its only remaining request. There appeared therefore to be a number of possibilities to restrict the patent without any detrimental effect for the opponents/appellants.

8.3.3.2 *The significance of a lack of opportunity to cross-appeal*

Under the earlier, now abandoned case law, the issue of cross-appeal¹⁷⁰ was considered of no significance; the respondent party could in any event file requests which went beyond the decision under appeal, under the then accepted principle that the board of appeal had an obligation to examine the patent of its own motion

¹⁶⁸ Of 12 October 2001.

¹⁶⁹ Of 24 October 2001, see points 4 and 5.

¹⁷⁰ Cross-appeal is defined as the right of a respondent to file an appeal after lapse of the regular time limit for appeal, requesting a decision in his favour which goes beyond what he was accorded by the decision under appeal.

under Article 114 (1) EPC¹⁷¹. Obviously, this meant that the boards could not recognise the rule of prohibition against *reformatio in peius*. The boards did not discuss the opposite line of reasoning, i.e. whether the lack of cross-appeal had to mean that there could not be any prohibition against *reformatio in peius* or in other words whether there was a necessary link between these two legal entities.

Historically, the change of course of the boards of appeal case law started with the adoption of the principle of party disposition, which changed the nature of inter partes appeal proceedings in the direction of civil proceedings, charging the appellant with the power to dispose of them, whereas limiting other parties' room for filing admissible requests. Still in the days of *G 7/91*, *G 8/91* *G 9/91* and *G 10/91*, the issue of cross-appeal was not discussed, much less the significance of the lack of any provision in the EPC for such an appeal out of time.

The minority in *G 9/92* referred only to the principle of *ex officio* examination - and the primary task of the EPO to issue only valid patents - that it found valid under the EPC for administrative proceedings as the reason why the patentee should be allowed to present new claims extending the scope of the patent or otherwise being to the detriment of the appellant's position. It did not refer to the absence of

¹⁷¹ See e.g. *T 89/94, OJ 1984, 562*, point 5 of the reasons; in this case the proprietor had appealed "provisionally" in anticipation of an appeal from the opponent, which did not occur. The appeal was declared inadmissible since the appellant was not adversely affected; the board referred to Article 114 (1) EPC, giving it power to reopen any matter on appeal, which meant that the appeal was unnecessary. *T 73/88, OJ 1992, 557*, allowed a request from the respondent (who was not entitled to appeal) regarding an issue of priority which if allowed would put the appellant in a worse situation, point 1.3 of the reasons. In *T 576/89, OJ 1993, 543*, both parties were entitled to appeal. The board found that the limit under Article 108 EPC was a strict one, without there being any possibility for filing a cross-appeal. The board concluded from this that that the fathers of the convention took the view that the only procedural matter to be regulated was whether or not there was an appeal. The respondent had no need to file an appeal, since the board had a discretion to examine issues under Article 114(1) EPC outside of those raised by the parties, point 3.3. The board decided to examine the main request of the respondent as submitted before the opposition division. - This board noted the cases above, but also that another decision took the contrary view, *T 369/91* (mentioned in *G 9/92*, point V, as deviating from other case law, e.g. *T 576/89* and *T 123/85, OJ 1989, 336*). *T 396/89* followed the earlier decisions and admitted requests from the respondent/opponent basing itself on the EPO system, which unlike the United Kingdom practice, did not require any separate document (proper appeal?) for the respondent to be able to re-argue issues that had been dealt with in the first instance, point 2 of the reasons. *T 266/92 of 17 October 1994* dealt only with the issue of admissibility of the main request of the respondent/patentee that the patent be maintained as granted, which had been deferred awaiting the outcome of *G 9/92*. This request was dismissed (named "appeal", the order should perhaps have read "The main request of the respondent is rejected as inadmissible"). Finally, in *T 239/92 of 23 February 1995*, both one opponent and the patentee had appealed the opposition division decision. As there had been only one request from the patentee in the first instance, which had been allowed, his appeal was rejected as inadmissible, as it was in contravention of Article 107 EPC.

a right to cross-appeal as a reason for admitting such requests. The majority did refer to it, but without discussing any possible implications of this lack of procedural opportunity.

G 1/99 only mentions this in passing as an issue under Article 125 EPC which it considered it did not have to resolve¹⁷², since *G 9/92* was not based on that article. Apparently, *G 1/99* did not see any link between cross-appeal and reformatio in peius. It only referred to the possibility of cross-appeal under certain national laws, i.e. of France, Germany, Italy and Switzerland. It needs therefore to be observed that several procedural laws in Europe do contain such an opportunity for the non-appealing party¹⁷³.

Later decisions of the TBAs have observed and discussed the significance of this absence, e.g. *T 239/96*¹⁷⁴, in which the board held that there was a link between the reformatio in peius issue and the absence of cross-appeal. If the latter is not available, equity requires that the non-appealing party has an opportunity on appeal to file requests even if they may be to the detriment of the other, appealing party. This opinion is based not only on the equity argument but also on economy of procedure where the parties both are adversely affected by a compromise decision. If there were no opportunity to cross-appeal, the party who is prepared to accept the decision may be surprised by an appeal at the last moment of the time limit from the other party; alternatively he will have to file an (unnecessary) appeal himself, in order to preempt the other party from limiting him to what he had obtained from the first instance. The right to appeal a decision could become moot by a last minute appeal, i.e. the observation by the EBA in *G 9/92* that each party to the proceedings has equal rights to appeal, is not wholly true, if a cross-appeal is not available.

¹⁷² Point 9.2.

¹⁷³ In addition to the states mentioned by the EBA, this opportunity is also offered in Sweden, Rättegångsbalken 50:2, and the United Kingdom, see *CIPA Guide*, 5th edition 2001, p. 884, 97.13. The detailed rules may vary however. Sweden has a time for cross-appeals limited to one week after expiry of the time limit for appeal, whereas United Kingdom and Germany do not seem to put any limit on the respondent's right to file such an appeal. The UK law requires leave by the competent organ (the comptroller or the court) to cross-appeal. See also below re Greece and Netherlands.

¹⁷⁴ Of 23 October 1998. See points 3-7 of the reasons. Its observations were made obiter dicta, since on examination of the technical issues, the board came to the conclusion that - regardless of the formal objections raised by the opponent - none of the patentee/respondent requests met the substantive condition of inventive step.

The TBA in *T 825/96*¹⁷⁵ admitted and examined new auxiliary requests filed by the respondent/patentee out of time¹⁷⁶, referring to the general power of the boards under Article 111 EPC to exercise any power of the first instance. G 9/91 was mentioned in the decision, but not G 9/92. It is to be noted that this decision was rendered before G 1/99. In contrast, the TBA in *T 76/99*¹⁷⁷ rejected the main request of the patentee, referring to G 1/99 and finding that it did not fall under any of the exceptions allowed by the EBA.

*T 224/96*¹⁷⁸ offers an example of a preemptive appeal, from an opponent who was however not adversely affected by the decision under appeal by which the patent had been revoked. This appeal was in fact filed as late as six days before expiry of the time period for appeal under Article 108 EPC¹⁷⁹. His reason for still filing an appeal was to preserve his right to file requests against a possible appeal from the patentee, since the opposition division had indicated a positive opinion on claims other than the ones found not patentable.

*Paterson*¹⁸⁰ notes that an adversely affected person can wait until the last day of the period for filing an appeal to see if another adversely affected party files an appeal or if not, he must decide whether to file an appeal, in which case the other party also may file an appeal on the last day. He makes no comment about the result of this situation. The latter example is not quite simple to understand. Any party adversely affected by a decision of the first instance may as a matter of course file an appeal. The crux of the matter arises when one of the parties is prepared to accept the

¹⁷⁵ Of 27 July 1999, points 3 and 5.

¹⁷⁶ One of them filed even after the oral proceedings had taken place.

¹⁷⁷ Of 9 October 2001, point 2 of the reasons.

¹⁷⁸ Of 19 December 2001. The fact that other claims could be patentable according to the opposition division had no significance as long as the patentee did not appeal himself.

¹⁷⁹ There is in fact no guarantee that the respondent will be served with the notice of appeal before the deadline for a notice of appeal or in such a time that it would have been practically possible for him to file a timely appeal, even if the first notice of appeal was submitted fairly early during the time period. As an example, a notice of appeal filed with the EPO in case *T 874/99* on 8 September 1998 was despatched to the respondents/opponents only on 14 October 1998. The term for notice of appeal expired in that case on 26 September 1998. In case *T 664/99*, the notice of appeal was filed on 16 June 1999 and despatched to the respondent/patentee on 9 July 1999. The term for filing the notice expired on 20 June 1999. - In the first example there remained 18 days of the term for notice of appeal when it was filed, and still the respondent did not get it in time to be able to file an appeal of his own. If the time for notifying the respondent had been kept down to the three weeks used in the second example but matched with the early filing in the first example, the term of appeal would still have expired before the respondent could have reacted.

¹⁸⁰ *Paterson*, 2nd edition 2001, 4-43, p. 153.

decision, but the other - in order to prevent the first from making use of the term of appeal - files his appeal on the last day. This may be done at midnight of that day by posting the appeal in the post box at the EPO. There is in such a case no opportunity for the other party even to have timely information about the appeal. He is therefore legally and practically prevented from access to an appeal. This is presumably not what the EBA had in mind when it concluded that the right of appeal is available to all parties. If it did, its conclusion can only encourage parties to file formal, pre-emptive appeals, which may later be withdrawn when there is no longer any risk that the other party will be able to file an admissible appeal. This will however result in unnecessary litigation, creating work for the EPO and the responding party, causing costs for all three.

*Lunzer*¹⁸¹ observes that the early case law found no room for cross-appeal, since the boards were considered to have full investigative powers, and cites *T 89/84*¹⁸² as an example. However, *G 9/92* had changed this practice, with the result, according to Lunzer, that the prohibition against *reformatio in peius* in combination with the absence of an opportunity for a cross-appeal after the time limit for filing an appeal gives a tactical advantage to a party who deliberately files an appeal on the last day of the time limit, so as to prevent the opposing party from doing more than seeking to maintain the status quo.

Schulte has analysed decisions *G 9/92*, *G 3/94* and *G 1/99*, arriving at the conclusion that there should be an unlimited opportunity to cross-appeal in the EPO procedure¹⁸³. Essentially his arguments are the following:

The EBA has the power to accept cross-appeals although the EPC is silent on this point; the EBA has filled gaps in the EPC before, as in the *Latchways* case. It would have been within its power to apply Article 125 EPC, in which case it would have found that a number of member states offer the opportunity of cross-appeals in their laws¹⁸⁴. - The argument of *G 9/92* and *G 1/99* that a party who does not appeal has waived his right to requests going beyond the decision under appeal is incorrect; there is no obligation under the EPC for any party to express any acceptance of a decision, hence the absence of an express will cannot have

¹⁸¹ *Lunzer*, 108.01 on p. 548 ff.

¹⁸² OJ 1984, 562.

¹⁸³ GRUR 2001, p. 999 ff. Festschrift für Rüdiger Rogge zum 65. Geburtstag, *Reformatio in peius* und *Anschlussbeschwerde vor dem EPA*. Schulte assumes that a cross-appeal would be unlimited but dependent; i.e. a request can be filed at any time during the appeal proceedings, but if the appellant withdraws the appeal, the cross-appeal (i.e. requests going beyond the decision under appeal) falls also.

¹⁸⁴ Schulte names Germany, France, Switzerland, Belgium, Sweden and the United Kingdom, point III. p. 1000.

any legal effect for that party. - A patent should not be issued in a form not accepted by the patentee. - The absence of a cross-appeal should not be combined with a prohibition of *reformatio in peius*, since the first task of the EPO is to guarantee that European patents are valid. *G 1/99* is in its effect nothing else than a (limited) form of cross-appeal, since a party who fulfils any of the three conditions stated in the order of that decision will in fact be able to go beyond the decision under appeal. - For reasons of equity and the right of equality of arms, there is according to Schulte no good reason why the patentee should be favoured over the opponent in appeal proceedings before the EPO. The argument that the patentee has no more instance to turn to in case the patent is revoked by a board of appeal, whereas the opponent can instigate invalidity proceedings in 20 member states is not valid, since the principle of equality of arms has to be met in the same proceedings where parties stand opposite one another. - Finally, Schulte mentions the lack of procedural economy resulting from the system as envisaged by the EBA; it forces both parties to file appeals within the time limit, which increases unnecessarily the number of appeals.

Schulte is thus of the opinion that a cross-appeal should be available to the respondent regardless of his position *vis-à-vis* the patent; furthermore this opportunity should be unlimited in time¹⁸⁵.

A survey by the DG 3 Legal service dated 31.7.2002 covering England, France, Greece, Italy, Austria and Spain gives a varied picture: Neither Austria nor Spain allows for cross-appeal after expiry of the time limit for appeal, whereas England, France, Greece and Italy all have provisions regarding cross-appeals.

The Netherlands acknowledge cross-appeals without any set time limit, but a request has to be made at the latest in the first reply to the original appeal. Dutch cross-appeals are independent of the fate of the original appeal¹⁸⁶.

Except for the Netherlands, cross-appeals seem generally to be dependent on the original, regular appeal; if the latter is withdrawn or considered inadmissible, the case is closed without any examination of the cross-appeal. Some countries have time limits, others not: France does not require a cross-appeal to be formed within a certain time period, Greece accepts cross-appeals until eight days before the hearing, in Italy a time period from the reception of the original appeal is foreseen, Sweden allows a term of only one week after expiry of the regular term for appeal, and in England either the court sets the limit for a respondent's notice in which the

¹⁸⁵ Point VI.

¹⁸⁶ Information about the Netherlands was provided by courtesy from a colleague, Mr J. Willems, legally qualified member of the boards of appeal.

cross-appeal¹⁸⁷ will be contained or a 14-day period after serving of the appellant's notice applies.

As argued above by other scholars, the interest of a fair trial requires that a recognition of the principle of prohibition of *reformatio in peius* be coupled with recognition of a term for cross-appeals. The same combination of these two legal elements is needed in order to provide for the best circumstances to promote economy of procedure and a trial within a reasonable time.

8.3.4 Discussion

A basic principle emerging from the treatment of the parties is that the interest of the patentee takes precedence over that of the opponent and that the appellant is in a more favourable position over the respondent and other parties as of right, unless the respondent is the patentee. Possibly, but here the case law cannot yet be characterised as settled owing to a lack of relevant cases, the intervener is favoured over other opponents as regards the obligation to pay an appeal fee.

This begs the question whether the difference in treatment of patentees vs opponents is justified. Is the fundamental argument for this difference in treatment tenable, i.e. that the patentee has no other means of redress if his patent is revoked in centralised proceedings, even considering the possibility of converting the European patent?

Schulte correctly proposes that the principle of equal treatment of the parties must be applied in the context of the same proceedings between the same parties, i.e. that the prospects of future litigation at the national level cannot negate the requirement that these parties are treated alike in the same proceedings, e.g. in inter partes appeal proceedings before a board of appeal. However, there is an opposite aspect when considering the separation of centralised vs. national proceedings, which concerns the introduction of new matter, which calls for a holistic consideration of all aspects covering both the international *patenting* procedure and any subsequent national *patent* litigation procedure over the same patent between the same parties.

¹⁸⁷ According to English law, the respondent's notice is to be made in the response to the serving of the appellant's notice. i.e. a procedure similar to the Dutch one.

As briefly indicated in 8.3.2, there is no procedural link between the centralised *patenting* procedure before the EPO and subsequent national *patent* litigation procedure concerning the same patent. No case history estoppel prevents a party from relying on grounds or evidence which were not admitted at the EPO level. The centralised proceedings before the EPO are therefore generally seen as separate from any subsequent national patent litigation. This limited outlook may lead to the following problems¹⁸⁸:

If an opposition division revoked the patent on the basis of lack of inventive step, an opponent whose objection to the patent was based on lack of novelty has no standing to appeal under Article 107 EPC, but he may still rely on this ground in national litigation, in case the patentee makes use of his right of conversion and succeeds in obtaining a national patent. An opponent therefore may have an interest in having this reason examined by the BA, to be used later if necessary as a persuasive argument before a domestic court. It would therefore not be without importance which grounds are examined. It should also be pointed out that the fact that the late ground of novelty was not admitted into the EPO proceedings is not immediately relevant for national proceedings in the sense that a domestic court would again reject it as inadmissible; the standpoint of the court on this issue depends entirely on what national law allows.

The introduction of new facts and evidence is without limitation following the lack of case history estoppel; again the reaction of a national court to a request for reliance on (late) matter not examined in the EPO proceedings is entirely dependent on the provisions of the national law to be applied by that court.

The observations of *G 1/99* would lead to more complicated proceedings, since it is an invitation, if not an admonition, to proprietors to always file a series of a main and at least one auxiliary request in order to maintain the right of appeal, in case the main (and presumably the widest) request is refused. It may also lead to more pre-emptive appeals, cf. *T 224/96*, contrary to the interest of procedural economy.

However, *Schulte's* opinion that a judge's first and foremost task is to fill gaps in the law and that otherwise judges would not have to be lawyers, which supports an

¹⁸⁸ The examples are fictitious.

unfettered competence to, for example, adopt a new procedure (such as the review procedure of the EBA) goes too far. It is important - not the least in view of the principle of a fair hearing under the ECHR - to differentiate between merely *filling an unintentional gap in the law*, i.e. to adopt rules in order to be able to implement the intention of the legislator in a provision laid down in the law, which must be done in a way foreseeable and acceptable to the parties, and *creating law*, where the legislator *intentionally* has abstained from giving provisions, not wanting to make the judiciary competent to decide the issue. In the latter situation, it would be wrong for the judge to become a legislator.

The latter is obviously what the EBA had in mind when it interpreted the EPC as not including a revision instance above the boards of appeal. There is no indication in the travaux préparatoires that such a procedure had been overlooked. On the contrary, the limited function of the EBA was the result of reluctance on the part of some negotiating states to accept a supra-national court¹⁸⁹. Originally, appeals to the EBA would only be admissible by leave of appeal from the deciding board of appeal¹⁹⁰. In this respect *G 1/97* interpreted the EPC correctly. As a result, the legislator was informed and adopted provisions for such a procedure in the new Article 112 (a) EPC, which was the correct way of achieving the wanted legislation.

8.4 Equality of arms and the law of evidence

8.4.1 The law of evidence as applied by the Boards of Appeal

The principle of fair proceedings, including equality of arms, also extends to the way evidence is treated. This is acknowledged in the practice of the BAs. The BAs acknowledge the principle of *free evaluation* of evidence, which means that anyone - including employees of parties - except the parties themselves may be heard as witnesses¹⁹¹. The BAs accept written documentation, including written

¹⁸⁹ This was the reason that the boards of appeal were made a part of the EPO and were not given the name of "court" and its members not named "judges", see *van Empel*, p. 229 f.

¹⁹⁰ Gori/Löden, p. 6f. The 1962 proposal foresaw that a European Patent Court would be competent to hear infringement and invalidity cases, as well as appeals against an appellate organ of the EPO, the latter however only in cases of substantial procedural infringements and violations of the EPC, similar to the existing grounds of appeal to the CJEC from the OHIM or CPVO, (see 1.1, at footnote 25).

¹⁹¹ *T 482/89, OJ 1992, 646*, point 2.

affidavits, sworn or not¹⁹². Because of distances and differences in legal culture in the member states, making it difficult to establish if a sworn declaration meets the national standard, the boards may also accept simple, unsworn declarations by witnesses¹⁹³.

The Boards also have the power to decide whether or not offered evidence is of any use or not. In *T 297/00*¹⁹⁴, for example, the board refused to hear a witness regarding certain facts, for the reason that the request was not directed to the taking of evidence but to a search for possible evidence, which could justify new grounds to be introduced, which was not permitted. A witness could only be heard about concrete facts¹⁹⁵. Irrelevant evidence, as well as matter which cannot be considered as evidence, such as translations of Board of Appeal decisions, may of course also be rejected as inadmissible¹⁹⁶.

The level of proof for the party having the burden of proof is generally to convince the deciding body that the disputed fact is more probable than not (the balance of probabilities level¹⁹⁷). For allegations of prior use which is within the sphere of the opponent himself, the higher standard of "beyond any reasonable doubt" is set¹⁹⁸. This adds considerably to the burden for an opponent, since as a rule the prior use has taken place several years before the witnesses can be heard by the EPO and the reliability of their testimonies will have depreciated correspondingly.

¹⁹² E.g. *T 558/95* of 10 February 1997.

¹⁹³ E.g. *T 970/93* of 15 March 1996.

¹⁹⁴ Decision of 6 June 2002. See in particular point 3.1.

¹⁹⁵ So-called "fishing expeditions" are thereby excluded from the proceedings.

¹⁹⁶ As was done in *T 15/98*.

¹⁹⁷ E.g. *T 296/93*, OJ 1995, 627, point 5.2.

¹⁹⁸ *T 472/92*, OJ 1998, 161, point 3. "In the majority of prior public use cases practically all the evidence in support /of it/ lies within the power and knowledge of the opponent, so the patentee seldom has any ready, or indeed any access to it at all. All he can do is to challenge that evidence by pointing to inconsistencies contained in it or a to draw attention to any gaps in the chain of commercial transactions that needs to be established by the opponent in order to succeed on this ground. In consequence, an opponent must prove his case up to the hilt, for little if any evidence will be available to the patentee to establish the contradictory proposition that no prior public use had taken place."

The burden of proof follows the fundamental principle of "probandi necessitas incumbit illi qui agit"¹⁹⁹. Should both parties in an opposition case fail to prove their assertions, the principle of "in dubio pro reo" applies in favour of the patentee²⁰⁰.

The shifting of the burden of proof occurs according to standard principles when the board is convinced that the party has discharged its burden. However, an exception to this principle may be made when other proven facts are such as to make one conclusion more probable than others. The BA took this route regarding a document which was proven to have been printed seven months before the priority date, but its distribution date to the public was still uncertain. The board held it to be probable that it had been made available before the priority date of the patent. The objection from the patentee that this was not the case did was considered so incredible that the burden of proof was shifted to the patentee²⁰¹.

A party may also have the burden of "presentation" or of pointing to facts²⁰², i.e. to state the facts and legal grounds for a request based on these facts, e.g. that a delivery took place later than the presumed date under Rule 78(2) EPC²⁰³. This burden applies even if that party has no burden of proof concerning these facts in themselves.

8.4.2 Late filed evidence

8.4.2.1 EPO case law

In 8.3 above, the resulting imbalance between the procedural treatment of parties with regard to their requests and underlying legal grounds was seen to be dependent either on the party's relation to the patent in suit or on the procedural position of the party. This difference in treatment extends to reasons given as to the admissibility of evidence filed out of time²⁰⁴.

¹⁹⁹ T 270/90, OJ 1993, 725.

²⁰⁰ Eg T 219/89, OJ 1986, 211, corr. OJ 1986, 328.

²⁰¹ T 743/89 of 27 January 1992.

²⁰² In Swedish law: "åberopsbörda".

²⁰³ T 247/98 of 17 June 1999.

²⁰⁴ *Waage* equates arguments with grounds and evidence, see p. 105 at 2-109. However, Article 114 (2) EPC refers only to 'facts or evidence'. Arguments may be raised at any time, unless they would raise a new ground or in fact constitute evidence. *Waage* observes that late new grounds and facts in general are not admitted, whereas late amendments will normally be considered, *ibidem*.

*T 156/84*²⁰⁵ adopted the general obligation to make a relevance test. Strictly speaking, the statement is obiter dictum as far as it refers to the BAs²⁰⁶, since the case only concerned the decision of the opposition division, i.e. the *first instance*, not to admit late filed evidence. In spite of this formal restriction as to scope, it has been followed in the majority of later cases, extended to the boards themselves, the *second instance*²⁰⁷. As regards the boards, *T 156/84* has however since been overruled by other decisions, of which the following may be cited:

Most notable are *G 9/91* and *G 10/91* which, as observed in *T 951/91*²⁰⁸ and *T 1002/92*²⁰⁹, mean that late filed facts, evidence and arguments must be treated in the same way, since a different treatment would be illogical.

In particular *T 1002/92* drew an analogy from the exclusion of fresh grounds to the necessity of excluding fresh evidence on the same arguments concluding that evidence filed after the nine-month period for opposition should only be admitted if highly relevant in the sense that it could reasonably be expected to prejudice the patent²¹⁰. As regards BA proceedings, *G 10/91* required a more stringent practice than for the first instance. The factors to take into account were not only relevance but also whether the patentee objected to its admission, a resulting delay etc. Decision *T 156/84* should be followed in the first instance, but the principles following *G 10/91* should be applied in appeal proceedings to evidence as well as to new grounds.

The board in *T 951/91* did not test the relevance of offered experimental data, which were discarded before being submitted. In its decision, the BA made a thorough examination of all relevant issues to check whether it should still have admitted these data, including a review of the then case law²¹¹. The factors considered by the board in *T 951/91* were the following:

²⁰⁵ Of 9 April 1987.

²⁰⁶ See e.g. point 3.8 of the reasons.

²⁰⁷ See e.g. *T 1016/93*, which expressly referred to *T 156/84* when considering whether to admit a new document cited for the first time in appeal proceedings, stating that the document had to be admitted, being more relevant than the documents already on file, point 3.4. See also *Case Law*, p. 327 ff.

²⁰⁸ Of 10 March 1994.

²⁰⁹ Of 6 July 1994.

²¹⁰ In point 3.2.

²¹¹ See points 5.1 - 5.15.

Due time for filing evidence was at the time of filing the notice of opposition. A number of decisions established that the boards require the earliest possible filing. The opponent in the case waited four years and nine months before offering the evidence. The language of Article 114 (1) and (2) EPC was clear. There was no ambiguity in it; the first paragraph laid down a general obligation to examine facts of its own motion, the second gave a discretionary exception, in the circumstances specified there.

The board did not agree with the reading made by *T 156/84* that the first paragraph took precedence over the second, not even in the light of Article 115 EPC. It further referred to the Vienna Convention on the Law of Treaties. A natural reading of Article 114 on the basis of the VC, having regard to its purpose, showed that it was intended to cut down rather than enlarge on the rights of third parties and hence that the reason for concluding that the parties would always have the right to file new material which would have to be examined was incorrect. There was therefore no reason to deny the discretion to exclude late filed material, irrespective of its relevance, even if relevance may be a factor influencing the decision. - Relevance was a material factor, but also the asymmetric nature of the proceedings, i.e. that an opponent always can pursue his case nationally. - Although *G 9/91* formally covered Article 114 (1) for both instances, the application of this paragraph in a more restrictive way in appeal procedures was justified. - In a number of cases boards had disregarded evidence without examining its relevance, e.g. *T 534/89*, *T 17/91*, *T 270/90*, *T 741/91*, and *G 4/92*.

The purpose behind Article 114 (2) EPC was to obtain a swift conclusion of proceedings. Parties must file material relevant to their case as early as possible. "If a party fails to do so without adequate excuse, and admitting evidence would lead to an excessive delay in the proceedings, the Boards of Appeal are fully justified in refusing to admit it in exercise of the discretion provided by Article 114(2) EPC."

The opponent's behaviour was unacceptable in view of the fact that the patentee and the public were left ignorant of the full extent of his case for a long period. The board also foresaw that the admission could lead to an unreasonable prolongation of the proceedings²¹².

The evidence was rejected as inadmissible without any examination as to its relevance.

The opposite view was taken by the board in *T 426/97*, which refused to agree with *T 1002/92*, whose conclusions with regard to the admissibility of late filed evidence it described as inadequately restricting the board's discretion under Article 114 (2)

²¹² *T 1002/92* did in fact refer to the relevance of the late evidence but only in connection with the question whether or not the opposition division had been correct in not admitting it. It did not itself examine this evidence for relevance.

EPC. The board in *T 426/97* considered that it had a duty to protect the public against unjustified patents. The board therefore adopted a contrary principle: its duty obliged it to disregard new evidence only in exceptional situations. The board in *T 426/97* also commented that accepting and examining a document that would not destroy the patent would do no harm, whereas the relevance of a document would justify consideration²¹³.

In *T 375/91*²¹⁴ the board stressed the lateness and absence of any excuse for the late-filed evidence, finding that because of its lateness its relevance could be questioned. This makes the reasoning somewhat ambiguous; was the relevance a function of its lateness, or was the relevance less important than other factors in the overall assessment of the admissibility question?

*T 885/93*²¹⁵ held that, as a result of the judicial nature of appeal proceedings, the legal and factual framework of the appeal must be the same or substantially the same as the case decided by the first instance. Since *G 10/91* had limited admission of new material to what was highly likely to prejudice maintenance of the proceedings, the board could not accept that the new Rule 71(a) EPC on communications, allowing for observations submitted at least one month before the oral proceedings were to take place could override this principle. Therefore, a communication sent pursuant to this new rule should not be construed as an invitation to file new evidence or other material. - Since however both parties withdrew their objections to the admission of matter filed late by the other party, the board applied the principle of "volenti non fit injuria" and admitted this material after having examined it for relevance.

The TBA in *T 609/99*²¹⁶ admitted evidence brought by the opponent during the proceedings before the opposition division, against the protestation of the patentee. The opposition division had disregarded the evidence for being late filed. The board took the view that one of the documents in issue would not enlarge the legal and

²¹³ Decision of 14 December 1999, reasons, point 2. This clear position should have led the board to refer a question to the EBA in the matter, Article 16 RPBA. This case and others are discussed below, 8.4.2.2.

²¹⁴ In particular point 3.2.

²¹⁵ 15 February 1996, point 2 of the reasons. The reasons were very similar to those given by *T 39/93*, insofar as it referred to the effect of the new Rule 71 (a) EPC.

²¹⁶ Of 13 November 2001.

factual framework of the case, but would help in converging the debate. This indicates that the board did not find this document as such more relevant than previous evidence on file, but assumably helpful in defining the key technical points to be discussed. The board left the question of lateness aside and judged it appropriate to admit the document (point 2.2 in fine). The board saw this as not being inconsistent with *T 1002/92*, although it took account of the evidence in spite of the patentee's objections and without any implication that the evidence was *prima facie* highly relevant in the sense that it was highly likely to prejudice the maintenance of the patent. The detailed reasoning as to the technical value of the new document indicates that the TBA had made a thorough examination of the same.

In *T 894/97*²¹⁷, the respondent/patentee requested that the tests submitted by the appellant with letter of 19 October 2001 be rejected as inadmissible for being late, alternatively for not being relevant. In support of this request, the respondent raised the following points:

Under the case law of the boards of appeal, in particular decisions *T 270/90* and *T 939/90*, test results should not be admitted, regardless of their relevance. The appellant had known from the decision under appeal that the original test results were not acceptable to the Opposition Division. The claims now on file were submitted already in May 1998. It was an abuse of proceedings to file the new tests only one month before the oral proceedings before the board of appeal. - The test document only said that polymer 8 was used, but not how it was obtained and no details were given so that it could not be verified that the tests were actually carried out in accordance with document D 3. The test results were therefore not relevant with regard to the claims on file.

The appellant/opponent contended:

It was admitted that the test results were filed late, but they were relevant and should therefore be admitted, having regard to decision *T 156/84*. These results should not be considered as new evidence, since test results had already been filed in the proceedings before the Opposition Division and the test now made was very similar to the original one. The respondent could therefore not be surprised. It was admitted that the appellant had used the time available until one month before the oral proceedings for submitting observations as generally allowed in communications sent with the invitation to oral proceedings and that it might have been possible to start the testing and file the results earlier than was actually done.

²¹⁷ Of 23 November 2001, i.e. taken after *T 951/91* and *T 1002/92*, but not following them, which would be a sufficient cause for a referral to the EBA under Article 112 (1) (b) EPC.

The TBA noted the following:

The role of the boards of appeal includes bringing appeal proceedings to an efficient and expedient close. Obviously, this requires the collaboration of the parties. The earliest possible filing of new facts and evidence is essential for this to function properly, see Guidance for parties to appeal proceedings and their representatives, OJ EPO 1996, 342, in particular points 1.2.1, in which it is laid down that the statement of grounds for the appeal "must indicate the points of law and of fact on which the contested decision should be set aside" and 1.2.2: "If any allegations of fact or law are being made that were not argued in the previous proceedings, this should be made clear. Since it lies within the board of appeal's discretion whether or not to admit late-filed facts and evidence.... , the appellant should indicate why the new submission was not filed earlier." Appellants are thus as a rule required to at least indicate the evidence on which they want to rely already in the grounds of appeal, which however does not exclude that also such evidence may be rejected as late filed.

The board continued:

It is a misunderstanding by the appellant to conclude from information in communications from the boards, regarding the time limit of at least one month before the oral proceedings for the filing of observations, that new evidence did not have to be indicated or filed before that date, cf. e.g. *T 39/93*²¹⁸. To wait several years after instituting the appeal is not acceptable, unless the party in question can refer to special circumstances preventing it from informing the board and the other party of its intention. New evidence filed later than in the grounds of appeal without any excuse is therefore normally to be considered as filed late, which is the case here.

In spite of its survey of pertinent legislation and practices, this board did not draw any conclusion from its description of the duties of parties to file their evidence as early as possible. In the closing point 1.5 on this formal issue, it noted that the test did not seem relevant *prima facie* and therefore was not admitted, adding that the appellant had run a high risk of not getting the relevance of the new evidence tested at all, in particular since his behaviour came close to an abuse of proceedings.

Another recent decision²¹⁹ addressed the concept of "due time" with the result that evidence submitted within the four-month period of appeal in response to the decision under appeal would not have been considered as late filed, since it had been established in that decision that the effective priority date of the patent in issue had shifted to the filing date only after decision *G 2/98* had clarified a question regarding intermediate documents published in the priority interval. However, in the case at hand, the evidence in the form of a patent document had only been

²¹⁸ OJ EPO 1997, 134, point 3.3 of the reasons.

²¹⁹ *T 736/99* of 20 June 2002. See in particular points 2.2.2. - 2.3.5.

submitted two years after the period for grounds of appeal had expired. The explanation that the significance of the new document had only been discovered after a new representative had been assigned to the case when he was studying the case in preparation for oral proceedings was not an objective excuse for the delay which the board could take into account. The board therefore had discretion as to whether the document should be admitted. In so doing, the board observed that there was a considerable body of case law that the boards generally applied the criteria of relevance and procedural complication in resolving the issue, and that the hurdle of relevance had been set higher the later the submission. The board found the new document sufficiently relevant to justify its admittance. It did so without giving any details, since both parties had requested remittal to the first instance, should the document be admitted. Apparently the board did not want to prejudice unnecessarily any finding of the first instance in the continued prosecution of the case.

This case, as well as decision *T 875/99*²²⁰, illustrates a dilemma connected to the relevance criterion in cases where the right of parties to a two-tiered examination of the issues in opposition proceedings make a remittal to the first instance necessary in the opinion of the deciding board. On the one hand, the board is obliged under the case law to examine and assess technical information in relation to the patent in suit, at times even to the point that it must conclude that this information makes it highly likely that the patent must be revoked. On the other hand, it must not prejudice any finding of the instance to which the case will be remitted.

8.4.2.2 Discussion

In 8.3.2 above, it is suggested that a strict attitude towards the late filing of grounds of opposition and amended claims should cover the late filing of evidence as well. While the reliance on a new ground is normally accompanied by supporting evidence, it would be illogical to reject the former but admit the latter, as correctly observed in *T 1002/92*²²¹. In spite of cases such as *T 736/95* where the new ground of unallowable extension of the patent protection did not have to be accompanied

²²⁰ Decision of 27 June 2002.

²²¹ See also 8.8 below.

by such evidence²²², they do not overthrow the conclusion that evidence should be treated the same way as grounds. Article 114 (2) EPC refers to facts and evidence not submitted in due time, and its parallel in the first paragraph, second sentence, on the examination ex officio cites the same²²³.

The most recent decision *T 894/97* - summarised in 8.4.2.1 above - shows the dilemma of the BAs - are they an administrative or a civil instance? - and reveals a remaining desire to have at least a superficial technical assessment of new evidence before disregarding it. Or, put in the words of the critics of *T 736/95*, there seems indeed to remain something of an old-fashioned "examiner culture" in the BAs.

If there is any contradiction between the two paragraphs of Article 114 EPC²²⁴, as the BA in *T 156/84* proposed, it would seemingly only lie in the possibility that late but relevant material could be disregarded without examination. But the article does not refer to relevance. Instead, the adoption of the relevance test seems to be a direct result of the premise - apparently seen as a fundamental principle by the BA - that only valid patents should emerge from the EPO examination, possibly based on the general obligation under Article 52 EPC to award patents for inventions meeting the exigencies of the EPC²²⁵.

²²²This case must also be distinguished on the fact that the board's demand only concerned the opposition division, not the appellate instance.

²²³*Waage* sees an *interdependence* between the first and second paragraphs of Article 114 EPC, see p. 178 at 3-82. It is however not based on any legal connection or 'conflict' as found by the board in *T 156/84*, but on the observation that if the ex officio examination is thorough, new matter is less likely to be introduced at a late stage of the proceedings. He further observes that the case law on this topic is abundant and sometimes contradictory, p. 179 at 3-85.

²²⁴It may be appropriate to give the full text of Article 114 EPC here. The title reads: "*Examination by the European Patent Office of its own motion*". Paragraph (1) reads: "*In proceedings before it, the European Patent Office shall examine the facts of its own motion; it shall not be restricted in this examination to the facts, evidence and arguments provided by the parties and the relief sought.*" Paragraph (2) reads: "*The European Patent Office may disregard facts or evidence which are not submitted in due time by the parties concerned.*" The German version of paragraph 1 does not include any obligation, it uses the neutral present tense "ermittelt das .. Patentamt". The French version likewise avoids coloured language: "l'Office.. procède à l'examen d'office des faits".

²²⁵This may be a transfer of the German tradition to see patents as an exception from the free use by the public of technical resources, an attitude which has been heavily criticised by *Beier* in *The Remedies of the Patent Applicant and His Competitors in Comparison - Balance or Imbalance? A Comparative Law Study*, IIC, 1989, p. 407 ff., in particular p. 414: "in reality .. the so-called public is not seriously affected", p. 437: "The far too general and unreflected opinion that the Patent Office -- has its primary task in the prevention of unjustified patent monopolies", and (quoting *Bardehle*) p. 438: "Is it justified to release the invention free of charge to competitors?"

The second paragraph of Article 114 does not cover late "*arguments*". This has not really led to any problems in practice, most boards have simply taken this to mean that new arguments can be brought forward throughout the proceedings²²⁶.

Another difference between the paragraphs, which apparently played a role for the board in *T 156/84*, is that the admonition to the EPO in the first paragraph is worded as an obligation "*shall*", whereas the second paragraph leaves a discretion to the EPO, "*may*". In spite of the admonition "*shall*", the natural interpretation of the first paragraph is not necessarily that the EPO *must* make an ex officio examination in every case²²⁷, since the reference in the second sentence of paragraph 1 is to the "*facts, evidence and arguments provided by the parties*", which must be read as limited to what is on file, *before* the EPO goes on a search of its own motion²²⁸. This points more in the direction of the right to be heard (Article 113 EPC). Thus, the deciding organ of the EPO is required to *take note of, but not necessarily to examine*, all the facts, evidence and arguments presented by them. It is not obliged to go beyond that.

The *taking note* of matter on file should be distinguished from any *obligation to admit* the matter to be examined as part of the documentation in deciding the case on its merits. For example, offered evidence may be rejected as irrelevant or not seen as evidence in the first place even if filed within given time limits. Seen in this way, the first sentence takes on a legal significance of its own, which reads neatly together with the second sentence. The *first stage* of this procedure consists of taking note of the matter on file, in fact seeing to it that the matter is included in the file, which does not require any examination of its content. In the *second stage*, for any contemplated further search to have a chance at all to influence the examination, the EPO must be given a discretion to look for material outside the file, which is provided by the second sentence of paragraph 1.

²²⁶ *Waage* cites a decision, *T 124/85*, in which the board refused to admit a new "argument", see p. 190 at 3-96, but this seems to be an exception.

²²⁷ Cf. *T 182/89*, OJ 1991, 391, as quoted by *Waage*, p. 138: "Article 114 (1) should not be interpreted as requiring the Opposition Division or a Board of Appeal to investigate whether support exists for ... grounds".

²²⁸ The further search of the EPO's own motion is presumably set off by the knowledge of the individual members of the deciding body, who are not satisfied with the material on file.

The second paragraph of Article 114 EPC would under this interpretation only be applicable in a *third stage*, namely if a party later requested that new matter be admitted. Only when such a procedural request has been decided, for or against the party, the admitted matter will be examined in a *fourth stage*, in order to arrive at a final decision.

This is not to say that there is no connection at all between the two paragraphs of Article 114 EPC: They both address the issue of extent of examination. It must be presumed that paragraph 1, second sentence, refers to matter already on file. Matter for examination may consist of requests, grounds, facts, evidence and arguments. Since new grounds are not admissible at the appellate stage unless the patentee agrees²²⁹, the connection between the paragraphs requires - as noted by *T 951/91* and *T 1002/92* - that late filed evidence even if relating to grounds already admitted be rejected as inadmissible.

The second sentence of paragraph 1 of Article 114 EPC does not distinguish between the different kinds of matter enumerated, whether facts, evidence or arguments. The application in practice of this provision should therefore not make any distinction between them either. In a fair, transparent and predictable procedure, a party should not have to be surprised by late filed matter, regardless of its nature.²³⁰

Still, with the relevance principle, the BA invented a procedural principle without there being any gap or inconsistency in the EPC.

The stricter attitude of recent case law as given by *T 951/91* and *T 1002/92*, as well as by *G 10/91* and other decisions mentioned above, is based on the following *key points* for the issue of late filed evidence:

²²⁹ It is peculiar that the EBA decision turned on a basic element of the appeal which is not even mentioned in Article 114 EPC, whereas the admissibility of late filed evidence still is not resolved with any finality. For the sake of discussion, it is assumed here that "facts" includes legal grounds as well.

²³⁰ It should be noted that paragraph 2 is more consistently worded in the three languages: each version addresses facts or evidence, but does not mention arguments. Unfortunately, there are differences regarding paragraph 1, which do not facilitate a consistent interpretation. The English version refers specifically to "arguments" whereas the German version in this respect refers to "Vorbringen" and "Anträge", and the French version to "moyens" and "demandes". It is assumed here that facts and evidence are addressed by both paragraphs, whereas the filing of arguments is not seen as a procedural step subject to any time limitation. This is consistent with the case law of the BAs, see *Case law*, p. 333 f.

1. *T 156/84* is overtaken by later case law, if not openly rejected as obsolete. Its conclusion that there is an inner conflict is refuted by a natural reading of the entire Article 114 EPC. Its first paragraph addresses *only* the situation where the *deciding body has objections* which none of the parties has brought forward; the second paragraph addresses the *separate* situation, when the *parties have objections* but have only brought this matter into the proceedings late. No relevance test is prescribed.
2. For appeal proceedings, Article 114 (1) EPC is of less weight, according to *G 10/91*. This decision should also affect the application of Article 114 (2) EPC in appeal proceedings, as it would be illogical not to admit late filed grounds, but admit late filed evidence. Even if *G 10/91* speaks only of fresh grounds, the article covers facts²³¹ *and* evidence. An analogy from *G 10/91* to cover late filed or *fresh evidence* is therefore appropriate.
3. The ruling of *G 10/91* must be adapted to the conditions relevant to evidence, i.e. evidence that the appellant wants to rely on may be submitted later than in the notice of opposition, only when caused by the decision under appeal or as a response to amended claims from the patentee. Evidence from the respondent should be submitted in the first response to the grounds of appeal. "Due time" could be given a general definition to fit most cases, along the lines of the definition of "due care" under Article 122 EPC, even if exceptions may still be necessary. The "due time" concept would be defined as the point in time when the party *had cause* (i.e. by actions from either another party or from the deciding body) to react, and that the reaction should have reached the EPO at the earliest possible time (i.e. in most cases reacting to a decision, within the time limit for appeal, in ongoing proceedings within the general time limit of two months for reactions to submissions or opinions received from the EPO).

²³¹ "Facts" are physical facts, relied upon in connection with legal grounds. Hence, patent claims are also facts, since they represent the expression of technical facts and are based on legal grounds, i.e. the patentability criteria are stated by the patentee to have been fulfilled by the claims. The claims form the factual framework for the examination. "Evidence" refers to the means used by the parties to convince the deciding body that the facts are such as to support their requests.

4. The later the material is filed, the more reasonable it becomes to refuse admission without considering relevance. If there is no excuse, refusal without a relevance test may also be justified. It is not necessary to refer to any abuse of proceedings to achieve this result.
5. The position of the other party must be considered. It is not a fair procedure, if one party has to accept surprises after several years, being faced with new evidence. The BAs must act as a judicial instance, which requires that both parties be treated alike. Where the patentee refuses the admission, the evidence should be disregarded without a relevance test.
6. The late filing of experimental data should be equalled to the submission of an opponent's own prior use. Both are entirely within his own purview to bring into the proceedings and can therefore be discarded without any relevance test.
7. The delay factor is to be assessed, not according to how quickly the board could conduct the relevance test for itself, but against the reaction of the patentee, who would have to be accorded time to consider the evidence. This will inevitably lead to delays unless the patentee accepts to examine it within the time frame given (e.g. before or during oral proceedings) in which case he is likely to accept its admission anyway.

One argument speaks *for* the admission of new matter, at least where it concerns new documentation relevant for novelty and/or inventive step: If the patent goes unscathed from an examination of the new evidence, national patent litigation may have been prevented, in the interest of expediency.

Insisting that the boards have an administrative obligation and discretion going beyond the parties' disposition of the case because of its representing the general public, *T 426/97* overlooked the situation addressed by *G 9/91*, i.e. where no opposition is filed or no appeal lodged against an opposition division decision there is no power for any organ of the EPO to reopen the case. This situation is analogous to the discussion in *T 426/97*, where the board found itself to be representing the interest of the general public.

It is questionable whether the boards have the function of looking to the interests of the public. The public at large did not contest the patent; one or more opponents did. As Beier pointed out²³², opponents rarely look out for the interest of the public. They are only interested in their own legal and commercial situation. Only the parties have the right to make requests and file evidence. The rule of law, in particular the principle of a fair hearing within which the principle of transparency (or foreseeability) is harboured, requires that procedures be planned ahead to avoid surprises.

Amended rules of procedure for the BA²³³ in fact require the filing of evidence with the statement of grounds, Article 10 a (2) and (4) RPBA. Article 10 b RPBA refers to the board's discretion under Article 114 (2) EPC where a party wants to amend his case. No reference to relevance is made, only to the complexity of the matter, the state of the proceedings and the need for procedural economy.

The above standpoint deliberately disregards the fact that some member states to the EPC offer a second chance for an opponent or even further opponents at the national level to have the patent invalidated. This begs the question whether one must not take a more holistic approach to the issues of the right of access to court, i.e. to consider the repercussions of such access at national level. It is not self-evident that a European patent should be challengeable at this level, even if the EPC currently allows it. Since the member states have hitherto refused to review final decisions from the EPO, it may be discussed whether a patent litigation stage is necessary in which the continued existence of scope of protection of the patent may be challenged²³⁴.

Putting focus on the ECHR, the arguments against admittance of late filed matter acquire still more weight; because opposition proceedings are post-grant, the patentee has a right to defend his property on an equal footing with his adversary, giving him full protection with regard to all rights falling within the scope of Article 6 (1) ECHR.

²³² See 9.6.

²³³ Adopted by the Administrative Council in December 2002, they entered into force as of 1 May 2003.

²³⁴ This and related issues will be discussed in chapter 9. Infringement issues will of course continue to be an object of national litigation. The issue is whether an alleged infringer shall have the right to question the validity of the patent.

8.4.3 Oral evidence

"An oath always enhances the probative value of a statement whether from a disinterested person, or from an interested party"²³⁵.

Nevertheless, Article 117 EPC does not foresee oral testimony to be given under oath, but offers as an alternative that witnesses or experts may be heard before a competent court in their country of residence²³⁶. No sanctions can be imposed on persons who do not comply with the provisions of Article 117 EPC, which is to be seen as a non-exhaustive list of means of evidence²³⁷. Instead of sworn testimonies before the organs of the EPO, sworn statements in writing are specifically allowed²³⁸. In practice, sworn statements have all but replaced oral testimony²³⁹. Since by virtue of the principle of subsidiarity and the margin of appreciation given to the Contracting States Article 6 ECHR does not go into the actual evaluation of evidence²⁴⁰, and the HRCourt therefore normally abstains from reassessing the facts as evaluated at the national level²⁴¹, this situation would not be contrary to the ECHR, although a tribunal must be empowered to decide questions of fact as well as of law, i.e. to establish in a satisfactory way what these facts are - or at least

²³⁵ Cheng, B., *General principles of law as applied by international courts and tribunals*, Cambridge University Press, 1987, p. 313 and footnote 45.

²³⁶ Article 117 (4) EPC. The effects of the EPC system are discussed here as part of the rights to a fair trial, but the taking of oral evidence is also a reflection on the powers of the court itself, i.e. an element of its character as a judicial instance. There are examples in practice of written affidavits from different witnesses regarding the same prior use which have had identical wording but for the signature, illustrating the dangers of accepting prepared statements in writing (e.g. *T 664/99*).

²³⁷ See e.g. *T 301/94*, in which the board confirmed the practice that the EPC did not contain any restrictions regarding the means of providing evidence.

²³⁸ Article 117 (1) (g) EPC. See chapter 6 regarding the history of Article 117, and the reference to the critical article by Rauh.

²³⁹ Cf. the board in case *T 232/89*, who stated that there was no reason to hear witnesses orally whose testimonies had already been submitted through written affidavits, which were considered quite sufficient in the circumstances.

²⁴⁰ *Petzold*, in *Macdonald et al.*, p. 54: "...the admissibility of evidence is primarily governed by domestic law and ... as a general rule it is for the national courts to assess the evidence before them as well as the relevance of the evidence...". Although this statement concerns criminal proceedings in particular it has equal value for civil proceedings. *Macdonald*, *idem*, p. 84, holds that the margin of appreciation in many ways can be seen as a label about the appropriate scope of supervisory review.

²⁴¹ In cases concerning the freedom of speech, in particular the freedom of the press, however, the HRCourt has seen its function as having to satisfy itself that the assessment of the facts made by national authorities or courts had been acceptable, thus reserving its right to reassess these same facts, see e.g. *Jersild v. Denmark*, of 22 August 1994, para 31, and *Schwabe v. Austria*, judgment of 24 June 1992, para 29.

which facts have been established to the point that they must form the basis of the legal reasoning of *the court*.

As seen above, the taking of oral evidence under the EPC lacks some basic characteristics of provisions surrounding the hearing of witnesses under national law²⁴². The EPO has no power to sanction witnesses (or parties) who do not appear as summoned²⁴³, nor is it competent to initiate national criminal proceedings against witnesses who are suspected of perjury.

This situation has been criticised from various perspectives: *Rauh*, like this author, has not been able to establish the actual reasons why the original opportunity to hear witnesses under oath was deleted, but refers to misgivings of the British delegation that this procedure would not be practicable and a statement that it would probably not be possible to have a perpetrator extradited to other countries to answer a charge of perjury²⁴⁴, reasons that according to *Rauh* no longer are convincing. The problem with the current practice, according to *Rauh*, is that written affidavits are given weight as evidence, although they should have no more weight than party statements²⁴⁵.

In order to prevent possible perjury, there is instead an alternative procedure; an order by the EPO for a witness to be heard by a national court under oath. The parties are allowed to attend, as will EPO representatives, to assist the judge²⁴⁶. This procedure may take place after a witness has already been heard in proceedings before the EPO. The EPO may however also directly request a national court to take oral evidence, e.g. when a summoned witness requests accordingly. A testimony

²⁴² Cf. the EPO system with the system foreseen for the EFTA Court under the EEA Agreement. The EFTA Court has powers to hear witnesses under oath and defaulting witnesses or violation of the oath shall be treated as if it had been committed before a national court. The EFTA court may require from the concerned EFTA state that an offender be prosecuted before its competent court, Article 26 of the Statute of the EFTA Court, according to Protocol 5 to the ESA (EFTA Surveillance Authority)/Court Agreement, signed in Oporto on 2 May 1992. Under its Rules of Procedure witnesses are obliged to take an oath before being heard, Article 52 (5). This oath may vary in accordance with national traditions, Article 54. The EFTA Rules of procedure, like the EPC, also provide for letters rogatory.

²⁴³ See e.g. *van Empel*, p. 259-60 on evidence.

²⁴⁴ *Rauh*, *Defizite des Beweisrechts des EPÜ*, Mitt., 2000, p. 225. See also 6.3.3.

²⁴⁵ *Idem*, p. 227.

²⁴⁶ *van Empel*, p. 260. This author has not been able to establish any instance of a testimony before a national court, which was ordered by the EPO.

taken before a national court deprives the procedure of necessary immediacy, i.e. the case cannot be brought to an end in one and the same session²⁴⁷.

An EPO body wanting to hear a witness has to take a specific decision which must include a summary of the facts²⁴⁸ about which the witness is to be heard. The decision must leave open an opportunity for a request by the witness that he be heard by a national court. The hearing of witnesses also involves cost decisions²⁴⁹.

This cumbersome procedure and the fact that the facts about which a person is requested to be heard often go back several years in time may be part of the reasons why witnesses are rarely heard in EPO proceedings. Instead, a practice accepting written affidavits, sworn or not before a notary public, has developed. It is accepted that witnesses be brought to oral proceedings by parties, without a formal decision having been taken by the board to hear them. This must generally have been announced beforehand in writing, for the benefit of the other party.

There is little in the case law of the BAs on questions relating to testimonies; sometimes in preparation for oral proceedings, boards have reasons to explain to parties what in their mind constitutes evidence, what kind of evidence is superfluous or irrelevant and therefore has to be rejected in advance. As pointed out in *Case Law*²⁵⁰, statements by employees are often accepted as supporting an alleged prior use, without any grounds for the credibility of witnesses being given.

The case law on oral evidence is limited. The main reason for this situation is obviously that the TBAs acknowledge the principle of free evaluation of evidence²⁵¹ and the frequent use of written affidavits, as allowed by Article 117(1) (g) EPC²⁵².

²⁴⁷ Rauh *idem.*, p. 225.

²⁴⁸ German "Beweisthema".

²⁴⁹ The relevant provisions related to witnesses are included in Article 117 and Rule 72 and 74 EPC. Corresponding provisions for experts are included in Article 117 and Rule 74 EPC. Hearings may be conducted outside the normal procedure in the case, where the matter is urgent, Rule 75 EPC.

²⁵⁰ P. 355.

²⁵¹ See examples, *Case Law*, p. 354 ff.

²⁵² See *T 674/91*, in which the board even acknowledge that this practice avoided calling the person as a witness. This disregards of course the best means of obtaining the evidence, which is to hear the witness in person to be able to assess his credibility and ability to remember facts of several years of age with some degree of certainty.

On the admissibility of offered evidence, there are a few decisions referring to the age of the facts to be proven²⁵³. Oral evidence relates almost invariably to testimonies about prior use.

The oral evidence is seen as an unsatisfactory substitute for written evidence about a certain fact; e.g. a witness was not called in *T 231/90* to testify about a delivery (the ground for opposition was based on an alleged prior use) when the delivery notes had been destroyed, for the reason that a long period of time had elapsed since the occurrence.

Oral testimony is not inadmissible for the reasons that the person to be heard is affiliated with one of the parties; an employee of one of the parties may be heard as a witness²⁵⁴.

The opposition division sometimes refuses to hear witnesses²⁵⁵. This may be a violation of the principle of equity, in particular if the refusal results in delays which can not be remedied, albeit that offered evidence may be refused for the reason that it is considered superfluous or incapable of bringing any clarity as to alleged facts. Witnesses should be heard as early as possible, so that this particular kind of evidence can be effective. Hearing a witness 15 years after the facts can hardly contribute to the case of the party who relied on them. The EPC therefore also provides for a special means of taking evidence, which is not related to any pending procedure, i.e. the conservation of evidence under Rule 75.

In *T 664/99*, the first oral proceedings before the opposition division were held in 1995, to which the witnesses had been properly invited, and the necessary decision to hear them and the summary of facts about which they were to be heard had also been issued. In spite of this preparation, the opposition division preferred to rely only on a document and revoked the patent for lack of novelty. This meant that the opponent was deprived of an early hearing of the witnesses (by then eight years had elapsed since the facts regarding the alleged prior use had occurred). When later, after the claim had been amended on appeal, the board found the claims

²⁵³ See e.g. *T 15/98*, where the board refused to hear witnesses regarding 10 year old facts.

²⁵⁴ *T 482/89*, *OJ 1992*, 646.

²⁵⁵ *T 543/95* of 10 November 1997.

to be novel, the case had to be remitted for these claims to be examined as to other patentability criteria which had not been examined²⁵⁶.

In the meantime, another four years elapsed until the opposition division held its second oral hearing after remittal; this time it refused to hear the witnesses because of language problems; the witnesses had requested to be heard in Dutch and that translations should be provided into French and English (the language of procedure was French, but the opponent had indicated that it intended to speak English). When this was refused, the opponent announced that he would have the witnesses heard by a Dutch court. Such taking of evidence is provided for in Article 117 (4) EPC, but has to be arranged in such a way that both parties and a representative from the EPO (normally the rapporteur in the case) can be present. None of these conditions were met. In the summer of 2002²⁵⁷, the board had to decide how to handle the matter, after 15 years had expired from the alleged prior use²⁵⁸. It chose not to call the witnesses, in view of the written documentation and the fact that the witnesses had been heard by a Dutch court and that the transcripts for those hearings were available to the board. However, at oral proceedings one witness appeared, and the board decided that this witness should not be allowed to be present, until such time as the board had finally decided not to hear him.

In another similar case, the board had simply refused to hear witnesses almost 15 years after the fact, for the reason that after such a long time the board could not see that the witnesses could bring any clarity with regard to the details of an alleged sale or the exact features of the product sold²⁵⁹. While a conclusion can only be drawn based on the facts of each separate case and the above two cases were different - possibly it can be said that it is easier to prove when tests were made and that they were public as in *T 664/99* - still the burden of proof for a public prior use requires that the details of what was used are proven, i.e. the second part of the TBA's reasoning in *T 15/98* also applied to the circumstances in *T 664/99*. As expected, the latter board concluded that the opponent had not furnished enough details to show what had in fact been used²⁶⁰.

²⁵⁶ This piecemeal examination practice shows the dangers of trying to close the opposition procedure early by using one patentability criterion on which to base a revocation.

²⁵⁷ Oral proceedings were held on 5 March 2003. The prior use was declared not to have been sufficiently substantiated and was not examined any further in the appeal proceedings.

²⁵⁸ The alleged prior use consisted of field tests of stone-wool mats for growing plants.

²⁵⁹ *T 15/98* of 13 April 2000, point 2.

²⁶⁰ It can be concluded with some certainty that hearing the witnesses would not have resolved this issue in favour of the opponent; it could not be expected in 2003 that the witnesses could have provided more details about the tests than they had already done before the Dutch court in 1999 and 2000.

The board *in T 97/94*²⁶¹ refused to hear late designated witnesses regarding an alleged prior use. The board's reasons may be summarised as follows:

The designation of three witnesses one week before the planned oral proceedings, the witnesses not being called for in view of the preceding procedural acts of the parties, took the board by surprise and made it practically impossible for the appellant to respond appropriately. This manifestly violated the procedural principles generally recognised in the contracting states (Article 125 EPC), whereby each party must be able to conduct its defence in as fair a manner as possible. A shift of attorney (for one of the opponents/respondents) for other reasons than force majeure obliged the new attorney to continue the case from where he took over, but did not justify any new evidence which had no connection to the procedure as previously conducted. The behaviour constituted an abuse of procedure so that there was no reason to delay the procedure by postponing the oral proceedings, which would only have penalised the appellant/patentee. The board however also pointed to the fact that the examination of the arguments in the absence of the witnesses had not shed any new light on the facts, so that there was no point in these persons participating. This may be seen as an indirect relevance test.

The practice of allowing potential witnesses to testify at short notice, without having informed the other party of this possibility before the oral proceedings or that he may present witnesses of his own at the same proceedings, seems to be a violation of the right to an adversarial hearing, e.g. the right among other things to prepare to confront the potential witness including the right to offer one's own witnesses²⁶². It may also violate the right to a fair hearing, i.e. a transparent procedure, where both parties will be given enough margin to react. A comparison with the obligatory time period of a minimum of two months in written proceedings makes the difference in treatment where oral proceedings are concerned stand out²⁶³.

8.4.4 Non-prejudicial disclosure, Article 55 (1) (a) EPC

The novelty criterion for patentability rests on the original principle of absolute novelty. Any disclosure of the invention before the priority date destroys novelty. Novelty is examined against the state of the art, i.e. everything, no matter whether

²⁶¹ *OJ 1998, 467*, point 3.

²⁶² Cf. Leigh, L., *The Right to a Fair Trial and the European Convention on Human Rights*, in *The Right to a Fair Trial*, Weissbrodt D., and Wolfrum R., eds., Springer Verlag 1998, p. 654 .

²⁶³ Rule 84 EPC.

in written or other form, already made available to the public belongs to the state of the art, provided that it has been submitted to the file. Accidental premature disclosure of the invention itself is no exception. However, a limited period for third party disclosures is included in many national patent laws pursuant to the Paris Convention, and this has found its way into the EPC as well, in Article 55 (1) (a). The period is "six months preceding the filing of the European patent application". A disclosure due to abuse on the part of the third party (without the approval of the owner of the invention) within this period is excluded from the state of the art.

As summarised in annex II.2, the EBA in *G 3/98* and *G 2/99* set the starting day of the grace period at six months before the actual filing with the EPO, with the effect that an applicant does not have any defence against an abusive disclosure before the priority date for all patent applications to the EPO that claim priority from a national application, i.e. some 95 % of all applications. Having significance not only for the great majority of applicants but also for the relationship between the PC and the EPC, this decision calls for a thorough analysis.

In most procedural systems of law, the right of equality of arms offers any party recourse to any means in law to counter evidence relied upon by the other party in litigation. If the contested property is shown to be in A's possession, B may still reclaim it by showing proof that it had been stolen from him. Patent law is at variance with this standard principle. Even if knowledge about a potentially patentable invention has been obtained in an illegal way, once it belongs to the general public it can as a rule not be utilised for a patent, since it is no longer new. Since patent law is based on the development of inventions from the state of the art, and the granting of a patent is conditioned upon a non-obvious contribution, i.e. a further significant development of that art, the grace period is seen as an exception to the requirement of absolute novelty.

It is reported that one of the problems underlying the debate on a *general grace period* stems from objections by states adhering to the concept of absolute novelty²⁶⁴. These states opposed any grace period already in the negotiations on the

²⁶⁴ Cf. Moore, M., A General Period of Grace in a First-to-file World: Key issues, I.P.Q, p.77, quoting Oudemans. *Monotti* reports the introduction of a general grace period in 2002 in Australian patent law, in order to create a safety net for research scientists, see *The Impact of the New Grace Period under Australian Patent Law on Universities*, EIPR 2002, p. 475 ff. She observes that this unilateral step is not ideal. Complete safety can only be reached if a general

EPC²⁶⁵, and did so again when the PLT was initially negotiated in the early 1990's²⁶⁶. This discussion aside, there no longer seems to be much weight in this argument, since the concept of absolute novelty has not been strictly upheld in view of the acceptance by the EPO of selection inventions²⁶⁷ and other developments in practice²⁶⁸. The practice recognising that a skilled person may read more into a document than is to read in it strictly expressis verbis²⁶⁹ also contributes to blurring the novelty concept.

A *general grace period* must, however, be distinguished from the *third party abusive* disclosure addressed in Article 55 (1) (a) EPC. The article in question does not itself describe the factual situation covered by it in terms of a "*grace period*" but in terms of "*non-prejudicial disclosures*". Nevertheless, arguments from the debate over a general grace period have contaminated the debate over the justification and scope of third party disclosures. Since they are fundamentally different, and their only common factor being that they may have an effect on novelty, the debate over third party disclosures should focus on the rights of the patentee rather than on the resulting insecurity for the public, whose prior uses would or could still be protected.

In one of the referral decisions²⁷⁰, the BA addressed several elements of significance when trying to interpret the scope of Article 55 (1) (a) EPC.

grace period is recognised on a global scale.

²⁶⁵ See also *Singer/Stauder*, p. 157 f, Randnr 3-11, not taking later decisions into account.

²⁶⁶ The PLT, adopted 1 June 2000, does not contain any provisions for a grace period. The Substantive PLT, the SPLT, is still the object of discussion under the aegis of WIPO. A recent draft of this treaty, published in doc. SCP/8/2, to be discussed at the eighth session of the Standing Committee on the Law of Patents scheduled for the end of November 2002, contains in Article 9 the proposal for a general grace period of 12/6 months before the claim date of inter alia disclosures made by the inventor or by a third party which obtained the information directly or indirectly from the inventor, but no provision on abusive disclosures by third parties. Doc. SCP/8/2 was downloaded from www.wipo.org on 14.11.02.

²⁶⁷ I.e. accepting the novelty and even inventiveness of a range selected from a larger range. The absolute novelty concept has also been modified by EPO practice, albeit to a lesser and more practical degree by the principles of the examination of "the content as a whole" and what is implicitly but unambiguously disclosed to the skilled person reading the document.

²⁶⁸ With regard to the debate on grace period and its starting date, reference was made in *T 377/95* to several sources in point 37.

²⁶⁹ Provided that the notional skilled person can extract this meaning unambiguously as implicitly disclosed in the document without the help of other sources except his own general knowledge of the art in question.

²⁷⁰ *T 377/95*. The second one was *T 535/95*. The EBA cases *G 3/98* and *G 2/99* were consolidated.

T 535/95 referred to *T 377/95* and decided to refer the same question, after having examined the offered evidence and arrived at the conclusion that the prior use was a result of evident abuse which had taken place before the priority date. The appellant/patentee claimed that it was entitled to the defence under Article 55 (1) (a). In order to afford the parties the opportunity to bring arguments to the attention of the EBA, the TBA decided to refer the same question as had been referred by *T 377/95*, but without analysing any elements that could be of relevance to the answer. The EBA decision therefore refers almost exclusively to the comments made by the TBA in *T 377/95*.

First, on the question of admissibility under Article 112 EPC, the referring TBA considered that the scope of a legal provision had to be established before the facts relating to it were examined. The EBA denied this, reflecting that it the facts should have been decided by the board before deciding whether or not the provision was applicable to those facts. - It did however, after a detailed discussion on admissibility, concede that in the interest of procedural economy it was justified to admit the referred question²⁷¹.

Second, the referring TBA referred to the OD decision in the *Passoni* case summarising its arguments why the patentee should be able to resort to the abuse defence for disclosures before the priority date, the main reason being that a vast majority of applications to the EPO claim priority from a national application so that if this defence were not available in those cases, the EPC would contravene the Paris Convention, which as a special agreement under Article 19 PC it was not allowed to do²⁷². A reference was also made to an intervention by the British

²⁷¹ Point 1.2.4 in fine. The decision to admit the referred question may have been influenced by the fact that a second board had referred questions on the same topic. In its final decision of 24 April 2001, the TBA revoked the patent as a direct result of the fact that the patentee was left without a defence against the prior use, which was to be considered as state of the art. The prior use consisted in an oral presentation of the preparation of HSVgD-1 or gD-2 proteins and their use in mice as immunogens. This so-called Lyon presentation had taken place in December 1981, i.e. about two months and 14 months, respectively, before the priority dates claimed. After *G 3/98*, the patentee had tried to distance the patent from this presentation by amending the main claim, but the Board found that the further use introduced in the claim was not inventive in view of the Lyon presentation.

²⁷² See points 4 and 53-54 of *T 377/95*.

C.I.P.A during the negotiations which questioned the logic behind the limitation of the grace period to the filing of the first application²⁷³.

On the question of the implications of the PC, the EBA distinguished a first application from a second claiming priority by saying that Article 2 PC does not preclude different solutions for different circumstances, concluding that the PC does not oblige any state to treat the subsequent application in all respects as if it had filed the application on the priority date itself. Thereby the EBA disregarded the risk of total loss of the patent in all designated states except the priority state²⁷⁴ as a result of a contended prior use before the priority date against which the patentee has no defence. This is particularly problematic as this must meet the requirement that the third party use was evidently abusive, ie, close to criminal behaviour. Moreover, the EBA did not discuss the fact that Article 11 PC only addresses grace period for disclosures made at international exhibitions, on the assumption that the inventor himself disclosed his invention at such an exhibition. There seems not to be any good analogy between these two situations to justify an extended scope of application drawn from Article 11 PC from *the inventor's own use* to a *use by a third party* and even less so having regard to the fact that the latter use must have taken place without the inventor's knowledge and consent. The EBA arguments on this point do not recognise that even if Article 11 PC did not oblige member states to accept this defence with regard to disclosures made by the inventor himself, it does not necessarily follow that abusive disclosures by third parties must be left undefended.

The EBA also referred to Article 11 (2) PC which prescribes that this protection shall not extend the period of priority²⁷⁵. This argument goes back to the cumulation school - i.e. the proponents of the interpretation that a grace period valid for the six months period preceding the priority date is added to or cumulated with the one year allowed for priority under the PC, which is not allowed²⁷⁶. The EBA did not respond to the argument of the referring TBA in *T 377/95* that *no such cumulation arises*, since only the contested disclosure will not be part of the state of the art, leaving the priority date unchanged for all other prior art cited against the patent,

²⁷³ During negotiations in the Council of Europe, see document EXP/Brev (62) 6.

²⁷⁴ Points 43 - 47 of the reasons in *T 377/95*.

²⁷⁵ Point 2.5.1.

²⁷⁶ Or not foreseen, at least.

but reiterated that cumulation was excluded due to the negotiations²⁷⁷. The remark of the EBA suggests that it confused the *non-prejudicial disclosure* with the *general grace period*. It must be stressed that cumulation will only occur in systems acknowledging a *general grace period*.

Third, the referring TBA tried to interpret Article 55 (1) (a) EPC from its interrelationship with other EPC provisions, notably Articles 54 and 89, of which Article 54 was interpreted to be modified by Article 55, meaning that Article 89, referring to Article 54 (2) implicitly would refer to the modification, so that the end result would be that novelty is defined as anything made available to the public, except in cases falling under Article 55 EPC. Thus, Article 89 EPC had to be read as saying "for the purposes of Article 54, paragraphs 2 and 3, as modified by Article 55 EPC...". This reading would explain why Article 89 did not have to refer explicitly to Article 55. - The TBA however acknowledged that this reading did not explain the difference in wording of Article 89 "date of filing" as opposed to Article 55 "the filing of"²⁷⁸.

On this point, the EBA agreed that this difference in wording had to be considered. An examination of the relevant provisions in the EPC showed that the difference in terminology used was consistent, precluding synonymous use²⁷⁹. From this it must be concluded that the legislator had deliberately wanted to exclude disclosures before the priority date²⁸⁰. The travaux préparatoires confirmed this intention²⁸¹.

The EBA further remarked that any forum responsible for the application of legislation was debarred from substituting its own assessment for the judgment of the legislator. To this remark may be observed that the EBA has taken upon itself to be a legislator where a literal reading of the EPC would have had an unreasonable result, i.e. the *Latchways* case. While deliberate lacunae should not

²⁷⁷ Point 2.4: "The issue of cumulating the period of priority with the period of protection for non-prejudicial disclosures had also been debated as part of attempts to broaden the provision in Article 11 and has remained contentious".

²⁷⁸ The former indicates identity with the formal concept of a date of filing, which may or may not accord with the actual filing, whereas "the filing of " suggests an activity, i.e. the physical act of submitting the application to the EPO. ON this point the EBA is correct, it is difficult to see the terminology as unintended.

²⁷⁹ Point 2.2.

²⁸⁰ Point 2.5.4

²⁸¹ Point 2.4.

be filled by the judge, unintended lacunae and possibly also legislation that has proven to be obsolete or, as in the example, with time has unintended results with regard to obligations to another treaty could be reinterpreted, with care, without the judge overstepping the borderline to the legislator.

Regarding the argument that the PC does not require any protection for the inventor for the subsequent application one may observe that the PC regulates the general grace period at the national level with subsequent applications in further countries, i.e. still at the national level. The result of an abusive disclosure at the EPO level has a more far-reaching effect that cannot immediately be equalled to national circumstances.

The presumption that the inventor should apply for protection under Article 55 (1)(a) EPC of his own motion in time to protect his invention is not realistic; as was shown by the example in *T 377/95*, this is not possible if an opponent waits to refer to this means of objection until the defence may no longer be used by the inventor, i.e. for any subsequent application or as an attack on a European patent²⁸². Thus the opponent has a double advantage over the inventor; by revealing his means of attack at a late stage he precludes the patentee from defending himself, and secondly, by using it only at the European level he will have this attack examined in centralised proceedings, instead of having to rely on it in opposition proceedings against the first, national application.

Fourth, the TBA discussed human rights considerations, concluding that a defence should have been available under the fair hearing and equality principles. This was denied by the EBA, essentially with the argument that Article 6 ECHR addresses issues of procedure but does not apply to substantive law, such as Article 55 (1) (a) EPC²⁸³. Article 6 ECHR only guarantees a fair procedure, which does not affect the extent or content of substantive rights under national law.

Prima facie this would be a correct interpretation, but for the fact that HRCourt case law requires that procedural rights not be made ineffective by substantive

²⁸² In *T 377/95*, the prior use was used as evidence in the opposition proceedings, but the Opposition Division disregarded the patentee's objection that the disclosure was due to evident abuse on the ground that Article 55 (1)(a) did not apply to disclosures before the priority date.

²⁸³ Point 2.5.3.

legislation. This consideration by the HRCourt is based on the argument that member states could otherwise nullify guarantees through exclusions in their legislation. This argument aside, the EBA is correct in characterising Article 55 (1) (a) EPC as a substantive provision. However, when such a provision prevents an effective defence, putting one party at a disadvantage, it may contravene the purposes of Article 6 ECHR²⁸⁴. From this aspect it could be questioned, *de lege ferenda*, whether any time limitation is justified at all in cases of disclosures made abusively by third parties. Again, it must be stressed that for disclosures by the inventor himself quite other reasons for the restriction prevail than for abusive disclosures by a third party, which may even constitute a criminal offence, such as theft.

Fifth, the EBA response to the reference of the TBA to diverging national case law²⁸⁵ was to refer to the Swiss decision as thoroughly reasoned, without discussing these reasons, whereas the Dutch decision was described as succinct, but criticised for not having discussed any of the formal objections to a broader interpretation as discussed by the EBA itself. Nor did the EBA discuss the reasoning of the German decision at all, but concluded that this and the Swiss decisions agreed with the reasoning of the EBA. The reasons given in these decisions for a restrictive interpretation were mainly the wording of the provision, the *travaux préparatoires* and prevailing views among scholars.

The EBA did not analyse the substantive argument of the Dutch decision, nor the similar arguments addressed in *T 377/95*. One is therefore left without any guidance on these points. In conclusion therefore, the EBA must be interpreted as having found the substantive arguments of no relevance or weight, neither the risk of unjustified losses for the patentee, nor the fact that under this interpretation the opponent can act strategically by not referring to the disclosure until the term of

²⁸⁴ Wolf, M., *Zivilprozessuale Verfahrensgarantien in Art. 6 I EMRK als Grundlage eines europäischen Zivilprozessrechts, in Europas universale rechtsordnungspolitische Aufgabe im Recht des dritten Jahrtausends*, Festschrift für Alfred Söllner, München, 2000, p. 1281 f., suggests that a substantive limitation in law may put a party in an unacceptable situation: "Der Grundsatz der Waffengleichheit garantiert aber ... nicht nur eine formale Gleichheit, sondern die materielle Gleichheit in dem Sinne, daß jede Partei unter Berücksichtigung ihrer prozessual relevanten Verhältnisse ihre Rechte gleich effektiv wahrnehmen und verteidigen kann".

²⁸⁵ The Swiss decision caused an amendment to Swiss legislation, restricting the defence to the six months before the actual filing, the Dutch decision went in the opposite direction, whereas the German also took the restrictive line.

defence has expired, nor to the effect at the European level of lack of defence or the relationship with the PC.

An argument against having a grace period at all is that this clouds the novelty requirement as originally conceived, damaging the right of legal security of the public²⁸⁶. However, as noted already, novelty has become a less than absolute concept, due to the case law of the boards of appeal themselves, through the acceptance of selection inventions in chemistry and the notion of implicit disclosure of a document as read by the notional skilled person. If a *general grace period*²⁸⁷ is seen as desirable, the proposal by Straus that this period should preferably precede the Paris Convention priority date becomes highly relevant in the application of Article 55 (1) (a) EPC to *abusive disclosures* by third parties.

It is difficult to imagine that the strict denial by the EBA of a defence for the patentee would be acceptable for disclosures before the priority date by third parties (by abuse), if and when the patentee himself may disclose, with impunity, the invention during a set period before the very same date. In any event, it is likely that, in spite of the remark by the EBA that substantive law is not affected by the ECHR case law, the HRCourt would find such a law infringing on the right of equality of arms, since it effectively prevents the patentee from any defence of his right to property²⁸⁸ as to a situation over which he has no control, in parallel to the HRCourt's reasoning in cases relating to the right of access to court, requiring that it be effective and practical. In view of the fact that oppositions are post-grant procedures, there is also the protection under Art 1 Prot 1 ECHR to consider, which would be applicable in protecting already granted patents.

²⁸⁶ The EPO commissioned two experts in 1999 to present arguments pro and con a general grace period for disclosures made by the inventor himself before the application, prof. Straus and Mr. Galama, CA/93/99. Their respective views appear as annexes to doc. CA/41/00, according to which an intergovernmental conference set for October 2000 should advise whether the matter should be pursued further within the framework of a revision of the EPC. No proposal was yet ready for adoption by the November 2000 diplomatic conference.

²⁸⁷ In view of the importance in patent law of written documentation, a general grace period within a first-to-file system like the EPC would probably result in a first-to-publish principle in practice: In order for an opponent to be able to overcome the grace period defence, he would in all likelihood have to show that the invention had been published somewhere before the disclosure made by the applicant or patentee himself.

²⁸⁸ If the restrictive view of the EBA would be upheld, there is an argument for the opinion that a not yet patented invention only gives its owner the right to apply for a patent, cf. chapter 2.

Finally, the period of six months allowed is an arbitrary period, for which there seems to be no other reason than that the general period of grace most favoured is limited to this same period. A six month non-prejudicial disclosure period does not affect the general grace period, but seems to have been set only in an attempt at having a neat correspondence to the latter. Not only is the non-prejudicial period set arbitrarily, it is also set against the interests of the patentee, who has no control over abusive acts of third parties, as case *T 377/95* proves. Within the context of the general period of grace, it is as a matter of course the applicant himself whose public acts may be used against him. Therefore it makes sense to have a limited period set for such acts. The general grace period is *not* transferable to acts of third parties, however.

A patentee wanting to preclude surprises from the EBA decision could perhaps anticipate such an attack from the opponent in national proceedings relating to the first filing by requesting that the opponent be forced to either refer to all disclosures or forfeit his right to rely on them later. While this would not have an immediate effect because of the lack of co-ordination of national and EPO patenting proceedings or later patent litigation at national level, a remedy could be available to the patentee in some member countries, depending on domestic law.

It is not acceptable that property rights may be denied to a lawful person on the basis of illegal or abusive actions from third parties. It is difficult to reconcile the strict line taken by the EBA against the patentee with the lenience shown to him regarding late requests. Moreover, a decision allowing a new application to be filed by the rightful owner who has been the victim of abusive behaviour from a third party- as exemplified by the *Latchways* case - would remain ineffective, if it were not possible to counter a prior abusive disclosure made by the unlawful owner to the very same patent on the basis of an Article 55 (1) (a) EPC defence.

8.5 Legitimate expectations or good faith

In EPO practice this principle has found a wide scope of application, to the point where the EBA had to be called on to give a more restrictive definition of the obligations of the office to offer guidance or advise parties about the risk of loss of rights. Due to *G 2/97*, this voluntary service has become a service only and not an obligation, while not excluding that the EPO should warn a party about an

erroneous assumption, e.g. about the content of the law. Such a service will not lead to any responsibility for the EPO.

Cases in which a good faith issue arises are many and diverse²⁸⁹. The following are therefore to be seen as examples of more unusual situations.

The first self-evident obligation of the EPO for inter partes proceedings is to inform a party of submissions from other parties and give the party an opportunity to comment. In *T 716/89*²⁹⁰, an opposition division had revoked a patent for four designated states as requested by the opponent Unilever PLC, but upheld it for a fifth designated state, without having informed the other proprietor about the opposition. In fact, the opponent and proprietor were commercially relating (Unilever PLC and Unilever NV) and both appealed the decision with the request that they receive a communication inviting the parties to file observations. They had agreed that Unilever PLC should oppose the patent, so that they might be given a further opportunity to amend the claims in view of some relevant prior art of which they had become aware. The TBA, noting that a patentee was free to oppose its own patent, concluded from Article 113 EPC that the obligation to inform parties also applied to this exceptional situation and remitted the case for further prosecution. To the failure to send the opposition to the patentee/opponent himself was added the mistake made by the opposition division that the opponent and the patentee were one and the same, having overlooked that two companies were involved.

Decision *J 8/96*²⁹¹ concerned a failure to stay proceedings for the grant of a patent under Rule 13 EPC. The LBA ruled that the third party who had requested the stay had a legitimate interest in having it examined despite the fact that the patent had already been granted. EPO proceedings were still pending until the mention of the grant had been published.

²⁸⁹ *Waage*, p.244 ff. acknowledges a “chequered variety of factual situations” facing the BAs (p. 248), but distinguishes five main procedural situations: The principle of non-retroactivity of decisions, the binding effect of EPO information to parties, the duty of clarity, the duty to warn parties of errors and misunderstandings, and the good-will towards applicants.

²⁹⁰ Of 22 February 1990. A peculiarity of this case was that one of the patentees opposed their own patent; Unilever PLC owned the patent for GB and Unilever NV owned it for DE, FR, IT and SE. Unilever PLC requested that the patent be revoked for all these states except for SE, whereas Unilever NV appeared as respondent.

²⁹¹ Of 20 January 1998.

In *T 257/98*²⁹² one of the parties requested that the TBA indicate whether tests should be conducted. The TBA refused. Such an indication could upset the balance between the parties to the case and disturb its obligation of impartiality or at least the image of impartiality. There is no genuine legitimate expectation that the deciding body must take action on the part of any of the parties by helping it to pursue its case.

Based on the principle of party disposition, the parties must be prepared to submit any procedural requests that they see fit, including requests for oral hearings. A complaint that the first instance failed to arrange such a hearing and that the party was therefore entitled to the reimbursement of the appeal fee under Rule 67 EPC was refused on the grounds that the request had not been clear and that the EPO was not obliged to clarify what the request was meant to be (e.g. a request for a further opportunity to comment cannot be immediately interpreted as a request for oral hearings). A party bears the risk that unclear or imprecise requests may not lead to the desired action²⁹³.

A case of assessment for the purpose of application of Rule 67 EPC on reimbursement on account of a substantial procedural violation is exemplified by *T 1059/98*²⁹⁴, where the TBA had to decide if the violation was substantial enough to warrant reimbursement. This was denied with regard to a complaint that the first instance had overlooked one document (A) in deciding that the patent could be maintained in amended form, but where another document (B) had been virtually the same as to its content. Document B had been thoroughly assessed. In essence, the reason given as to this document could have been applied to the overlooked document A. The omission to mention this fact in the decision under appeal did not amount to a substantial violation and had no bearing on the outcome of the case. Reimbursement was refused.

²⁹² Oral proceedings took place in September 2002.

²⁹³ See e.g. *T 19/87*, OJ 1988, 268. Further cases are cited in *Case Law*, p. 556. In *T 285/02* of 24 May 2002, the board observed that not only had the appellant to bear the risk for not having requested oral proceedings in a clear way, but also that the board could not order the first instance to hold such proceedings; the appellant would have to request this when the case had been remitted to the first instance. His request for reimbursement of the appeal fee was refused.

²⁹⁴ Of 19 February 2002.

Another case concerning Rule 67 EPC, *T 284/98*²⁹⁵, focused on a disagreement between the opposition division and one of the appellants/opponents on the scope of the main claim. In the board's assessment, this did not in itself give rise to any ground for reimbursement.

In this case, the TBA also added that Rule 67 was not met as to its requirement that the appeal must be allowed. Strictly speaking, addressing both conditions of this provision was not necessary, but sometimes TBAs are of the opinion that it is useful to define the substantive condition of procedural violation and outline its limitations, since it is a rather frequent misunderstanding that reasons of substance in the decision under appeal to which the appellant does not agree may fall under Rule 67 EPC. Otherwise it would have sufficed for the TBA to refer to the outcome, i.e. that the appeal had not been allowed.

The possibility of rectification under Article 109 EPC may also lead to unjustified hopes of reimbursement. Where an examining division has outlined to the applicant that the claims are not patentable and also suggested what needs to be done in the way of amendments in order to succeed with the application, the party sometimes waits for the formal decision. If this is negative and based on the same reasoning, the applicant amends accordingly on appeal, as a result of which the division rectifies the decision and declares that the application can proceed to grant. The issue of reimbursement may still be outstanding, if the division refuses to allow it, for lack of equity. This issue will then be decided by the board²⁹⁶, which may take into account that the applicant either only received a rectification or had the appeal allowed for the reason that he adapted his claims as the first instance had already earlier indicated. It is also suggested in a case that an appeal can hardly be considered as being allowed when the appellant only made the necessary adjustment as a result of the decision, instead of amending the objectionable claims already before the first instance.

²⁹⁵ Of 2 May 2002.

²⁹⁶ See e.g. *T 700/01* of 17 April 2002, points 2 and 3.

8.6 Oral and public hearing

The exceptions in the ECHR to the positive rule that a party shall have an opportunity to be heard in oral and public hearings relate to special circumstances such as cases concerning young persons, or where the matter under examination has moral or security aspects or the private life of parties needs protection, or where publicity would prejudice the interests of justice²⁹⁷.

Under the EPC oral proceedings are public, except for cases concerning patent applications which have not yet been published, which is important for the protection of the applicant's rights. The possibility afforded to withdraw the application before its publication preserves the possibility for the applicant to protect his invention, should he conclude before the publication limit²⁹⁸ that the application has less of a chance to be allowed to proceed to grant. If the application proceeds to publication, all its technical teaching is automatically available to the public (and hence to the competition) regardless of the ultimate fate of the application.

The exception to public proceedings²⁹⁹ must be seen as being in line with the exception under the ECHR regarding legal prejudice, although there is no reference in the ECHR to such an example.

G 4/92 on the effects of one party being absent from oral proceedings does not make any distinction between parties who complied with the summons to oral proceedings and parties who did not. Indeed, the decision seems to be contrary to sanctions in national laws against parties who deliberately choose not to appear at oral proceedings. The conclusion that the party present at the oral proceedings should pay the extra costs incurred because of a delay caused by the need to offer the absentee party an opportunity to comment on the new matter does not seem to balance the interests of the parties, given that the absentee party as described in the referring statement can be said to have forfeited his right to respond. A further point

²⁹⁷ Article 6(1) first paragraph ECHR.

²⁹⁸ 18 months after the application was filed, or after the date of filing of the first priority application, Article 93 (1) EPC.

²⁹⁹ Normally only applicable to cases before the LBA, to which an appeal lies from the Receiving Section.

of criticism is that the EPC does not itself lay down the principle adopted by the EBA that the written procedure takes precedence over oral hearings.

The object of holding oral hearings comes under debate from time to time in the discussion regarding the admissibility of late filed material. In some cultures³⁰⁰, oral proceedings are seen as having no object if no new matter may be introduced, in others the oral proceedings are not to be seen as a last opportunity to improve one's case, but as an opportunity to have evidence taken, to explain party positions, to develop one's arguments on the written submissions on file and to correct misunderstandings³⁰¹.

8.7 Length of proceedings

The *processing times* in the centralised EPO proceedings for examination and re-examination after opposition are to a large extent influenced by a number of time periods, set either by the EPC or the EPO. This complicates the assessment of whether the EPO complies with the requirement of a trial "within a reasonable time". If each allowed period (including extensions) is used to its fullest and all decisions by the organs of the EPO are assumed to be taken immediately after the expiry of such periods, the following summarised picture emerges³⁰²:

The regular time limits for the examination proceedings alone add up to 33 months, including 18 months from the date of filing to publication of the application (and the search report as a rule), six months thereafter for a request for examination, and a total of about ten months for the granting procedure under Rule 51 EPC. If periods of grace are added for the payment of fees during this processing or times allowed for responses are prolonged, the period increases correspondingly. Should the applicant question decisions during the procedure, e.g. decisions on lack of unity

³⁰⁰ In Germany for example, it is acknowledged that the parties may bring in new matter even at oral proceedings, see Teschemacher, *Die Zurückweisung von Vorbringen in der mündlichen Verhandlung vor dem Europäischen Patentamt*, VPP Rundbrief, Nr 1/2001, p. 1 ff.

³⁰¹ Such as Swedish procedural law recognising the value of the so-called principle of immediacy. Nothing which is not discussed in oral proceedings may be used as reasons for the decision and everything that is to be examined in taking the decision must be discussed at one continuous opportunity, i.e. the same oral proceedings.

³⁰² The summary has mainly been obtained from *Muir et al.*, *European Patent Law, Law and Procedure under the EPC and PCT*, Oxford University press, 1999, flowcharts on p. 72, 183 and 204 and related text thereto, *CIPA European Patents Handbook*, second edition, Sweet & Maxwell, London, 1998, chapter 19.

of invention or on a loss of right under Rule 69(2) EPC, an appeal is available, which will further prolong matters. To the 33 months must also be added terms for communications between the applicant and the EPO, a period which varies according to how many such communications are needed. It may safely be assumed that under these circumstances the minimum time needed will be about 48 months, or four years, before mention of the granted patent is published in the European Patent Bulletin. In practice, statistics show that in 1991 on average 50 % of applications ended with the granting of a patent after 51.3 months³⁰³.

The nine-month opposition period allowed under Article 99 EPC is calculated from the publishing date of the patent in the Bulletin. Communications before the opposition division take more time than before the examination division, simply because more parties are involved. The higher the number of parties, the longer the processing time required. With a two month minimum period for replies to other parties' observations (prolongation possible up to six months) the minimum processing time from the publishing of the mention of grant until a decision can be taken in a case with only one opponent will be at least 24 months.

Where an opposition has been raised against the patent, appeals on substantive patent matters cannot begin in practice before the application has reached the age of six years, i.e. when almost one third of the patent term has elapsed.

Firstly, as a consequence of these legal limits, *the conduct of the court* to be considered under the ECHR (and the resulting obligation of states to give it sufficient resources to be able to exercise its duties) is limited. Adding resources, e.g. more staff and more assistant staff can still significantly speed up the proceedings³⁰⁴, provided it is possible to establish that files have to spend too much idle time on shelves because of personnel shortages.

³⁰³ See the EPO Annual Report, 2001, p. 19.

³⁰⁴ The EPO program PACE was introduced in order to offer applicants accelerated searches and examinations, see Guide for applicants, published on the EPO web site, accessed on 28 August 2002. Although a request does not carry any fee, few applicants have taken advantage of this offer. For the year 2001, requests were made for 1 935 searches and 4 287 examinations which corresponded to 2.8 % of searches and 5.4 % of examination, see EPO Annual Report 2001, p. 12. One speculation about the reasons for the weak response is that applicants with large patent portfolios may not want competitors to know which applications they regard as commercially important or interesting. Requests, if made separately, are not included in the public part of the file, however, in order to protect the applicant's interests as far as possible.

Secondly, the complexity of the case puts focus on the fact that patent cases vary considerably, although in relation to other civil cases there is cause to argue that technical issues do render the cases more complex. For new technical fields, such as biotechnology, the complexity is a function both of the interest of the industry to file patent applications³⁰⁵ and a frequent reliance on advanced science findings (scientific articles, presentations at conferences etc.) for assessment of issues such as the common general knowledge of the person skilled in the art (including the need for defining who this fictitious person is), sufficiency of disclosure, novelty and inventive step. This technical complexity is compounded by the number of opponents in this field, which may go into two-digit figures³⁰⁶ as well as the number of documents held against the patent³⁰⁷. The number of alternative requests (sets of patent claims) filed by the patentee in response to oppositions further adds to the complexity of a case.

Thirdly, the ECHR criterion of the conduct of the parties, may have more relevance, since it is often observed that parties may not want their cases to move forward. This may be caused by uncertainty as to the commercial value of the invention or about its patentability, which induces the applicant to procrastination.

Recently, the HRCourt added a *fourth criterion* in the assessment, the *object* of the complainant's lawsuit i.e. what was at stake for the party³⁰⁸. This criterion does play a large part in patenting, cf. estimated values of patents in chapter 2. Even if a patented invention will not be commercially exploited in the end, the protection

³⁰⁵ Cf. *Domeij*, p. 60 on the interest of the pharmaceutical industry to follow patenting developments, and p. 259 on the purpose of the requirement of inventive step of co-ordinating research efforts efficiently. While a new technical field offers prospects of huge rewards, it is on the other hand troubled with uncertainty as to the outcome of the assessment as to patentability, which will cause parties to bring much more evidence into the proceedings than would be the normal case in a well-established art, making the economic function of the inventive step criterion less precise.

³⁰⁶ One example is *T 694/92*, OJ EPO 1997, 408, with originally 11 opponents, in which the patentee had one main request and three auxiliary requests. In this appeal, the issues for decision ranged from clarity over sufficiency of disclosure and Article 123 (2) and (3) EPC questions to novelty and inventive step issues.

³⁰⁷ See e.g. *T 412/93*, in which almost 400 documents were cited by a total of 9 opponents, or *T 387/94*, wherein 156 documents were cited by 7 opponents in the course of the proceedings.

³⁰⁸ See e.g. *Philis v. Greece*, judgment of 27 June 1997, para 35, and *Jori v. Slovakia*, judgment of 9 November 2000, para 51. The latter case concerned a dispute over the tenancy right to a flat in a house which had been restored to its owner in 1992 under the Slovak Extra-Judicial Rehabilitations Act, and had lasted for nearly six years when the HRCourt decided the complaint and was still pending. The proceedings were not particularly complex, but inactivity on the part of the courts had caused at least a three year delay, see paras 52 - 56, which was unacceptable.

against competitors being active in the same field may have a significant value in itself.

The HRCourt will as a standard measure compute periods of inactivity in order to assess whether the conduct of the competent courts can be criticised, and this is then compared to the complexity of the case³⁰⁹. The time considered by the HRCourt as part of the duration of proceedings includes proceedings for adjudicating cost requests³¹⁰. Such requests are not very frequent in EPO proceedings, as the parties have to meet their own costs, unless a different apportionment is ordered³¹¹.

The BAs have at times used the length of proceedings³¹² as a reason not to admit evidence or not to remit cases back to the first instance. When a new issue arises on appeal, e.g. because the patentee has requested the grant of amended claims, a board may decide not to allow the other party, the opponent, to have access to two instances of examination of the amended claims because of the length of proceedings. This was the case in *T 294/96*, where the TBA remarked that there was no right to have every request considered by two instances and that considering the age of the patent, the TBA would decide on the patentability of the new claims itself³¹³. The TBA in *T 229/90* took the opposite view, against the opponent's request that it decide the issue itself, and remitted the case in spite of the fact that the patent was already about ten years old. The TBA held that the fact that the opposition division had omitted to examine and discuss a highly relevant document necessitated a remittal³¹⁴. These few examples show that length of proceedings is a concern of the BAs.

³⁰⁹ See e.g. *Neves e Silva v. Portugal*, decision of 29 March 1989, paras 40, 42 and 45. The case originated in a refusal to allow a request for the use of a machine in manufacture, i.e. an administrative decision, which was later followed by the institution on the part of the complainant of court proceedings for damages.

³¹⁰ See *Robins v. UK*, judgment 23 September 1997, para 29. Four years, including a period of sixteen months of inactivity of the court in order to decide the cost issue was considered unreasonable by the HRCourt.

³¹¹ Article 104 (1) EPC.

³¹² Or rather the age of the patent. A search under "length of proceedings" revealed four cases (in August 2002), of which none was relevant for the topic discussed here. They related to the practice of issuing appealable interlocutory decisions, *T 89/90*, the right of equal treatment, *T 173/89* and the two EBA decisions *G 3/97* and *G 4/97* on straw men.

³¹³ Decision of 28 February 2001, point 1 of the reasons. The fact that there were nine opponents in the case may have contributed in no insignificant way to this result.

³¹⁴ Decision 28 October 1992. May be the opposite approach in *T 294/96* also was influenced by another trend within the boards in later years to try and streamline proceedings in view of growing backlogs.

In the ECHR practice³¹⁵, land reorganisation cases involving several parties, such as the implementation process for land consolidation in Austria³¹⁶, or re-zoning projects, are as a rule considered complex by the HRCourt. In the cited Wiesinger case, the HRCourt still found this period to have exceeded the boundaries of "reasonable time", for the main reason that a lack of coordination among various competent authorities had been unnecessary and that it was the responsibility of the respondent state to organise the system efficiently³¹⁷. From this point of view, criticism may be raised with regard to the organisation of the BAs, which rather prevents them from acting efficiently.

The length of proceedings in the centralised EPO system is in danger of being found unacceptable, having regard to the HRComm's decision in the case of *Denev v. Sweden*³¹⁸. When the criticised Supreme Administrative Court finally refused leave of appeal, the application was nearly four years old, i.e. only slightly more than one year was left of the protection period³¹⁹.

The protection time for patents is 20 years from the filing date of the application³²⁰. Starting from the *Denev* case, it seems clear that a delay which would significantly reduce the effective term of protection would not be accepted under the principle adopted in Strasbourg for that case. If clauses in patent licensing contracts are elaborated to foresee long procedures³²¹, a length of proceedings covering most of the patent term would not significantly affect the situation for any of the parties, which should affect the outcome of a complaint under the ECHR, making it less predictable. In this context, the possibility of conducting patent litigation at the

³¹⁵ See 2.6 on ECHR procedures which are similar to patenting procedures.

³¹⁶ See e.g. *Wiesinger v Austria*, judgment of 24 September 1991, para 55. At the time of the HRCourt's judgment, the proceedings had lasted for more than nine years and were not yet completed (para 53).

³¹⁷ *Idem.*, paras 62 - 64.

³¹⁸ See 4.5, application 25419/94.

³¹⁹ In one sense, the lapse of a period of protection may not be of economic significance, if the party in question has entered into contracts exonerating him from liability in case the protection sought should not materialise. Nor would a late but positive decision necessarily infringe on commercial activities, since it will have retroactive effect for the holder, and hence be legally valid for any contract closed during the period of pendency.

³²⁰ Article 63 EPC. An extension of this period may be granted at the national level, given the conditions listed in Article 63 (2) EPC.

³²¹ The licensor and the licensee should as a matter of precaution always agree on the effects of a revocation or part revocation of the patent.

national level after final maintenance of the patent by the competent organ of the EPO gives the duration of patenting procedures another perspective.

It has also been suggested that applicants are not always interested in a speedy procedure and that economic factors may influence their level of activity in pursuing their applications³²².

One appeal case example may illustrate the specific problems of patent law in assessing what could be viewed as excessive in Strasbourg. In *T 272/95*³²³, the object of the sought patent protection was potentially very valuable³²⁴, being directed to the molecular cloning and characterisation of a gene sequence coding for *human relaxin*, a protein aiding the birth process through its ability to dilate the pubic symphysis, but which also had been shown to alleviate several kinds of fibrosis diseases.

Contrary to the argument underlying the HRCourt's case law on this point, it cannot be presumed that the potential value of a patent generally calls for accelerated proceedings. A patent applicant may prefer a longer period with a positive outcome over a rapid but negative decision. In certain fields, oppositions are the rule rather than the exception. Still, the time needed in the relaxin case may seem excessive, having lasted for almost 19 years when the final decision was issued in September 2002, and this case is therefore interesting to study in more detail..

The application in *T 272/95* had been filed in December 1983, with a priority date of 13 December 1982. The patent grant was mentioned in the Bulletin in 1991, and the appeal was filed in 1995. Due to the referral of questions to the EBA under Article 122 EPC³²⁵, the proceedings before the TBA could only be resumed in the spring of 2002.

³²² Berrington, N., in the EPO Gazette 2000/01, Letters to the editor: Patents and Economics, refers to interviews concluding that none of the interviewees were interested in accelerated procedure, since grant and post-grant costs were considered too high.

³²³ Howard Florey/Molecular cloning. This appeal was finally decided on 23 October 2002.

³²⁴ Cf. *Domeij*, p. 25 f., who points to the long and costly duration of pharmaceutical research, but also to the potentially huge rewards which are at stake (ref. on p. 27 to royalties of 17 million dollars earned on rDNA technology in 1991 by Stanford University and University of California).

³²⁵ The questions concerned inter alia the admissibility of a joint opposition and appeal filed by a number of natural persons. They were answered in decision *G 3/99* of 18 February 2002.

The examination stage proceeded as follows: The application was published in June 1984 and the (partial) search report in December 1985. The request for examination and payment of the examination fee followed in March 1986. In 1987, the applicant paid the renewal fee only after a reminder and in August that year he filed a corrected nucleotide sequence. A first EPO communication was issued in November 1987, whereupon the applicant filed two requests for extension of the term for response, which were granted. In June 1988, the applicant amended his claims by deleting some of them, after objections as to unity of invention. A second communication followed in November 1988, whereupon the applicant filed a new set of claims in March 1989. After further amendments in December 1989, the communication under Rule 51(4) was issued in March 1990, followed by amended claims and a description in June of that year. The Rule 51(6) communication was issued in July the same year. The necessary translations were filed in September 1990 and the mention of the grant was finally published in the EPO Bulletin on 1 March 1991. The examination stage had taken a total of seven years and three months. There were no idle periods, except for an interruption in 1985 due to an industrial action by staff within EPO, whose length cannot be established from the file³²⁶.

The opposition proceedings lasted three years and eight days. The file contains only one "idle" period on the part of the EPO for about one year, due to research being carried out by the legal department on the issue of admissibility of joint opposition. The grounds of opposition held against the patent were novelty and Article 53 (a) EPC, and were not very complex in nature.

The appeal proceedings, like the examination, lasted for seven years, during which the case was idle for two and a half years due to a referral to the EBA under Article 112 EPC. Beyond this, the appeal file shows no action on the part of either the parties or of the TBA for a period of a two years and eight months, from December 1995 until August 1998, when the TBA issued a communication announcing its intention to refer questions to the EBA, which it did on 15 April 1999. No reason for the delay of about eight months from the announcement to the actual decision can be established from the file.

The EBA file G 3/99 shows a number of delays, from the end of June 1999, when the composition of the EBA was communicated to the parties to the decision taken in February 2002: A period of 8 months seems to have been lost because the first communication from the EBA was not received by the appellants, who notified the EBA only in February 2000. From April 2000 to the end of August 2001, no actions seem to have been taken, except for information to the parties about a change of the membership of the EBA in November 2000. In August 2001, the parties were invited to file observations by the beginning of November 2001, where after the decision was issued on 18 February 2002. The delays which cannot be explained due to ongoing terms for submissions or communication problems add up to about 24 months or two years. The communications of August and September 2001 did not elicit any further submission from any

³²⁶ The maximum idle period was eight months, between the receipt of a request for further search on 4 February 1985 and an additional search report issued on 23 October 1985, which was published on 27 December 1985, but all of this period cannot be imputed to the strike action.

of the parties. In fact, the only substantive submission had been filed already in September 1999 by the respondent/patentee in reply to the first communication. No delaying tactics of the parties could be ascertained in these proceedings³²⁷.

The time needed for examination cannot be said to be excessive in view of the complexity of the application, and the opposition and appeal procedures were delayed with regard to the legal problems of entitlement and representation of a group of natural persons wanting to file a joint opposition. In the boards of appeal - in the meantime - some legal patentability questions had been resolved through the adoption by the Administrative Council of the EPO regarding the scope of the exceptions to patentability under Article 53 EPC, to which the TBA agreed as being a fair interpretation of that Article, reducing the complexity of the case.

There was a break of two years and eight months during the proceedings before the TBA which cannot be explained by reference to any time period running or other activities (1995-1998). Accepting that neither the examination nor the opposition procedure was excessive in length, the total 'excessive length' (EBA and TBA proceedings) would amount to four years and eight months. Part of the delay in the EBA proceedings can be ascribed to the fact that EBA members are engaged in daily work for the majority of their time in other boards, and therefore may have difficulty in finding times in which to meet and discuss matters in the EBA. To this is added the fact that two of the members may be external, i.e. not serving in the EPO. Partly the EBA delay is explained by a new composition system for the EBA³²⁸, which now has a significantly lower number of regular members, who still have to carry out their main workload elsewhere in the boards. Being allotted cases on a regular basis, the regular members of the EBA cannot be relieved by alternate or substitute members of the EBA, which tends to extend the EBA procedure in comparison to the previous system. - To a lesser degree the same explanation applies to the TBAs, for which the legally qualified members are not available at all times, due to the fact that they are serving simultaneously on other TBAs.

The length of the procedure before the EPO - almost 20 years after the priority date - was therefore mostly due to normal time limits, the technical nature of the new

³²⁷ The appellant at one point in 1995 argued that there was no need for a referral to the EBA, which would delay the proceedings.

³²⁸ Cf. the composition of the EBA in 1990, OJ 1990, 41, with its composition in 1991, OJ 1991, 57.

field of technology and formal questions arising in the proceedings, even though more than one fifth of the time went by without any action. From this period an appropriate time period must be deducted for the discussion and preparation of two rather intricate decisions. Even with this proviso, the example is still indicative of two separate deficiencies, one relating to the internal organisation, the other to the allocation of resources³²⁹. In short, there is room for improvement.

From the ECHR case law, however, it is not possible to predict that the centralised proceedings before the EPO would be considered, as a rule, to be excessive in length. It must also be kept in mind that the parties do not always have an interest in speedy procedures. A pending application or a patent may still have a commercial value for its owner, whereas a refused or revoked patent does not.

8.8 *Concluding remarks*

There is a substantial correspondence between the principles of good administration of justice as elaborated and upheld by the HRCourt and the procedural principles recognised and applied in EPO Board of Appeal case law. The remaining points of criticism are mainly related to the application of Article 125 EPC, to straw men oppositions, to the prohibition against *reformatio in peius* in view of the lack of a cross-appeal, to the practice regarding the law of evidence and equality of arms, to the principle of equality before the law, and to the length of proceedings.

Article 125 EPC (8.2.2) is not applied so as to provide secure guidance to parties as to principles which may be applied. This criticism of lack of harmonisation may be extended generally to the case law on late-filed evidence and amendments; boards take different views on their admissibility. Criticism is also due for unnecessary nationalism in the search for generally recognised principles.

Treatment of the parties (8.3) does not strictly follow the principle of *equality before the law*. The favouring of the patentee is open to criticism, and in future there would be even less justification for this attitude, if patenting and patent litigation procedures could be co-ordinated, horizontally and vertically, across Europe. This is linked to the handling of late requests in general; there is a lack of

³²⁹ Cf. 4.4 on the deficiencies of the EPO in this respect..

harmonised approaches to *late-filed evidence and late-filed amended patent claims* as compared to *late-filed grounds*.

In view of new rules which entered into force on 1 May 2003, it is expected that this situation will improve³³⁰. Article 10 a (2) RPBA provides that all grounds and evidence must be filed at the latest with the grounds of appeal or the first response to an appeal. Later filing is not automatically excluded, but the board has discretion to discard it. Article 10 b (1) RPBA prescribes that this discretion "shall be exercised in view of inter alia the complexity of the new subject matter submitted, the current state of the proceedings and the need for procedural economy". Under Article 10 a (3) RPBA, the board may decide the case any time after expiry often time limit for filing a response in inter partes cases. There is no reference to relevance as a reason to admit or refuse late material, but also no prohibition against using it in the board's discretion. It must in any event be assumed that, when considering the situation, the boards will have to take the right to be heard into account, and give the other party sufficient opportunity to prepare and respond to the new material.

The application of the principle of prohibition of *reformatio in peius* (8.3.3) is too harsh in the absence of an opportunity for an out-of-term cross-appeal.

The taking of *oral evidence* (8.4.3) seems not to guarantee that the best possible means of proof is safeguarded. Still, it is difficult to imagine another system which would be capable of ensuring this quality³³¹, for two major reasons: *first*, the facts about which oral evidence is given will usually be old when a patent reaches the stage of opposition and therefore less reliable; *second*, at the international level there is less of a common culture guiding how evidence can best be preserved and taken, as indicated by the elaborate system for taking evidence before the EPO or before a national judge. Further, oral proceedings must be planned so that all parties will know which witnesses will be heard and which not, under the *principle of transparency*. Should a communication in preparation of oral proceedings state that a witness will not be heard, but the board at the oral proceedings still would want to hear this person and he is present, the oral proceedings must nevertheless be

³³⁰ The major provisions are included in Annex III.2.

³³¹ Unless, of course, provisions like the ones applicable to the EFTA court are introduced, see above, 8.4.3.

adjourned to another date, to offer the counter party an opportunity to consider whether to call witnesses of his own or to prepare questions to the first witness at the next oral hearings. It is notable that in written proceedings, a party always has the right to at least two months for replying to submissions, e.g. to consider what evidence may be necessary to introduce in response. The same should generally apply to requests by other parties and to procedural acts of the board at oral proceedings.

A second point of criticism regarding the law of evidence concerns the *lack of defence for the patentee under Article 55 (1) (a) EPC* (8.4.4). It is at least arguable that the stance taken by the EBA contravenes the right of equality of arms, under the HRCourt principle that rights protected by the ECHR must be practical and efficient. The HRCourt, while respecting the domestic courts in their evaluation of facts and evidence, will still criticise a legal system for its consequences, if the law as applied fails to guarantee protected rights. If substantive law prevents the courts from applying the principle of equality of arms, the law may have to be changed, also on substance³³².

The *length of proceedings* (8.7) may in some cases seem excessive, even taking the complexity (generally) of patenting matters into account. This is also reported as being the major point of criticism of the EPO procedure. But it is not easy to find an appropriate remedy. Sometimes the parties are not interested in speedy proceedings. Sometimes delays could perhaps be ascribed to a lack of proper resources or to an inefficient organisation, but there is no way of establishing such causes with any certainty. Due to the peculiarities of patent law, the lapse of the period of protection does not constitute an absolute limit before which the patenting process must in all circumstances be finalised. In any event, tools have to be found which will serve as incentives for the parties to act early and cease dilatory practices.

Together with problems encountered in chapters 6 and 7, the above problem areas should be discussed from a European perspective, not the least in view of the

³³² See above, 8.2.1.4.2 and 8.4.4 at footnote 265. In analogy with the HRCourt decisions regarding the right of access to court in disputes of an administrative nature, e.g. *Sporrong-Lönnroth*, which forced Sweden to amend its system of access, a right cannot be denied by not acknowledging it in substantive law, because this would be an all too simple way for states to avoid criticism. It would also not promote the harmonisation of laws.

ongoing projects for patent law in Europe and the need to offer efficient and speedy procedures. Patents at the regional level demand a coherent system of patent procedure, so that both Article 6 (1) and Article 1 Prot 1 ECHR are satisfied.

CHAPTER 9 EUROPEAN PATENT PROCEDURE IN FUTURE

9.1 Introduction

From a modest beginning of 4 011 patent applications in 1978, the EPO received a total of 158 161 applications in 2001. At the end of 2001, a grand total of 1 573 006 applications had been filed from 1978 onwards¹. It is no exaggeration to state that the European patent is a success². This in itself is a witness to the need for harmonisation and co-ordination of patent procedures in Europe.

Of the remarks quoted at the outset of chapter 1, all but one were made by *Beier* as early as 1989³. He pointed to imbalances in patent procedures that were unfavourable to patentees, at least as far as European states having substantive patenting examination were concerned. He concluded after a comparative study that this criticism applied in particular to the EPO. By the beginning of 2003, this imbalance has been further aggravated by the fact that the EPO now encompasses 27 European states⁴, with more states waiting to enter as members in the near future. To this vulnerable situation should be added the lack of co-ordination downstream from EPO procedures to national procedures. A legal position taken by a party in EPO proceedings is not necessarily of any significance in subsequent patent litigation at the national level. These factors all combine to make European patenting and patent litigation a time consuming and costly but still less than predictable activity for patent applicants who want to take advantage of the international venues offered, in particular medium and large industry.⁵

¹ Annual Report EPO 2001, p. 100 - 101.

² *Willems* would disagree with this opinion, from the point of view that a true European Patent should be unitary, as should the procedures to deal with it, *Willems J., The EPC: The Emperor's Phantom Clothes? A Blueprint Instead of a Green Paper*, IPQ, No 1, 1999, p. 1 ff. To this one can but agree.

³ *The Remedies of the Patent Applicant and His Competitors in Comparison - Balance or Imbalance? A Comparative Law Study*, IIC, 1989, p. 407 ff. See also 1.1. *Beier* pointed out that the position of opponents showed that patent offices and courts should abandon the idea of having a duty to look out for the interest of the general public.

⁴ Slovenia acceded to the EPC with effect from 1 December 2002, Hungary from 1 January 2003 and Romania, the 27th member state, as from 1 March 2003.

⁵ In this chapter, 'industry' is generally used to denote a non-defined group of enterprises represented by NGO's such as UNICE, which often contribute in international negotiations to the content of conventions, including the EPC. This presupposes that the enterprises are of some size, to make it of interest for them to apply for international patents.

The present chapter is devoted to discussing a coherent system for the future patent procedure in Europe, covering both patenting and patent litigation. 9.2 starts from the human rights aspects of opposition proceedings. 9.3 gives an overview of the current situation in Europe of projects within patent law in Europe. In 9.4, the problem areas in EPO practice are shortly reiterated. 9.5 summarises ongoing patent projects. A holistic approach for patent procedures, covering both patenting and subsequent patent litigation procedures, is advocated in 9.6, whereas 9.7 addresses elements which should be included in a holistic system for Europe and tries to sketch how these elements would interact in such a system. An outline of a European holistic patent procedure is finally sketched in 9.8⁶, with closing words in 9.9.

9.2 Human rights aspects of opposition proceedings

The discussion of future patent procedures rests on the precept that oppositions are analogous to patent validity and infringement procedures. The latter two are but two sides of the same coin⁷. Validity litigation can be seen as a review of decisions in opposition proceedings⁸. From a human rights point of view, opposition proceedings should therefore be subject to the same principles as those governing validity and infringement litigation. This approach excludes that a party may have *tardily filed matter* examined, however relevant. In the sense that irrelevant evidence cannot harm a patent and therefore should be admissible, however late filed, the board in *T 426/97* nevertheless (rightly) pointed to the illogical nature of the present practice of the boards (even if far from harmonised) of applying the relevance test. Even so, the conclusion to this situation should in my view be the opposite from what the board chose to apply, as discussed in 9.6.2.

The comparative study presented in chapters 6-8 showed among other results that the *length of proceedings* before the EPO does not always comply with the standards set up by the HRCourt for a hearing within a reasonable time⁹. Beside the deficiencies noted with regard to the status and organisation of the Boards of

⁶ Chapter 9 is based on the analysis made in chapters 6-8, but does not go into every detail discussed there, for reasons of space.

⁷ *Barbosa*, IIC, No. 7, 2001, p. 756.

⁸ *Benkard*, p. 1047, at 3.

⁹ See 8.7.

Appeal, this is the most important finding. It has been suggested that a final decision at the patenting stage should at least be reached before expiry of the patent term¹⁰. Contracts between interested parties may to some extent alleviate their respective legal situation. This does not take account, however, of the lack of legal certainty for the rest of a competitive market of lengthy proceedings.

The situation for patentees is exacerbated not only by lengthy *patenting* procedures, but also by the opportunity in many member states to the EPC for an infringer to lodge a defence - or initiate proceedings - by requesting that the patent be revoked in part or as a whole¹¹. This possibility obviously reflects the traditional view of the sovereign state awarding a right which - by a statist analogy - can be revoked by the same sovereign. The difficulty after the introduction of the EPC and the final granting of a European patent is that this can no longer take place centrally and that - as many have observed - the patent may be treated differently by different national courts with different outcomes.

Thus, the length of proceedings before the patent has finally been upheld or revoked is a multiple of the number of EPO instances (examination and opposition proceedings included) and available national instances in the designated countries multiplied by an average processing period for each instance¹². Adding any remittals back to an inferior instance required for further prosecution or examination of new grounds, for a patent designating all member states, there could ultimately be offered over 100 instances. Combined with the quality of patents recognised as property, this situation is extreme. In order that the right of property not be illusory, the parties should be treated alike as far as possible and the procedures harmonised. An integration is necessary to achieve this object fully¹³.

¹⁰ *Denev v. Sweden*, see 4.7, which concerned design protection. The main reasoning of the HRCComm would be equally valid for patent protection.

¹¹ Regarding infringers' opportunities in France, see *Véron, P.*, Patent Infringement Litigation in France, *Mitteilungen der deutschen Patentanwälte*, 2002, p. 386, in particular footnote 1, p. 387. A revocation has an *erga omnes* effect, *idem*, p. 388.

¹² Parallel proceedings may cut down this time, although treaties like the Brussels Convention have rules on jurisdiction which should avoid such situations.

¹³ It should be noted here that some EPC states do not allow invalidity litigation at all and that, of those who do, some only admit invalidity requests as a response to infringement litigation instituted by the patentee.

9.3. *The current legal situation in Europe*

Obtaining a valid patent is a time-consuming, costly and risk intensive activity. Even after the patent has issued, adversaries are allowed to step in to nullify the award of the patent, regardless of whether they lay claim to the patented invention themselves or merely want to thwart a business competitor. These far-reaching attacks, also from a time perspective, may lead to the revocation, i.e. essentially the nullification, of the patent *ab initio*. In comparison, other forms of property are not as vulnerable. This may be a consequence of the value of a patent; the more potential it has commercially, the more attacks it may have to suffer. In contrast, other forms of property are as a rule not subject to nullification other than in respect to the ownership itself, i.e. the manner of acquisition may be challenged under civil law. The use of property regardless of category is always subject to limitations in administrative law, whether intellectual or not. This difference may be a logical function of the (absolute) novelty concept - in conjunction with the inventive step distance required¹⁴. However, it may still be questioned whether the venue of post-grant invalidity procedure is an economically efficient approach, if the award of a patent is seen as the result of negotiating a contract, rather than the award of a privilege by a sovereign.

A conflict concerning a patent (as other intellectual property conflicts) may simultaneously harbour two aspects of civil law, intellectual property and general property. A party who has a grievance regarding an alleged violation of licensing contract would probably base his case on general civil law, relying on the law on contracts. But if the conflict is seen as an infringement of the patent (for example by an activity of the licensee going beyond the contract) it may be treated under the specific intellectual property laws. This may in turn be decisive for the competent court (forum), the relevant applicable civil law and what evidence will become relevant for the case¹⁵.

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A discussion on the introduction of a statutory limitation (at least) of the right to initiate invalidity proceedings would be useful, in view of the limited duration of a patent. Another possible step would be to (re)introduce at bar to independent invalidity proceedings.

¹⁵ See eg. Patent Eye, No 2, 2003, p. 11, as regards a change of forum depending on the legal basis for litigation.

The legal situation of the patentee before the EPO is unsatisfactory, as noted by the EBA and recognised generally by the BAs. This has led to a favourable attitude towards patentees and their right to file amended claims during this centralised part of patenting¹⁶. However, it is self-evident that such an attitude cannot ameliorate the effects of subsequent national procedures in which the very form of protection by way of a patent is again questioned.

Not only is the position of a patentee precarious during the stage of obtaining patent protection. Once the European patent has been granted by a final decision, this position is further aggravated by diverging national procedures in patent litigation¹⁷, with potentially almost 30 different procedures available at the "re-examination" stage of the same patent¹⁸. Interested circles are well aware of the risks attached to worldwide patent litigation through forum shopping and the so-called "Italian torpedo"¹⁹, which tends to slow down litigation to the detriment of the patentee's enforcement ability. The risk of diverging outcomes of several litigation cases on the same patent is a real one, as witnessed by the so-called Epilady case which was decided differently in six different states covering two continents²⁰.

While most of the basic procedural principles may be common to European states, there is no guarantee against *procedural surprises* owing to differences in legal cultures. In the few cases where national law has been studied at all by Boards of

¹⁶ See 8.3.4.

¹⁷ See e.g. doc. WPL (Working party on Litigation) 8/99, in which the UK delegation referred to inconsistent interpretation in different jurisdictions, hence (Working party on Litigation) different outcomes and lack of predictability.

¹⁸ There being 27 member states to the EPC in the spring of 2003.

¹⁹ Franzosi, M., *Worldwide Patent Litigation and the Italian Torpedo*, EIPR, 1997, p. 382 ff. The title refers to the fact that forum shopping often is caused by a desire to postpone litigation results, which leads to a choice of courts known for their slow procedure in the 'convoy of litigation possibilities'. Under the Brussels and Lugano Conventions, a suit by a potential infringer requesting a declaration of non-infringement of a specific patent may preclude a counter suit by the patentee in another jurisdiction for infringement, until the first suit has been finally decided (possibly by three instances). In the meantime the patentee has no means of enforcing his patent rights against the potential infringer, unless the court agrees to an intermediate injunctive order.

²⁰ *Pattloch, T.*, in GRUR Int, 2002, Sitzung V, point 2, p. 37. Not only were there differences between Europe and Asia (Hong Kong). Within Europe, the Düsseldorf court denied an alleged equivalent infringement, the London court found that the patent had been infringed, as did the court in the Hague, whereas the Vienna court did not find any infringement and the Rome court did not recognise any equivalence but categorised the attacked activity as a dependent patent.

Appeal, such differences have been found to exist quite frequently²¹. The number of fora adds to the risk that divergent practices will inevitably lead to different results on substance.

Extending HR Court findings from its relatively few cases concerning protection of property in accordance with Prot 1 Art 1 ECHR to patents, the discrimination of patent rights becomes even clearer: While the second paragraph of Art 1 Prot 1 ECHR allows states to deprive individuals of property only if the conditions listed therein are met, European patents may be revoked in national litigation for the *same or fresh grounds, on the same, partly the same, or on purely fresh facts*, whereby the safeguards of Art 1 Prot 1 ECHR do not necessarily apply²².

Currently in Europe, several projects affecting European patent law are being discussed at the regional level, i.e. a Community Patent Convention²³, the creation of a European Patent Litigation Court²⁴ and a further revision of the EPC. A special working group has furthermore presented proposals for cutting costs for translations of patent specifications. Each of these aim at efficiency and harmonisation of patent law in Europe. A comparative study like the present thesis must also look at what lies ahead and at least sketch what could and/or should be

²¹ See e.g. 2.5.2 on the effects of post-grant opposition and 8.3.3.2 on the availability of cross-appeal in national proceedings.

²² Deprivation of property is only accepted if it occurs "in the interest of the public and subject to the conditions provided for by law and by the general principles of international law", Art 1 Prot 1 ECHR, first paragraph, second sentence.

²³ Commission proposal for a Community Patent Regulation, COM (2000) 412 Final, of 1 August 2000 was commented on favourably except for the language issue and the lack of consolidated jurisdiction by the Economic and Social Committee in doc 2001/C 155/15. The latter issue was taken into account in a Commission Working document, COM (2002) 480 Final, of 30.08.2002, containing in its annex Elements of a Community patent jurisdiction. On 3 March 2003, the Competitiveness Council agreed on a Common Political Approach for a Community Patent, partly amended in comparison to the previous draft versions, see doc 7159/03, General Secretariat of the Council of the European Union. The approach does not contain any legal text and only partly overlaps with COM (2000) 412 Final. It falls into 5 parts, 1) the basic organisation of the Court for the Community Patent, 2) languages and costs, 3) role of the national patent offices, 4) distribution of fees and 5) review clause. On 16 April 2003, the Council of the European Union published a Proposal for a Council Regulation on the Community Patent, doc 8539/03, which takes account of the common political approach.

²⁴ See e.g. the Third proposal for an EPLP (European Patent Litigation Protocol) from 22 August 2001, WPL/SUB/20/01.

done to promote these efforts²⁵. Unfortunately, very little or no coordination can be established between ongoing projects to revise European patent procedure, although interested circles, including the EPO itself, may take part in each of these negotiations, either as parties or as observers. Critics have deplored the fact that plans for a Community patent are progressing in parallel but not in step with reforms of the EPC²⁶. Plans for the EC to accede to the EPO have not materialised. It would require an amendment to Article 166 EPC, which as yet only opens the EPC to states²⁷.

In February 2002, Willems commented on the European patent scene as follows, after the EC proposal for a regulation on the Community patent had failed to reach the necessary agreement in December 2001²⁸: "[W]e have to draw the conclusion that this daring project will have to be put in the fridge for at least a few years. Thus the users of the European patent system will be prevented from coming in from the cold, in which they have been standing now for some time." As late as in November 2002, EC commissioner Bolkestein commented that he was "bitterly disappointed that a year after the deadline set by the Lisbon European Council, today's Council has still proved incapable of agreeing this crucially important initiative". Referring to industry's need for access to pan-European patent protection at reasonable cost with minimum red-tape and maximum legal certainty, he stated that the "Commission will not endorse a watered-down Community Patent that industry will not use"²⁹. Finally, commissioner Bolkestein predicted

²⁵ Likely effects of TRIPs may be of interest even though this treaty is a global one.

²⁶ Cole, P., *Centralised Litigation for European Patents: New Proposals for Inclusion in the EPC Revision Package*, EIPR, 2001, p. 219.

²⁷ *Idem*. See Article 166 EPC.

²⁸ *Willems, J.*, *Awaiting the Community Patent - a Suggestion for a Flexible Interim Solution*, IIC No 5, 2002, p. 561ff. The failed proposal is included in EC (COM (2000) 412 Final. The failure was largely ascribed to the fact that a limited language regime was not accepted by a number of EC states. Willems, a member of the Boards of Appeal, has been assigned to prepare the legal documents for the WPL and WPL/SUB and may be said to be the main draftsman of the EPLP. Earlier, in 2000, Willems had discussed the arguments pro and con a centralised European court, see *Willems, J.*, *The European Patent Court of First Instance A problem-solution approach*, *Mitteilungen der deutschen Patentanwälte*, 2000, p. 394 f., concluding that a compromise solution with two parallel systems, combined with a transitional period of five or ten years for phasing out the optional national route, probably would be the most feasible.

²⁹ Memo 02/255 of 15 November 2002, press release on the results of the Competitiveness Council meeting at Brussels on 14 November 2002, as downloaded on 21 November 2002 from the Commission Press Room page at www.europa.eu.int/rapid/start/cgi/ after searching for press releases of the relevant time period.

that unless an agreement could be found by the spring 2003 Council, he would have to consider very carefully the option of withdrawing the proposal³⁰.

9.4 Problem areas in EPO practice

In view of the practice of the HRCourt under Article 6 (1) ECHR, the EPO procedure needs to be made more efficient and procedures adjusted to meet the standards laid down by this practice³¹. This affects each of the three main areas covered in chapters 6-8, the tribunal, access to the tribunal and provisions for the procedure itself. In view of the exigencies of Art 1 Prot 1 ECHR, although not the centre of focus of the thesis, not only the appeal procedure but also the post-grant procedure at first instance must be addressed.

Of the three areas addressed, *safeguards for the judiciary* are of particular importance. Above all, an efficient organisation and co-ordination is needed across systems, for the European patent (and its sisters, the national patent and the future community patent for the same invention) to conform to the ECHR case law regarding a fair and speedy procedure.

The *organisation* and rules of procedure of the Boards of Appeal have been found lacking in some respects in comparison to other international courts. Safeguards for the members could be of a higher quality. The adopted *Article 112 a procedure for review* has already led to a request, which was rejected as inadmissible on the basis that this provision has not yet entered into force³². Until it does, the procedure laid down by the EBA in *G 1/97* must be adhered to, as the TBA did in this particular appeal case.

³⁰ The agreement on a Community Patent reached on 3 March 2003 is subject to inter alia the condition that all patent claims must be translated into all EC languages. For details, see <http://www.europa.eu.int>, Commission Press Room.

³¹ For a critical review of EPO practices, see Brown, J.D., The EPO - a user's perspective, a speech for a seminar arranged in February 2003 by Euromoney Seminars, see <http://www.euromoneyseminars.com>. Mr Brown in particular stresses that surprises, e.g. in the form of changed points of view regarding the relevance of documents, announced only at oral proceedings by the deciding body makes it necessary (and more costly) for the representative to be prepared for anything, also items that were not discussed during the written procedure.

³² *T 315/97*, decision of 2 October 2002.

The right of *access* to a tribunal has shown to be quite adequate when studied from the aspect of what opportunities are available to the parties to seize the Boards of Appeal and the conditions for appeals to be admissible. The point of criticism in this area is instead directed at differences in treatment of persons depending on their position in the appeal and their right to be recognised as parties. It would be relatively easy to correct such aberrations. In a holistic system containing incentives for early filing of requests and evidence, stricter provisions meeting HRCourt requirements on transparency for the parties would mean immediate benefits across Europe under the holistic approach, not only shortening process times, but reducing costs.

A number of shortcomings were pinpointed in chapter 8 as regards the *procedure*, the most important and also the most criticised one being the *excessive length*³³ of EPO proceedings. The law of evidence as applied to *late filed submissions*³⁴, whether evidence on prior art or amended patent claims, has been found not to be in conformity with ECHR case law and the safeguards surrounding the *taking of oral evidence*³⁵ not to meet required court standards. Finally, the law on *reformatio in peius*³⁶ is not justified in view of the lack of a possibility to cross-appeal after expiry of the ordinary period for appeal.

In addition to safeguards for the judiciary and equal treatment of the parties for access to EPO appeal proceedings, the above four issues of procedure are the main items ripe for reform.

9.5 European and other projects affecting patent law

The fact that several European projects for patent law are currently being negotiated in parallel with each other as well as with other international projects in the area of patent law, this part attempts to cover other international projects past and present which may have an impact on patent procedures in Europe, i.e the

³³ 8.7.

³⁴ See 8.4.2.

³⁵ See 8.4.3.

³⁶ See 8.3.3.

TRIPs agreement (WTO) and the Substantive Patent Law Treaty, negotiated under the auspices of WIPO.

9.5.1 The European Patent Litigation Protocol - EPLP³⁷

A possible solution to the fragmented European picture was presented to member states to the EPC in 1999. Under the mandate of the intergovernmental conference of the member states to the EPO, held in Paris in June 1999³⁸, a working party (WPL)³⁹ was set up to study under what conditions arbitration in litigation might be acknowledged by the member states, and to define the terms under which a common entity could be established and financed to which national jurisdiction could refer with a view to obtaining advice. The working party should also present a draft text for an optional protocol to the EPC, committing its signatories to an integrated judicial system with common rules of procedure and a common court of appeal.

Several reasons for advocating a single common European court already at first instance were set out in a document laying down the principal elements of an optional protocol on the settlement of litigation concerning European patents⁴⁰. The first and main one was that only a single court with highly qualified judges from different countries with different cultures would be able to achieve a consistent application and construction of European patent law. The need to avoid forum shopping⁴¹ was also addressed.

After three different versions of a draft Protocol had been presented and discussed for about two years⁴², a draft Agreement, WPL/SUB2/02, was issued in May 2002. Only main provisions from the draft Protocol have been included in this

³⁷ From the end of 2002, its name changed to EPLA - as a result of a change from 'Protocol' to 'Agreement'. Since the description of this project is based largely on the protocol, the acronym has not been changed here.

³⁸ The conference also mandated a working group on costs, which has presented proposals for restrictions on the demands from countries to have the European patent translated in its entirety, for it to be valid nationally.

³⁹ Working Party on Litigation. For the mandate see OJ 1999, p. 545 ff.

⁴⁰ WPL/9/99, 25.01.2000, point 3, Core elements of the EPLP.

⁴¹ Cf. the Italian torpedo above.

⁴² Doc WPL/SUB/20/01 being the third version.

Agreement⁴³. In December 2002, a proposal, splitting the draft protocol into an Agreement⁴⁴ and a Statute for the EPCourt was discussed in the WPL⁴⁵. The following summary is from WPL/SUB 2/02.

The Agreement sets up a European Patent Judiciary with a European Patent Court (EPCourt), comprising a Court of First Instance (CFI) and a Court of Appeal, each with its president, as well as a registry. The member states are to be represented through an Administrative Committee. A Facultative Advisory Council empowered to give advisory opinions on requests from national courts is provisionally included in the agreement.

In the Agreement, institutional and financial questions are dealt with in Parts I and II, respectively. Part III concerns substantive patent law, whereas Part IV addresses the procedure before the European Patent Court.

The organisation of the EPCourt is to be governed by its Statute. An elaborate system of rules for assigning judges to particular cases has been worked out in order to ensure that the possibility of assignment per discretion is excluded. For the CFI, Regional Divisions may be set up when necessary⁴⁶. The CFI shall sit in panels of odd numbers of judges, with at least one technically qualified judge and two legally qualified judges, the latter being of at least two different nationalities. This would apply also to the Court of Appeal, *mutatis mutandis*⁴⁷.

⁴³ According to draft minutes from the 5th meeting of the WPL/Subgroup in December 2001, a revised draft protocol should have appeared by the end of April 2002 and a further meeting with the subgroup held in May or June 2002, after which the finalised protocol could be passed on to the working party (WPL) during the second half of 2002. Apparently this course of events was changed by the issue of the draft Agreement on the establishment of a European Patent Litigation System and a draft Statute of the European Patent Court (WPL/SUB 2/02). Other provisions will be transferred for the future Administrative Committee to adopt, see p.1 Introductory remarks, point 2.

⁴⁴ As a result, the acronym changed to EPLA, i.e. European Patent Litigation Agreement. The latest version (June 2003) is WPL/3/02 rev 1. Separate extensive rules of procedure (over 200) are included in Annex 1: Rules of Procedure EPI.

⁴⁵ Documents WPL 3/02 and WPL 4/02.

⁴⁶ Article 20 of the Statute.

⁴⁷ Articles 27 and 28 of the Statute.

Certain functions may be delegated to one or more of the panel members. Decisions shall be reasoned and given in writing. Concurring or dissenting opinions may be expressed separately in a decision⁴⁸.

A particular provision is included in Article 41 of the Statute: During a transitional period of seven years after the Statute has entered into force, the judges may be members of both courts within the EPC, if this is necessary in view of the need for judges having sufficient experience of patent law. A judge who has taken part in the first instance may not sit on the same case before the court of appeal.

Jurisdiction is governed by the principle of designation of the EPCourt as the national court of the contracting states to the EPLP, as under the Brussels and Lugano Conventions, the Council Regulation 44/2001 and/or Article 234 of the ETC. Preliminary rulings of the CJEC are binding on the EPCourt⁴⁹.

The CFI has jurisdiction in matters of infringement, declaration of non-infringement, revocation, damages or compensation in respect of a published European patent application in accordance with Article 67 EPC. The Court of Appeal has exclusive jurisdiction to decide appeals against a decision of the CFI⁵⁰.

Decisions have effect *ex tunc* and *erga omnes*⁵¹, except for litigation contesting the validity of the patent to which the exclusive licence holder but not the patentee was a party, in which case the decision only takes effect for the parties to those proceedings.

The proceedings are public, unless compelling reasons require secrecy in the interest of protecting the parties or any other person. The right to be heard is protected. The status as party is decided in accordance with the applicable national law. The principles of party disposition and *ne ultra petita* are upheld. The principle of free evaluation of evidence applies. Party status is specifically

⁴⁸ Articles 29, 31 and 32 of the Statute.

⁴⁹ Articles 39 - 41 of the Agreement.

⁵⁰ Article 42 and Article 45, respectively, of the Agreement.

⁵¹ Article 44 of the Agreement. a decision by the European Patent Court replaces a decision of a national court. National courts retain jurisdiction in matters of provisional and protective measures, Article 46.

accorded an exclusive licence holder, unless the licensing agreement provides otherwise⁵².

Article 54 of the Agreement on obtaining evidence is modelled on Article 117 EPC, i.e. it is a non-exhaustive list of means. Witnesses who do not appear or who refuse to answer questions may be fined by the court. Their testimony shall be treated as if it had been given before a national court or authority⁵³.

There are a number of provisions giving the EPCourt more powers than are currently accorded the Boards of Appeal, e.g. to impose measures, securities, sanctions and fines, as are laid down in the Agreement⁵⁴. It may also issue injunctive orders, order damages or indemnification of a party⁵⁵. Damages may however not be punitive⁵⁶. The right to claim damages is subject to a statutory limitation of five years⁵⁷. Other powers of the EPCourt are related to preliminary safety measures, such as inspection of property (searches), freezing orders and sequestration⁵⁸.

As adopted for decisions of the Boards of Appeal, a review will be available on petition, whose conditions are modelled on Article 112a EPC⁵⁹. The composition of the deciding body is not addressed in the draft Agreement, nor in the draft Statute. Therefore, it cannot at this stage be concluded whether or not this system will be burdened with the same shortcomings as the one designed for the BAs⁶⁰. Apparently, the main difference compared to the EPO review will be that there is no enlarged board foreseen in the EPLA, which may necessitate a particular

⁵² Articles 50 - 53 of the Agreement.

⁵³ Articles 55 - 57.

⁵⁴ Article 61.

⁵⁵ Article 62 - 65.

⁵⁶ Article 66.

⁵⁷ Article 68.

⁵⁸ Articles 72 - 75.

⁵⁹ Articles 83 and 84.

⁶⁰ Cf. 6.9.2.2, in particular under the subheading *Subsequent actions - the adoption of Article 112 a EPC*, on the likely results of the proposed review system.

assignment of members for each application for review. Further details of proceedings will be laid down in the rules of procedure⁶¹.

9.5.2 The Community Patent of the European Communities

The proposed Council Regulation on the Community Patent⁶² is meant to offer a third possibility to obtain a patent, i.e. there is no direct connection to a European patent granted under the EPC, and it would not do away with the opportunity to obtain national patents in European states. The proposal is based on the premise that the EPO would examine applications including appeals and oppositions/appeals, which requires amendments to the EPC⁶³. The Community regulation as proposed is limited to the patent litigation phase, i.e. essentially to the same area as is covered by the EPLA proposal. In addition to litigation matters, the regulation also governs rights conferred by the patent, transfer provisions, prior rights holders rights, and other provisions related to ownership⁶⁴.

The Community patent is unitary and can only be valid or declared invalid for the entire community.

The proposal for a regulation includes a central judiciary, the "Community Patent Court" (CPC) of two instances⁶⁵. Only matters concerning the right to the patent, transfer of the patent or contractual licences, and the like, would remain within the domain of national courts⁶⁶.

The CPR does not contain any provisions on composition, organisation or rules of procedure for the CPC. A working document on the planned community patent jurisdiction appeared in August 2002⁶⁷. In this document, the Community Patent Court (CPC), is proposed to be attached to the EC Court of First Instance and

⁶¹ Article 60.

⁶² The CPR, as published in doc 8539/03 of 16 April 2003 by the Council of the European Union.

⁶³ There will be no opportunity for appeals from the Boards of Appeal.

⁶⁴ Governed by Articles 4 - 24 CPR. Provisions concerning conditions for and effects of surrender, lapse and invalidity are covered in Articles 26-29 CPR.

⁶⁵ Article 30 (2) CPR.

⁶⁶ *Idem*, p. 15. See also Article 46 of the proposed regulation.

⁶⁷ COM (2002) 480 Final of 30.08.2002.

appeals to be heard by the latter. These proposals presuppose changes to the Statute of the CJEC⁶⁸ relating to the Court of First Instance.

The original proposal foresaw that the CPC would sit in a central Chamber with seven judges, four legal and three technical members, whereas the chambers would consist of three judges, two of whom would be legally qualified⁶⁹. There would also be regional chambers in the member state in which the greatest number of parties involved in litigation were domiciled, when the number of cases before the central chamber exceeds 150 per year, whose members will be assigned to that chamber for the entire term of their mandate, i.e. six years.

By the end of 2002 it had not yet been possible⁷⁰ to find a solution to the language problem⁷¹ which would persuade its member states to agree on the proposed regulation for a Community patent. However, an agreement was finally reached by the European Council on 3 March 2003 on "a common political approach" to a Community patent⁷².

Some main changes compared to the originally foreseen composition can immediately be discerned in the summary of the common political approach. The CPC is no longer proposed to be made up by technically and legally qualified judges, but the judges - who shall have a high level of legal expertise in patent law

⁶⁸ As laid down in the protocol on the Statute of the Court of Justice attached to the Treaty of Nice, published in the Official Journal of the European Communities, C 80/53, 10.3.2001. The Statute (SCJEC) referred to in 5.2.2.2 is the one attached to the Treaty of Amsterdam. Article numbers do not correspond completely between these two versions.

⁶⁹ Article 4 and 13, respectively, of the establishment of a judicial panel under Article 225a of the ECT (Nice).

⁷⁰ A press release /memo 02/255/ dated 15 November 2002 recounts the failure of the Competitiveness Council to accept draft suggestions by the Danish Presidency for the Community Patent, and the commissioner, F. Bolkestein is quoted as saying that a watered down Community patent cannot be accepted. "[T]he Commission is determined that companies using the Community Patent should not have to run the risk of potential legal action before courts in each and every Member State which could adopt divergent interpretation of disputed patents." For the entire press release, see www.europa.eu.int. Search under *comm/internal_market/en/whatsnew.htm* for community patent will reveal the press release, as visited on 20 November 2002.

⁷¹ A translation of the patent documents into only one of the official languages of the EPO and the claims into the other two would suffice under this proposal, *idem*, p. 10.

⁷² Summary of the 2490th Council meeting - Competitiveness -, Brussels, 3 March 2003, in document 6874/03 (Presse 59), pages 15-18. In its meeting in Brussels 20-21 March, the European Council was called upon to finalise work on the Community patent, see Presidency Conclusions from the meeting, Part II B, para 37, page 16.

- are to be assisted by technical experts⁷³. The idea of one official language was originally abandoned for the three-language solution of the EPC⁷⁴. However, patent claims have to be translated into all official languages of the EU when the patent has been granted⁷⁵. National patent offices shall play a central role in the administration of Community Patents; e.g. those that have an official language other than the three EPC languages shall be competent to carry out novelty searches before forwarding the applications to the EPO⁷⁶.

The common political approach has already been criticised by UNICE for deviating too far from the original proposal, making this patent too costly to obtain with regard to the requirement of translation of all claims into all EU languages, and the transitional period of seven years for harmonisation for being too long⁷⁷. The positive experiences made over many years in Germany and Sweden, as well as within the EPO, of having technical experts “on the bench” apparently have not convinced the political powers to follow suit⁷⁸.

The assessment below of the organisation of the CPC concerns the proposal from 2002⁷⁹.

The opportunity of accessing regional courts necessitates somewhat elaborate and complicated forum provisions and composition rules in order to ensure a consistent and harmonised practice. In the latter respect, the Community proposal does not

⁷³ *Idem*, points 1.5 and 1.6, p. 15.

⁷⁴ *Idem*, point 2.2. A new point is that translations costs for 'non-official language states' will be borne by the system. A possibility will be offered to file a community patent at the national level in a national language.

⁷⁵ *Idem*, point 2.3, p. 16. This must obviously be done, despite later opposition proceedings which may change the claims, necessitating another round of translations.

⁷⁶ *Idem*, point 3.2 and 3.4. Point 3.5 even foresees that these offices may carry out complete searches for the EPO.

⁷⁷ UNICE Press release, 7 March 2003.

⁷⁸ See *van Raden, L., The Expert on the Bench: Technically Qualified Judges in Nullity Proceedings*, *Mitteilungen der deutschen Patentanwälte*, 2001, p. 393 ff., on the German experience. Although the title suggests a more limited topic, the article also covers the participation of technical experts at the patenting stage. *van Raden* points in particular to the differences between the procedures before the Federal Patent Court and the Federal Court of Justice. The latter has to rely on outside experts, which will increase costs, p. 395. See also *Holzer, W., Kein Patentverletzungsprozess ohne Patentanwälte*, *Mitteilungen der deutschen Patentanwälte*, 2000, p. 211. The court (*Richtersenat*) is composed of two judges and one technically qualified lay judge.

⁷⁹ I.e. In accordance with doc 2002 (480) Final. According to doc 8539/03, the CPC constitutes the first instance and the Court of First Instance is competent for appeals, point 7 of the preamble.

seem as well developed as the EPLA system. For example, there is no provision excluding that all the judges of a regional chamber are of the same nationality. In the comments, it is pointed out that only one regional chamber can be created in one member state⁸⁰, which seems rather to point to a 'single nationality' chamber, at least when combined with the requirement that members must reside in the region where they are appointed. It was originally foreseen that each regional chamber must have at least two legal members and three technical members (the latter to cover the fields of chemistry, physics and mechanics). How this will be organised, if and when a new draft for a Regulation is presented is not known at present⁸¹.

Thus, the advantages of the CPC system compared to the present situation with optional national fora lie in the fact that as soon as one chamber has been validly seized with a case, all other chambers must relinquish jurisdiction for cases relating to the same cause of action between the same parties⁸² and that the number of instances at each level of jurisdiction will be far less than at present available for a European patent. Related actions may be referred to the first chamber.

Forum shopping is not excluded, however. The forum provisions are largely modelled on the Brussels and Lugano conventions⁸³. The practice under Article 6 (1) ECHR does not cover the problem of too liberal access to court, presumably for the reason that no individual party with a grievance is prone to complain about such a situation. If such a complaint were lodged, it would in all probability be made in conjunction with a complaint relating to excessive length of proceedings and excessive use of available venues leading to delays.

The judges of the CPC have the same guarantees of immunity as the judges of the CJEC under its Statute⁸⁴. As permanent judges they are not allowed to hold any political or administrative office. They cannot be deprived of their office, except

⁸⁰ Comments to Article 5.

⁸¹ May 2003.

⁸² In accordance with the *lis pendens* rule in Article 10.

⁸³ Article 8 of the planned establishment of a judicial panel. The comment, p. 17, refers to Regulation EC 44/2001, by which these conventions were effectively made law for the EC. Cf. the criticism of Franzosi in EIPR, see footnote 19 above.

⁸⁴ *Idem*, Article 12.

by unanimous opinion of the judges of the CJEC, in which case this court takes the decision itself, after hearing the CFI and the CPC.

As far as possible, the procedure is governed by the same provisions as apply for the CFI and the CJEC, i.e. title III of the Statute⁸⁵. With regard to revision of a judgment, the proposal limits this opportunity to fundamental procedural defects which may have had an impact on the decision or an act of a nature to be decisive which was held by a final court decision to constitute a criminal offence.

9.5.3 Amendments to the EPC

Amendments to the EPC were adopted in 2000. They have not yet entered into force, and it will be a number of years before they can be expected to do so. The amendments were mainly set out to streamline procedures, to accommodate wishes from the interested circles and to transfer a large number of provisions from the EPC itself to the Implementing Regulations with a view to facilitating needs for future amendments to be taken by the Administrative Council without having to call a diplomatic conference. The adopted amendments are published in OJ⁸⁶. The need for a second diplomatic conference to take place as soon as possible was noted in a Conference resolution, with particular reference to software and "such changes as are required to implement the Community patent without delay."⁸⁷

While at the time of the 2000 conference, proposals to strengthen the independence of the Boards of Appeal were discussed and a decision taken to defer this item to the "second basket" for a second diplomatic conference, no further proposals had been published by October 2002. It is not to be expected that a severing of the BAs from the EPO to create a separate international patent court for European patents will take place in any foreseeable future⁸⁸.

A successful outcome of the negotiations for a Community Patent would perhaps result in more activity concerning the status of the Boards of Appeal, for the reason that the EPO already has several member states which are not members of the EU,

⁸⁵ *Idem*, Article 15. Articles 16- 27 contain derogations from the Statute provisions.

⁸⁶ Special edition No. 4, 2001.

⁸⁷ *Idem*, p. 52.

⁸⁸ Although a summary proposal (CA 7/03) will be presented to the EPO Administrative Council at its June meeting 2003.

with the prospect that this number will continue to rise. In the meantime, the Boards themselves have acted to strengthen the transparency of proceedings by proposing revised Rules of Procedure, which were adopted by the Administrative Council in December 2002, with effect from 1 May 2003. Under these rules⁸⁹, a party may not amend his case after having filed the grounds of appeal or the first response thereto⁹⁰, a step towards the same treatment of late filed material, whether grounds or evidence. The BAs still have a discretion to admit material, however, on the basis of excuses made for the late filing⁹¹. As regards the basis for cost decisions to aid in motivating parties to timely submissions the new rules foresee that a Board only apportion costs on request from a party⁹². Article 11a RPBA gives a non-exhaustive list of grounds for such a decision. Other amendments include case management through a member of the board, who will monitor progress and call for action by the board as needed⁹³.

9.5.4 The TRIPs Agreement

Article 62 TRIPs includes an obligation in paragraph 5 to offer a review opportunity by a judicial or quasi-judicial authority of final administrative decisions in procedures for obtaining property rights or procedures of opposition, revocation or cancellation, whether they are *ex parte* or *inter partes*⁹⁴. There are no rules on the conditions to be met by these appellate judiciaries. The provision distinguishes between revocations and post-grant revocations. The former are still practised nationally, and therefore such procedures are also guaranteed an appellate judicial review.

In Article 62 (4) TRIPs, principles are also laid down for purely administrative procedures, which follow the main ECHR principles of fair and equitable proceedings and written reasoned decisions. Article 41 (2) and (3) to which Article

⁸⁹ See Annex III. 2.

⁹⁰ Article 10b RPBA.

⁹¹ It should be observed here that the amended rules could not go beyond the EPC, which may only be amended by a diplomatic conference, see Article 172 EPC, barring a few exceptions.

⁹² *Idem*, Article 11a.

⁹³ *Idem*, Article 3a.

⁹⁴ *Gervais, D.*, *The TRIPs Agreement Drafting History and Analysis*, p.238 f. Article 62 TRIPs contains a general admonition to examine applications "within a reasonable period of time", echoing Article 6 (1) ECHR.

62 (4) refers, contain obligations to offer procedures that are not unduly costly or complicated or time consuming. Decisions may not be based on anything to which the parties did not have an opportunity to be heard.

The obligation to offer an opportunity for judicial review of any decision to revoke or forfeit a patent is not an obligation to offer *in perpetuum* a further judicial instance, as soon as a patent is revoked or declared forfeited⁹⁵. It is, self-evidently, limited to the first administrative decision, in order to ensure that at least one judicial instance will have examined the case before a patent right may finally be lost.

The TRIPs agreement does not have any immediate effect on patenting procedures in Europe, but it creates an expectation that national or regional procedural laws will converge, promoting harmonisation. *Gervais* suggests that rules of time limitation for searches and examination may be modelled on Article 16 (1) and (2) of the treaty negotiated in the Hague in 1991⁹⁶.

9.5.5 Patents and the moral dimension

9.5.5.1 Current work within WIPO

Since the Hague diplomatic conference in 1991, work continued developing the Hague draft as a separate treaty, leading to the so-called Substantive Patent Law Treaty⁹⁷. The main provisions of the SPLT concern the right to a patent, requirements on the patent application, unity of invention, prior art, grace period, enabling disclosure, claims defined by the features of the invention, conditions of

⁹⁵ *Gervais*, *idem*, p. 168. This would have led to the absurd result that no decision negative to the patentee or a rights holder could ever become final.

⁹⁶ *Gervais*, *idem*, p. 239, calls it the Patent Law Treaty, which should not be confused with the PLT adopted in 2000, which mainly consists of rules of formality addressed to the applicant. The former draft treaty has the following title: 'Treaty supplementing the Paris Convention as far as patents are concerned'. Its Article 16 (1) prescribes that a search report shall be produced at the time the application is published and Article 16 (2) that the substantive examination shall start no later than three years from the filing date of the application, Records of the diplomatic conference for the conclusion of the treaty, WIPO Publication NO 351 (E), The Hague 1991, p. 25. A time period of two years for the substantive examination is recommended under Article 16 (2) (c).

⁹⁷ WIPO doc SCP/8/2. A further draft of this treaty to be discussed at a May 2003 meeting with the Standing Committee on the Law of Patents was available on the WIPO web page, doc SCP/9/2, dated 3 March 2003. A report from the May 2002 meeting, Pagenberg in GRUR Int, 2002, p. 736 f, indicates major disagreements over Article 12 on conditions of patentability.

patentability, grounds for refusal and grounds for invalidation or revocation of a patent. A feature of particular interest is proposed Article 14 (2) which lists further requirements that a contracting party may impose on applicants which indicates that patent applications may in future have to meet a range of conditions of morality in addition to purely technical prerequisites⁹⁸. From the point of view of those advocating a human rights condition for patents, the proposed provision in Article 14 (2) SPLT is welcome.

Historically, the development of intellectual property rights started with the territorial period, in which it was established that intellectual rights were afforded by states for protectionist purposes mainly and that sovereign powers were territorially limited, hence such awards could only extend to their territories. Later states realised that they had more to gain from international co-operation; those who did not have adequate laws found themselves to lag behind. States benefited from reciprocal demands, resulting in the national treatment principle. This in turn grew into multilateral treaties like the Paris and Berne Conventions⁹⁹.

The second half of the twentieth century saw a major shift in philosophies about intellectual property rights, mainly brought about by more third world states having joined multilateral conventions, states that were making demands to have access to intellectual achievements¹⁰⁰. The emergence of multilateral business ventures promoted a linkage between trade and intellectual property, resulting in TRIPs¹⁰¹. The aim of post-revolutionary France to protect the freedom of speech

⁹⁸ Article 14 (2) in doc SCP/9/2 reads: "A Contracting Party may also require compliance with the applicable law on public health, nutrition, ethics in scientific research, environment, access to genetic resources, protection of traditional knowledge and other areas of public interest of vital importance for their social, economic and technological development." It is expected, though, that there will be much resistance against this proposal and the SCP has already agreed not to discuss this paragraph in substance at the May 2003 meeting.

⁹⁹ *Drahoš, P.*, Intellectual Property and Human Rights, presented as a paper at the panel discussion commemorating the 50th anniversary of the Universal Declaration of Human Rights, organised by WIPO in collaboration with the Office of the UN High Commissioner for Human Rights, November 1999. p. 353 f.

¹⁰⁰ *Drahoš* mentions India as a prime example of a nation exercising a "rational social policy" for the benefit of its citizens, *idem*, p. 354 f.

¹⁰¹ In this context, *Drahoš* notes a shift toward a protection, not for inventors and creators, but for investors in intellectual property, *idem* p. 357. See also *Barbosa, C.*, From Brussels to The Hague -The Ongoing Process Towards Effective Multinational Patent Enforcement, IIC, No 7/2001, p. 729 ff, describing the Paris and Berne Conventions as minimum standards treaties, whereas TRIPs also includes enforcement provisions, p. 732 f, and *Endeshaw* on the shift from intellectual property for creations of man to protection of information as such, see chapter 2, footnote 12.

was lost in this process, to be replaced by a philosophy based on the notion of intellectual property as a tool for disseminating information. Human rights philosophies developed too, from the classical negative right of expressing one's opinion without being punished, to a positive right of access to information¹⁰².

The above paints a picture of a development of international intellectual property law from being essentially the result of western industrialised countries harmonising the law in their own interest to third world parties applying to join the multilateral treaties of WIPO. The latter obviously led to the clash of cultures experienced towards the end of the twentieth century. At about the same time as the third world demanded participation, intellectual property law had changed its focus from protecting the interest of the inventor to the investor. In view of this, I would venture the conclusion that the moral dimension would not have come to the foreground without both elements in combination. Investors, often in the shape of multilateral enterprises, are not seen as representatives of creative skills deserving a reward for their useful inventions, but as having "merely" business interests at heart, often perceived as being exercised at the cost of inventors. Third world states may have tolerated that inventors used their natural resources for developing inventions, but see no reason to accept the same from investors without benefiting themselves.

The neglect of the EPO from scholars of international law that was noted in 3.6.2 has a counterpart in human rights scholars and patents. Drahos' explanation for this neglect is that intellectual property always was dominated by "an epistemic community comprised largely of technically minded intellectual property law experts", criticising this community for its narrow line of interpretation "despite the fact that there is a strong argument that human rights law operates to affect the interpretation of Article 53 (a) EPC".¹⁰³ Another, and perhaps more accurate, explanation is that patenting until recently was seen as a value neutral activity. With the advent of biotechnology and the third world getting a voice in the international community, the moral dimension received more general attention.

¹⁰² Drahos, *idem*, p. 361.

¹⁰³ *Idem* p. 369.

9.5.5.2 Article 53 (a) EPC

The morality exception of Article 53 (a) EPC has its origin in the 1963 Strasbourg convention on points of substantive patent law, whose Article 2 allowed the contracting states to exclude patents for inventions which contravened morality and ordre public. In that convention, then, the morality exception was *an option, not an obligation*, in contrast to the EPC. The exception was for many years narrowly interpreted to concern only inventions for which no allowable use could be imagined¹⁰⁴. With *T 19/90*, the concept of a balancing of interests was introduced¹⁰⁵. For biotechnology in particular, the European Directive 98/44 has been incorporated in the EPC¹⁰⁶.

Criticising the Advocate General's opinion to the CJEC on the necessary separation of human or fundamental rights issues from issues of patentability, proponents claim that the EC directive on biotechnology, in particular recital 26, not only means that informed consent for taking samples from human beings has to be obtained for the actual physical sample taking, but also for applying for a patent for the invention which makes use of the samples in any way¹⁰⁷.

The main basis for the above interpretation is that "use" is not only related to technical use of the material but also refers to patenting¹⁰⁸. It seems however that the proponents have confused the acquisition of patents with the acquisition of property in general¹⁰⁹. As described in chapter 2, the ownership of an invention is not dependent on obtaining a patent, nor is the use of that same invention, whether

¹⁰⁴ See the examples mentioned in the Guidelines for examination in the EPO, Part C, Chapter IV, 3.1, i.e. letter-bombs and anti-personnel mines. It advises examiners that a fair test to apply is that the invention is generally regarded as so abhorrent that the grant of a patent would be inconceivable.

¹⁰⁵ Decision of 3 October 1990, OJ 1990, 476, see point 5 of the reasons.

¹⁰⁶ Rule 23 b-e EPC. For a review of events leading to the Biotech Directive and the debate thereafter, see *Curley, D.*, and *Sharples A.*, *Patenting Biotechnology in Europe; The Ethical Debate Moves On*, EIPR, 2002, p. 565 ff.

¹⁰⁷ Beyleveld, D., Brownsword, R., Case Note "Is Patent Law Part of the EC Legal Order? A Critical Commentary on the Interpretation of Article 6(1) of Directive 98/44/EC in Case C-377/98", IPQ No 1, 2002, p. 97 ff.,

¹⁰⁸ *Idem*, p. 102-104.

¹⁰⁹ *Curley and Sharples* conclude that recital 26 is outside the directive and therefore not part of the law, i.e. a lack of obtaining patient consent does not affect the patentability of biological material of human origin, *idem*, p. 569.

patented or not¹¹⁰. All the patent adds to the invention is a legal right to forbid others to use it commercially without the owner's consent. This is the crucial characteristic of patents, shared by other intellectual property rights, which may explain why patents have until now gained very little interest from states as guardians of the public interest¹¹¹.

The current development may be criticised for deviating from the traditional view of property as being in itself value neutral. The narrow interpretation of the nature of patent rights is in line with the general view on the nature of any other form of property and obviates the fallacy of equating property rights with positive owner rights. This is in all likelihood the main reason why the Advocate General in case *C-377/98* persisted in distinguishing between the use of material in an invention and the "use" of the same invention for the grant of a patent. The "use" of an invention for a patent cannot be categorised as immoral or moral, unless it is extended to cover the actual commercial or other activity using the invention. But this activity is limited by national law, as is all use of property, regardless of category. Article 53 (a) EPC as currently interpreted by the Boards of Appeal follows this concept, hence the reference to a patent office not being the proper forum for adjudicating moral issues.

9.5.5.3 Discussion

A requirement from a state that the applicant show proof, as proposed by *Beyleveld* and *Brownsword*¹¹², that the research giving rise to the invention for which a patent is sought was carried out within the ethical boundaries set by national law, is a requirement of no less than paradigm importance for patent procedural law, at least at the international level where the EPO operates. It is likely that this condition will have a profound impact on patent procedures overall, as it should be applied not only to spear-head inventions, such as in biotechnology, but apply alike to all technologies. Its impact on the procedures before the EPO will no doubt be

¹¹⁰ This notion may be criticised for not acknowledging that the owner of an invention may not have any other right related to his intellectual efforts, than to be recognised, at the time of filing the application, as the rightful applicant. The effect of the *Latchways* decision, *G 3/92*, may even question this right. Cf. comments in 2.2.1 regarding minimalist theories of the rights attached to property.

¹¹¹ See 3.6.

¹¹² See footnote 107 above.

strongly felt, since the number of national laws to be researched in order to establish whether or not this condition has been met for each of them will have to multiply with the number of designated states¹¹³.

In one respect, however, the availability of patents for particular technical fields may be seen as a value judgment. The state condones and even encourages developments in that field through the instrument of patenting, i.e. the patent law is an acknowledgment in itself that such inventions are useful. Hence the conclusion that inventions in that field are understood as generally acceptable and potentially exploitable. Despite the fact that such a conclusion is incorrect, otherwise a patent would have to entail a positive right to use the invention, the impression of toleration and encouragement may persist¹¹⁴. The argument for a procedural limitation resting on moral conditions seems less convincing, especially in view of the possibility that processes which today may seem immoral, tomorrow may be accepted in general, whereas valuable research in the meantime would be deprived of the protection of a patent, if such parameters were to be introduced. It also entails the risk that patent protection may be denied for irrelevant reasons, e.g. because the patent applicant applying is not considered qualified or the condition may be used repressively.

From a procedural aspect, if a general moral dimension of the character as outlined e.g. by *Beyleveld and Brownsword* is accepted for patent and other intellectual property law, from a larger perspective, a *human rights test* for other types of property will be necessary also, e.g. in the situation where a buyer of land applies to the land register authority for acknowledgement of his acquisition.

Against this background, the extended interpretation of the word 'use' under recital 26 of the EC Biotechnology Directive, as quoted by *Beyleveld and Brownsword*¹¹⁵, seems not only to disregard the wording of the recital which rather indicates a

¹¹³ This may perhaps hasten the work on a unitary patent for Europe with one single ethical requirement, based on harmonised research rules.

¹¹⁴ *Curley and Sharples*, *idem*, as to the Munich based co-ordination centre "No Patents on Life", p. 565 and quoting Professor Dworkin, p. 570.

¹¹⁵ IPQ, 2002, p. 98: The quoted passage reads: "if an invention is based on biological material of human origin or if it uses such material, where a patent application is filed, the person from whose body the material is taken must have had an opportunity of expressing free and informed consent thereto, in accordance with national law".

narrower scope¹¹⁶ and the limited significance of patent rights as reiterated here above¹¹⁷, but also risks having far-reaching effects on other fundamental values in society.

The confusion over the word "use" obviously arises because of an incorrect understanding of it. A patent application or a patent is not a use of the invention, nor does it afford any right to such use; this possibility arises already on the legal strength of the ownership, which is subject to civil law conditions of acquisition and restrictive legislation on its utilisation. The "use" of an invention for the purpose of a patent application does not involve any further rights to which the person in question for a fundamental reason of morality must consent. Again it has to be stressed that the patent right only adds the right to prevent others from using the invention in practice.

One must therefore distinguish between *the physical use*, the taking of the material, to which the recital is directed, and *the legal use*, the application for a patent to prevent others from using the property commercially.

The main reason for the original concept of patents as value neutral was the insight that opinions about the moral value of an invention may change over time. The factual realisation of possible uses of an invention may also change over time¹¹⁸. The fact that contraceptives in the early history of negotiations played a role in shaping Article 53 (a) EPC shows this time dimension very clearly. An inventor who today cannot acquire a patent under an extensive interpretation of Article 53 (a) EPC will be excluded from (justified) protection tomorrow if and when

¹¹⁶ The phrase referring to the requirement of informed consent by the person from whom the material is taken can hardly be said to refer to the filing of a patent application, since the two are separated by a comma and the informed consent is related to the taking of material by the word 'thereto'.

¹¹⁷ It is e.g. debatable whether potential earnings should be ascribed to patenting alone or as the main source of revenue, when in fact much resources are spent on research and development, commercial activities etc., cf. 2.3.2.

¹¹⁸ Cf. Beresford, K., Claims and European Infringement Law, 12. 10. 2000, Lecture held at the EPO, p. 5: "The language chosen or a claim "must be broad enough to cover implementation of invention by all future developments in technology" in order to provide sufficient protection, and p. 9: It is "non-obvious" variants arising, for example, from unforeseeable changes in technology where real unfairness to the patentee can arise".

national authorities allow its use in practice¹¹⁹. The power of states to prohibit any immoral uses by national law is an economical way of preventing undesired activities because it does not unnecessarily exclude potentially valuable (moral) inventions (whether patented or not) from later use, while excluding (immoral) inventions from being used (whether patented or not) at the same time as it offers civil protection to both categories against free use by competitors via the patent system.

The above is not to say that the morality exception in Article 53 (a) EPC could not develop with time¹²⁰. This has already happened in the case law of the BAs, e.g. in the oncomouse case¹²¹, where the Board laid down the principle of balancing human interests in achieving a useful invention against the need to protect animals from unnecessary or excessive suffering resulting from the use of the same invention, which expanded the scope of application of the moral exception from patentability¹²². The corresponding rule in Biotechnology Directive, incorporated as Rule 23 d into the EPC, went one step further in requiring a substantial medical benefit to man or animal in cases where processes are likely to cause suffering to animals. In any event, the more precise conditions to be met under Article 53 (a) EPC, will require a new approach to patent procedure.

¹¹⁹ The Swedish response to questions regarding the proposed exception from patentability for reasons of morality or ordre public was that a corresponding rule in the Swedish law had been applied restrictively and that "as soon as it is possible to use the invention in a way not contrary to legislation or morals, the exception is not considered applicable", doc EXP/Brev/53/10 in response to questionnaire EXP/Brev/53/3, Council of Europe. Germany answered (EXP/Brev/53/1) that the exception was limited to formally forbidden inventions or which lead to illegal acts, p. 13 .In a comparative study made by the Secretariat General of the Council of Europe, doc EXP/Brev/53/18, p. 19 f., it was noted that the applications of such a rule, which was part of all national practices, was very rare, that it required a fundamentally illegal character of the invention, the application of which would in itself be illegal and that the possibility of a partially lawful application of the invention always sufficed to ensure patentability.

¹²⁰ Although patentability criteria should not be 'contaminated' by moral issues, for the risks entailed as addressed above that a patent could be refused for other than legally justified reasons. For further arguments, see Karnell, G., En gentekniskt vitaliserad patenträttsfossil? (A patent law fossil genetically revitalised?) on the prohibition against inventions the use of which would be against morality and ordre public.

¹²¹ *T 19/90*. This case is also mentioned in the beginning of the current section, 9.5.5.

¹²² This is in my view not a justified condition - it is impossible to compare the two. A future benefit from an invention may yet be unknown at the time of patenting, as well as the suffering of an animal may be alleviated by future processes. And if the argument against patenting is brought to its logical conclusion, man may of course not kill animals for food or any other use, including the testing of pharmaceuticals. A society which abhors processes involving animals must instead prohibit the use itself. Taken to its philosophical conclusion, this fundamental value judgment, like the one expressed in the debate on biotechnology or pharmaceutical achievements, requires that man should not aim to change anything in nature.

The question is whether this moral condition of balancing will not shift industrial property law towards the realm of public law, ie. be subject to an examination of the character of the individual applicant rather than the examination under civil law of conditions to be met by the invention or on technical issues¹²³. If in future the potential patentee must not only prove himself to be the possessor of the invention under civil law but also to be worthy of a patent by a certificate of origin of the invention (perhaps including a certificate as to its intended commercial use to meet the condition of exploitation, when both moral and immoral uses of the invention are possible) and convince the authorities that the invention is morally acceptable, the right to such property as a human right will have changed considerably as will patent procedure¹²⁴. Since patent law must be the same for all kinds of technical innovation, this effect of the moral dimension will influence all patenting.

In addition, the physical uses of the patented invention may have to be restricted in the patent certificate to ensure that excluded uses will stay excluded. Once this excluded use becomes acceptable, however, competitors are free to use it without permission from the owner of the patent. Investing in research in technical areas will not be enhanced by such a development.

9.6 *A holistic approach to patent procedures*

9.6.1 *Background*

The checkered picture painted above of disjointed European states and the lack of co-operation in the field of patenting, in particular concerning a pan-European patent procedure, gives more impetus to the case law of the HRCourt as a means to fill the existing vacuum. In particular, the HRCourt could play an essential role in setting standards at the international level, by admitting complaints against EPO acts. The same standards would then also have to be met at the national level. This would facilitate a concerted approach to patenting, either by treaty agreements or on a voluntary basis.

¹²³ From a strict value neutral viewpoint, no morality exception to patentability is necessary, as is shown by the optional wording of Article 2 of the Strasbourg Convention.

¹²⁴ This seems already an insurmountable hurdle, which would mean an unacceptable control of the activities of individuals, susceptible to misuse, e.g. for political reasons. A further one may be represented by the case where a patent is requested in a contracting state based on a priority claim for a patent applied for in another contracting state under the Paris Convention.

A holistic approach is founded on the need to realise that intellectual property rights are hampered by national borders, whereas modern industry is not¹²⁵. The many ongoing projects in Europe are sparked by the same insight; yet it has not been possible to realise a sufficient level of co-ordination. In the words of *Willems*, the failure of the European Commission to gain acceptance for the proposed regulation for a Community Patent is largely to ascribe to "a short-sighted (not to say myopic) Council", influenced by short-term nationalistic interests¹²⁶. Unlimited accessibility to several instances across Europe for the same invention strains human resources. There is a limited number of judges in Europe competent in both technical subjects and patent law¹²⁷.

*Bossung*¹²⁸ was pleased to see that the original CPC did not come into being in the form of an intergovernmental treaty, but was to be replaced instead by a Community Regulation of a higher dignity¹²⁹. His disappointment at the failure of the latter is as great as *Willems*'s. But in thinking ahead towards the future they have chosen different approaches.

In his article, *Willems* sketches a flexible interim solution, starting with Article 142 EPC which offers any group of EPC members states the opportunity to create a patent of a unitary character. These states may prescribe that they may only be designated jointly in the European patent application (Article 149 EPC). *Willems* points out that what is not yet solved is how this unitary patent is to be treated nationally¹³⁰, and whether this solution would still be possible under Community law. A next link in the chain of necessary elements would be for these states to join the EPLA and the EPC Protocol on Cost Reduction. This would solve the language

¹²⁵ UNICE on the then EPLP project: "UNICE is of the strong opinion that it is necessary to ensure compatibility of the judicial arrangements for European and Community patents, overlapping with each other they will govern the same subject matter, will cover almost the same territory and will be used by the same applicants.", WPL/SUB 28/01 of 29.11.2001, p. 1.

¹²⁶ *Willems*, *idem*, p. 561.

¹²⁷ As observed in a meeting arranged by the Association of the Members of the Boards of Appeal of the EPO, see Proceedings from the Panel Discussion on European Patent Litigation Projects and the future Status of the Boards of Appeal, Munich 23 March 2001, published at www.epo-amba.org, from which they can be downloaded.

¹²⁸ *Bossung, O.*, Unionspatent statt Gemeinschaftspatent, GRUR Int., Nr 6, 2002, p. 463 ff.

¹²⁹ See however chapter 3 on binding effects.

¹³⁰ This falls within a vertically holistic approach.

problem still preventing the Community from making progress. This scheme has the attraction, it should be observed, of being available in the near future¹³¹.

Bossung starts from the observation that the time for intergovernmental solutions has passed¹³². Patent law needs development and governments are no longer able to keep pace with demands. But he would prefer to see the EPC patent develop into a community patent with time, and apparently only with regard to the procedure, whereas the EC should take over substantive patent law. *Bossung's* concept seems to result in two parallel (seemingly not interconnected) systems, one for the patenting stage, including the appellate judiciary of the Boards of Appeal within the EPO, and one for substantive patent law, including a judiciary responsible for litigation¹³³, with national courts remaining competent for patent litigation at first instance¹³⁴. This solution was once advocated in an EC working paper, where it is argued that the pre-grant phase would be governed by the EPC and the EPO and that the post-grant phase would fall within the scope of the future Community Regulation¹³⁵.

Neither *Willems* nor *Bossung* addresses the wider issue of co-ordination *between* the two stages of patent procedure, patenting and patent litigation. Nor do they address the problems of lack of co-ordination *within* each stage. Given that Article 6 (1) ECHR requires an efficient procedure for civil disputes and that Art 1 Prot 1 ECHR does protect granted patent rights, there is cause to analyse which legal elements should be considered essential for a satisfactory patent system for Europe. Regardless of political opportunity or realism, this approach must be

¹³¹ At least as time is measured in the international community. The EPLA is a voluntary protocol which has the potential of being accepted by a sufficient number of EPC states to make a declaration under Article 142 EPC viable. The Protocol on Cost Reduction was signed by 10 states and needs the ratification of 8, including Germany, France and UK, to enter into force, see *Willems*, *idem*, p. 563, note 7. While it is a disadvantage that the protocol is voluntary, it is a step forward. If it becomes a success, others will join.

¹³² *Bossung*, *idem*, p. 465, point 2.

¹³³ *Idem*, chapter V, p. 472.

¹³⁴ This would not be sufficient in the view of industry, cf. UNICE, who welcomed the proposal for the EPLA of a truly international composition of panel for all cases, continuing: "This is a crucial element of the judiciary system: cornerstone ensuring consistency and quality of the decision.", WPL/SUB 28/01, p. 2. Cf, also *Cole*, EIPR, 2001, p. 222: "It would be ... unfortunate, if the European patent system ... should now be faced with two such bodies each distinct and presumably with distinct implementing regulations."

¹³⁵ SEC (2001) 744, p. 6 at 1.6. It is not clear from this proposal whether the post-grant procedure would include oppositions under Article 99 EPC as well. If so, it would need major amendments of the EPC.

holistic in the sense that it covers all aspects of patents as intellectual property from the inception of the idea of a possible invention, over the patent application to the final granting of the patent and subsequent litigation regarding this patent right. This approach analyses the problems from one angle only, that of the applicant, patentee or rights holder¹³⁶.

Such a holistic approach addresses *both substantive and procedural law*, aiming at harmonising them across national borders. It addresses problems relating to patent procedure both horizontally and vertically. *Horizontally*, it presumes that the procedure should be the same *within each patent system* to function efficiently, i.e. within one and the same national system the procedure at each stage should be the same as far as possible as the one at a subsequent stage, and the same should apply to the different stages within a regional system like the one offered by the EPO. The holistic approach also takes available procedures into account, trying to limit them to a reasonable number¹³⁷.

An efficient patent procedure should also act to converge patent law *vertically*, i.e. to harmonise the procedure *between systems*. In Europe, two parallel systems are currently in place, the European patent and national patents. For each, a subsequent phase of litigation is foreseen, at the EPO by way of a second instance, and nationally before national courts of law at perhaps as many as three instances, making the enforcement of patent rights complicated, costly and lengthy. With a Community patent, three such parallel systems could be the end result. If the planned revision procedures were in place for all three¹³⁸, there would be a total of 11 different separate procedures available (four for each of Community and national patents and three for the EPC patent). There is obviously a need for limiting access to patent tribunals in Europe, since it cannot be in the overall interest of industry to have access to this number of venues, as little as it makes

¹³⁶ In contradistinction to legal doctrine, which rather analyses patent law from the opposite point of view of the general public and the need to avoid invalid patents to issue.

¹³⁷ Cf. the EC Commission Staff in working paper SEC(2001) 744, p. 5 at 1.5 : "It is neither necessary nor appropriate to lodge subsequent appeals against decisions of the [EP] Office... [which] would lead to a proliferation of appeal bodies.."

¹³⁸ Purely administrative examination before national patent offices and the examination division of the EPO excluded.

sense for states to maintain these numerous and costly judiciaries for one and the same patent¹³⁹.

9.6.2 Human rights aspects

The holistic approach starts out from the assumption that the grant of a European patent under the EPC is meant to have the legal effects of a granted patent, i.e. that it is what the EPC says that it is, a property right. This inevitably has the effect that it is guaranteed under the ECHR as a right enjoying full protection as property. The centralised post-grant opposition procedure before the EPO should therefore be assimilated to patent litigation procedure at the national level, which likewise concerns a granted patent and must meet all principles valid for civil litigation.

Questions of efficiency with regard to the timely submission of requests, grounds and evidence come to the foreground in view of the importance of timely decisions.

A fundamental question is what purpose is served by a separate opposition procedure. Most would agree that there should be a central one before the EPO, for the purpose of an efficient and speedy trial. But the character of this second examination itself is not equally self-evident, as witnessed from the debate on whether or not patent examiners should see themselves as representing the general public being entitled to keep what it had already enjoyed before the application was filed or rather the applicant's interest of getting protection for what he has contributed for the benefit of that very same public¹⁴⁰.

An approach based on the realisation that a granted patent is accrued property can see no good reason why the centralised opposition should at all be an administrative *second* examination directed to the patentability of the invention. The reason for having an opposition phase is said to be the same as the reason for

¹³⁹ It is of course realised that it may sometimes be in a party's interest to keep litigation going as long as possible, and that industry, bearing most of the costs of patenting ultimately will influence states as to how litigation should be governed. When it comes to the judiciary, the court costs are as a rule not covering real costs, cf. the appeal fee at the EPO of EUR 1020.

¹⁴⁰ Cf. again the approach taken by *Beier*, IIC 1989, p.407 ff, advocating that the first philosophy or approach is so imbalanced to the disadvantage of the patentee or applicant that it must be abandoned.

laying an application open for third person inspection and objections *before grant*, namely to ensure that no important objections, e.g. grounds, evidence or arguments had been overlooked in the examination to grant. But the analogy overlooks the fact that in a post-grant system the patent and its accompanying right of protection *have already been awarded*¹⁴¹.

For the award of a patent to have a meaning in property law, there can be no analogy between the two systems. Even if centralised opposition proceedings are seen as mostly administrative in nature, this does not in itself warrant a procedure modelled on a pre-grant third party objection system. Therefore, in opposition proceedings, patent litigation civil procedural elements could and should be used already at first instance, i.e. the opposition division. Under the conditions of the ECHR, they must in fact be applied to disputes over patents, insofar as administrative measures have been found not to satisfy Article 6 (1) ECHR. The design of the EPC is a mixture of both, blurring the right of property. The patentee cannot rely on the same quality of protection which is due to an owner of other kinds of property. This will necessitate a shift of the point of gravity of the patenting procedure to the pre-grant examination, i.e. to the examination divisions of the EPO, which should in consequence be given the necessary resources for this task¹⁴².

Another reason for having a first instance adhering to judicial requirements is the needs of industry, as expressed by Körber¹⁴³: Harmonised procedural principles are necessary already for the first instance to apply, since many patent disputes end there. The observation as early as 1949 that patent procedures in Europe were too complicated and costly for the “isolated” inventor, is as true more than 50 years later as it was then¹⁴⁴. No doubt the shift from this inventor to multi-national conglomerates as prime patent applicants has contributed to this situation.

The *first principle* would therefore be that only the opponent's grounds and evidence, timely submitted within the period for lodging an opposition, should

¹⁴¹ What has been awarded is in fact only the added value of the preventive right, see 2.2.3.

¹⁴² This is a very valid argument for going back to the system of pre-grant oppositions.

¹⁴³ Körber, A. Der Verordnungsvorschlag der EU-Kommission zum Gemeinschaftspatent - aus Sicht der Industrie, VPP Rundbrief, Nr 1/2001, p. 8.

¹⁴⁴ See reference to Longchambon below, 9.7.3.

form the basis for the decision of the opposition division, i.e. the principle *ne ultra petita* must be strictly adhered to. To allow the division to introduce its own new grounds and evidence is in fact inefficient. It prolongs the examination (since the current practice in effect creates two quasi examination stages, with at least nine months waiting time in between). The second opportunity of an administrative examination of patentability may in addition to the prolongation of litigation influence the conscientiousness by which the first substantive examination is carried out.

An unlimited administrative examination is also *discriminatory* from the aspect that if nobody opposes the patent, there will be no second examination opportunity for the EPO. To paraphrase the words of the EBA in *G 9/91* in respect of appeals to cover oppositions, if there is not opposition the opposition division will have to accept that a patent which - on second thought - should not have been granted, will survive. Accordingly, if the patent should not have been granted in view of later available evidence, only national procedures remain, with further delays and more costs as a result. The justification for opposition procedures is exactly to open an efficient and economic venue, to avoid national litigation.

Narrowing the scope of awarded patents is mainly in the hands of competitors, who will look to their own interest first and fairness as to the extent of the patent and the rights of the general public second if at all, making the picture of patent law as capable of administering full substantive justice less than realistic¹⁴⁵. It cannot be assumed that industry will be active and oppose patents each time such opposition would be justified. So we are left with an imperfect system. Hence, there is no good argument why the opposition division, as the first instance after grant, should have any *ex officio* powers and not be governed fully by the disposition principle.

9.6.3 Horizontal aspects of patent procedure

The EBA noted in decisions *G 9/91* and *G 10/91* that the novel feature of granting a European patent before giving third parties the opportunity to oppose it

¹⁴⁵ Cf. *Beier*, IIC 1989, p. 410: "Do we not really mean the interests of competitors of the patent applicant when we speak of the "interests of the general public?" Put in other words: Why should patent offices act in the interest of competitors/opponents?"

fundamentally changed the way one must look at this procedure, which takes on a civil aspect rather than an administrative one, and that therefore the element of ex officio examination had to be reduced to a minimum, even at the first instance before the opposition division. Under the ECHR, a dispute over a granted patent must be guaranteed a proper court procedure in civil law, and in fact this should be available already at first instance, i.e. the opposition division. We are no longer dealing with an application, but with full property rights, hence there is no longer any analogy to quasi-administrative proceedings.

In chapter 8, the view was ventured that the Boards of Appeal could be seen as a first (court) instance. The reasons for this view are at least twofold: The first instance competent to deal with the granted patent, the opposition division, is still looked upon as an administrative unit of the EPO, and its rules of procedure contain a great deal of administrative (ex officio) elements¹⁴⁶. In spite of the observations of the EBA regarding the nature of the opposition procedure, it did not take the next step to declare that all proceedings after grant should be subject to civil procedure guarantees. The result has been a mixture of both, with less than predictable results, contravening both the object of the EBA decision and the object of Article 6 (1) ECHR; the prime example being the (*ir*)*relevance test*.

The *horizontal aspects* of a satisfactory patent procedure address the co-ordination of procedure between instances after grant either within the EPC system or between instances in the same national system, in states where post-grant oppositions have been introduced, modelled after the EPC. In states with pre-grant opportunities for third parties to submit observations on an application, the need for co-ordination is not as great, although a common procedure would be welcome for this phase as well.

A horizontal co-ordination approach must first answer the question whether a principle prohibiting new evidence filed out of time is warranted at the opposition stage. Secondly, elements distinguishing the different instances which are not due

¹⁴⁶ E.g. Rule 60 (2) EPC, according to which the opposition division may continue the proceedings even if the opposition is withdrawn. In fact, when the opposition procedure is seen as concerning an already awarded intellectual property right, this rule should be deleted altogether, i.e. not be applicable for the opposition division either.

to the legal system as constructed from the legislator's own preferences¹⁴⁷, but to inherent qualities, must be considered.

In case of parallel systems which may later be connected through the same granted patent, the horizontal aspects also cover the need for co-ordination between these systems. Whereas a national patent is not allowed in all EPC member states to exist in parallel with a European patent for the same invention, it is not excluded that double patenting may occur. From the point of view of the patentee, it is illogical (as well as inefficient) that a separate and different set of procedural provisions should apply depending on by which route the patent was prosecuted. This should be equally illogical and inefficient to opponents.

9.6.4 Vertical aspects of patent procedure

The vertical area bridges the procedural gap *between systems* downstream, i.e. tries to resolve two questions: Is it unavoidable or even desirable for the procedure within the EPC to differ from national/EPLA or Community Patent procedure? Should there be connecting elements between them, to avoid repetitious and/or inconsistent grounds and arguments?

Hence, this aspect focuses on the interface between, for example, the EPO and a national court, having before them at different points in time the same patent or the same invention patented by different procedures¹⁴⁸. The vertical aspects cover such matters as equivalence, procedural estoppel, and late filed matter. Vertical aspects are even more important than horizontal aspects given the fact that the EPO procedure including opposition is criticised for being far too time-consuming¹⁴⁹. These aspects may streamline procedures considerably.

¹⁴⁷ Such imperfections can be amended with the will of the legislator.

¹⁴⁸ The respective patents may therefore differ in scope, but there will be a connector in the form of a claim to priority. With respect to Community/European patents awarded on the basis of the same application, this connection will be apparent.

¹⁴⁹ See e.g. Proceedings from the Panel Discussion, arranged by AMBA on 23 March 2001 (footnote 124 above), p. 23-25, containing statements about the turnover time of appeal cases.

9.7 Elements to be considered

9.7.1 Organisation, composition and safeguards

If the argument is accepted that *opposition divisions* of the EPO should be seen as first instances of a judicial nature, their composition should be changed. The members of the examining division for a specific case can no longer take part in the opposition regarding the same patent according to the principle of devolution. Legal qualifications should be represented, whereby the composition of a technical board of appeal offers itself naturally as a model. The safeguards of the members of the opposition division must be strengthened accordingly, i.e. to the extent that the independence of the members of the BAs are now protected.

The members of the Boards of Appeal should be brought closer to courts of law as required under the ECHR and as they are organised under national laws, preferably being separated from the EPO. A starting point should be the organisation and composition as proposed for the EPLA, with the purpose of guaranteeing the same quality for opposition appeal proceedings as for validity and infringement litigation. Ultimately, opposition and validity proceedings may merge, given that oppositions are no more than early post-grant objections in patent litigation proceedings. If these objections can still be raised in procedures after expiry of a time limit set for oppositions, the question arises whether there really is any reason to allow separate opposition proceedings or, conversely, whether there are any reasons to have two separate procedures rather than amalgamating them into one single litigation procedure. The effect of patent litigation according to the EPLA proposal would also be *ex tunc* and *erga omnes*¹⁵⁰, as it is now for EPO decisions in opposition cases, which points in the direction - long term - towards a single procedure.

To limit opposition to a relatively short period after the patent has been issued but not to allow further invalidity challenges could be criticised for separating validity and infringement litigation, echoing as it seems the criticised German system. However, there is a significant difference, in that a holistic European system would only offer the opposition for a limited period. The outcome of those proceedings

¹⁵⁰ Draft Agreement of 31 May 2002, WPL/SUB 2/02, Article 44 (2) and (3), p. 18 f. If only the exclusive licence holder but not the proprietor took part in the proceedings leading to the revocation, the decision only takes effect for the parties, Article 44 (4).

would be binding nationally. The patent could not be challenged afterwards, not even where the patentee instigates infringement proceedings. Thus the opportunity would be limited to successive litigation, one central and one local. The advantage would be that the scope of the patent would be the same for all designated states. The national infringement litigation could concentrate on matters of local significance, e.g. appropriate damages in case of established infringement.

A limited access to opposition is based on the current European situation, where no centralised proceedings prevail for patent litigation after grant¹⁵¹. The above proposal for a limited period for opposition/validity challenges would probably not serve its purpose of efficiency, if patent litigation is channelled to one European Court only. When this is in place, there is procedural efficiency in combining invalidity and infringement litigation in the same proceedings.

Strengthening the appeal procedure as a civil procedure may mean that the Boards of Appeal should have two legally qualified members and one technically qualified member. Under the presumption that efficiency requires the point of gravity in the system to be placed as early as possible, the first instance could decide opposition cases in a composition of two technically qualified members and two legally qualified members with a casting vote for the chairman.

The safeguards for members and internal rules of procedure should be amended to bring them as close as possible to those proposed for the EPLA. Alternatively, they may be modelled on the HRCourt, the CJEC or the ICJ. The main consideration should be to create a system that has the broadest possible European recognition.

¹⁵¹ Precluding invalidity challenges at the national level would not be justified if the result of national proceedings only take effect *inter partes*. A concentration of proceedings is advocated on the premise that results of such litigation takes effect *ex tunc and erga omnes*.

9.7.2 Access to a judiciary - European venues

The current system with a centralised opposition procedure, to be instigated within a relatively short period of time after grant of the European patent¹⁵², is an exception to the concept that a European patent in fact is a number of national patents, which come under the respective jurisdiction of the designated states. This is a formal reason based on principles of international law (the statist theory) why the Boards of Appeal are not considered competent to examine validity and/or infringement. It would accordingly require an amendment to the EPC by a diplomatic conference to address this situation¹⁵³.

Even if one may deplore the loss in efficiency created by a cumulation of procedures essentially addressing the same problems¹⁵⁴, it is not likely that a change will occur soon. This means that industry and other interested parties will still in the foreseeable future have access to at least two separate successive procedures - opposition and infringement litigation, offering seven instances altogether, if revisions are included. If there will be separate access to European and Community patents, there may - as already indicated above - be as many as eleven instances available for the same invention, namely when in future a European patent application may be the object of both a Community patent and a European patent. It will be possible to challenge these two forms of patent under EC procedures as well as under the EPLA and national law.

For a patent applicant, the access for prospective opponents/infringers to both regional and national proceedings, first in opposition proceedings before the EPO, then in infringement/validity proceedings under the EPLA or before national courts in member states to the EPC which have declined to join the EPLA and

¹⁵² Nine months from the date on which the patent grant was mentioned in the European Bulletin, Article 99 (1) EPC.

¹⁵³ Even without an amendment of this kind, the BAs could make the similarities visible in their decisions, see below 9.8, point 2).

¹⁵⁴ See 9.1 on the possible number of instances in Europe and the European Council on the "unnecessary proliferation of appeal bodies", see reference in footnote 70.

possibly also before European Community judiciary/ies, means a multiple threat to the survival of his property¹⁵⁵.

For a holistic approach to contribute in streamlining these procedures, connecting elements in the procedures themselves should be considered, as outlined below in 9.7.3. Access to each of the three international venues must be guaranteed under Article 6 (1) ECHR. The best contribution to an efficient system is therefore to attempt to ensure that access conditions are as far as possible identical or at least similar, because such provisions will help in converging the case law across the available venues, i.e. EPC oppositions and national and/or EPLA litigation. And, the more weight and consideration is given to the first instance competent for post-grant litigation, the less need there is for further litigation, at least between the same parties.

9.7.3 Procedural elements

The main reason for advocating co-ordination of procedures across Europe is the criticism that the current procedure takes far too long - *delayed right is denied right*¹⁵⁶. Even if one recognises that industry may not always see itself best served by a swift procedure, delays will inevitably make evidence less reliable, and the quality of substantive examination risks deteriorating. Small enterprises are particularly vulnerable to time and costs and may not survive if they have to wait too long for a right to be finally recognised. The incentives to file early, no matter whether oppositions, grounds or evidence, will therefore ultimately reside in co-ordination of procedures. In this context, it should be remembered that the main reason, according to Longchambon, for a European patent system was that otherwise small inventors or enterprises might be not be able to defend their patents because patent litigation in Europe was too expensive¹⁵⁷. The EPO, now in place for more than 25 years, while having streamlined patenting procedures, has still not been backed up by a sufficiently coherent European patent litigation system to make this happen.

¹⁵⁵ Raising the possible number of litigation venues far beyond 11.

¹⁵⁶ Slightly amended from "delayed justice is denied justice":

¹⁵⁷ "[T]his situation makes it more difficult for the isolated and impecunious inventor to protect his interests and favours powerful firms.....", Longchambon in his report to the sixteenth sitting of the Consultative Assembly of the Council of Europe, 6th September 1949, doc 75, p. 178.

Another aspect of efficiency is that the more patents are awarded the more society gains. It is not necessarily true that the interests of society are contrary to those of industry¹⁵⁸. Technological developments and an efficient procedure for defending industrial property rights are in the interest of industry as a whole¹⁵⁹. If this industry is allowed to concentrate efforts and financial resources on developing new technology instead of spending them on litigation, both industry and society will benefit.

9.7.3.1 Late filed grounds and evidence

Although there may be reasons to differentiate between grounds and evidence when discussing the justification for accepting or refusing to admit fresh matter, the EPO applies the relevance test to both as regards the first instance, but not as regards the appellate instance. *T 1002/92*¹⁶⁰ held that since a ground had to be substantiated in the form of facts and evidence it would be illogical to apply *G 10/91* only to grounds but not to evidence. This conclusion is difficult to refute, but nevertheless the boards have continued to insist that the relevance test be conducted at the appellate level with regard to late filed evidence. Instead, the analogy between grounds and evidence should lead to the conclusion that late evidence should be admitted only with the approval of the patentee.

The conclusions drawn in chapter 8 should therefore be equally valid for late-filed evidence. It is essential for court proceedings to be foreseeable, i.e. the material presented by the parties shall be filed as soon as possible, normally with the grounds of appeal, as noted in several decisions¹⁶¹ and as set down in the Guidance for appellants and their representatives¹⁶². Evidence considered late filed by an opposition division should as a rule be rejected as inadmissible also at the subsequent appellate stage, even if indicated in the grounds of appeal, unless, of

¹⁵⁸ *Beier*, p. 407 f: "Even when these prerequisites are well-defined and appropriately interpreted by the courts and legal theory, they are, on the other hand, of no great help to the inventor who made an important invention, if a flawed procedure does not provide him with sufficient opportunity to explain to the Patent Office that his invention is worthy of protection and if no adequate recourse is available against a rejection of the requested patent protection or for its enforcement in the courts."

¹⁵⁹ If not always in the interest of two competing enterprises.

¹⁶⁰ OJ 1995, 605.

¹⁶¹ E.g. *T 894/97*.

¹⁶² OJ 1996, 342.

course, the refusal of the first instance to admit it was not supported by law or established practice. These ground rules are necessary to uphold in the interest of a fair procedure. Unfortunately, it happens in most appeal cases that parties want to introduce new matter on appeal, and the boards often agree to admit it, on the basis of the philosophy of *T 156/84*. A strict upholding of time limits would avoid the ambiguous and illogical relevance test and the questionable interpretation of an inconsistency within Article 114 EPC. It would also be in line with *T 436/97*, since relevant matter would be filed at the beginning of the appeal proceedings¹⁶³.

The research made before the opposition is filed tends to focus on the granted claims, but rarely anticipates possible amendments. This has economic reasons, which are understandable priorities for the industry. When during the opposition proceedings at first instance the patentee files amended claims to avoid revocation of the patent based on the state of the art as originally shown by the opponent, it is therefore justified to give the opponent an opportunity to make a further search, and the documentation then found may be admissible (not even considered late) on the basis that it is relevant for the new claims. This is a delaying factor in itself, this time caused by the patentee. Such a procedure would still meet the exigencies of a fair trial and the principle of equity among parties. It would not be economical for any of the involved entities to prevent amendments at this stage before the first instance. Only where amendments or documents are filed very late, e.g. shortly before or during oral proceedings, does lateness become an issue for the first instance.

The situation before the BAs is different. The parties have received a reasoned decision, adversely affecting one or both of them. Therefore, as a rule no evidence should be admissible which was not filed with the grounds of appeal or in the respondent's first comment thereto. This promotes early filing to the advantage of everybody involved including the EPO.

The requirement of transparency and predictability of the procedure as laid down by the HRCourt is a compelling reason to change current practices. If new evidence is presented later than in the appeal grounds, a party should not have to

¹⁶³ The new RPBA with effect from 1 May 2003 are a step in the right direction but not sufficient. For a genuine civil procedure to evolve, Article 114 (1) EPC should be amended to be inapplicable in appeal proceedings.

wait for a communication from the board or until oral proceedings to know whether or not it will be admitted. If not, that party has been prevented from having the same opportunity as his counter party to defend his case. A rule fair to both parties, taking account of the fact that centralised EPO proceedings are at the patenting stage¹⁶⁴ and still meeting HRCourt standards would require that new matter presented within the four month period for grounds of appeal should be admitted, unless it is not at all relevant for the invention at issue (which would and should already have been rejected under standard law of evidence). Any matter presented thereafter should on the contrary not be admitted, also when highly relevant, unless the party relying on it can present facts convincing the board that it could not have reasonably been required of him to find and present the evidence earlier. Such a rule would cover the situations where the patentee files amended claims. This approach limits the scope of the case in a clear way and well in advance of the oral proceedings, for the board as well as for the parties.

An argument against the above main rule could be that this could unnecessarily burden the proceedings with material which later proves not to be particularly relevant. Even so, it must be more efficient that this (partly unnecessary material) is filed at an early stage. The board still has the opportunity to reject matter that is really irrelevant. Another argument is that the economic realities for industry would justify looking for relevant documentation which is restricted to the focus of a current claim, which is hard to refute. Therefore, if later the claims are amended, a new opportunity must be offered the opponent. This does not exclude that relevant available evidence must be submitted at first opportunity and that dilatory practices be excluded as abuse of proceedings¹⁶⁵. In written proceedings, a party is guaranteed a minimum two month period for comments on submissions by other parties. There is no reason why this guarantee should not apply to submissions made during oral proceedings also. Consequently, there must always be an adjournment in such a situation.

¹⁶⁴ Even if concerning an already awarded patent, a thorough examination in opposition proceedings of patentability criteria in centralised proceedings is procedurally economic, if it prevents litigation at the national level.

¹⁶⁵ *T 534/89*, OJ 1994, 464. In this case, a prior use by the opponent himself was relied upon only in the appeal proceedings. The opponent had no excuse for this late submission and it was disregarded without any examination as to relevance.

What should be complied with by an opponent must then also apply to the *patentee*, who likewise must be prompted to file any amendments as soon as he must realise that the preceding ones are not patentable (e.g. as a result of a provisional opinion from the TBA). Again, this may result in numerous requests, but still it is preferable that these be filed early and not during the oral proceedings.

The taking of *oral evidence* presents a particularly problematic area of the law on evidence as practised in the EPO, taking into account the often long time spans between an occurrence and the time of hearing a witness, which significantly decreases the value of the testimony. This calls for more frequent use of the opportunity under Rule 75 EPC to conserve evidence at an early date, or at least that offered witnesses in opposition proceedings will be a factor in deciding to expedite the proceedings.

The dilemma caused by the *relevance test*¹⁶⁶ lends weight to the objections against it, but for the fact that a holistic approach needs to consider the possible legal fate of the patent once it has split into a number of patents after grant. In countries which allow invalidity requests to be adjudged by their national courts, the new evidence may be submitted again, this time without the risk of it being rejected as inadmissible.

If a patent can be challenged at the national level with the support of new evidence that was not relied upon at the European level, it seems that there is less justification for a restrictive practice within the EPO. It would then even be more consistent and useful to the parties to allow new grounds to be examined by the EPO at any stage of its proceedings, presuming that fresh grounds will be allowable anyway in subsequent national proceedings, within the confines of Article 138 (1) EPC, and there is no procedural case history estoppel connection with respect to grounds not invoked at the European level. In this way, evidence would at least be presented at an earlier stage than would otherwise be the case. A second benefit would be that this evidence would be presented in centralised proceedings.

¹⁶⁶ See 8.4.2. It is e.g. inefficient to have to remit the case to the first instance in order to safeguard the right of a party to two instances, which has led to the practice excluding remittal where the patent already is of a considerable age.

Conversely, if the patent cannot be challenged under national law, a restrictive practice would be desirable, in order to make way for an efficient, speedy and final procedure before the EPO. But this restrictive practice should then apply to grounds and evidence alike. It would require from opponents to present all available grounds and evidence within the time period for filing oppositions. If filed later, they will be disregarded as inadmissible, unless the party can submit a convincing reason why they were not filed before or they were filed in response to amended claims.

A third solution, amalgamating features from the two scenarios above, recognises that most national systems will offer an opportunity for infringers to challenge the validity of the patent¹⁶⁷. Since the vertical system should be time and cost efficient as a whole, and the best solution is that the first instance seized of the case should have the most relevant grounds and evidence on file, again a rule requiring parties to file everything that they have available as early as possible and already before this instance must be the main one. There is a proviso, however; this scheme would only work if there is a connecting element between the two downstream, through an estoppel provision, as sketched below, 9.7.3.3. Only if the available grounds and evidence can be declared as inadmissible later, will this function as an incentive for the parties.

9.7.3.2 Equivalence matters

The EPO does not evaluate patent applications for novelty purposes¹⁶⁸ with equivalents in mind, a concept that is regarded as a matter only for national courts, once the European patent has been transformed into a number of nationally valid patents. This has led to a restrictive attitude in assessing prior art from an infringement angle, although this is a coin with two sides, “that which comes later, infringes, that which comes earlier, anticipates”. Generally known equivalents of what is actually disclosed in this art are not taken into account, to avoid self-collision between two applications by the same applicant related to one

¹⁶⁷ At least there seems to be a defence available in most states against an infringement suit instituted by the patentee in the form of a statement of invalidity, in whole or in part.

¹⁶⁸ It does so for the purposes of Article 123 (3) EPC, see *Case Law*, p. 173.

another¹⁶⁹. The BAs consider it to be outside their competence to assess the extent of protection conferred by the claims of the patent in suit, since this is the responsibility of national courts in infringement cases¹⁷⁰. Consequently, they concentrate on deciding what is the subject-matter of those claims.

However, this view disregards the narrow, if not intertwined, relationship between the two concepts. The extent of protection is but an immediate, legal function of the subject-matter identified to be covered by the claim.

Thus, when a patent is being examined for inventive step and amendments for possible violations of Article 123 EPC, its scope of protection is by necessity also established. These two elements are necessary to investigate also for the assessment of an alleged infringement. Accordingly, an act by a competitor is a mirror function of the assessment made about the patent in suit in the course of patenting. There is no difference of quality between the subject of examination at the patenting stage and the subject of examination at the patent litigation stage. The difference between these two stages lies more in differences between EPO and national procedural rules and - on substance - what evidence has been made available to the deciding organs. But there is no reason for such differences, if the grounds and evidence were available already during pending EPO proceedings.

9.7.3.3 Procedural estoppel

The lack of procedural linkage¹⁷¹ between the EPO and national litigation causes special problems related to the EPO procedure at appellate level. A linkage in the form of a procedural case history estoppel would streamline national proceedings, in some cases even avoid them altogether, while promoting early submission already at the international patenting stage at the EPO. A party who knows that matter which could have been submitted in proceedings before an EPO organ will

¹⁶⁹ *Lunzer*, p. 151 f. at 54.11.

¹⁷⁰ *T 442/91* of 23 June 1994.

¹⁷¹ An example of this lack is *Buehler v. Chronos Richardson*, in which the English Court of Appeal ruled that there is no issue estoppel or cause of action estoppel as a result of decisions of the Opposition Division of the EPO, see Karet I., and Jones A., *Estoppel stopped*, *EIPR*, 1999, p. 36 f. The case concerned whether such a decision was *res judicata* or not, a different legal situation than the object of the present part of chapter 9.

not be admissible in national proceedings will be motivated to present it already during the centralised proceedings.

Buehler v. Chronos Richardson turned on the scope of cause of action estoppel. In a case where the cause of action (the legal basis for the request to have the patent declared invalid before the opposition division as compared to the basis relied on in the national proceedings) was different, no cause of action estoppel could arise, according to Aldus L.J. In other words, the legal ground invoked under Article 138 EPC is different from the legal ground invoked under Article 100 EPC. A decision by an Opposition Division was not final as to the validity of a patent. Since the task of the EPO was to grant patents, opposition proceedings, despite being post-grant proceedings, were still part of the granting stage. In contrast, revocation proceedings under Article 138 were a national exclusive prerogative, not precluded by decisions of the EPO.

The commentators conclude that the decision while not surprising may be a disappointment for those who look for a stronger central voice on the validity of European patents¹⁷². They also look to the further question of what could have been the judgment, had the decision been taken by a Board of Appeal rather than an Opposition Division, concluding that because of the differences in the tests to be applied, the answer would still be the same, i.e. that national courts will reserve the revocation instrument.

What are then the differences between Article 100 and Article 138 EPC? A European patent may be revoked in opposition proceedings before the EPO under the first article if it is found a) not to be patentable within the terms of Articles 52 to 57¹⁷³, b) does not disclose the invention in a manner sufficiently clear and complete for it to be carried out by a person skilled in the art, or c) its subject-matter extends beyond the content of the application as filed or, for a divisional application or a new application filed under Article 61 EPC, beyond the content of the earlier application as filed.

¹⁷² *Idem*, p. 38.

¹⁷³ I.e. matter which is excluded from patentability or matter which is not considered to be an invention, is not new or inventive, or has no industrial applicability.

Article 138 (1) EPC allows revocation of a European patent under the national law of a contracting state under a) , b) and c), but also in cases of d) if the protection conferred by the European patent has been extended or e) if the proprietor is not entitled under Article 60 (1) EPC. The only difference is then the two added grounds for national revocation under d) and e). For the rest, there seems to be identity of cause. Provided the same persons were parties to two such cases at the national level, the identity would be so complete so as to render a judgment in a previous national suit *res judicata* for the second one.

It seems then, that there is no difference in grounds where specific patentability criteria are concerned. Causes d) and e) of Article 138 (1) EPC relate to national prerequisites, involving the interpretation of the scope of protection under Article 69 EPC and the right conferred as laid down in Article 64 EPC. Both are formally outside of the application of the EPO, even if overlaps exist¹⁷⁴.

The question in this thesis is not whether this should raise an issue of *res judicata*, however desirable that may be in itself, but whether matter (grounds or evidence) should be admitted in national proceedings, which was not allowed in the centralised proceedings before the EPO for being late filed. Even if "file wrapper estoppel", much less of an international variety, is not yet accepted under UK procedure¹⁷⁵, there may be reasons to consider the point.

For example, *venire contra proprium factum* would not be possible under a procedural history estoppel bridging EPO and national, EPLA or Community Patent procedures. Another argument is of course the length of proceedings which may become excessive in view of the ECHR with the opportunities to revert downstream to the same grounds but with new (late) evidence. If a party who knowingly abstained from submitting evidence in support of its case as early as possible would be precluded from using it later in proceedings before the EPO, such a provision would perhaps not achieve the desired result, if the same party knows that the ground or evidence may freely be used in national proceedings

¹⁷⁴ I.e. the observation that establishing whether or not an amended patent extends beyond the original patent which has to be examined at times by the EPO, is tantamount to establishing the scope of protection and hence novelty (that which precedes destroys novelty, that which succeeds infringes) the mirror image of examination for infringement.

¹⁷⁵ *Karet and Jones*, *idem*, p. 39.

later, albeit at a higher cost to that party. In such a situation, in order to provide procedural transparency, it would be better from a human rights perspective, to have a procedure of a clear administrative character, also at the appeal level, allowing the introduction of new matter at any stage of the centralised proceedings before the EPO. This procedural approach would at least be equally fair to all parties.

9.8 Outlining a European holistic patent procedure

The holistic approach, fully developed, is a long term project. It needs to be accepted by industry, which currently is seen as wanting access to as many instances as possible rather than the opposite. It certainly requires the co-operation of states, to incorporate connective elements into their procedures. But some procedural elements could possibly gain early recognition because they do not require any amendments of international instruments and may save costs both for the involved states and for the EPO.

The following proposals and considerations are relevant for such a system to function properly:

1. The opposition division should not admit any ground or evidence that was not brought within the time limit for oppositions. This calls for a stricter interpretation of Article 114 EPC, abandoning *T 156/84* for good. Exceptions should be narrow and strictly upheld. A threshold of *force majeure* for late matter would be appropriate¹⁷⁶, unless the patentee expressly agrees to the introduction of new matter, as is now practice before the BAs. Conversely, the patentee, who would now at an early stage be in possession of the opponent's entire procedural arsenal, will have to file amended claims at an early stage as well. This will promote concentration of the proceedings, which will have positive effects for the organs of the EPO, in terms of necessary time spent on files in preparation of oral proceedings and decisions. Parties will have less reason to complain about being surprised by actions at a late stage by other parties and the deciding

¹⁷⁶ I.e. a stricter condition than is set for re-establishment under Article 122 EPC.

organs will have better control over the development of the proceedings.

2. Without deviating from the EPC, the BAs can adapt their case law to take equivalents into account and abolish declarations that they do not assess the scope of protection of patents, in order to make the similarities between patenting and litigation procedures visible.
3. The organisation and safeguards of the BAs and their members to ensure due process must be strengthened. Measures should be co-ordinated with the measures foreseen for future court instances, e.g. the proposals of the EPLA should, wherever possible, be transferred to the EPC to be applied to the BAs, in recognition of their task of judging property cases. In the same vein, opposition divisions should be developed into a first instance judiciary.
4. National courts should decline to admit evidence which was not brought before the EPO in opposition proceedings regarding the same patent between the same parties, unless the party having the burden of proof can show good cause why it had not brought it earlier. The same level of condition should apply here as for fresh matter before the opposition division. This is in fact a procedural history estoppel issue which under current national laws may not be recognised as a procedural tool. But, in order to motivate parties to bring their documentation and other evidence as early as possible, it is a major feature for achieving a coherent European patent procedure with the aim of obtaining a decision or judgment “within a reasonable time”. It will further have the benefit of being examined in centralised proceedings, avoiding forum shopping and diverging national results.
5. The fear may be realistic that - if aware that there is a strict time limit for submissions - the parties would introduce much more material into opposition proceedings at the beginning than may be warranted by its relevance and that this would unduly burden first and maybe also second instance proceedings before the EPO. But this is far better, not least from a human rights point of view, than the opposite regime, where new matter

to a large degree causes a ping-pong procedure between instances and surprises for both parties, more often than not resulting in last minute amendments of patent claims in oral proceedings, putting the respondent party in a position not acceptable under ECHR principles for due process.

As a result of a stricter attitude, examination before grant may need to become more thorough, which would also strengthen the system and reduce processing time as a whole.

6. A recurring feature of opposition procedures before the EPO is that an attack from the opponent causes the patentee to file amended claims. A holistic approach cannot solve this in a simple way, for the reason that the patentee must have the right to do so, faced with new evidence. This means that patenting - as well as patent litigation - will be burdened by new matter. The new claims have to be examined for patentability across all conditions of the EPC. The opponent may want to search for new evidence. Extra delays for this reason cannot be avoided. But the same restrictions must apply, i.e. that only amended parts will cause renewed examination and that parties have to bring grounds and evidence at the earliest stage possible, so as not to forfeit their right of examination. In this situation, the opposition divisions may not be able to sit back and listen neutrally to arguments and evidence from both sides, but may have to act as an examination body, as must the BAs.
7. As a whole, when systems are seen as in reality generically connected, patent procedure in Europe would no doubt gain from this reform, to finally satisfy Article 6 ECHR. The benefit would lie in the material to be examined being presented early. This enables the first deciding body *after grant* to have the best material available for re-assessment of the patentability of the invention. It will reduce the demands for more venues. It should also reduce the number of appeals.
8. The criticism of the Boards of Appeal as not being competent to adjudicate appeal cases efficiently enough is not only a result of a less than efficient organisation. Turnover times of appeals are as much a result of the EPC itself, its application and the behaviour of the parties in proceedings before

the EPO. One way of curtailing delays is to motivate parties to cease dilatory procedural acts, another is to change the attitude towards the parties, a third may call for a better organisation of the boards themselves and a fourth calls for amendments to the EPC.

9. The procedure itself needs a few adjustments, as well as the application of the EPC as it stands now, e.g. the application of Article 114 (1) EPC and the establishment of principles under Article 125 EPC. Amendments of the EPC are due with regard to cross-appeals¹⁷⁷ and the defence under Article 55 (1) (a) EPC.

9.9 *Closing words*

The *question* asked by Beier already in 1989 is still valid: What is the purpose of substantive examination of patent applications?

The most appropriate *answer* in 2003, fourteen years later, would in my view be: The substantive examination (and opposition) procedure should lead to an equitable contract in the form of a patent, if meeting the patentability criteria, with a specified scope awarded to the inventor or his successor in title¹⁷⁸.

The answer to the same question concerning an already granted patent must be that the appropriate procedure is a completely civil procedure, given that granted property must be protected by sufficient legal guarantees against arbitrary decisions and external influences not formally part of the proceedings. The procedural system for litigating the existence of property must be such as to satisfy both Article 6 and Art 1 Prot1 ECHR.

Once the patent has been issued, any amendment to the clauses of the patent contract will depend on the procedural activity of competitors, not on actions of the general public or on investigations *ex officio* by patent office staff. It is no longer possible for the competent authority to act on behalf of the general public,

¹⁷⁷ Alternatively, the prohibition of *reformatio in peius* must be abolished until such an amendment can be made.

¹⁷⁸ See the various theories of patents addressed in 2.2.3.

firstly for the reason that it is not represented in these proceedings, secondly because it is not for this authority to act in the interest of a non-existent party.

Thirdly, for reasons of equity in inter parties proceedings, the members of opposition and appeal bodies must maintain a distance to the parties and the issues, in order to be able to assess the procedural submissions of both parties in a neutral manner. As a result, the patenting stage after grant will necessarily take on a civil character, hence civil litigation procedural rules should apply *ab initio* to opposition proceedings before the first instance as well.

The observation of *Beier* that in many cases the procedure for patenting is more important than substantive patent law is further underlined by his observation that the interest of society to grant a patent for every patentable invention is greater than the interest not to grant patents for what is unpatentable¹⁷⁹.

A procedure based on the contract theory should therefore prevail, with guarantees that the right to due process and right to property will be upheld, as required under the practice of the HRCourt. This procedure may in future be tempered by the emergence of moral dimensions to patenting, if they gain foothold in international and national practice.

Adherence to Article 6 ECHR in view of the fact that a patent has been awarded, i.e. that the litigation concerns property, seems further to require opposition proceedings at the international level to meet civil procedural standards, i.e. that no interference should be allowed for any instance of the EPO to introduce matter of its own motion in opposition proceedings.

¹⁷⁹ *Beier*, *idem*, p. 411.

ANNEX I TABLE OF CASES

I. 1 ECHR cases

<i>Party</i>		<i>State</i>	<i>Judgm/Dec</i>	<i>Issue/s</i>
Academy Trading et al.	GR		00-04-04	Fair procedure - delays - change of judge
AGOSI	UK		86-10-24	Access to court
Airey	IR		89-10-09	Access in practice - poverty
Albert et Le Compte	BE		83-02-10	Medical practice - fair trial
B Company	NL		95-05-19	Patent case -access to court
Bamer-Schafroth	CH		97-08-26	Access to court - genuine dispute
Beer and Regan	DE		99-02-18	Immunity of international organisation - ESA
Belgian Linguistic Case	BE		68-07-23	Discrimination - access to appeals court
Belilos	CH		88-04-29	Court competence
Bellet	FR		95-12-04	Contaminated blood - fair trial
Bentham	NL		85-10-23	Exercise of gainful activity - civil right
Borgers	BE		91-10-30	Fair trial
Bodén	SE		87-10-27	Expropriation - access to court
Boyle and Rice	UK		88-04-27	Prisoners' rights
British-American Tob. Co	NL		95-11-20	Access to court
Brumarescu	RO		99-10-28	Expropriation and access to court
Buchholtz	DE		81-05-06	Length of proceedings
Bulut	AT		96-02-22	Fair hearing
Campbell and Fell	UK		84-06-28	Disciplinary hearings
CFDT	EC		77/8030	Inadmissible complaint against the EC
Coeme et al.	BE		00-06-22	Tribunal - no implementing legislation
Colak	DE		88-12-06	Fair trial - legitimate expectation
Dalban	RO		99-09-28	Locus standi (widow) - fair trial
De Cubber	BE		84-10-26	Impartiality - appearances - doubts
De Haan	NL		97-08-26	Insufficient competence of appellate court
Delcourt	BE		70-01-17	Partiality - prosecutor present at deliberations
Denev	SE		93-10-11	Patent application - determination of civil rights
Denev	SE		00-05-29	Length of proceedings - excessive
Dombo Beheer	NL		93-10-27	Equality of arms - disadvantage
Eckle	DE		87-07-15	Length of proceedings
Erkner and Hofauer	AT		87-04-23	Length - Independence and impartiality
Ettl et al.	AT		87-04-23	Independence and impartiality - public hearing
Fayed	UK		94-09-21	Access to court
Feldbrugge	NL		86-05-29	Social insurance - civil right - application of Art 6
Fischer	AT		95-04-26	Court competence in civil administrative proceedings
Fogarty	UK		01-11-21	Access to court - diplomatic Immunity
Foti et al.	IT		82-12-10	Length of proceedings
Fredin	SE		91-02-18	Access to court - revoked exploitation permit
Gillow	UK		86-11-24	Impartiality - involvement in previous proceedings
Glaserapp and Kosiek	DE		86-08-26	Status of civil servants
Golder	UK		75-02-21	Guarantee of right of access to a court
G S	AT		99-12-21	Pharmacy licence
Holy Monasteries	GR		94-12-09	Right of access to court - status as party
H	BE		87-11-30	Applicability of art 6 - advocate profession

H	FR	89-10-24	Length of proceedings
HP (HRComm)	NL	86-05-15	Inadmissible (civil servant)
Hans-Adami II	DE	01-07-12	Immunity clause in Settlement after WWII
Hauschildt	DK	89-05-24	Impartiality of judge - legitimate doubt
Heinz	EPO	94-01-10	Inadmissible <i>ratione materiae</i>
Helmers	SE	91-10-29	Oral hearing denied - violation
Jacobsson A	SE	89-10-25	Building prohibition - no access to court
Jacobsson M	SE	90-06-28	" " " " " "
James et al.	UK	86-02-21	No genuine dispute over a right not recognised
Klass et al.	DE	93-09-06	Secret surveillance - no violation
Krcmar et al.	CZ	00-03-03	Nationalisation hearing - right to comment
König et al.	DE	78-06-28	Medical licence - civil dispute
Langborger	SE	89-03-22	Composition of Housing and Tenancy Court
Le Compte et al.	BE	81-06-23	Disciplinary proceedings - secret
Lenzing AG	DE	98-09-09	Inadmissible - directed to the EPO
"	UK	" "	" "
Lithgow et al.	UK	86-07-08	Principles of international law - not applicable
M & Co	DE	90-02-09	EC act - inadmissible complaint
Mathews	UK	99-02-18	Admissibility of complaint against result of EC act
March Gallego	ES	98-02-19	Mistake in naming party - expeditious proceedings
McConnell	UK	00-02-08	Impartiality - no - double functions of judge
Pashkalides et al.	GR	97-03-19	Applicability of art 6 to social scheme - yes
van der Peet	DE	96-04-12	Immunity clause re EPO - no violation
Pellegrin	FR	99-08-12	Status of civil servants - art 6 not applicable
Powell and Rayner	UK	90-02-21	No arguable claim - art 6 not applicable
Pressos Co Naviera et al.	BE	95-11-20	Art 6 not considered - Art 1 Prot 1 examined
Preto	IT	83-12-08	No public pronouncement - length not excessive
Pudas	SE	87-10-21	Revoked traffic licence - access to court
Reber et al.	DE	96-04-10	Inadmissible <i>ratione personae</i>
Ringeisen	AT	71-07-16	Length of proceedings - no violation
Ruiz-Mateos	ES	93-06-23	Expropriation - Constitutional court - fair trial
Silver et al.	UK	83-03-25	Access to court denied
Smith Kline and French	NL	91-07-10	Compulsory licensing - access to court
Skärby	SE	90-06-28	Building prohibition - access to court
Soering	UK	89-07-07	Geographical extent of ECHR - US - extradition
Sporrong-Lönroth	SE	82-09-23	Building prohibition - expropriation - access to court
Sramek	AT	84-10-22	Real estate dispute - tribunal composition
Stran Greek Refineries	GR	94-12-09	Claims moot through legislation during proceedings
Union Alimentaria	ES	89-07-07	Length of proceedings excessive
University of Illinois	NL	88-05-02	Non-recognised right - no violation
Waite and Kennedy	DE	99-02-18	Immunity of ESA - no violation
Wemhoff	DE	68-06-27	Length of proceedings - no violation
X	DE	235/56	Scope of art 6 - international court for war damages
X	AT	7830/77	Applicability of art 6 to patents/applications
Zimmermann and Steiner	CH	83-07-13	Length of proceedings - damages - airport noise
Zielinski et al.	FR	99-10-28	Retroactive legislation - social security - interference
Zumtobel	AT	93-09-21	Administrative courts

1.2 EPO cases

1.2.1 Article 125 EPC

<i>Case nr</i>	<i>Decision dated</i>	<i>Issue/s</i>
J 12/80	81-03-26	Correction
D 5/82	82-12-15	Powers to investigate
T 80/84	85-06-21	Representation
J 20/85	86-05-14	Missing documents
G 1/86	87-06-24	Re-establishment
J 6/86	87-01-28	Abandonment of application
J 15/86	87-10-09	Withdrawal of application
J 11/87	87-11-26	Abandonment
T 47/88	88-10-17	Payment of fees
T 261/88	93-10-16	Impartiality
T 210/89	98-10-20	Re-establishment of rights of opponents
T 789/89	93-01-11	Withdrawal of opposition
J 14/91	91-11-06	File inspection
T 60/91	92-10-05	Reformatio in peius
T 439/91	91-07-21	Inviting observations
T 92/92	93-09-21	Late filed matter
T 167/93	96-05-03	Res judicata
T 905/90	92-11-13	Good faith - fee reduction
J 14/94	94-12-15	Good faith
T 669/90	91-08-14	Procedural violation
T 460/95	97-10-20	Res judicata
J 27/94	95-02-27	Good faith
J 25/95	97-08-20	Good faith
T 690/93	94-10-11	Re-establishment
T 861/94	95-09-19	Re-establishment

1.2.2 EBA cases

<i>Case nr</i>	<i>Decision dated</i>	<i>Issue/s</i>
G 7-8/91	92-11-05	Withdrawal of appeal
G 9-10/91	93-03-31	Power to examine
G 11/91	92-11-19	Correction under Rule 88 EPC
G 12/91	93-12-17	Final decision
G 3/92	94-06-13	Unlawful applicant
G 4/92	93-10-29	Basis of decisions
G 5-6/92	93-09-27	Re-establishment
G 9/92	94-07-14	Status of non-appelling party
G 5/93	94-01-18	Re-establishment
G 7/93	94-05-13	Late amendments
G 8/93	94-06-13	Withdrawal of opposition
G 9/93	94-07-06	Opposition by patentee

G 10/93	94-11-30	Ex parte examination
G 1/94	94-11-05	Intervention
G 2/94+ 4/95	96-02-19	Representation
G 1/95+7/95	96-07-19	Fresh grounds for opposition
G 2/95	96-05-14	Replacement of documents as correction under Rule 88 EPC
G 8/95	96-04-16	Correction under Rule 89 EPC
G 2/97	98-11-12	Good faith
G 3/97+4/97	99-01-21	Opposition on behalf of third party
G 1/97	99-12-10	Request for revision
G 1/99	01-04-02	Reformation in peius
G 3/98+2/99	00-07-12	Scope of Article 55 (1) EPC
G 3/99	02-02-28	Common opposition

1.2.3 Other EPC cases

<i>Case nr</i>	<i>Decision/Issue/s dated</i>	
D 6/82	82-02-24	Re-establishment
J 18/84	86-07-31	Patent register
J 25/86	86-11-14	Identity of applicant
J 17/89	90-01-09	Re-establishment
J 22/92	94-12-15	Re-establishment
J 38/92	95-03-16	Transfer of rights
J 43/92	95-11-28	Loss of rights
J 4/93	93-05-24	Re-establishment
J 10/93	93-06-14	Transfer of rights
J 16/93	95-06-20	Re-establishment
J 26/95	98-10-13	Transfer of rights
J 8/96	98-01-20	Patent register
J 17/96	96-12-03	Correction under Rule 88 EPC
J 31/96	97-11-25	Correction under Rule 88 EPC
T 219/83	85-11-26	Burden of proof
T 220/83	86-01-14	Insufficient grounds
T 156/84	97-04-09	Fresh grounds
T 25/85	85-12-18	Identity of opponent
T 105/85	87-02-05	Re-establishment
T 194/86	88-05-17	Prior use
T 219/86	87-07-03	Identity of opponent
T 349/86	88-04-29	Transfer of opposition
T 19/87	87-04-16	Oral proceedings
T 383/88	92-12-01	Late amendments
T 432/88	89-06-15	Admissibility of appeal

T 173/89	90-08-29	Fair hearing - communication
T 182/89	89-12-14	Extent of opposition
T 210/89	89-10-20	Re-establishment
T 232/89	91-12-03	Burden of proof
T 338/89	90-12-10	Intervention
T 534/89	93-02-02	Late filed prior use - abuse of proceedings
T 543/89	90-06-29	Late amendments
T 563/89	91-09-03	Transfer of opposition
T 653/89	90-12-10	Successor-appellant
T 715/89	90-05-16	Re-establishment Due care
T 716/89	90-02-22	Righth to be heard
T 789/89	93-01-11	Withdrawal of opposition
T 19/90	90-10-03	"The oncomouse case" - Article 53 EPC
T 89/90	90-11-27	Interlocutory decisions
T 270/90	91-03-21	Late submission - abuse of proceedings
T 390/90	92-12-15	Intervention
T 483/90	92-10-14	Admissibility of appeal
T 553/90	92-06-15	Transfer of patent
T 705/90	91-07-15	Inadmissible documents
T 289/91	93-03-10	True identity of opponent
T 375/91	94-11-17	Late filed document
T 442/91	94-06-23	Extent of protection
T 488/91	92-11-15	Reformatio in peius
T 516/91	92-01-14	Inadmissible appeal
T 574/91	93-08-03	Inadmissible late evidence
T 632/91	94-02-01	Admissible appeal
T 690/91	96-01-10	Res judicata
T 843/91	93-03-17	
	93-08-05	Disqualification - res judicata - vexatious proceedings
T 867/91	93-10-12	Form of appeal - admissibility
T 886/91	94-06-16	Intervention
T 925/91	94-04-26	Form of appeal - admissibility
T 951/91	94-03-10	Late filed evidence inadmissible
T 27/92	93-07-08	Admissibility of intervention
T 96/92	93-11-11	Inadmissible evidence
T 113/92	92-12-17	Res judicata
T 133/92	94-10-18	New facts in oral proceedings
T 169/92	93-12-20	Admissible intervention
T 341/92	94-08-30	Inadmissible request
T 472/92	96-11-20	Prior use - burden of proof
T 649/92	99-09-28	Straw man - appellant
T 659/92	94-10-24	Transfer of opposition
T 667/92	94-03-10	Re-establishment
T 684/92	95-07-25	Admissibility of intervention
T 870/92	99-07-20	Effect of lapse of patent
T 1002/92	94-07-06	Inadmissible evidence

T 1011/92	94-09-16	Intervention
T 39/93	96-02-14	Late filed matter
T 195/93	95-05-04	Inadmissible intervention
T 269/93	97-12-11	Right to be heard
T 471/93	95-12-05	Intervention
T 601/93	94-09-13	Re-establishment
T 829/93	96-05-24	Inadmissible amendment
T 840/93	97-07-11	Inadmissible requests
T 885/93	96-02-15	Late filed matter
T 1016/93	95-03-23	Late filed matter
T 27/94	96-05-14	Res judicata
T 45/94	94-11-02	Inadmissible appeal
T 97/94	97-07-15	Late designated witness - not heard
T 105/94	97-07-29	New ground on appeal
T 269/94	99-07-29	Revocation by patentee
T 301/94	96-11-28	Prior use - relevance
T 522/94	97-09-22	Admissibility of opposition
T 525/94	98-06-17	Non-existing appellant
T 590/94	96-05-03	Identity of opponent
T 609/94	97-02-27	Ratio decidendi
T 631/94	95-03-28	Inadmissible intervention
T 828/94	96-10-18	Re-establishment
T 933/94	99-09-22	Transfer of opposition
T 938/94	99-06-23	Inadmissible appeal
T 16/95	98-09-29	Intervention
T 50/95	98-02-25	Intervention
T 70/95	99-01-12	Inadmissible amendment
T 144/95	99-07-26	Inadmissible intervention
T 272/95	02-10-23	Common oppositions
T 274/95	96-02-02	Admissible ground
T 353/95	00-07-25	Non-existing appellant
T 377/95	98-08-05	Grace period
T 436/95	00-09-29	Ratio decidendi
T 446/95	99-03-23	Inadmissible intervention
T 535/95	99-04-12	Grace period
T 628/95	96-05-13	Oral proceedings
T 636/95	00-03-03	Lapse of patent
T 670/95	98-06-09	Transfer of opposition
T 714/95	99-06-24	Lapse of patent
T 736/95	00-10-09	Relevance of new ground
T 945/95	00-01-10	Withdrawal of opposition
T 1001/95	00-01-20	Re-establishment
T 1007/95	98-11-17	Inadmissible appeal
T 50/96	00-08-17	Ne ultra petita
T 99/96	97-12-18	Re-establishment

T 239/96	98-10-23	Reformatio in peius
T 367/96	97-12-03	
	99-07-21	Right to oppose patent - request for revision
T 825/96	99-07-27	Reformatio in peius
T 1062/96	97-12-11	Re-establishment
T 1/97	99-03-20	Rule 65(2) EPC
T 19/97	01-07-31	Transfer of opposition
T 188/97	01-02-08	Inadmissible intervention
T 245/97	98-07-23	Admissible appeal
T 298/97	01-05-98	Not adversely affected
T 315/97	98-12-17	Reformatio in peius
T 436/97	02-04-30	Inadmissible amendment
T 517/97	99-10-25	Inadmissible intervention
T 594/97	01-10-12	Amendment - reformatio in peius
T 894/97	02-06-06	Inadmissible evidence
T 994/97	01-08-24	Reformatio in peius
T 1054/97	00-11-08	Correction of claim
T 1070/97	99-03-04	Re-establishment
T 1142/97	01-07-18	Identity of opponent
T 15/98	00-04-13	Burden of proof
T 70/98	01-11-15	Abuse of proceedings
T 97/98	01-05-21	Admissible appeal
T 284/98	02-05-02	Scope of Rule 67 EPC - reimbursement of appeal fee
T 425/98	02-03-12	Inadmissible amendments
T 537/98	00-06-14	Inadmissible appeal
T 875/98	01-10-26	Inadmissible appeal
T 1035/98	00-10-13	Patentee's request for revocation
T 1139/98	99-12-20	Fresh grounds
T 76/99	01-10-09	Reformatio in peius
T 109/99	00-09-13	Admissibility of appeals
T 116/99	01-10-18	Admissible late request
T 478/99	00-12-07	Admissible appeal
T 609/99	01-11-13	Highly relevant evidence
T 724/99	01-10-24	Reformatio in peius
T 875/99	02-06-27	Relevance test
T 971/99	00-04-19	Re-establishment
T 1052/99	01-10-02	Fresh ground
T 1061/99	01-10-31	Withdrawal of application
T 9/00	01-12-18	Inadmissible second opposition
T 297/00	01-06-06	Inadmissible request for discovery measures
T 700/01	02-04-17	Reimbursement of appeal fee
T 285/02	02-05-24	Oral proceedings

I. 2. 4 EU cases

Noed v. the Commission	C 4/73
Defrenne v. Sabena	
M. Johnston v. Chief Constable of the Royal Ulster Constabulary	C 222/84
Elliniki Radiophonia Tiléorassi AE et al. v. D.E. Pliroforissis et al.	C 260/89
Demirel v. Stadt Schwäbisch Gmund	C 12/86
Cinéthèque SA et al. v. Fédération nationale des cinémas français	C 60 and 61/84
Wachauf v. Bundesamt für Ernährung und Forstwirtschaft	C 5/88
Annibaldi v. Sindaco del Commune di Guidonia	C 309/96
SCK and FNK v. the Commission	T 213/95 and T 18/96

ANNEX II SUMMARIES OF SOME EPO CASES¹

II.1 CASES RELATED TO ARTICLE 125 EPC²

J 12/80 - Designation under Article 79 EPC

The appellant had requested the designation of seven contracting states to the EPC and one non-contracting state, Spain. Two days later, it requested the designation for Spain to be replaced by one for Switzerland. The receiving Section of EPO rejected the request for correction on the ground that Article 79 EPC excludes the designation of states after the date of application.

The applicant appealed and requested that Switzerland be added to the list of designated states, referring to the fact that the correction had been requested within the priority period under the PC. In doing so, the applicant relied on the principles of procedural law generally recognised in the contracting states as provided for by Article 125 EPC.

Without mentioning Article 125 EPC, the BA allowed the request, based on the opinion that it had been made promptly and that the first instance had interpreted the conditions for corrections under Rule 88 EPC wrongly. Having found that the error was obvious because the designation of Spain was nonsensical and yet eight designation fees had been paid in the matter, the BA also found that the fact that the application in the meantime had been published could not be held against the applicant, since he had no control over this.

D 5/82 - The European Qualifying Examination

In this disciplinary decision it was noted that candidates' papers on which markings and notes had been made had been destroyed, which was considered a serious contravention of the candidate's right to see the assessment by the examination board. In fact this was so grave that it could make the whole examination invalid, having regard to the principles of procedural law generally recognised in the contracting states, of which the DBA had to take account pursuant to Article 125 EPC. The breach of a fundamental principle in a procedure meant that the whole procedure must automatically be declared invalid. - However, it did not mean that the DBA had to declare the candidate having passed. It could only rule that he must be deemed not to have sat the examination and to be exempt from paying the examination fee, if he re-sat the examination.

¹ The summaries include cases taken no later than 2001. Decision G 3/99 of 18 February 2002 is summarised in chapter 7.4.2. Summaries of cases related to other issues than those arising from Article 125 EPC or not taken by the EBA can be found in the chapter where they are discussed. With regard to good faith issues, readers may be referred to Waage, Principles of procedure in European patent law, EPOscript vol. 5, EPO, Munich 2002, Principles of good faith, chapter 3, p. 244 ff for summaries of decisions and a discussion.

² Cases related to Article 125 are summarised here, not for the topic that was actually to be decided, but to indicate how a board went about looking for principles under Article 125 EPC to apply to the case at hand.

T 80/84 - Right to present a party's case

A German attorney wanted to have the permission of a BA for his trainee to present the case at oral proceedings. He invoked Article 125 EPC as legal support, referring to the fact that the requested permission was recognised practice in Germany. The TBA informed him of the fact that presentations by trainees who were not yet qualified as patent attorneys were not allowed in for example the United Kingdom.

The TBA cited first the EPC, Articles 133 and 134, from which it concluded that representation before the EPO was not a formal matter because of their detailed nature and the conditions to become a professional representative before the EPO. It continued, however without quoting any examples of national law:

The basic right to be heard, either in person or through a representative, does not appear to be considered infringed, in any Contracting State, by restriction of the right to act as a representative, either generally or in special cases, to persons having prescribed qualifications. Nor does it seem that the basic right to make a free choice of representative is considered to be infringed by any such restriction.

The question of presentation of parties' cases at oral proceedings was later referred to the EBA, see below, which took a slightly more liberal view, albeit with the proviso that the representative always has a supervisory responsibility.

J 20/85 - Good faith - Filing date - Missing claims³

This case concerned a patent application which one evening had been fed manually into a letter box at the EPO. The claims were not recognised as filed. Accordingly, the applicant was informed that the application could not be given a date of filing because of the missing claims. A priority claimed would be lost as a consequence, since the right of priority had expired some 10 days earlier. The applicant appealed.

Having established that the issue at hand was of great importance to the applicant, the BA noted that it was necessary for the receiving section, when it received the report from the post room that claims had not been filed, to investigate in detail what had happened from the moment the envelope was opened. This had in fact been done, and the details had been set out in the decision under appeal.

The conclusions drawn from the report were not shared by the BA. The principle of the right to comment under Article 113 EPC was not always met by an opportunity to comment on a provisional finding. General principles would sometimes require that a party be entitled to hear witnesses of fact, prior to the EPO taking a decision. Since the Receiving Section was competent to take decisions, a

³ The concept of good faith has generated an abundant case law. For the purposes of Article 125 EPC, reference can be made here to decisions T 669/90, OJ EPO 1992,739, T 905/90, OJ EPO 1994, 306, J 14/94, OJ EPO 1995, 824, T 690/93, J 27/94, T 861/94, J 25/95 and T 460/95. Since the cases referring to good faith concern a broad range of issues, they will be discussed below under separate headings.

power for it to take evidence was implicit, which was in any event in accordance with the principles of procedural law generally recognised in the contracting states (Article 125 EPC). The contents of the post room report had not been communicated to the applicant before the decision was taken. The filing receipt that was returned to the applicant had inconsistent data on it, containing on the one hand a typed entry "3", and on the other hand the word "missing", the first indicating that 3 copies of the claims had been received, whereas the second indicated that the claims were missing.

The BA went on to consider various possibilities and concluded that the filing of the application, together with the filing receipt, had shifted the burden of proof to the EPO. The proof offered was criticised mainly for the reason that it was not detailed enough to support the contention that no claims had been received. It was explained by the post room that the nr 3 had been entered as a matter of routine and that the word "missing" had been added by hand later, when the actual content of the envelope had been checked. The assertion by the post room that there was no doubt that the claims were not enclosed carried insufficient weight as evidence to displace the evidence of the applicant. - The BA emphasised the necessity for the post room to establish evidence immediately when the need arises, i.e. when a dispute as to facts arises between the EPO and a party before it. The BA decided not to remit the case because of the long time - a year - that had elapsed in the meantime. Instead it allowed the request that the application be accorded the original filing date and ordered reimbursement of the appeal fee.

G 1/86 - Restitutio in integrum for the opponent

This decision concerned the question whether an opponent was barred from having his rights restored (*restitutio in integrum*) with respect to a late filed statement of grounds of appeal. The EBA concluded from the historical documentation that the express limitation in Article 122 EPC to the applicant or patent proprietor did not automatically exclude opponents and found that, as soon as the notice of appeal had been filed in time, the interest of the patentee of certainty - which justified the exclusion of opponents from having recourse to *restitutio in integrum* for the appeal as such - no longer applied. Instead the principle of equal treatment came to the foreground. The main reason for concluding that Article 122 EPC applied to the late filing of grounds of appeal by an opponent was the separation of the appeal into two time limits, the notice and the grounds, a step that had been taken only late, in the negotiations at the Munich Diplomatic Conference. In so doing, the legislator had ensured that where no notice of appeal was filed the patentee and the public would be informed already after two months about the final status of an application or a patent. However, had a notice of appeal been validly filed, the patentee and the public would know this and would not be adversely affected by the delay caused by allowing *restitutio in integrum* with regard to the time limit for the grounds of appeal. Through the notice of appeal and payment of the appeal fee, the opponent had made his intention of having the Opposition Division's decision set aside, and no uncertainty could exist any longer.

The EBA examined whether any general principles might be applicable in answering the specific question whether an opponent could have his right as regards the filing of a statement of grounds restored. General principles were applied by national courts to fill gaps or to avoid unequal results of strictly literal interpretation of the law, the EBA concluded, quoting leading textbooks in international

law⁴. When examining the existence of the instrument of *restitutio* in national laws of contracting states, the EBA found that this only applied in Germany, the Netherlands, Sweden and Switzerland. The contracting states to the EPC recognised the principle that all parties must be accorded the same procedural rights, which derived from the general principle of equality before the law. Further, the Court of Justice of the European Communities had formally recognised this principle, stating that "similar situations shall not be treated differently unless differentiation is objectively justified" (case 810/79). Since the provisions of the EPC governing the independence of the BAs indicated that the BAs acted as courts, being also a last instance, and the national systems of the contracting states recognised that last instance decisions could only be taken by courts of law, the BAs had to apply the same principle of equal treatment of the parties also in connection with the time limit for a statement of grounds for the appeal. Under this principle an opponent must not be treated differently from the patent proprietor. To exclude the opponent from *restitutio* with regard to the statement of grounds would result in unjustifiable discrimination.⁵

J 6/86 - Abandonment of application?

This is the first case in which a BA took a position as to the applicability of Article 125 EPC, excluding the question of the correct interpretation of a statement made by a party. The case concerned a PCT application. In response to a communication that the EPO would grant a patent on the basis of this application, the applicant filed a letter containing the only substantial sentence: "Applicant wishes to abandon this application". The EPO responded with a letter stating that receipt of the withdrawal of the application was recognised. - The applicant submitted that it wanted to pursue the application. The word "abandoned" had been used to indicate, not a withdrawal, but that the applicant would not take any further procedural steps, meaning that the correct way for the EPO would have been to refuse the application. However, in a decision the formalities section refused to consider that letter as not containing a notice of withdrawal. The applicant appealed.

The LBA concluded at the outset that the "abandon" letter, having no conditions, could rightly be considered as a completely unqualified and unambiguous withdrawal of the application. This was confirmed by the fact that the applicant did not immediately object to the acknowledgement that the EPO had received a withdrawal of the application.

The appellant had referred to various national laws, in particular to a decision by the German Federal Patent Court which he considered that the LBA had to take into account under Article 125 EPC. However, the LBA remarked that this provision only was applicable in the absence of any relevant procedural provisions in the EPC. This LBA did not consider that any procedural question had arisen at all, but rather the question of the correct interpretation of a statement in a letter by the applicant.

⁴ International Institutional Law, Henry G. Schermers, Sijthoff & Noordhoff, 1980, 1189 et seq., and *Traité de droit civil*, edited by J Ghestin, Introduction générale, J Ghestin and G Goubeaux, LGDJ, point 446, et seq.

⁵ Comment: While the EBA does not quote Article 125 EPC expressly, it obviously has this provision in mind. Unlike many other decisions interpreting this Article, the EBA quotes a source for the conclusion that national courts can fill gaps with general principles. It also goes to an international source, the EC Court of Justice, for interpretative support. Finally, it examines some national systems to find out how they applied the possibility to have *restitutio*. All in all, while not covering each contracting states, the research made in this case by the EBA, having examined independent source material and international law as well, would probably find few critics who would maintain that the claim made by the EBA was unsubstantiated.

For the interpretation of this statement there could be no applicable principle of procedural law within the meaning of Article 125 EPC. - The appeal was dismissed.⁶

J 15/86 - Abandonment of application?

This is the second case concerning abandonment. According to the headlines, the LBA considered that there was in the operation of the EPO system a recognised difference between the passive abandonment and the active withdrawal of an application. This meant that whenever there was a dispute as to the applicant's intention, each case had to be considered on its own facts. Therefore a written statement had to be interpreted as a whole with the surrounding circumstances in mind.

In this case art 125 EPC was addressed in the sense that it was established that generally recognised principles *did not include* specific rules of substantive law of any contracting state.

Unlike the previous case, the applicant had not only indicated his intention of abandoning the application, but also added: "I kindly ask you to ... send me information that the case will be withdrawn." ... "Let me know if it is possible to get any reimbursement of the paid taxes, possibly the latest granting and printing fees.". The EPO took this request to be a withdrawal and informed the applicant accordingly, also informing him that no refund of the grant and printing fees was possible, since the technical preparations for grant had already taken place. The applicant responded by requesting that the EPO recognise the patent application as still in force, maintaining that the "abandoning" letter had been misinterpreted. The EPO issued a decision holding that the withdrawal had become effective at a specific date.

The applicant appealed, claiming that a previous representative had made a mistake, leading to the unclear letter. The EPO should have interpreted it as conditional upon refund of the fees mentioned there.

The LBA first noted the same dichotomy between abandonment and withdrawal as the previous LBA. Interpreting the letter as a whole, the LBA concluded that a withdrawal was wanted, since it requested confirmation that the application would be withdrawn and requested fees back. In addition, it was too late to abandon the application at the time of the letter, it had either to be granted or refused, if it was not withdrawn. Since the applicant had not reacted on the information that the fees could not be refunded, his intentions had obviously been correctly understood. The LBA disagreed with the applicant's contention that the withdrawal was conditional upon a refund. Instead, the applicant had asked for information on that subject. A retraction of the withdrawal, even on the ground that it had been made by mistake, was no longer possible because the withdrawal had already been notified in

⁶ It may be argued that also principles of interpretation belong under the heading of "procedural law". Other decisions on "abandonment" suggest another approach than the above. One could perhaps quote the principle that, when ambiguous or doubtful, a statement should be interpreted in favour of the applicant (*in dubio pro reo*). Also one might comment that any statement which may trigger a procedural step, such as a declaration of a procedural intention, would fall under Article 125 EPC.

the European Patent Bulletin. A retraction had been against the public interest in being able to rely on the information given in the Bulletin.

On Article 125 EPC, the LBA observed that the nature of principles relating to the right to be heard, the binding nature of decisions and the like was well known. The submission that because of the mistake the German Civil Code should be applied was not supported by Article 125 EPC, which only referred to the principles of procedural law generally recognised in the contracting states and not to the specific rules of civil law of any one such state.

J 11/87 - Abandonment of application?

In yet another case on abandonment, the applicant had appealed a decision whereby the first instance had declared a letter containing a declaration of the intent to abandon the application as a withdrawal of same. The appellant requested that the application be considered as still pending. The LBA went through its case law, pointing out that a declaration which contained the unconditional surrender of the application was to be considered as a withdrawal. The LBA found that subsequent facts indicated that this was not one of the usual cases. The decision by the ED had been taken two months after the declaration, and the applicant had immediately appealed.

The LBA, having found in favour of the applicant, therefore did not find it necessary to examine whether under Article 125 EPC an applicant should have to file a special power of withdrawal before a request that the application be withdrawn or that the application is abandoned for the action in question to be valid.

T 47/88 - Applicability of national law for the purposes of EPC

A question had arisen in this case whether German postal provisions applied to the payment of a fee. The EPO had decided that the fee had not been paid in time, since the sum, although available in the applicant's account at the last day of the time limit, under the German law could have been revoked by him. It therefore only accredited the later date when the sum was actually booked by the EPO into its account. The applicants claimed that they were discriminated over other member states, whose postal laws were different on this point and that therefore the fee should have been considered as having been paid on the day when the applicant ordered its bank to transfer the corresponding sum.

The TBA disagreed, concluding that the German law did not discriminate. It was not a matter of principle whether a payment would be acknowledged on a certain day, but a matter of fact. In the case it was a fact that the payment could have been revoked by the applicant until it entered the Office's account.

On Article 125 EPC, the TBA noted that there was no room for its application, since the Rules relating to Fees contained detailed provisions, and this Article only was applicable in the absence of procedural provisions.

T 261/88 - Scope of application of Article 125 - Impartiality

This decision may be characterised as one of leading ones dealing with the identification of the scope of application of Article 125 EPC as well as the conditions for a legal principle to be considered as generally recognised.

The TBA referred a question to the EBA on whether the obligation to impartiality laid down in Article 24 EPC for the Boards would be equally valid for the first instance organs of the EPO.

The facts were as follows: The opponent had once been the employer of one of the examiners of the patent application, an examiner who was also one of the members of the opposition division handling the opposition case. The patentee complained that this examiner might be partial towards the opponent because of his previous employment. He had *inter alia* represented the opponent in another opposition case against the patentee. After oral proceedings - which the patentee did not attend, apparently because the composition of the opposition division had not been changed - the opposition division revoked the patent. On appeal, the patentee questioned the impartiality of the opposition division for the reasons just summarised.

In its reasons, the TBA discussed the reference of the patentee to the concept of "natural justice" and considered it to be, although not appearing in the EPC, within the body of "general rules of law" which were generally accepted in countries such as the Contracting States to the EPC. Within this body of rules, the right to a fair hearing was well established. It had been expressed by the ILO administrative Tribunal in a judgment (no 179, Varnet v. UNESCO, of 8 November 1971) as follows: "It is a general rule of law that a person called upon to take a decision affecting the rights or duties of other persons subject to his jurisdiction must withdraw in cases in which his impartiality may be open to question on reasonable grounds. It is immaterial that, subjectively, he may consider himself able to take an unprejudiced decision; nor is it enough for the persons affected by the decision to suspect its author of prejudice." ... "Because of its purpose, which is to protect the individual against arbitrary action, *this rule applies in international organisations even in default of any specific text.* It follows that, failing any explicit provision in the regulations and rules, the officials concerned are bound to withdraw if they have already expressed their views on the issue in such a way as to cast doubt on their impartiality or if for other reasons they may be open to suspicion of partiality". (emphasis added) The TBA also quoted the statement of the World Bank Administrative Tribunal in decision no 28, 1986, that it was a fundamental rule of both judicial and quasi-judicial procedures that whoever was to pass judgment must assume this responsibility free from any possible prejudice developed through previous involvement in the case.

The TBA then concluded with regard to Article 125 EPC that the appointment of members to the opposition division would seem to be a matter of procedure, and noted that the letter in which the responsible director had refused to change the composition of the OD did not make any reference to generally recognised principles of procedural law. The TBA then continued this line of reasoning by referring to the ECHR as a possible guide on generally recognised principles, and queried whether a body of first instance like the opposition division should be required to meet the conditions of Article 6 (1) ECHR, or in other words, whether the same considerations applied to a member of the OD as to a member of a board of Appeal. This gave rise to a fundamental question of law, involving

also the question whether a decision regarding the composition of such a body was appealable. A further question arising was what constituted valid grounds for such an objection to succeed. In this context it should be mentioned that the patentee had not raised the objection based on any factual indication that the examiner had been partial; it only suggested that he might be inadvertently or subconsciously partial because of his former employment.

The questions referred in T 261/88 were answered by the EBA in G 5/91 as follows:

I. Although Article 24 EPC applies only to members of the Boards of Appeal and of the Enlarged Board of Appeal, the requirement of impartiality applies in principle also to employees of departments of the first instance of the EPO taking part in decision-making activities affecting the rights of any party.

II. There is no legal basis under the EPC for any separate appeal against an order of a director of a department of the first instance such as an Opposition Division rejecting an objection to a member of the division on the ground of suspected partiality. However, the composition of the Opposition Division may be challenged on such a ground of appeal against the final decision of the division or against an interlocutory decision under Article 106(3) EPC allowing separate appeal.

The EBA firstly noted that the absence of an obligation to impartiality for the first instance apparently was intentional, quoting travaux préparatoires to the EPC⁷, which showed that a proposal to extend the rules of exclusion to all departments of the EPO had been rejected mainly for the reason that only the BAs and the EBA had such a similarity to a court that they warranted such a provision. This however, in the EBAs view, did not automatically make the other departments exempt from the obligation to impartiality. However, for the first instance there was a certain flexibility, as seen from the provision that one member of the examining division should as a rule take part in subsequent opposition proceedings.

Next, the EBA commented on the practice that objections to a member were decided by the director of the department concerned. The EBA stated that it would have been preferable if the first instance had had instructions to take a separate appealable decision on such objections but could not find the existing practice illegal, in view of the administrative character of the first instance which was subject to internal instructions from the President under Article 10(2) (a) EPC. On the other hand, if Article 24 EPC were to be construed as applying also to the first instance, so would its obligation on parties to raise an objection immediately after the party had become aware of the situation.

The EBA did not make any specific reference to Article 125 EPC, but relied on the general principle, without defining the preconditions for such a principle, that nobody should decide a case in respect of which a party may have good reasons to assume partiality. Therefore the basic requirement of impartiality also applied to members of decision making bodies of the first instance.

⁷ BR/168 e/72 eld/KM/gc, page 55.

T 210/89 - Restitutio of opponent's notice of appeal

The rights of an opponent to have a statement of grounds restored under Article 122 EPC as recognised in G 1/86 were further delimited in this decision, which concerned the restoration of the notice of appeal of an opponent. As expected, the TBA took the view already signalled by the EBA in the mentioned decision that Article 122 EPC excluded opponents as long as no such notice had been validly filed. In point 5 of the reasons, the TBA refers to Article 125 EPC and the need to invoke the principles of procedural law pursuant to that Article. Firstly it recognises the principle of "equality before the law" which had already expressly been stated in G 1/86 as applicable in proceedings before the BAs.

The TBA then noted the limitation to this principle as laid down by G 1/86, namely that it applied only to proceedings already validly in being, i.e. only to those who were parties to proceedings which had already been initiated. Conversely, where no appeal procedure had been set in motion this principle was not applicable.

T 789/89 - Abandonment of opposition?

This case again concerned a declaration made by a party indicating that he would not take further part in the proceedings. This time, however, it was the opponent who had declared that he had decided to "discontinue the opposition". For procedures before the first instance this situation is governed by a special provision, Rule 60 (2) EPC, which gives the first instance power to continue the proceedings of its own motion in the interest of the public. The question in the present case was if this applied to the same extent in appeal proceedings.

Here the TBA quoted the VC, Article 31(1), under which a treaty shall be interpreted in good faith in accordance with the ordinary meaning to be given to the terms of the treaty in their context and in the light of the object and purpose of the treaty. However, interpreting Article 107 EPC in this way did not provide an answer to the question whether an opponent, who is the respondent, can validly withdraw from proceedings by a declaration of the kind made here. The EBA had already declared that Rule 60(2) EPC did not apply to appeal proceedings, G 7/91. In the absence of any procedural provision in the EPC, Article 125 EPC applied. The TBA stated that it was a principle of procedural law under that Article that a party who can start proceedings also may declare discontinuance of proceedings and thus cease to be a party. It went on to state that it was also a recognised principle that main or substantive issues may be dealt with separately from subsidiary or non-substantive issues such as questions of apportionment of costs.

In accordance with the VC the TBA also proceeded to examine the preparatory documents to the EPC in order to establish the intention of the legislator. It was found that one draft had contained the additional provision that parties other than the appellant were parties to the appeal proceedings, "*with the exception of those who have abandoned that right*". These words had been deleted, because they were thought to be unnecessary and yet create an ambiguity with respect to costs. The deletion was not meant to be interpreted so as to force the persons not wishing to take part in the proceedings to do so. The view had been expressed at the Munich Diplomatic Conference that opponents should not be allowed to withdraw from the proceedings because the decision of the first instance was not final,

since it could be changed on appeal and because an opponent could take the view that a decision did not affect him after his withdrawal from the proceedings. The TBA disagreed with this reasoning, pointing to the fact that a decision on a patent was valid *erga omnes* regardless of who had opposed it. The TBA concluded that the opponent was free to withdraw from the proceedings.

J 14/91 - Extent of research of national law

In this decision the LBA found a research into the national laws of three contracting states sufficient to identify a generally recognised principle of procedural law under Article 125 EPC. The case concerned the question whether it was allowed, in emergency situations, to abridge the period of two months notice for summons to oral proceedings in spite of the fact that the EPC did not contain any such express provision. The dispute in the case concerned the right to inspect a file under Article 128 EPC, which allows such inspection concerning applications which have not yet been published only with the consent of the applicant. - The LBA had summoned the parties to oral proceedings within 4 days from delivery of the summons.

The LBA first stated that it went without saying that parties could effectively prevent such inspection before the application had been disclosed, unless oral proceedings could be appointed at short notice.

The LBA found a legal possibility to apply Article 164 (2) EPC to abridge the period for summons in spite of Rule 71(1) EPC, since the latter could be said to be contrary to the purposes of Article 128 EPC. But in spite of this it went on to apply Article 125 EPC, to see whether in national laws there were any provisions on urgent cases. It found in the German ZPO, section 226(1), a provision allowing for abridgement on application. But, more important, under section 89(1) of the German patent law, the chairman could abridge the period of notice. Likewise under English law (according to Halsbury's Laws of England, vol. 37, para 30), the court had power to order an abridged period. French law also provided for periods to be abridged in urgent cases, Article 484 of the Code de procedure civile. The LBA added that it could quote further instances of national provisions at will but considered that these three examples would suffice.

T 60/91 and T 96/92 - Reformatio in peius

Both concerned the question of *reformatio in peius*, for which no clear solution was to be found in the EPC. The TBA therefore found reason to apply Article 125 EPC. It researched the national laws of Germany, France, and Switzerland, which all were found to effectively exclude it, albeit for various reasons and purposes. According to the TBA, the result showed that the legal systems of the contracting states answered the question of how closely appeal courts are bound by appellant's requests either in different ways or by drawing on different legal sources.

The TBA found that the problem raised touched a variety of aspects, such as the lack of rules in the EPC on the filing of cross-appeals (German: Anschlussbeschwerde), questions of *res judicata*, the principle of party disposition, *ex officio* examination by BAs and other restrictions on the party disposition principle.

In the case law the TBA found support for a prohibition against *reformatio in peius* in decision T 369/91 according to which a patentee who had not appealed a decision to maintain the patent in amended form was not entitled to request that the patent be maintained as granted. However there was a decision which had held that a patentee was entitled to cross-appeal⁸, T 576/89. This decision contradicted T 369/91. Also decision T 123/85 had held that a decision could only be taken to revert to the patent text as granted, if this did not represent an abuse of procedural law. The TBA in the present case, having found contradictory decisions, had a legal platform for referring questions to the EBA, namely if a TBA could amend a contested decision to the disadvantage of the appellant, and if so, to what extent.

These questions were both answered in the negative by the EBA in decisions G 9/92 and G 4/93. None of these decisions addresses the significance of a lack of cross-appeal in the EPC, i.e. that there is no extra time available for a party who had not intended to appeal but who finds himself being attacked by an appeal from the other party, being left without recourse since the time limit for appeal has lapsed.

The EBA was not unanimous, a minority found that there could be no such prohibition, for the reason that Article 114 (1) EPC always took precedence over art 114(2) EPC, which principle applied also to appeal proceedings, i.e. that the principle of investigation by the boards of their own motion prevailed. The minority did not discuss what effect the absence of a cross-appeal opportunity in the EPC should have, nor which effects a prohibition against *reformatio in peius* would have for the parties.

T 439/91 - Article 113 EPC - fair hearing

The Opposition Division failed to invite the appellant/patentee to respond to comments made by the opponent on a question of prior use, which were communicated to the appellant without indication of any time limit for the filing of observations. Some months later the OD issued a decision revoking the patent on the ground that the invention had been made available to the public before the filing of the European application.

The TBA considered that Article 113 EPC had been followed literally, but found this not to be sufficient, since it would be necessary under Article 101(2) EPC to invite comments if failure to do so would lead to an unfair procedure or a violation of the principle of good faith. The communication by which the new documents were only sent to the appellant could have created the false impression that the appellant did not have to act in order to protect his interests. The evidence was new and the EPO obviously considered it relevant to the decision. The failure to alert the appellant was therefore in violation of the appellant's right to a fair procedure and the general principle of good faith governing the relationship between the EPO and parties before it. The TBA took the right to a fair hearing to be one of the principles of procedural law generally recognised in national law and

⁸ Cross-appeal here obviously means the respondent's right to file new requests, even if he has not appealed within the appeal period himself, and even if these requests go beyond the decision of the first instance. A right to cross-appeal would include an extra period for filing the cross-appeal after expiry of the appeal period, where one of the parties has filed an appeal.

therefore to be taken into account under Article 125 EPC, however without elaborating on this topic.

T 92/92 - Scope of Article 114 (2) EPC

This decision concerned the limits to a party's right to present facts, evidence and arguments and focused on the scope of Article 114(2) EPC. The TBA at the outset established that the principle of fair hearing was not without its limits, referring explicitly to this provision. The TBA assumed the principle of procedural law of the right to a fair hearing to be valid and proceeded to discuss whether it had been violated by the first instance's decision not to admit new arguments based on documents that had been submitted in time. The TBA found no legal basis in Article 114(2) EPC to restrict a party's right to present new arguments, since this provision only spoke of facts and evidence. Therefore the first instance was wrong in rejecting these arguments as late submitted under Article 114(2) EPC. However, the TBA also noted that the first instance had indeed discussed the significance of the same arguments and found them less relevant. The TBA could therefore conclude that the rights of the appellant had not been unduly restricted.

T 167/93 Res judicata - Maxims of Roman law

A decision deserving special attention is T 167/93, in which the TBA found it useful to turn to maxims of Roman law in order to discover "principles of procedural law generally recognised in the Contracting States" for the purposes of Article 125 EPC.

The issue at hand was whether a decision taken by a TBA on an appeal from an examining division acknowledging inventive step had any binding effect on subsequent opposition proceedings, making the issue of inventive step *res judicata*. Although the issue of what is *res judicata* in such a case had already been resolved in the TBA case law⁹, the board in T 167/93 embarked on this approach seemingly in order to find acceptable sources of law to apply in order to fill gaps in the EPC. The board's application of Roman law to the issues of *res judicata* could therefore be characterised as an *obiter dictum*. However, for the purpose of the analysis of Article 125 EPC this decision offers some interesting elements.

The reason for applying maxims of Roman law was according to the board that they had proven themselves in practice over many centuries and had influenced deeply the laws of all Contracting States, to survive, although modified, in these laws even today.

The decision cited four maxims related to *res judicata*, concluding that the principle of *res judicata* is a compromise between the rights of the parties to a fair hearing and the interest of bringing the litigation to a speedy end ("*Res inter alios judicata alii non praejudicat*", "*Res judicata pro veritate accipitur*", "*Res judicatas restaurari ex emplo grave est*" and "*Expedit rei publicae, ut finis sit litium*").

⁹ See e.g. T 934/91, OJ EPO 1994, 184, in which *res judicata* was defined as a matter finally settled by a court rendering the matter conclusive as to the rights of the parties and their privies, constituting an absolute bar to a subsequent legal action involving the same claim and *the same parties or their privies*.

English, French and German legislation on estoppel were then quoted as examples of national law influenced by these maxims. English law provided for estoppel where an issue of fact has been judicially determined by a competent court and the same issue comes directly in question in subsequent proceedings between the same parties. French law laid down that the binding effect only exists for what was the object of the judgment, where the suit is between the same parties and for and against them in the same legal capacity. German law, finally, stated that a legally binding judgment has force for and against the parties and persons who are successors of the parties.

From this the board identified the following necessary elements for an *estoppel per rem judicatam*: the issue has to have been judicially determined - in a final manner - by a tribunal of competent jurisdiction - on the same issues of fact - between the same parties - having the same legal capacity. An issue that had been decided by a BA at the granting stage on appeal by the applicant (*ex parte*) would therefore not be *res judicata* in subsequent opposition proceedings (*inter partes*). Since this was exactly the circumstances of the proceedings at hand, the board concluded that the first board decision was not binding on the subsequent opposition proceedings, and hence not on the second board either.

T 905/90 J 14/94 Good faith - Settled practice

Two decisions deal with the effects of administrative practices in the EPO which had been consistent over a long period, T 905/90 and J 14/94. The first case concerned the provisions for fee reduction (Rule 6 EPC). The practice by the EPO had been to accept the right to a fee reduction liberally, regardless of whether the item filed in a non-official language was an essential item for the proceedings or not. In 1989, after a study had been carried out within the EPO, however, it had been concluded that this practice should no longer be followed. The appellant/opponent filed an opposition in 1990, whereby all submissions were in English except for a section headed "Other requests" which included the statement that 20 % of the fee for opposition had been withheld, which was in Dutch. According to the new practice, the opposition division informed the opponent that he was not entitled to the fee reduction and later rejected the opposition as inadmissible for being out of term¹⁰. When the TBA was to decide the appeal, decision G 6/91 had recently been handed down, holding that a fee reduction was due only where there had been filed in a non-official language an essential item of the first act of filing, examination or appeal proceedings together with a translation no earlier than simultaneously. The TBA found that G 6/91 also applied to opposition proceedings. From G 6/91 followed that for example a notice of appeal or opposition would qualify as an essential item, whereas a cover letter or as in the present case a part of the notice of opposition, written in a non-official language, in which only was noted that part of the fee had been withheld could not "by any stretch of the imagination" be regarded as essential.

On the point of good faith raised by the appellant, the TBA noted that the EBA in decision G 5/88 had stated that the principle of legitimate expectation was one of the generally recognised principles of law which was well established in the European Community. The appellant had referred to the fact that there was a well established practice of leniency with regard to the refunding of fees under Rule 6(3) EPC and supplied the board with examples from previous years. The TBA accepted this as proof

¹⁰ Under Article 99 (1) EPC an opposition is not considered as filed until the fee has been paid.

of a settled practice under which parties who had paid the full amount of the fee within the stipulated time limit but only filed inessential items in a non-official language had indeed been reimbursed under that rule. This practice did give rise to a legitimate expectation on the part of parties before the EPO. However, the appellant had not kept to this established practice, but had gone beyond it by paying only part of the fee. This could not be seen as conforming to a settled practice. The appeal was dismissed.

In the second case, J 14/94, the organs of the EPO had continued the proceedings for more than two years without informing the appellant that a renewal fee had not been paid. Only after the patent was close to being granted, and the appellant asked the EPO when the grant was to be expected, did the EPO issue a communication stating that the application was deemed to be withdrawn due to the failure to pay the renewal fee. It is to be noted that this case did not hinge on the question whether the office had any obligation to inform about a deficiency, there were instructions to do so with reference to Article 86(2) EPC which makes a "post-payment" possible under the proviso of the payment of an additional fee. Instead, the question was whether by letting the application proceed towards grant, the applicant had been led to believe that all formal requirements under the EPC had been fulfilled.

The LBA noted that there was no obligation on the EPO to issue timely communications regarding loss of rights. But in connection with the fact that the EPO also actively took part in the continuation of the proceedings the appellant had every reason to believe that he had complied with the time limit for payment of the renewal fee. Third parties inspecting the file could also not detect that anything was amiss. As an applicant must not suffer as a result of having relied on the conduct of the EPO, and the notice on loss of rights was inconsistent with its earlier behaviour, it offended against the generally recognised prohibition of "venire contra factum proprium". The LBA therefore considered the late paid renewal fee - as an exception - to have been paid in time.

T 669/90, T 460/95 Good faith - Erroneous information

Even though a party has no right to expect voluntary information from the EPO, the BAs decided at an early stage in their history that a party should be able to rely on this type of information. Any action caused by voluntary, but misleading information should not lead to any loss of rights for the party who acted upon it (J 3/87, OJ EPO 1988, 330). Two more recent cases may be used to illustrate further this principle, T 669/90, OJ EPO 1992, 739, and T 460/95.

In the first case the appellant, who was the patentee, had been sent a communication for information only, containing a number of documents held against the patent by the opponent. The communication did not contain any invitation to the appellant to comment, a box to "take note" having been crossed on the form used, whereas a box with the text "File observations within..." had not. The opposition division later revoked the patent for lack of inventive step, based on some of these documents.

On appeal, the TBA held that the opposition division had violated Article 113 (1) EPC, which required that each party was given an opportunity to present their comments. To send the relevant documents without an invitation to do so, also contravened Article 101(2) EPC which presupposed that an opposition division invite the parties "as often as necessary" to file comments. This made it

clear that an invitation to comment was distinct from a communication such as the one issued. The communication was also misleading in that the appellant, by not being invited, was entitled to conclude that the documents had not been admitted into the proceedings and that therefore the appellant did not need to comment on them.

The appellant in T 460/95 had first asked in writing to be afforded an extension of two weeks to file the grounds of appeal without receiving an answer. He later telephoned the EPO asking for a prolongation of this term and received a positive answer from the registry of the BAs. Although this term cannot be extended, and the registrar stated that he could not have given a positive answer, he could not exclude that there might have been a misunderstanding. The TBA found, by reference to the principle of good faith, in particular in view of the fact that the conversation had taken place about six weeks before expiry of the term in question, that the appellant's request for reestablishment could be allowed, since the appellant had fulfilled the requirement under Article 122 EPC to have shown all due care. The TBA also considered other case law, T 853/90 and T 516/91, in which similar requests had been dismissed for the reason that mistakes about the law (*here*: that the term in question was not extendable) were considered not to fall within the scope of application of Article 122 EPC, but found that these could be distinguished from the present appeal, since in the former cases there had been no contact between the EPO and the appellant.

J 27/94, J 25/95 Good faith - Changing case law

Over the years EPO case law could change, which has happened: one example is the question of whether a patentee has the right to oppose his own patent, which was acknowledged by the EBA in G 1/84, but later reversed in G 9/93. With regard to the time limit for filing divisional applications, the LBA proposed in decision J 11/91 that the limit set by Rule 25 (1) EPC, which allows for divisional applications to be filed up to the approval of the text for the parent patent pursuant to Rule 51(4) EPC, should actually extend to the point at which the EPO and the applicant become bound by the decision to grant the patent under Article 97(2) EPC¹¹.

In cases J 27/94 and J 25/95 the appellants referred to J 11/91 and the principle of good faith, contending that as soon as this decision was published parties had a right to rely on it, and that the EPO was obliged to follow it and grant leave to file divisional applications in spite of the wording of Rule 25 EPC. The LBA disagreed however, mainly for the reason that when J 11/91 was published it was accompanied by the information that a question had been referred to the EBA on this point. The publication could thus not have led to any legitimate expectation on the part of the public and parties to proceedings before the EPO. Further, there was no binding effect of a decision arising from Article 111(2) EPC, except for the same case. The EPO was therefore not bound to follow either of decisions J 11/91 or 16/91. However, the board in J 27/94 added, the examining division had not

¹¹ Later the President of the EPO referred a question on this point to the EBA, pointing to diverging rulings in J 11/91 and J 16/91 on the one hand and T 92/85 on the other hand. The EBA in G 10/92 agreed with the latter, holding that Rule 25 which had been amended in 1988 was perfectly reasonable and meant a simplification as well as an improvement of the rights of the applicant, who, unlike under the previous version of the rule now could himself decide when to approve the text under Rule 51(4) EPC and therefore had full control over the time limit for any divisional application he might want to file.

objected to the approval for the text under Rule 51(4) EPC, although it had been stated by the applicant in the same response that he intended to file a divisional application for subject-matter that had been deleted in the parent application. This meant that the approval was conditioned and as such to be held invalid unless the condition was upheld. The applicant in this case was therefore entitled to have the application treated as a divisional application.

T 690/93 T 861/94 - Warning about deficiencies

Two cases of a fairly recent date established that there is no obligation for the organs of the EPO to give timely warnings if this can be done at such a time that the party in question would still be able to correct the mistake or deficiency within the applicable time limit. This new practice seems contrary to what had been decided by T 14/89 already in 1990 and later reiterated by J 13/90 and other decisions to apply in cases where a deficiency is easily identified and the applicant is in a position to correct it, thereby avoiding a loss of rights. In J 13/90, the receiving section had dismissed a request for reestablishment on the basis that the omitted act, payment of a renewal fee, had not been completed as required under Article 122 EPC. The applicant had indicated in his request that payment would follow once the application had been restored. This should have told the receiving section that the applicant was under the impression that he did not have to pay the fee before that, obviously due to a confusion of the EPC with national law which would have allowed them to wait with this payment.

T 690/93 concerned the late filing of grounds for the appeal and a request for reestablishment of the time limit therefor. The applicant had not paid the fee for reestablishment and as a result the board considered that this request was inadmissible. The applicant referred to the principle of good faith as interpreted in a number of decisions, e.g. J 3/87, T 14/89 and J 27/92, contending that he had a legitimate expectation to be informed about the deficiency.

However, the board did not recognise any general obligation for the EPO to warn about deficiencies in an area which was within the party's own responsibility. The board had to avoid any action which could indicate that it was not entirely impartial. It was not immediately understood what would qualify as readily identifiable deficiencies. This presupposed a systematic investigation and a decision as to whether *easily identifiable* was only dependent on the fact of its discovery or if it required an appreciation of its *nature to be readily identifiable*. This implied illogical and impractical consequences. To limit this obligation to gross deficiencies would be tantamount to benefitting negligent or incompetent parties or representatives. Parties could not expect a board to warn at any time for deficiencies of a fundamental order, such as the missing fee for reestablishment.

The same stance was taken in T 861/94, where the board added that in inter partes cases parties cannot rely on the principle of legitimate expectation, unless they show that the EPO has not exercised the care that was expected under the circumstances. This did not include acts which the parties themselves were expected to execute. A judicial instance could not relieve the parties of their responsibilities. Instead, they had to expect that this instance kept strictly to its obligation to be neutral, which often meant that they had to expect that this instance would stay passive. As had already been observed by the board in T 690/93, it was not established on what criteria easily identifiable deficiencies were to be decided, and an obligation to remind a party of such deficiencies would benefit incompetent or

negligent parties. The board further added a list of responsibilities of the parties with regard to reestablishment, i.e. to keep themselves informed about the relevant legal provisions in detail and in particular about the obligation to pay fees, to know that a second reestablishment is excluded, to take the necessary legal steps according to the requirements for reestablishment and to make sure that these necessary steps had indeed been taken. Only then, if ignorance of the law and negligence could be excluded, could the party in question have a legitimate expectation on the EPO.

The board rejected the request for reestablishment as inadmissible because of failure to pay the fee for this request.

This recent practice of not obliging the EPO to give this kind of service has been followed by a number of decisions so that it can by now be said to be established practice for these types of cases.

II.2 EBA CASE LAW

G 2/90 and G 8/95 - Competence of TBA:s and the LBA

The two referrals concerning the competence of the LBA arose from doubts as to the proper interpretation of Article 21 EPC, in particular the relationship between paragraphs 3 (a) and (c). Paragraph 3 starts by indicating the composition of a Board of Appeal, depending on the circumstances in the first instance. The terms “technical board of appeal” and “legal board of appeal” do not appear in the article, nor anywhere else in the EPC, which systematically refers to the “Board/s of Appeal” and the “Enlarged Board of Appeal”. The two relevant paragraphs of Article 21 EPC then go on to define two separate sets of circumstances, giving rise to specific compositions: (a) “two technically qualified members and one legally qualified member, *when the decision concerns the refusal of a European patent application or the grant of a European patent and was taken by an Examining Division consisting of less than four members*; and (c): “three legally qualified members in all other cases.”.

The referring board in G 2/90¹² had to resolve whether an appeal against a decision to revoke a patent had to be heard by the LBA in a case where the patent had been revoked for the reason that the proprietor had filed the translations of the claims for the granted patent late, as allowed under Rule 58 (6) EPC, but had failed to pay the surcharge due for out of term filings. The proprietor contended that the failure to pay the surcharge did not constitute a legal basis for revoking the patent. The referring board took the opportunity of referring the general question whether the LBA was competent for appeals against decisions entrusted to formalities officers under Rule 9(3) EPC.

After review of the relevant paragraphs of Article 21 EPC, the EBA firstly concluded that the LBA was competent under Article 21 (3) (c) EPC to hear appeals against certain decisions - “three legally qualified members in all other cases” - by an examining division, ED, and that there was a substantive requirement for the competence of a TBA, namely that the decision concerned the refusal of a European patent application or the grant of a European patent. The corresponding prerequisite did

¹² Decision T 272/90, OJ EPO 1991, 205.

not exist for the OD under Article 21(4) EPC, which simply laid down the necessary composition of the TBA, depending on the composition of the OD. Accordingly, the LBA was never competent to hear appeals against decisions by an OD.

The question referred in G 8/95 concerned the competence to hear an appeal against a decision by an ED refusing a correction of the decision to grant under Rule 89 EPC. The appellant had been refused a requested addition of missing pages of the patent specification, for the reason that the correction did not relate to passages where the ED wished to base its decision on a different text. The referring board had found that the LBA previously had, in a number of decisions related to correction of errors under Rule 89 EPC, decided that such corrections did not concern the grant of the patent and that therefore the LBA was competent to hear them under Article 21 (3) (c) EPC, whereas in other cases the TBA had accepted competence.

The EBA, quoting J 30/94 as having correctly concluded that the decisive question was whether the decision on the request for correction concerned the decision to grant, found it necessary to consider the aim of an appeal against a decision to grant the patent as compared to a request for its correction. In the former case, the party aimed at having the decision under appeal changed by alleging that it did not correspond to its requests (cf Article 113 (2) EPC). In the second case, the party also wanted to have the decision changed, but on another basis, i.e. that there was a linguistic error or some similar obvious mistake. In the first case the remedy was directed against the substance of the decision, whereas in the latter it was against the form in which the decision was expressed. But regardless of the difference in basis, both requests had as object the decision itself. Therefore, both concerned the decision to grant, and a TBA was competent to hear both, excluding competence for the LBA.

G 3/92 - Revival of a lapsed European patent application

Decision G 3/92 addresses the important issue of whether a patent applicant who has been unlawfully deprived of the application by a third party, who filed the European patent application, but later let it lapse by not complying with provisions of the EPC, can file another application regardless of the fact that the application is no longer pending, without risking a finding of lack of novelty etc, as a result of the previous application having been published earlier.

The fundamental principle that the European Patent Office cannot be seized on questions related to applications which are no longer pending before it, was reversed by this decision, which is of special significance for determining the scope of rights of applicants and the possible remedies available to a true inventor or his successor in title under Article 61 EPC. The background was as follows:

The appellant company wanted in 1982 to exploit a device that it had developed. To this end, its details were revealed in confidence to a third party. This party filed a European patent application in 1985, which was later published. However, the application was deemed withdrawn in 1986 because the required request for examination had not been filed in time. The lawful applicant, unaware of the earlier application, had filed an application of its own in 1987. In the search report for the latter application the earlier application was cited, thus alerting the lawful applicant to its existence. The lawful applicant referred a question to the comptroller of the United Kingdom Patent Office under section 12 of the United Kingdom Patents Act 1977, as to whether he was entitled to the

grant of a European patent for the invention disclosed in the 1985 application. A decision in favour of the lawful applicant was issued in 1990. After this applicant had filed a new application with the EPO within three months in respect of the subject-matter disclosed in the 1985 application, the EPO decided that the new application could not be dealt with under Article 61 EPC for the reason that the previous, 1985 application, was no longer pending.

Article 61 EPC provides that, where an application has been filed by a person, but another person has been adjudged by a final decision - under national law - to be lawfully entitled to the application, this second person may within three months of the judgment prosecute the application as his own, file a new application or request that the application be refused, *provided* that the European patent has not yet been granted. This act may be undertaken in respect of those Contracting States designated in which the judgment was taken or is recognised by virtue of the Protocol of Recognition annexed to the EPC. In order to protect the interests of the lawful applicant, Rule 14 EPC prevents the application and designations from being withdrawn, as from the time he has proven to the EPO that proceedings concerning the entitlement to the application have been initiated.

These provisions were previously assumed to mean that in order for a request under Article 61 to be validly filed, the original unlawful application still had to be pending. This in turn puts the obligation on any lawful applicant to monitor all patent application activities, as remarked by the President of the EPO in his comments to the EBA. The main reason for requiring the unlawful application to be pending at the relevant time is that third parties otherwise might be misled by the withdrawal of an unlawful application into assuming that they can commence commercial activities.

The EBA disagreed. Firstly, Article 61(1) EPC had to be interpreted in the context of being part of a system of legal process for determining the right to a European application. Article 60 (1) EPC gave the right to an application only to the inventor or his successor in title. However, Article 60 (3) EPC provided a legal presumption that the applicant was entitled to exercise the right to the application, including filing and prosecuting it before the EPO. Accordingly, an unlawful applicant could do so contrary to the legal right of the inventor or his successor. The EPO could not determine a dispute as to the legal ownership. The Protocol on Recognition¹³ was an integral part of the EPC. Under Article 9 (1) of this Protocol, a final decision taken in conformity with its provisions 'shall be recognised without requiring a special procedure in the other Contracting States', whereas Article 9 (2) Protocol provided that the 'jurisdiction of the court whose decision is to be recognised and the validity of such decision may not be reviewed'. Without the provisions of the Protocol, an individual case could be the subject of proceedings in several national jurisdictions. The counterpart of this system for the EPO was Article 61 EPC, which governed the implementation and enforcement for the purpose of the granting procedure before the EPO.

The referred question of law, continued the EBA, concerned the case where the earlier application was not pending when the lawful applicant commenced proceedings before the national court. It had been suggested by the President of the EPO that the wording in Article 1(1) Protocol that a national court had jurisdiction to decide claims "against the applicant" had to refer to an existing applicant, i.e. that

¹³ "Protocol on Jurisdiction and the Recognition of Decisions in respect of the Right to the grant of a European Patent"

the unlawful application had to be pending at the time of commencement of the national proceedings. It was however not excluded, according to the EBA, that national courts had jurisdiction also for non-pending applications. If the jurisdiction were excluded, the unlawful applicant would have control over the claim against him, by withdrawing his application after its publication, thereby depriving the lawful applicant of his right to obtain a patent.

While it was true that the establishment of the lawful applicant's application could in some circumstances prejudice third parties, and that this risk was greater the longer the interval between the time when the earlier application ceased to be pending and the time the lawful applicant's rights were established by a national court, it was a matter for the national court to take any such delay into account.

The provisions of Article 61 EPC must be interpreted so as to be consistent with the objectives of the national system of jurisdiction. It would be contrary to such legal process if the lawful applicant who had established his rights was thereafter excluded from using the centralised procedure of Article 61(1) EPC. The provision therein that the patent must not yet have been granted did not mean that the unlawful application had to be still pending. Also Article 76 (1) EPC on divisional applications, to which Article 61(2) EPC referred, did not require the existence of a pending application at the time an application was filed under Article 61(1) (b) EPC.

The fact that Rules 13 and 14 EPC presupposed that the European patent application was still pending at the time when the person claiming to be the lawful applicant did not mean that this was essential. The full effect of these rules, being subsidiary to the Article of the EPC, was only that they had effect if the earlier application was still pending when the lawful applicant commenced his proceedings before the national court, whereas they did not apply or were not relevant where there was no such pending application. Even though Article 61 (1) (a) and (c) EPC obviously could not apply, Article 61 (1) (b) clearly did.

If following grant of the new lawful application, the patentee would commence infringement proceedings against a third party who had used the invention in the meantime on the assumption that the lapsed earlier application made the invention part of the public domain, the national courts could consider the special circumstances when deciding that case.

The EBA was divided on the question referred, and for the first time in its history the opinion of the minority was included in the decision. The minority held that the examination of the patentability of an application presupposed that the application was pending. There was no provision in the EPC for claiming the filing date of the lapsed patent, nor the priority date after the priority year. If the intention had been to make an exception, Article 61 (1) (b) EPC would have included such a provision. Since there was none, the absence of such a provision in that article meant that such claims were not possible. According to Article 61 (2) EPC in conjunction with Article 76 (1) EPC, where the earlier application was still pending at the time of the filing of the new application, the latter is deemed to have been filed on the date of the filing of the earlier application. Since this presupposed that the provisions of Article 76(1) EPC applied *mutatis mutandis*, and this Article provided that divisional applications only could be filed as long as the parent application was still pending, the same had to apply to applications filed under Article 61(1) (b) EPC. This conclusion was furthermore

confirmed by Article 61(1) EPC, which presupposed that the earlier application had not 'yet' been granted. The word 'yet' presupposed a possibility that the patent could be granted, which was impossible if the application had lapsed.

This system was a well balanced and fair resolution of conflicting interests, those of the owner and the public. The Implementing Regulations, originating from the same source as the convention, the Munich Diplomatic Conference, made the Rules highly authoritative for the interpretation of Article 61 EPC. Rules 14 to 16 EPC confirmed that the earlier application must still be pending for the new application to be validly filed. The preparatory documents for the EPC also supported this, e.g. doc BP/144/71 which discussed four different models. For the model solution finally chosen, it was emphasised that the entitled person could file an application to replace the earlier one, and that if no subject-matter was added, the new application would receive the same filing date and priority date as the original one. *At the same time*, the earlier application would be deemed to be withdrawn.

Third parties would have no protection if it were possible to file a new application although the earlier one was no longer pending, since, unlike Article 122 (6) EPC, Article 61 EPC did not grant them the right to continue using the invention. The minority concluded from this that the possibility for a new application to acquire the dates of the earlier was excluded, unless the latter was still pending at the filing of the former. Also, under national law, presuming that the new application acquired the earlier dates, third parties could not invoke any national right to continue using the invention.

The minority finally denied that the Protocol on Recognition was relevant to Article 61 EPC, since it only regulated the jurisdiction of national courts for legal proceedings against applicants to determine the right to the grant of a European patent and the recognition of other Contracting States of a national decision taken in a Contracting State. However, the national jurisdiction was not the subject of the question referred. This had already been recognised by the Board referring the question.

However, the majority held that it is not a precondition for the acceptance of the new application filed under Article 61(1) EPC that the earlier original usurping application is still pending before the EPO at the time the new application is filed.

G 12/91 - Termination of proceedings

In an appeal case where no oral proceedings have been held, the question of when the appeal review is finished in the sense that no more submissions may be entertained by the board has from time to time been addressed. In G 12/91 it was answered as follows:

The decision-making process following written proceedings is completed on the date the decision to be notified is handed over to the EPO postal service by the decision-taking department's formalities section.

The board that referred the question did so on the following facts: Before the opposition division the patentee had filed a set of amended claims about three weeks after the OD had taken its decision to reject the opposition but about one week before it was despatched to the parties by registered letter

with advice of delivery. The opponent appealed the decision on the basis that the OD was in breach of Rule 58 EPC and should not have taken a decision which in fact was against the patentee's will.

The referring board identified three different points in time which could be considered to mark the completion of the decision-making process: 1) when all members had signed and dated the form used for the decision, 2) when the formalities officer handed over the reasoned decision to the EPO postal service or 3) when the reasoned decision was despatched.

The EBA clarified that the need to ensure legal certainty was satisfied in proceedings where oral hearings had been held, in so far as the decision was announced at the end of these hearings, so that submissions by the parties filed thereafter might be disregarded. In written procedure the same need to fix a clear moment corresponding to the closure of the debate in oral proceedings in order to ensure legal certainty was not as easy to satisfy. Neither the Convention, nor the Implementing Regulations contained any provision on this point. The EBA identified a further alternative date: 4) when the OD handed over a fair copy of the decision to the formalities officer.

The EBA also took note of practices developed within the EPO, which meant that the date stamped on the decision did not correspond to the actual date the decision was taken, as parties sometimes assumed. The stamped date was instead the date on which the decision was handed over to the EPO postal service for despatch. No provision in the EPC prevented this practice. It had the advantage that the parties could easily calculate the date of notification under Rule 78 (3) EPC. The EBA concluded that this date was not appropriate as the point in time at which parties could still submit fresh matter which had to be considered.

The date when the decision was signed was of less importance, also according to the President of the EPO in his comments to the EBA. Unlike Rule 66(2) EPC which applied to the boards of appeal, the EPC contained no provision for the first instance that required such a date to be recorded. These decisions were taken *in camera* and were often still in "statu nascendi" at that date. This date could thus be discarded as not significant for the termination of the proceedings.

Likewise, the date on which a fair copy was handed over to the formalities officer did not constitute a suitable point in time, since this date could not be ascertained from the file and remained unknown to the parties.

There remained then only the alternative date at which the date-stamped post-dated decision was handed over to the EPO postal service. The postdating of three days ensured in most cases that the decision was indeed posted on the stamped date. Should this not be possible, internal instructions required that the postal service return the decision for another date to be stamped. The EBA found that, in spite of the fact that the date at which the decision was handed over to the postal service was also not recorded in the file, this date should be valid as the cut-off date for further submissions. There were several reasons for this finding: Firstly the date could easily be calculated from the stamped date -, i.e. three days backwards -, secondly this date most closely corresponded to the announcement of the decision after oral proceedings, since the decision when handed over to the postal service was in fact removed from the file and hence from the power of the department who took the decision.

G 5/88, G 7/88, G 8/88, G 2/97 - Good faith

This legal principle has played a large role in the practice of the organs of the EPO for the reason that it fills a need where the EPC and its Implementing Regulations are silent. Three decisions from 1988, G 5/88, G 7/88 and G 8/88, all concerned the possibility of "saving" a party's rights where by mistake a filing had been made with the German Patent Office's sub-office in Berlin instead of with the European Patent Office. The fourth, G 2/97, deals with a more generalised question, i.e. whether a party before the EPO has a right to expect an indication from the EPO about a deficiency in his submission, for example that a fee was missing or the amount paid was too small, when this could be done at such a time that the party could still remedy the mistake before the time limit for the submission had lapsed.

In the decisions from 1988, the EBA established that the Administrative Agreement between the President of the EPO and the President of the German Patent Office dated 29 June 1981 was invalid to the extent it regulated the treatment of documents intended for the EPO but filed with the German Patent Office in Berlin, for the reason that the President of the EPO did not have the powers to enter into such an agreement before the EPO had opened its own branch office in Berlin.

However, having said this, the EBA applied the principle of good faith to any person who had filed documents at the German Patent Office in Berlin before the EPO opened its branch there on 1 July 1989. Such persons had a legitimate right to expect that these documents, as covered by the Agreement would be treated as if they had in fact been received by the EPO. Consequently, they have to be treated in this fashion.

In applying the principle of good faith, the EBA referred to European Community law and stated that this principle was also generally recognised in the contracting states to the EPC and within the jurisprudence of the boards of appeal. Having regard to the publication of the Agreement in the EPO Official Journal, users of the EPO were entitled to rely upon its clauses, namely that documents received in Berlin by the German Patent Office would be recorded with that date of receipt and treated by the EPO as if it had received them directly.

In the fourth case, G 2/97, the EBA confirmed the practice of the EPO which holds that nobody has a right to expect a voluntary service by the EPO, but when such service has been given, any actions due to such voluntary information from the EPO being erroneous shall not put the person in a worse situation than if the information was not given at all. The person receiving the information has a right to expect it to be correct.

G 4/91, G 1/94 - Intervention

Article 105 EPC allows opponents to intervene in opposition proceedings even after the nine-month period for oppositions under Article 99 EPC has lapsed, provided that the patentee has instigated proceedings before a national court, requesting that the opponent stop activities which the patentee considers infringing his patent. The question arose in G 4/91 whether an intervention which was filed during the appellate stage of opposition proceedings was admissible or whether this procedural opportunity was confined to the opposition proceedings before the first instance. However, the

Enlarged Board of Appeal did not decide this point, for the reason that it found that the filing of an admissible intervention presupposed a pending opposition procedure; in the case at hand none of the parties had appealed the decision of the opposition division, therefore an intervention filed during the appeal period could not revive the opposition proceedings. Apparently, the Enlarged Board of Appeal did not consider the possibility that the intervener could have an independent standing as party.

In decision G 1/94, however, the Enlarged Board of Appeal was presented with the following question: "Is an intervention, which otherwise complies with the conditions laid down in Article 105 EPC, admissible when filed during pending appeal proceedings?" In the case which gave rise to this question, one opponent had appealed the decision of the first instance, whereas two interveners independently of one another gave notices of intervention under Article 105 EPC during the appeal proceedings.

The interveners argued that the right under Article 105 EPC was of great importance in avoiding costly and time-consuming revocation proceedings before national courts. Its application also to the appeal stage of a centralised opposition procedure was therefore in line with the main purpose of this article. The patentee, not surprisingly, held the opposite view; since Article 105 EPC was placed in the part of the EPC dealing with opposition procedure, this term could only be construed as meaning the proceedings before the first instance. If the intention had been to allow interventions at the appeal stage, the article would have been phrased differently. Late interventions would inevitably delay the proceedings.

The Enlarged Board of Appeal found for the interveners, mainly on the ground that the possibility of adding interventions to the centralised opposition procedure before the EPO avoided unnecessary duplication of work and reduced the risk of conflicting decisions, which both spoke with considerable force in favour of admitting interventions at the appeal stage. The argument related to the structure of the EPC was found less convincing, since many provisions included in that part of the EPC had been found applicable also in appeal proceedings, for example the provision in Article 68 EPC on the effect of revocation of European patents which obviously had to apply also to revocation at the appeal stage.

However, the Enlarged Board of Appeal also noted that the increased procedural complications and delays as results of admitting interventions at the appeal stage had to be considered. The board therefore had recourse to the travaux préparatoires, which it found to favour the opinion of the intended interveners. According to doc BR 144 e/71, for example, it had been generally agreed that interventions should be admissible at the appeal stage. Having summarised the subsequent negotiations and the text adopted at the Munich Diplomatic Conference, the EBA concluded that the legislator indeed had intended that interventions during pending appeal proceedings should be admissible, while remarking that the risk of delays had been addressed by the introduction of Rule 57(4) EPC, which was aimed at simplifying the procedure¹⁴.

¹⁴ This provision allows the deciding body to dispense with communications and invitations to the parties to comment etc, as provided for in Rule 57(1) to (3) EPC.

The EBA considered a second issue in this case, the issue of whether an intervener can validly raise new grounds of opposition. Although this possibility did not fit with the basic concept of appeal proceedings as a review of the decision under appeal on its merits, since the purpose of an intervention is to allow the assumed infringer to defend himself against the patentee's actions, the EBA found the latter argument to be the more convincing one. In reaching this conclusion it seems that the EBA took special note of the risk that conflicting decisions might be taken on the validity of the patent, based on different facts and grounds. However, should such a fresh ground be raised by the intervener, the board in question should remit the case to the first instance for further prosecution, unless the patentee himself did not want it to be remitted.

G 1/84, G 9/93 - Opposition by the patentee

The EBA has taken two opposite decisions on this issue. In the first one, G 1/84, the patentee was considered to be free to oppose his own patent, although it had been issued in conformity with his own approval. Three main reasons for this conclusion seems to have been 1) the observation that otherwise there would be a risk that a patentee would use a nominal opponent (a so-called "straw" man), thereby causing a sham procedure, to carry out the opposition on his behalf, 2) the desire that a European patent be valid and 3) the advantages for the patentee to be able to request limitation in centralised proceedings and not having to resort to national litigation.

In the second case, G 9/93, the EBA explained why the first decision had to be reversed, in the following way:

The view expressed by decision G 1/84 that opposition proceedings could be initiated by one single party did not fit with the opinion in decisions G 9/91 and G 10/91 that opposition proceedings were basically contentious proceedings between two parties, particularly in view of their special post-grant character. The view expressed in G 1/84 that the word "any person" in Article 99 EPC also included the patent proprietor appeared artificial. From Articles 99(4) and 101(2) and Rule 57 EPC it emerged that opposition proceedings always were inter partes proceedings.

Issues 2) and 3) mentioned above were also addressed in G 9/93. According to G 1/84 the lack under the EPC of an opportunity for the patentee to limit his patent in centralised proceedings, unlike the CPC, was a deficiency which would justify accepting oppositions by the patentee, who would otherwise have to pursue the limitation at the national level with more costs and delays as a result. On this issue, the EBA in G 9/93 observed that, assuming that these disadvantages existed, it was for the legislator to take note and to cure them if they were considered as giving rise to serious problems. On the third issue, that of the desirability that the EPO only should grant valid patents, the EBA referred to decision G 8/91, according to which such efforts must remain within the framework of generally recognised procedural principles unless there were serious reasons for an exception. The same principle applied as regarded the interpretation of the EPC. In that decision, the EBA discussed the standing of a respondent party who does not appeal on its own when the opposing party withdraws the appeal. The question had arisen whether the boards of appeal, like the opposition division, could or should resort to Rule 60(2) EPC in conjunction with Rule 66 (1) EPC under which provisions opposition proceedings could be continued in spite of the fact that the opposition had been withdrawn. According to the EBA in G 8/91, even if the board in question would realise that the decision of the

first instance was untenable, this did not justify a departure from the principle of party disposition as recognised for appeal proceedings. In this connection the EBA pointed out that if no opposition is raised within nine months it must be assumed that the public is not disturbed by the patent. Further, the board could also do nothing if the parties to the proceedings before the opposition division chose not to appeal or appealed too late. It was therefore not the function of the boards of appeal to review decisions of the opposition division regardless of whether such review had been sought by the parties.

Coming back to decision G 9/93, it must be observed that it did not address issue 1) raised by G 1/84, that of the risk of a nominal opposition reducing the procedure to a sham. This issue was however the main theme in decisions G 3/97 and G 4/94, in which the EBA considered this possibility to be tantamount to a circumvention of the law which made such an appeal inadmissible (the order, point 3(b) and 3(c)).

The legal situation can be summarised as follows: One of the main reasons of G 1/84 for allowing the patentee to oppose his own patent is now regarded by the EBA in decisions G 3/97 and G 4/97 as one of two situations which must be prevented, although otherwise nominal oppositions by the same decision have been declared acceptable. No doubt decision G 9/93 has contributed to a large extent to the reasons of the EBA underlying the order in G 3/97 and G 4/97. It would therefore seem appropriate to summarise these decisions here below. However, already at first glance there seems to be a contradiction hidden in this recent case law: In order to safeguard that opposition proceedings indeed are *inter partes*, as required by G 9/93, it must be excluded that the opponent is a straw man. Oddly enough, the opposite conclusion in G 1/84 is based on the **same reason**, the desire to exclude sham proceedings by accepting nominal opponents.

G 3/97, G 4/97 - Nominal parties

The question of the admissibility of an opposition and/or appeal initiated by a person who appears in his own name as party, but in reality represents another person whose identity remains undisclosed to the other parties and to the deciding body, was initially in the boards' history answered in the negative. Case law on this issue in the past concerned only the standing of an opponent whose identity was doubtful and focused entirely on the evidence needed to doubt the bona fide identity of the opponent to such an extent that it was necessary to raise the issue formally. Decision G 1/84 may have contributed to this, since it had indirectly refused straw men as making the proceedings before the EPO to sham proceedings, leading the EBA to accept oppositions by the patent proprietor against his own patent. In the case law there was a consensus that nominal parties or so-called "straw men" could not be accepted, see for example decisions T 222/85, OJ 1988, 128, T 219/86, OJ 1988, 254 or T 635/88, OJ 1993, 608, although it was recognised that the level of proof needed might be very hard to discharge for a patentee who suspected that the opponent acted on behalf of an unknown person. In decision T 635/88 doubts arose to the extent that the board found it necessary to request that the opponent dispel these doubts, for example by a sworn statement to the effect that he was the true opponent and did not represent anybody else.

Decisions G 3/97 and G 4/97 have recently given the answers to questions referred on the issue of nominal opponents. The EBA argued along the following lines for the conclusion that nominal opponents are acceptable¹⁵:

The EBA did not agree that a person who only is a nominal opponent cannot be said to be the true opponent; on the contrary this person expressly wishes to file an opposition, not an anonymous one; he does not wish to act on the basis of the principal's personal entitlement. Therefore decisions T 10/82 and T 635/88 were wrong in concluding that this person is not acting in his own name and that such an action must be prohibited. The opponent cannot dispose of his status or off-load it on a third person. There cannot therefore be any other "true" opponent. Consequently, an opposition on behalf of a third person complies with the provisions for filing oppositions and there would have been special reasons for investigating the question whether or not the person who has filed the opposition is acting as a straw man.

From this main conclusion, however, the EBA made two major exceptions: The risk that a patentee would use a straw man to file an opposition against his own patent as mentioned in G 1/84, an action which would amount to abuse of the proceedings, and the case where the straw man acts on behalf of a client without possessing the proper qualifications required by Article 134.

On the first exception, the EBA reasoned as follows (point 4.1):

If the patent proprietor employs a straw man, then the latter is representing the patentee's interests. The identification of the straw man as opponent does nothing to alter the fact that the person who is formally a party to the proceedings is on the patent proprietor's side. From this it follows that in this situation, too, the proceedings are not contentious. The employment of the straw man merely serves to conceal this circumstance and to circumvent the legal consequences arising from it. The action of the opponent on behalf of the patent proprietor therefore renders the opposition inadmissible.

On the second situation, the EBA found:

If straw men are accepted, there is a risk that persons who are not qualified under the EPC (Article 134) to act before the EPO would do so. It could be of interest to a person to appoint a straw man not qualified to appear before the EPO to oppose a patent in his own name, but carry out all the procedural acts which are normally connected to the work of professional representatives. The idea of a corpus of professional opponents is foreign to the EPC. An opposition filed by such a non-qualified person is therefore inadmissible.

The EBA distinguished from the above the situation where a professional representative files an opposition in his own name. Here, too, the name of the client is not disclosed, but the professional representative is qualified to carry out all acts before the EPO.

¹⁵ The EBA also discusses the broader issue of whether it would be acceptable that the patentee is represented by a nominal person, too. Generally, the EBA accepts this possibility, except for oppositions initiated by the patentee, see below.

The EBA also addressed a number of other arguments raised by the parties. These will be dealt with later, when the EBA decisions are analysed more in depth in conjunction with the ECHR.

G 1/86, G 3/91, G 5-6/92, G 5/93 - Restitutio in integrum, Article 122 EPC

Except for one case, G 1/86, the EBA case law on this article deals almost exclusively with the exceptions to the availability of restitutio under Article 122 (5) EPC. This excludes restitutio in respect of the time limits established for restitutio as given in Article 122 (2) EPC, for applications by the rightful owner of the application under Article 61 (3) EPC, for divisional applications under Article 76(3) EPC, for the payment of the filing fee and the search fee under Article 78 (2) EPC, for the payment of designation fees under Article 79(2) EPC, for the priority period of one year under Article 87 (1) EPC, and for the request for examination of the application under Article 94 (2) EPC.

The first question related to Article 122(5) EPC was whether the exceptions as to Articles 78(2) and 79(2) EPC extended to the subsequent extension of the respective time limits as laid down in Rule 104b EPC, referred in G 3/91. Firstly, the EBA established that European applications and Euro-PCT applications enjoyed the same rights. Secondly, the EBA observed that the time limit laid down by Rule 104b (1) (b) and (c) EPC, according to which the national fee, corresponding to the filing, designation and, where applicable, claims fees, corresponded to Article 78(2) and 79(2) EPC. Therefore the exception to reestablishment applied also to fees under Rule 104b (1)(b) and (c) EPC.

The second question, G 5/92, was again related to possible discrimination against European applications as against Euro-PCT applications. The EBA merely repeated that both types of applications had to be treated alike, wherefore the time limit in question (Article 94(2) EPC) also was excluded from restitutio by virtue of Article 122(5) EPC.

Next, the EBA in G 5/93 established that the exceptions as decided by G 3/91 could not apply to the time limits for paying the national fee under Rule 104b EPC in all cases where the request for restitutio had already been made before G 3/91 was made available to the public. Again, the EBA reiterated its opinion regarding the parallel between European and Euro-PCT applications and agreed with G 3/91 that the fees mentioned in Rule 104b (1) (b) EPC were excluded from restitutio. However, due to published information for PCT applicants, according to which restitutio was available for non-payment of the national fee under Rule 104b (1) (b) EPC, the EBA concluded that the EPO had to admit requests for restitutio under this provision until G 3/91 was made available to the public.

G 4/88 - Transfer of opposition

The EBA recognised the right to transfer an opposition to a third party in cases where the opposition would be part of business assets assigned to this third party. In the case operations in the commercial vehicles field, i.e. part of A:s business, had been transferred from A to B together with related industrial property rights. The latter then merged with C. C requested to be considered as opponent to a patent, being the universal successor in title to the above business assets. The Opposition Division rejected the opposition.

The EBA took the view that the EPC already indirectly accepted succession in oppositions through its Rule 60(2) which provided that opposition proceedings could be continued even if the opponent's heirs did not want to participate. The Guidelines further provided for the opposition to be transmitted to the opponent's universal successor in law. In a situation where an opponent disposes of business assets, an opposition is an inseparable part of these assets, which, if they are assignable under the applicable national law, also must make the opposition assignable.

G 7/93 - Late amendments

In G 7/93, the EBA established the important principle that Rule 51(4) EPC does not become binding on the patentee, nor on the EPO, when the EPO has issued a communication under Rule 51(6) EPC, noting that the patentee has approved the text for the patent. As long as the case is pending, an applicant may always file new requests, for example as in the present case a set of claims for a specific member state, as a result of this state having made a reservation under Article 167(2) EPC. However, the Examining Division had a discretion under Rule 86(3) EPC, second sentence, whether or not to allow the requested amendments. In arriving at this conclusion the EBA interpreted Article 123 (1) EPC in conjunction with Rule 86 (3) EPC, rather than, as suggested by the referring board, finding a fundamental right of the parties to civil law proceedings to decide the scope of their case by virtue of Article 113 EPC. Article 123 EPC and Rule 86(3) EPC provided for a discretion for the Examining Division to consent to further amendments, after the patentee had replied to the first communication from the EPO. This discretion remained with the division even after the Rule 51(6) communication had been issued.

G 2/94, G 4/95 - Right to present case

Decisions G 2/94 and G 4/95 both related to the procedural rights of persons accompanying the representative for a party in oral proceedings. Such persons appear quite frequently, mostly to assist the representative with regard to technical details. The EBA decided that assistants of this kind, who are not qualified to appear as representatives under Article 134 EPC, still may - with the approval of the EPO body concerned - make oral submissions on legal or technical issues, provided that they are made under the continuing responsibility and control of the representative. A request for such a submission must be made well in advance of the oral proceedings, state the name and qualifications of the person in question and contain a statement about the subject-matter to be addressed by this person.

In arriving at this decision the EBA carefully considered whether the distinction between a representative and assistant lay in the function of representation by the former of the party's legal standpoint as against the mere speaking at oral proceedings, but discarded this as not taking into account the function of the representative, who would be reduced to merely putting the party's request, whereas a non-qualified person could present the entire case.

On the other hand the EBA did not accept the strict view that only the professional representative was entitled to present his client's case. There was no distinction made between written and oral proceedings. While submissions made by the representative always had to be signed by him, he could also submit written documents which were signed by other persons. As long as such documents were

filed under the supervision of the representative they would not be excluded from consideration. Similarly, oral submission made by such persons would be admissible. Such submissions could be presentations of facts or evidence or legal points or arguments.

However, this was no absolute right, but could only be allowed under the discretionary control of the EPO. The requirement that a party wishing to use such assistance should inform the EPO beforehand was caused by the right of other parties not to be surprised at the oral proceedings.

G 1/88 - Admissibility - adverse effect?

In G 1/88 the EBA considered the meaning of the term "adversely affected" under Article 107 EPC, which is one precondition for the appeal to be admissible. The question arose from the peculiar practice developed early on in the history of the EPO of issuing interlocutory decisions which are appealable after a text for the patent has emerged but before the fees for printing and translations of the claims are due.

In several cases the question had been asked whether an opponent who had not objected to the text in which the EPO intended to maintain the patent (as communicated to the parties under Rule 58(4) EPC) could be considered as adversely affected or if by not reacting to the Rule 58(4) communication he should be considered as having abandoned his request for revocation of the patent. Those who had concluded the latter had done so from the standpoint that "qui tacet consentire videtur" - he who is silent consents - and consequently they saw Rule 58(4) EPC as requiring the opponent to respond - "ubi loqui debet", which was a precondition for the conclusion that the opponent who did not react had abandoned his opposition. This represented what could be labelled the extensive mode of interpretation.

The EBA however saw a second possibility when interpreting Rule 58(4) EPC, namely taking it in the narrow sense of meaning only that the parties were given the opportunity to react to the text, not to take any legal standpoint on the patentability of the invention. Rule 58(4) EPC would thus only serve the purpose of making clear whether there were any objections to the extent of the patent under Article 123 (2) or (3) EPC. Such a narrow interpretation would be in line with the structure of the EPC, which always expressly indicated which omissions would lead to a loss of rights, for example as a result of an assumption or a legal fiction, such as the loss of rights resulting from the failure to act within a stipulated time limit. - A teleological interpretation, i.e. interpreting the EPC in the light of the sense and purpose of Rule 58(4) EPC would lead to the same result.

Finally, it was clear from the travaux préparatoires to the EPC that the legislator's intention had not been to offer an opportunity to comment on the text of a patent each time there had been amendments: In doc BR/177/72, delegations had favoured that the opponent not be given any such opportunity but only to have recourse to an appeal against the grant of the patent in its final version, whereas other delegations desired that the opponent be given such an opportunity. The result was a compromise; giving the EPO the possibility, but not obligation, to continue the opposition proceedings where a party had disapproved the text. The provision was designed mainly with the patent proprietor in mind and only incidentally the opponent.

If a patent text was the result of amendments made by the patent proprietor himself, there was little sense in applying a provision addressing the “right to object”. This showed that the rule was only intended for the situation where the EPO had amended the text, and needed the approval of the patentee in order to issue the patent. Application of Rule 58(4) EPC was therefore superfluous. If it has been established that the patentee has already approved the text, eg by having filed the amendments himself, there was no reason to ask him to approve the text again, just because there was a Rule in the Implementing Regulations.

Conversely, if the opponent did object, this did not preclude the termination of the proceedings. Irrespective of whether the patentee had been offered the opportunity to comment under Rule 59(4) EPC or not, the opponent should have had an opportunity to comment. But the absence of a comment could not lead to a loss of rights.

G 3/89, G 11/91 - Corrections under Rule 88 EPC

Two decisions deal with the conditions under Rule 88 EPC¹⁶ for corrections, the first one (G 3/89) concerning the contrary views, on the one hand that a correction was not acceptable as made under Rule 88 EPC, if the amendment did not conform to Article 123(2) EPC, and on the other hand that all facts need to be taken into consideration when deciding whether a correction is allowable under Rule 88 EPC, also the priority document even if it was not filed with the application. The second one, G 11/91 concerned the correction in a DNA sequence of an amino acid residue to read Gln instead of the original Glu. The questions referred were answered as follows:

1. The parts of a European patent application or of a European patent relating to the disclosure (the description, claims and drawings) may be corrected under Rule 88, second sentence, EPC only within the limits of what a skilled person would derive directly and unambiguously, using common knowledge and seen objectively and relative to the date of filing, from the whole of these documents as filed. Such a correction is of a strictly declaratory nature and thus does not infringe the prohibition of extension under Article 123(2) EPC.
2. Evidence of what was common general knowledge on the date of filing may be furnished in connection with an admissible request for correction in any suitable form.

G 2/95 - Replacement of documents, Rule 88 EPC

The question concerned whether Rule 88 EPC could be interpreted to cover not only trivial errors but the confusion of whole sets of documents. The applicant had been refused a request to have new documents replace the application documents as filed as a request for correction under Rule 88 EPC. The new documents corresponded to the request for grant (which the application documents as filed did not), whereas the priority document corresponded to the information given in the request for grant.

¹⁶ This Rule provides for the correction of “linguistic errors, errors of transcription and mistakes in any document filed with the European Patent Office...”. However, errors concerning “a description, claims or drawings” can only be corrected if “the correction is obvious in the sense that it is immediately evident that nothing else would have been intended than what is offered as the correction.”

As BAs had decided similar cases differently, the LBA referred the question whether complete documents forming the application could be replaced by way of a correction under Rule 88 EPC. This and similar cases arose as a result of the simple mistake of confusing documents which were to accompany requests for patents for different inventions.

The President of the EPO was heard and strongly advised against accepting the request as a request for correction, since a replacement of documents affected the disclosure at the time of the filing of the application, and corrections could only be allowed if they did not affect the original disclosure.

The EBA agreed, on the basis of the requirement that a correction must be in conformity with Article 123 (2) EPC, i.e. that any amendment must not contain subject-matter which extends beyond the content of the application as filed. This provision had to prevail over any interpretation of Rule 88 EPC which would not conform to it, by way of the provision in Article 164(2) EPC that articles take over rules in case of conflict. This meant that a correction could not go beyond Article 123 (2) EPC. A correction must be directly and unambiguously derivable by the skilled man using common general knowledge and seen objectively and relative to the date of filing from the whole of the documents forming the content of the European patent application. A correction under this interpretation of Rule 88 EPC would go some way to ensuring the legal validity of a granted European patent (referring to G 3/89).

The EBAs answer reads in full:

The complete documents forming a European patent application, that is the description, claims and drawings, cannot be replaced by way of a correction under Rule 88 EPC by other documents which the applicants had intended to file with their request for grant.

G 2/91 - Parties as of right

The first case in which such procedural matters were considered was G 2/91, in which the following question had been referred by BA 3.4.2:

Where several parties to proceedings before the EPO have filed appeals and paid the corresponding appeal fee, is the EPO obliged to refund appeal fees to all appellants except the first, even if the requirements of Rule 67 EPC have not been met?¹⁷

The case concerned appeals that had been lodged against a decision by the opposition division by several opponents. The referring board had noticed that in a previous case, another board had ordered reimbursement of all appeal fees but one, on the interpretation of Article 107 EPC¹⁸ that, as soon as one party had appealed the decision of the first instance, all other parties were automatically parties

¹⁷ Rule 67 EPC provides for reimbursement of the appeal fee, if the first instance committed a substantial procedural error, the appeal is allowed and the deciding BA finds reimbursement equitable.

¹⁸ Article 107 EPC reads: "Any party to proceedings adversely affected by a decision may appeal. Any other parties to the proceedings shall be parties to the appeal proceedings as of right."

as of right to the appeal proceedings. That board had also concluded that such a party as of right was entitled to continue the appeal proceedings even if the appellant were to withdraw its appeal.

The decisive factor according to the EBA must be whether Article 107 EPC could be interpreted such that a party, whose only status as party to the appeal proceedings derives from the fact that it was a party to the proceedings in the first instance, still would have the same procedural standing as the appellant. The situation addressed was not only the one just mentioned, but concerned also cases in which both the opponents and the patentee had an interest in appealing the decision in question.

The EBA concluded from generally recognised principles of procedural law that only the appellant could decide whether its appeal would stand. The interpretation of Article 107 EPC to the effect that all appeal fees but one should be reimbursed therefore went too far. A party who was entitled to appeal but had decided not to do so ran the risk that the appellant might decide not to pursue its appeal. The EBA pointed out that the question whether or not a board of appeal could continue the proceedings of its own motion after an appeal had been withdrawn was a separate matter, which did not affect the rights of dependent parties.

Further, the EBA pointed to the negative consequences of reimbursing all appeal fees but one, if the first appeal later was declared inadmissible. A party who had relied on the first appeal would then not be able to file an appeal of its own, since the term for appeal would have expired.

A related question was whether such a party was limited as to the filing of requests, as a result of this dependent standing. Referring to other questions addressing this problem being already pending before the EBA, it however refrained from making any comments on this issue.

The answers to the referred question read:

1. A person who is entitled to appeal but does not do so and instead confines himself to being a party to the appeal proceedings under Article 107, second sentence, EPC, has no independent right to continue the proceedings if the appellant withdraws the appeal.
2. Appeal fees cannot be reimbursed simply because several parties to proceedings before the EPO have validly filed an appeal against the same decision.

G 7/91, G 8/91 - The effect of withdrawal of an appeal

In decisions G 7/91, Withdrawal of appeal/BASF, and G 8/91, Withdrawal of appeal/BELL, the EBA had cause to look deeper at the nature of appeal proceedings. Two different boards had referred questions which both related to the effect of withdrawal of an appeal by the opponent. In the first case, the question was raised whether the BA could continue the proceedings after the sole appellant who was the opponent had withdrawn the appeal, but the patentee had filed new claims. The second question was more general in wording and concerned whether the effect of a withdrawal of the appeal would be the same in *ex parte* and *inter partes* proceedings. The cases were consolidated, so that the reasons for the EBA answers are the same for both decisions.

In the first case, the referring board was of the opinion that there might be merits in continuing the proceedings of its own motion, as the task of the EPO could be said to issue valid patents. In the particular case at hand, the patentee had apparently agreed, since it had filed amended claims.

The EBA started by noting that, in spite of a few decisions in the past which might indicate a different opinion, there were several decisions which held that a withdrawal of the appeal meant that the proceedings were closed, and that this was in line also with G 2/91. The practice to consider the appeal proceedings terminated as a result of a withdrawal of the appeal was consistent with the principle of party disposition. The objection that Rule 60(2) EPC, which allows the opposition division to continue proceedings of its own motion, was also applicable to appeal proceedings and that therefore a BA also could continue the proceedings, was not accepted by the EBA, for the reason that the two proceedings were different in nature. Whereas the opposition procedure was completely administrative, the appeal proceedings were those proper to an administrative court. In arriving at this definition, the EBA took note of the fact that the European patent system afforded post-grant opposition, which considerably changed the legal situation, so that Rule 60 (2) EPC could not generally be extended to cover appeal proceedings as well.

Another observation that Article 114(1) referring to *ex officio* examination, could serve as a basis for continuance of the proceedings was also not accepted. The EBA did not find that this provision sanctioned such continuance, simply from the rationale that this would have made Rule 60 (2) EPC superfluous. Therefore, Article 114(1) EPC could not form the basis for continuing the proceedings after withdrawal of the appeal. Article 114(1) EPC addressed procedural acts of the parties and "the relief sought". The latter expression was not meant to cover withdrawals of appeal.

As to the arguments that the interest of the general public needed protection, the EBA pointed to the fact that this interest was already safeguarded by the possibility of filing oppositions within nine months of the mention of the grant of the patent. Where nobody had filed an opposition, therefore, it must be assumed that the public interest was not disturbed by the patent. And where an opposition had been filed, but an appeal was later withdrawn it must likewise be assumed that the opponent was no longer disturbed by the patent. - The fact that a BA may not want to stand by and see a flawed patent be granted was also no sufficient reason for continuing the proceedings. In a case where no appeal at all had been filed but the patent was equally flawed, there was no competence for any BA. It was not the function of the BAs to carry out a general review of first instance decisions.

The EBA could find no contradiction between the above conclusions and the principle that only valid European patents should be granted, so far as it was within the power of the European Patent Office to achieve this. But this had to be done under generally recognised procedural principles. Even in a case where the patentee itself had an interest in limiting the patent, there was under these principles no possibility open for a BA to continue the proceedings. Such a deviation would presume that the BAs had a higher degree of responsibility towards patentees than towards opponents which was against the obligations to impartiality and objectivity of the BAs. If the patentee wished a limitation of the patent, this could be done in at least some of the Contracting States in *ex parte* proceedings and it would usually be possible to renounce patent protection for untenable subject-matter in infringement or revocation proceedings.

The legal effect of the withdrawal of a sole appeal was that the suspensive effect of the appeal lapsed and that the decision to grant the patent became final. There was therefore no legal room for the BA concerned to consider the patent under Article 113 (2) EPC¹⁹.

The answers to the questions posed read as follows:

G 7/91: In so far as the substantive issues settled by the contested decision at first instance are concerned, a Board of Appeal may not continue opposition appeal proceedings after the sole appellant, who was the opponent in the first instance, has withdrawn his appeal.

G 8/91: In so far as the substantive issues settled by the contested decision at first instance are concerned, appeal proceedings are terminated, in ex parte and inter partes proceedings alike, when the sole appellant withdraws the appeal.

G 8/93 - Withdrawal of the opposition alone

A question closely related to the above concerning withdrawal of appeals is the effect, if any of a withdrawal by the opponent/appellant of its opposition. Prior to G 8/93, Withdrawal of opposition/SERWANE II, practice in the BAs had been conflicting. In this decision however, which came after landmark decisions G 9/91 and G 10/91, the EBA decided that where the opponent was also the sole appellant the appeal proceedings were automatically terminated even if the appeal was not withdrawn. - The referring board had noted the conflicting practice and also the recent decisions by the EBA, which could on the one hand indicate that, where only the opposition was withdrawn, the appeal proceedings should be continued (G 7/91 and G 8/91), but on the other hand that they should be terminated (G 9/91 and G 10/91).

The EBA noted that the opposition procedure is set out in Article 99 to 105 EPC. under these provisions, the opposition proceedings before the opposition division are terminated when the decision has been taken which covers all the issues raised by the opposition; consequently, an appeal can only refer to those issues. This means that any request in the appeal proceedings must relate to the opposition, namely whether the grounds for the opposition prevent maintenance of the patent or not. The withdrawal of the opposition must therefore mean that the opponent no longer wishes that the BA decide on the opposition. Consequently, it must be regarded as a withdrawal of the appeal.

The EBAs answer reads:

The filing by an opponent, who is sole appellant, of a statement withdrawing his opposition immediately and automatically terminates the appeal proceedings, irrespective of whether the patent proprietor agrees to termination of those proceedings and even if in the Board of Appeal's view the requirements under the EPC for maintaining the patent are not satisfied.

¹⁹ This provision reads: "The European Patent office shall consider and decide upon the European patent application or the European patent only in the text submitted to it, or agreed, by the applicant or proprietor of the patent."

It should be noted here that the reverse situation was addressed in T 690/90²⁰, i.e. where the appellant was the patentee and the opponent the respondent. The latter had withdrawn its opposition. The BA went on to examine the patent. Since the patent had been revoked by the first instance, the BA considered it to be its duty to examine whether the patent (after amendment of the claims) met all the patentability criteria of the EPC, and only to set the decision under appeal aside and grant the patent if the BA was satisfied that it did. This was confirmed by G 10/93 as far as the classic *ex parte* case is concerned, where an application has been refused by the examining division and the applicant appeals. It seems reasonable to draw an analogy to cover also the cases which is transformed from an *inter partes* to an *ex parte* case by way of withdrawal of the opposition by the opponent.

G 9/91, G 10/91 - The nature of appeal proceedings

Decisions *G 9/91* and *G 10/91* (Power to examine/ROHM AND HAAS and Examination of oppositions/appeals, respectively) both went into more detail on the question of the exact nature of the appeal proceedings, the extent of examination that parties to such proceedings can expect and the overall preconditions for the definition and delimitation of appeal proceedings.

The first case had the following background: A patent had been issued to Rohm and Haas for certain anhydride polymers and imide polymers and processes for preparing them. BASF filed an opposition requesting under Rule 55 (c) EPC within the period for opposition that the patent be revoked to the extent that it covered polymers containing anhydride units, these polymers not being patentable under Article 100 a) EPC. The opposition division upheld the patent in amended form, regarding both forms of polymers (anhydride and imide).

The opponent appealed, requesting that the entire patent be revoked, including the polymers of the imide group. A third party presented observations under Article 115 EPC according to which neither group was patentable due to lack of novelty and inventive step. - The patentee offered to delete the claims related to anhydride polymers but contended that the board should not express any opinion as to the imide polymers; such an examination would be contrary to Article 114 (1) as interpreted by the board in case T 9/87²¹. The patentee argued that Article 99 EPC included a time limit for opposition which would be rendered meaningless, if Article 114 EPC should be interpreted as suggested by the opponent.

The question referred to the EBA in the above case related to whether the power of the opposition division or of a BA to examine and decide on the maintenance of a European patent was limited to the extent upon which the patent had been opposed in the notice of opposition pursuant to Rule 55 (c) EPC.

The President of the EPO, having noticed that conflicting decisions had been given in cases *T 320/88* and *T 182/89* on the one hand and case *T 493/88* on the other hand, referred a question to the EBA related to the extent of the obligation of the opposition division to examine all possible grounds for

²⁰ OJ EPO 1992, 654

²¹ OJ EPO 1989, 438.

opposition. This question was decided in *G 10/91*. Both decision *G 9/91* and opinion *G 10/91* contain identical reasoning.

The starting point for the EBA was the new system under the EPC where opposition takes place only after grant. This post-grant opposition differed considerably from the pre-grant opposition system and was much more similar to a proper revocation system under national law, according to the EBA, quoting Dr Haertel²². The relief sought by the opponent was the revocation of the patent *ex tunc* in all designated states. Consistent with this characteristic was the possibility of opposing a European patent even if it had lapsed, which was added at a late stage of the negotiations to the EPC.

Next, the EBA went back on a statement it had made in *G 1/84* (in another composition) that it would be wrong to view opposition proceedings as essentially contentious proceedings. This had been used as a basis for a wide investigative approach by the EPO. At least the EBA in its new composition considered opposition proceedings under the EPC to be contentious in nature.

If no opposition had been initiated, the EPO had no power to re-examine the patent. Any attack against the patent after expiry of the opposition period must be dealt with by national courts.

The post-grant opposition of the EPC, Article 99 and Rule 55 (c) EPC, required that the opponent indicated exactly the extent to which the patent was opposed and the legal grounds on which the opposition was based: this characteristic was a further indication that the EPC did not foresee a general review of the patent upon opposition. Rule 55 (c) EPC must in its context be seen as having the double function of governing the admissibility of the opposition and establishing the legal and factual framework within which the examination of the opposition was to be conducted.

Referring to decision *T 9/87*²³ which had to an extent analysed matters under Rule 55 (c), the EBA agreed in so far as an opponent had deliberately limited his opposition - perhaps not requesting the revocation of the entire patent, but only part of it or invoking only one of several legal grounds why the patent should be revoked - that those parts not attacked in the opposition were not subject to any opposition. The only exception from this principle concerned claims which were dependent upon claims which had been attacked in the opposition. Even if dependent claims were not expressly mentioned in the opposition they were implicitly covered by the statement under Rule 55 (c) EPC.

As to the grounds for opposition, they were decisive for the procedural principles to be applied, where an admissible opposition had been filed. It was noted by the EBA that the case law was conflicting - some boards had taken Article 101 EPC literally, concluding that since it did not limit the opposition to the grounds mentioned in the notice of appeal, the board was free to extend the appeal review to cover all grounds (Article 101 (1) EPC, in conjunction with Article 100 (a-c) EPC), indeed it even had a duty to do so, by virtue of Article 114 (1) EPC. Other boards had taken the opposite view, concluding that Article 114 (1) EPC only enabled the EPO to investigate fully the grounds which had been properly supported by the opponent.

²² GRUR INT. April 1970, p.99, where Haertel pointed out that the EPO opposition came close to European invalidity litigation proceedings.

²³ OJ EPO 1989, 438.

The EBA agreed in general with the latter standpoint; the only question to investigate was whether Article 114(1) EPC did at all empower the opposition division or the BAs to investigate grounds not properly supported. As to proceedings before the opposition division, it was established practice to apply this provision and the EBA agreed that this should not change.

But where appeal proceedings were concerned, the situation was different. The purpose of appeals was mainly to give the losing party an opportunity to challenge the decision under appeal on its merits. As the appeal proceedings were essentially judicial in nature (G 7/91 and G 8/91), this procedure was by its nature less investigative than an administrative procedure. Although Article 114(1) EPC was formally applicable also to appeal proceedings, there was reason to be more restrictive. The EBA thus considered that new grounds in principle should not be introduced at the appeal stage. Such a restriction also reduced the procedural uncertainty for the patentee. Opponents were in a better position, since they could initiate revocation proceedings nationally.

Only where a patentee agreed to having a new ground considered would it be possible to do so - *volenti non fit injuria*. Such a ground should be raised by the BA or admitted into the proceedings if raised by the opponent, *only* if it was already *prima facie* highly relevant, and the case should then as a matter of course be remitted to the first instance, having regard to the purpose of the appeal proceedings as stated previously.

However, should the patentee make amendments to the claims or other parts of the patent, the BAs must examine them as to their compatibility with the requirements of the EPC, e.g. with regard to Article 123 (2) and (3) EPC.

The full answers to the questions referred are as follows:

G 9/91 The power of an Opposition Division or a Board of Appeal to examine and decide on the maintenance of a European patent under Articles 101 and 102 EPC depends upon the extent to which the patent is opposed in the notice of opposition pursuant to Rule 55 (c) EPC. However, subject-matters of claims depending on an independent claim, which falls in opposition or appeal proceedings, may be examined as to their patentability even if they have not been explicitly opposed, provided their validity is *prima facie* in doubt on the basis of already available information.

G 10/91 I. An Opposition Division or a Board of Appeal is not obliged to consider all the grounds for opposition referred to in Article 100 EPC, going beyond the grounds covered by the statement under Rule 55(c) EPC.

II. In principle, the Opposition Division shall examine only such grounds for opposition which have been properly submitted and substantiated in accordance with Article 99 (1) in conjunction with Rule 55 (c) EPC. Exceptionally, the Opposition Division may in application of Article 114 (1) EPC consider other grounds of opposition, which *prima facie*, in whole or in part would seem to prejudice the maintenance of the European patent.

III. Fresh grounds for opposition may be considered in appeal proceedings only with the approval of the patentee.

G 1/95, G 7/95 - Non-admissible new ground

These two decisions represent the consistent, further extension of the principles adopted in G 9/91 and G 10/91. Again, these two decisions were handed down on the same date and contain the same reasoning.

The facts were as follows:

In *G 1/95* the opponent had opposed the patent on the basis of Article 100 (a) EPC. This Article covers the patentability criteria listed in Articles 52-57 EPC. This means that apart from the most frequently criteria examined in opposition proceedings, novelty and inventive step, criteria such as industrial applicability (Articles 52 and 57 EPC) and subject-matter not regarded as inventions (Article 52 (2 - 4) EPC) and exceptions from patentability (Article 53 EPC) are covered by Article 100 (a) EPC. In the case at hand, the question of the patentability under Article 52 (2) (d) EPC had arisen, i.e. the board of appeal was provisionally of the opinion that the invention was a mere presentation of information. The patentee had not agreed that this ground be examined in the appeal proceedings.

In *G 7/95*, inventive step had been challenged in the notice of opposition, whereas novelty had been attacked only during the appeal proceedings. The question then arose whether novelty could be said to be a separate and therefore a new ground of opposition which the board of appeal had to exclude by virtue of decisions *G 9/91* and *G 10/91*.

The EBA considered the interpretation of Article 100 EPC in conjunction with Article 138 (1) EPC²⁴. The latter provided the legal basis for revocation at the national level, and it was clear that a patent could be revoked on any single such legal basis, for example lack of novelty or lack of inventive step. Since Article 100 EPC used virtually the same wording as Article 138 (1) EPC, the same interpretation of "ground" applied to the former as to the latter. The problem was that paragraphs (b) and (c) of Article 100 EPC each contained a single separate ground, whereas paragraph (a) referred to a number of provisions in the EPC, which formed separate grounds or legal bases for opposition. Article 100 (a) EPC therefore could not be considered as constituting a single objection against the patent.

Rule 55 (c) EPC required that the opponent set out both the extent to which the patent was opposed and the legal grounds for the opposition, as well as the facts, evidence and arguments in support of

²⁴ This Article limits the grounds on which a patent can be revoked under the law of any Contracting State. It provides these grounds in four groups in paras (a) to (d): Those mentioned in Article 52 to 56 EPC (i.e. = Article 100 (a) EPC), insufficient disclosure (Article 100 (b) EPC), extension of the subject-matter beyond the content of the application as filed (=Article 100 (c) EPC, and a special provision for divisional applications and applications filed under Article 61 by the lawful applicant,) and finally patents issued for applications filed by somebody not entitled to the patent under Article 60 (1) EPC.

these grounds, i.e. the substantiation. There was a clear distinction made between the grounds and this substantiation. Accordingly, Article 100 (a) EPC contained a collection of different legal objections or grounds for opposition. A fresh ground for opposition was according to G 10/91 a ground which was neither raised and substantiated in the notice of opposition, nor introduced in to the opposition proceedings by the opposition division in application of Article 114(1) EPC. From this followed that such a fresh ground could not be introduced into the appeal proceedings except with the approval of the patentee.

For decision G 7/95 the EBA added a separate point 7.3 of the reasons, in which it noted that it was not necessary for the EBA to answer the question in so far as it related to a new allegation that the claims lacked novelty in view of any other document than the previously cited closest prior art document.

The two questions referred were answered as follows:

G 1/95 In a case where a patent has been opposed on the grounds set out in Article 100 (a) EPC, but the opposition has only been substantiated on the grounds of lack of novelty and lack of inventive step, the ground of unpatentable subject-matter based upon Article 52(1) and (2) EPC is a fresh ground for opposition and accordingly may not be introduced into the appeal proceedings without the agreement of the patentee.

G 7/95 In a case where a patent has been opposed under Article 100(a) EPC on the ground that the claims lack inventive step in view of documents cited in the notice of opposition, the ground of lack of novelty based upon Articles 52(1), 54 EPC is a fresh ground for opposition and accordingly may not be introduced into the appeal proceedings without the agreement of the patentee. However, the allegation that the claims lack novelty in view of the closest prior art document may be considered in the context of deciding upon the ground of lack of inventive step.

G 4/92, G 9/92, G 4/93, G 10/93 and G 1/99 - Reformatio in peius

The first of the above decisions is in fact not a true question of *reformatio in peius*, but falls into a category of its own, due to the interpretation of Article 113 EPC on the right for any party have an opportunity to comment on all grounds or evidence raised in the proceedings. Decision G 4/92 resolved the issue of whether in the *voluntary absence* of one of the parties at the oral proceedings another party who was present was entitled to have new requests examined not presented to the absentee party. Or in other words, do the rights of a party to comment under Article 113 EPC prevail, even if that party willfully abstains from being able to be presented with them for commenting by not attending the oral proceedings? This question was raised by the President of the EPO subsequent to two decisions, T 574/89 and T 484/90 which had taken conflicting decision on this issue. The President offered the comment that in spite of Article 113(1) EPC, all the grounds on which decisions were based did not have to be stated in written procedure. There was no reason to conclude from the EPC that its procedure was essentially written. Oral proceedings enjoyed the same status as written proceedings. - The President shared the view of the BA in T 574/89 that a party who had been duly summoned to oral proceedings but who had chosen not to appear had forfeited his rights under Article 113 EPC to comment on facts, evidence or arguments put forward in his absence.

The EBA disagreed with the President and the board in *T 574/89*. The decision seems mainly based on the characterisation of the procedure before the EPO as being essentially written, since any party summoned to oral proceedings had to present his case in writing beforehand. Also, oral proceedings might be conducted in spite of the absence of one of the parties, Rule 71(2) EPC. No delay would be caused by such absence. For a party to wait until the oral proceedings to present new facts or evidence would constitute abuse of proceedings which the responsible department of the EPO could sanction by disregarding it under Article 114(2) EPC. Nevertheless, if the opposition division or board of appeal would examine the new matter, it must give the absentee party an opportunity to comment, which might lengthen the proceedings. The party who submitted the new matter should in principle be made responsible for any additional cost this might cause. - A distinction was however made by the EBA with regard to new arguments, in so far as they did not constitute new grounds or evidence but merely were reasons based on the facts and evidence already presented in the case.

The EBA's answers read in full:

1. A decision against a party who has been duly summoned but who fails to appear at oral proceedings may not be based on facts put forward for the first time during those oral proceedings.
2. Similarly, new evidence may not be considered unless it has been previously notified and it merely supports the assertions of the party who submits it, whereas new arguments may in principle be used to support the reasons for the decision.

The second group of cases addresses the *reformatio in peius* issue of whether a party who has not appealed the decision of the first instance nevertheless may validly file requests in the appeal proceedings which go beyond the decision under appeal in his favour or, seen from the appellant's viewpoint, is there a prohibition against *reformatio in peius* so that the appellant can safely rely on the effect of the other party not having appealed that the decision of the appellate instance cannot go against him beyond what the decision under appeal did?

Decisions *G 9/92* and *G 4/93* bear the same date and contain identical reasoning. The facts were similar but the procedural position of the parties differed: *G 9/92* was based on two appeal cases, *T 60/91* and *T 96/92*. In the former case, the patentee was the sole appellant, who had appealed a decision to grant the patent on an auxiliary request while denying him a patent on his main request, whereas the respondent/opponent on appeal requested that the entire patent be revoked. In the latter case it was the opponent who had appealed a decision to uphold the patent on the basis of an auxiliary request from the patentee, who had not appealed, but who requested that the board of appeal maintain his patent as granted.

The questions referred in *G 4/93* originated in case *T 488/91* in which the opponent was the sole appellant. The respondent/patentee requested that the patent be maintained on the basis of his main request before the opposition division.

For the second time in its history, the EBA allowed a minority opinion to appear in the decision. In its reasons, the *majority* of the EBA reiterated its observations in previous decisions on the nature of appeal proceedings, oppositions being post-grant proceedings, the principle of party disposition being upheld by the BAs, and the limitation on the extent of examination set by the requests and grounds contained in the Rule 55 (c) EPC notice of opposition all of which contributed to a binding effect of the statement in the notice of appeal. The EBA majority saw the latter function as more essential than the *reformatio in peius* question, observing that the EPC did not contain any provision which stipulated that a decision must not put the appellant in a worse position than the one caused by the decision under appeal. The EBA referred also to G 2/91 in which it had answered the question of the standing of a party who had not himself appealed the decision of the first instance to the effect that such a party had no standing of his own but was wholly dependent on the appellant. It would not be consistent with the requirement of the EPC to comply with a time limit for the appeal to allow unrestricted right for non-appealing parties to file requests in the appeal proceedings. Requests going beyond the appellant's original appeal were not admissible. The EBA noted in this context that the EPC did not provide for the possibility of a cross-appeal by a respondent. An appeal by the other party could not be a surprise, since the party not appealing had equal opportunity to file an appeal, if he did not win outright in the first instance. Likewise, it was not contemplated by the EPC that an appellant should take the risk by appealing of endangering the results achieved before the first instance.

As expected, the majority of the EBA reached the conclusion that where the patentee was the sole appellant, the opponent was not allowed to file a request for revocation of the entire patent, if the patent had been upheld by the first instance in some form. Likewise, in case the opponent was the sole appellant, the patentee was limited to defending the version of the patent which was maintained by the first instance. Any other amendments than those which arose as a consequence of the appeal could be rejected by the BA.

The *minority* of the EBA took the opposite standpoint, for the following reasons:

The principle of ex officio examination took priority, which meant that *reformatio in peius* was admissible. The texts of the relevant provisions had been left largely unchanged since the First Preliminary Draft in 1961. The principle of ex officio examination had been confirmed in the comments on Article 96 of this draft, which included the remark that a patentee who appealed the maintenance in part of his patent risked having his patent completely revoked on the basis of material not previously submitted. Admittedly, this draft concerned pre-grant opposition, but subsequent reports from meetings indicated that the post-grant opposition should not affect this principle. Accordingly, the minority found no basis in the EPC for limiting the extent of examination in opposition appeal proceedings.

The majority decision of G 9/92 and G 4/93 reads:

1. If the patent proprietor is the sole appellant against an interlocutory decision maintaining a patent in amended form, neither the Board of Appeal nor the non-appealing opponent as a party to the proceedings as of right under Article 107, second sentence, EPC, may challenge the maintenance of the patent as amended in accordance with the interlocutory decision.

2. If the opponent is the sole appellant against an interlocutory decision maintaining a patent in amended form, the patent proprietor is primarily restricted during the appeal proceedings to defending the patent in the form in which it was maintained by the Opposition Division in its interlocutory decision. Amendments proposed by the patent proprietor as a party to the proceedings as of right under Article 107, second sentence, EPC, may be rejected as inadmissible by the Board of Appeal if they are neither appropriate nor necessary.

The factual situation of either of *G 9/92* and *G 4/93*²⁵ is distinguished from the facts of the referring case²⁶ in *G 1/99*, in that in the latter, the patent proprietor was not entitled to appeal because the claims as maintained had been included in the patentee's main and only request²⁷, whereas in the referring cases to the former, the patent had been maintained on the basis of an auxiliary request from the patentee, who consequently had a right to appeal under Article 107 EPC, since his main request was not allowed. On appeal from the opponent, the objections raised by the appeal were such that the patentee had to amend the claims²⁸ or would lose its patent. The Opposition Division had allowed an amendment comprising an added feature. The Board considered that it could not maintain the patent on the basis of this claim, nor that it could be deleted, as was requested by the patentee in its auxiliary request.

The EBA considered that the fact that the proprietor had only filed one request was an indication that he would not contest a decision allowing this sole request and that therefore there was no significant difference between this situation and the ones leading to *G 9/92*²⁹. Nevertheless, the EBA recognised the dilemma for the patentee to risk losing the entire patent on an objection from the opponent on appeal. The EBA firstly noted the *G 4/93* observation that amendments to the claims on appeal from the opponent were not appropriate if they did not arise from the appeal as such³⁰. It then turned to *T 1002/95*³¹, noting that this decision had accepted that amendments could be allowed, if appropriate and necessary, even if they would put the opponent in a worse situation. *G 4/93* was interpreted as not excluding any and all amendments by the non-appealing patentee, even if such an amendment would worsen the situation of the opponent. Finally it conceded that *G 4/93* left a possibility open for the appeal proceedings to be altered by new requests by the non-appealing patentee, in very specific

²⁵ *G 1/99* refers consistently to *G 4/93* when addressing these decisions, however it is preferable to use *G 9/92* as a reference, since this decision is published in the OJ with the full text of the decisions.

²⁶ *T 315/97* of 17 December 1998.

²⁷ According to the opponent/appellant the disputed feature in *T 315/97* was unclear, extended beyond the application as filed, Article 123(2) EPC, and defined subject-matter not meeting the condition of being sufficiently disclosed, Article 83 EPC.

²⁸ An added feature considered allowable by the opposition division was considered objectionable by the TBA, but its deletion would extend the scope of protection of the patent and was therefore likewise objectionable.

²⁹ Point 9.1 of the reasons of *G 1/99*.

³⁰ *G 1/99*, point 10. This must be understood as meaning that when an appellant has raised objections on appeal, the proprietor may seek amendments which are necessary responses to the objections in order for the patent to survive.

³¹ Of 10 February 1998.

circumstances and in a restricted manner³². There was no absolutely symmetrical application prescribed by *G 4/93*. This argument was based on the fact that there was a further opportunity for the opponent to request the revocation of the patent at the national level.³³

Although the EBA in principle confirmed the validity of the prohibition against *reformatio in peius* based on the principal task of the BAs to review cases rather than examining the patent from scratch, it also stated that the opportunity for an opponent to request the revocation of the patent in national proceedings had to be considered³⁴. There was no such opportunity for the patentee. It would be inequitable to deny the patentee the opportunity to file amended claims in response to objections raised by the opponent/appellant, if the objections would have the direct consequence that the patent had to be revoked³⁵.

The last case within this group, *G 10/93*, concerned the extent of examination allowed in *ex parte* appeal proceedings, i.e. when the first instance has refused the patent application, and the patentee consequently is the sole party and appellant. This decision, as said above, confirmed the finding of *inter alia T 690/90* that a patent could not be issued unless the application met all the requirements of the EPC.

The facts of the referring case were as follows: The patent application was originally filed as a PCT application and an international preliminary examination had been carried out under that convention, chapter II. Upon entering the national/regional phase before the EPO, the applicant filed an amended text and requested a patent based on the amendments. Objections were raised by the examining division under Article 123(2) EPC, which also stated that the applicant had to revert to the original claim 1. However, the applicant maintained his request and the examining division consequently refused the application. The board of appeal agreed with the examining division on the formal point raised, but also found that there was a lack of inventive step, an objection which had not been raised by the examining division.

The question then arose whether the BA was empowered to examine and decide on requirements which the first instance had regarded as met by the application. Not surprisingly, the appellant in the case, when heard by the EBA, was of the opinion that no issue on which the first instance had taken a standpoint positive for the applicant could be subject to review by a BA on appeal from this same applicant. However, the BA was free to decide to take into account *further reasons* to refuse the application. It was therefore obliged to examine the version of the claims on which the applicant based its appeal as to any further requirements for grant. It would be appropriate to remit the case to the examining division, particularly at the request of the applicant, in order not to deprive the applicant of an instance as a result of the further ground or new prior art.

³² Point 10.3 of *G 1/99*.

³³ Point 13.1 of *G 1/99*.

³⁴ Point 13.

³⁵ Point 14. There is no explanation for the absence of a discussion of the implications of Article 135 EPC on conversion of patents into national patent applications.

The EBA first concluded that the principles governing inter partes proceedings as discussed in a number of cases, eg *G 9/91* and *G 10/91*, could not be applied to ex parte proceedings. These proceedings were not contentious and concerned the stage before grant. The instances involved at this stage must ensure that the conditions for patentability existed. The boards of appeal were therefore neither limited to an examination of the grounds for appeal, nor to the facts or evidence on which the decision under appeal was based. However, this did not mean that the BA should carry out a full examination of the application, which was a task for the examining division. Only if there was reason for the BA to believe that a condition for patentability might not have been satisfied, should it raise it in the appeal proceedings or ensure by way of referral to the examining division that would be included when the examination was resumed there. The BA would have to decide whether to rule on the matter itself or remit the case under Article 111 (1) EPC. Elements to consider in this context were the necessity to carry out further investigation, the existence of any procedural violation or if amendments had considerably changed the facts and what stance the applicant had taken with regard to the possible "loss of instance" if the case was not remitted.

In refusing the application the examining division ordered the total loss of rights. Consequently, there was no room for a decision to the detriment of the appellant in such a case. To confirm such a decision would only mean that the application remained refused. The applicant's argument in the present case was based on a completely different standpoint, compared to the cases which led to decisions *G 9/92* and *G 4/93*, namely the fact that the examining division had declared one version of the application patentable. The EBA did not agree with the appellant that this was tantamount to a partial grant of the patent and that the appellate instance was prevented from declaring this version unpatentable as well. The examining division would not be bound by this finding, since the examination proceedings might be reopened "for whatever reason" after approval in accordance with Rule 51(4) EPC (cf. *G 10/92*). Should the board agree with the positive finding on a particular version of the patent, it could confirm this without having to remit the case back. The EBA thus answered the referred question as follows:

In an appeal from a decision of an examining division in which a European patent application was refused, the board of appeal has the power to examine whether the application or the invention to which it relates meets the requirements of the EPC. The same is true for requirements which the examining division did not take into consideration in the examination proceedings or which it regarded as having been met. If there is reason to believe that such a requirement has not been met, the board shall include this ground in the proceedings.

G 1/97

This decision concerns a question referred by the LBA in *J 3/95*. The patentee had on appeal by the opponent had his patent revoked, after an oral hearing. After the hearing the patentee had offered to amend his claims if the BA would indicate its objections. The BA did not send any communication, but revoked the patent by a written decision. The patentee then sought to have the patent register amended, not to include the data regarding the revocation and when the EPO legal division refused to do so, appealed to the LBA. The EBA confirmed the findings of the LBA that there was no possibility to revise last instance decisions. It seem that the EBA was of the opinion that the original BA had committed a procedural mistake in issuing a decision without giving the patentee an

opportunity to amend the patent claims. However, seen against the background that the established case law of the BAs is consistently upholding the principle of party disposition, the situation should rather be seen as a valid decision issued in the absence of any request by the patentee to maintain the patent based on amended claims. If the BA had offered the patentee a further opportunity, this could have been seen as detrimental to the interests of the opponent, who had reason to believe that the submissions made in writing and during the oral hearing constituted the material on which the BA had to base its decision. This EBA decision merits more attention in that it raises a number of fundamental procedural questions, not the least of which is the rule of law with regard to last instance decisions.

G 1/98 - Patentability of plant varieties

Plant varieties are excluded from patentability by Article 53 (b) EPC. The questions referred in 1998 to the EBA concerned the patentability of claims not expressly directed to plant varieties, but which in effect encompass them. In 1999, however, the Administrative Council adopted Rules 23 b-e EPC, which in essence correspond to the EU directive on patentability of biotechnological inventions³⁶. In spite of the wording of Article 53 (b) EPC, the EBA concluded that the Administrative Council interpretation was decisive. Although this decision on the face of it concerns a question of a technical nature and a substantive provision of the EPC, it is of interest because it seems to be in conflict with the ECHR case law under which the executive or legislature may not interfere with the exclusive task of courts to apply and interpret the law³⁷. The step to adopt rules in line with the directive has been criticised by the epi for having been taken without any consultation with professional circles³⁸.

The BA in decision T 272/95 discussed the significance of the Administrative Council decision to adopt Rule 23 b - e EPC, under its general obligation in accordance with Article 164 (2) EPC to examine whether a rule would be in conflict with the Convention proper, in which case it would have to discard the rule in favour of the corresponding article, i.e. Article 53 (a) EPC. The board found that the rule was indeed only a more detailed interpretation of this article, accepting the rule.

G 3/98 and G 2/99 Extent of defence against abusive disclosure - Starting point of the "grace period"

These decisions deal with referrals by two different BAs on the question of the extent to which a patentee is able to invoke the defence of abuse with regard to the availability of information to the public which would either destroy the novelty of the invention or at least render it non-obvious. The referred questions concerned the appropriate interpretation of the locution "six months preceding the filing of the European patent application" in Article 55(1)(a) EPC.

The referring boards were in doubt as to whether the grace period should be calculated only from the date of the actual filing of the European patent application or if this right to invoke abuse as a defence against claims that the invention was available to the public before the application date extended all the way back to include the six month period preceding the priority date. The questions raised by the referring boards concerned inter alia the relationship between the EPC and the PC, the former being

³⁶ See OJ EPO 1999, 437.

³⁷ Cf. *Stran Greek Refineries v. Greece*.

³⁸ epi, the European patent institute for professional representatives at the EPO, March 2000 issue.

a regional treaty having to conform to the PC, the effect of the ECHR with regard to the right of equality of arms, the high number of priorities claimed by applicants under the EPC, the implication of the difference in wording of Article 55 EPC and Article 89 EPC, and the relationship of Article 55, if any, to Article 89 EPC by way of Articles 54(2) and (3) EPC.

The EBA concluded that the defence under Article 55 (1) (a) is limited to the six month period following the actual filing of the European patent application. Thus a patentee cannot invoke abuse against a prior publication or use claimed by an opponent to have taken place within six months from the priority date. As to the various questions addressed by the referring boards the EBA had the following observations to make, in summary:

1) The wording of the EPC:

The EBA saw a need to differentiate between Articles 55 and 89 EPC, since Article 89 EPC does not associate the right of priority with the state of the art, but with three specifically named provisions, not including Article 55 EPC. The terminology used made it impossible to treat the terms “date of filing” and “the filing of” as synonymous. The EBA also observed that the date of filing is not necessarily identical with the date on which applications are filed. The EBA therefore did not accept the hypothesis that the term “the filing of” (Article 55 EPC) could be read as “the date of filing” (Article 89 EPC).

2) The intention of the legislator:

The EBA discarded outright that the legislator had used the reference in Article 55 EPC by mistake. This was indicated by the fact that the legislator had made a deliberate distinction between priority date, date of filing and filing of the application. As a consequence of the parallel grace period in Article 55 (2) EPC for inventions displayed at exhibitions, which required the applicant to state such a display at the time of the filing of the application, Article 55 (1) EPC containing the same definition of the grace period could not be interpreted otherwise.

3) The travaux préparatoires:

The EBA could not find any oversight on the part of the legislator in these documents, referring to the minutes of the Munich diplomatic conference. In view of Article 4 of the Strasbourg Patent Convention³⁹, the conference rejected attempts to extend the scope of Article 55 (1) (b), since these would diverge from that convention. Paragraphs 2 and 4 of this Article, addressing novelty and grace period respectively, contain the same difference in wording as Articles 54 and 55 EPC. This and debates on attempts to broaden the provision in Article 11 PC by way of cumulation of the period of priority with the period of protection for non-prejudicial disclosures showed that the legislator deliberately avoided having the six-month period calculated from the priority date.

4) Dynamic interpretation:

³⁹ Evidently the Convention on the unification of certain points of substantive law on patents of 1963 is meant here.

The EBA agreed with one of the referring boards that the legislator might not have foreseen the scale on which priorities would be claimed in the EPC system, but concluded that it could have foreseen that this would be the case for many of the applicants from non-member states. The EBA, however, put more weight on the fact that the interests to be balanced, in particular individual justice and legal certainty, were always the same, so that changing the balance in the applicant's favour meant changing it just as frequently to the public's disadvantage. Admittedly, Article 11(1) PC obliged the countries of the Union to grant temporary protection to inventions exhibited at official or officially recognised exhibitions. But as regards the form such protection should take, the PC left it to domestic legislation. The wording of Article 11 (2) PC was such that it did not oblige the Union states to cumulate the period for protection against non-prejudicial disclosures with the priority period. This meant that there is no contravention of the principle of national treatment.

5) The time factor

The EBA found nothing to support the assumption that the legislator had limited the recourse to abuse in order not to prolong proceedings unduly. In any event, it was difficult to see why further prolonging of the procedure as a result of the post-grant opposition under the EPC should not give rise to objections.

6) Human rights issue - equality of arms under Article 6 ECHR:

The EBA found that this right was a strict procedural right which had nothing to do with a material or substantive provision like Article 55 EPC. Article 6 ECHR only guaranteed that each party should have the opportunity to refute the other party's evidence with suitable evidence of its own. Article 6 ECHR did not govern substantive law, but only guaranteed a fair procedure in which decisions are made in relation to claims on the basis of the substantive law that the state provided in its discretion. The requirements addressed by the referring board therefore did not need to be examined by the EBA.

7) Consequences of a literal interpretation of Article 55 EPC

The referring board had referred to criticism as to a limited interpretation, which meant that the fate of an application should be conditional on whether it had been filed with a national office or with the EPO. The EBA found this irrelevant, observing that all that mattered was whether the application being assessed was a first filing or a subsequent application filed more than six months after the (abusive)⁴⁰ disclosure.

Presuming that the invention was normally within the purview and power of the inventor, the EBA observed that breach of an obligation to maintain secrecy related more to his domain than that of the general public, that the inventor was the only one who could take suitable action against abuse and that therefore it was not inherently unreasonable or inappropriate to resolve this conflict to the applicant's disadvantage in the interests of legal certainty rather than to the public's disadvantage in the interest of individual justice. Developments in German law on utility models furthermore showed

⁴⁰ Parenthesis added here.

that the legislator had indeed intended to uphold a difference with regard to patents, considering that patent law was best adopted at the international level.

8) Different national court practice

The EBA was not impressed by the reference to three decisions taken by national courts in Germany, Netherlands and Switzerland. Referring to the Swiss decision as thorough and particularly worthy of mention because the Swiss legislator had taken a different view for national law, allowing a defence against abuse stretching back before the priority date, the EBA discarded the Dutch decision, describing it as not identifying any considerations liable to challenge the conclusion reached by the EBA. The EBA did not discuss the reasoning of any of these judgments, nor did it refer to them other than in general terms.

The answer of the EBA reads in full:

For the calculation of the six month period referred to in Article 55 (1) EPC, the relevant date is the date of the actual filing of the European patent application; the date of priority is not to be taken account of in calculating this period.

G 3/99 - Common oppositions

The EBA established that a common opposition may be filed jointly by several persons, whether legal or natural, and that such an opposition is valid against the payment of only one opposition fee⁴¹. In the interest of legal certainty for the patentee, once the group has established itself as an opponent, no further persons may join in the group⁴².

The opposite situation, of persons leaving the group of opponents was also discussed, and the EBA took the view that this did not end the opposition, since otherwise one single person could decide of his or her own motion to end the proceedings. But in the interest of the patentee, one must be able at every stage of the procedure to determine who belongs to the group. Therefore the EPO has to be notified accordingly⁴³.

The EBA also took the opportunity to observe that Rule 100 EPC on common oppositions or appeals laid down further conditions with regard to the so-called "common representative". There must at all times be a common representative. If this person leaves the opposition, a new common representative must be appointed.

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⁴¹ Given that all other formal requirements for an admissible opposition have been met, headnote 1 and point 10 of the reasons.

⁴² Point 12 of the reasons in G 3/99.

⁴³ Ibid., headnote 3 and point 15.

In this case, the DBA made a general reference to the exigencies of the ECHR, pronouncing that this convention should be regarded as forming part of the legal system of the EPO and observed by all its departments⁴⁴.

The appellant had questioned the jurisdiction of the board and its compliance with Articles 6 and 13 ECHR. Inter alia the following elements were in his view of significance as to the organisation and competence of a tribunal, showing that the Disciplinary Board did not meet the necessary standards:

- 1) The Disciplinary Board was not established by law, but by the Administrative Council of the EPO;
- 2) The disciplinary bodies of the EPO did not constitute an independent tribunal because their members were subordinate to and in the service of the EPO;
- 3) At each stage of the procedure members sat on the various bodies which were involved in the investigation and judgment of the same persons;
- 4) The penalty under appeal (indefinite deletion from the list of professional representatives) was contrary to the principle of a penalty being proportionate to the seriousness of the charges, and to the requirement of certainty;

By its headnote no 1, the DBA answered the objections under points 1 - 3 above, finding that the Disciplinary Board of Appeal indeed was a tribunal established by law, that there was a second instance whose independence was guaranteed by the rules for its composition, and that the contracting states had accepted a transfer of competence to a central body for the control of professional representatives with essentially the same set of professional regulations. The drafting of these governing regulations and the establishment of the responsible bodies was consistent with general principles of law, in particular those expressed in the ECHR.

In its reasons⁴⁵, the DBA stressed the following: The Administrative Council had been empowered by the member states to issue provisions for the acceptance of professional representatives and procedures for imposing sanctions, including the organs to be competent for such matters. The system of having an autonomous organ decide disciplinary matters was recognised under the ECHR⁴⁶. The objection raised by the appellant that the disciplinary organs of the EPO were not established by law could not be accepted only for the reason that they did not appear in Article 15 EPC⁴⁷.

On point 4, *the sanction imposed*, the DBA considered that it had no other choice but to impose the most severe penalty, i.e. the "deletion from the list of professional representatives for an indefinite period", Article 4 (1) (e) RDR. However, in spite of the seemingly clear wording of this provision, the DBA arrived at the interpretation that the legislator must have intended "*indefinite*" to mean, "a

⁴⁴ See chapter 3.8.1.

⁴⁵ See points 3.3 - 3.6 of the reasons for the decision.

⁴⁶ The DBA referred to the case of *Le Compte, van Leuven and De Meyere v. Belgium* concerning discipline for medical doctors. A more recent and closer case is *H. v. Belgium*, which concerned the striking off from the list of a member of the bar, see below at footnote 90.

⁴⁷ This article lists the departments 'charged with the procedure', as its title is worded. While it is correct that the disciplinary organs are not expressly listed here, the delegation of competence for those matters to the Administrative Council, and hence to the epi, is, Article 134 (8) EPC.

period not determined by the text", but which had to be determined by the organ deciding the case, and set this period for the present case at two years⁴⁸. In arriving at this conclusion, the DBA took note of the fact that the criticised behaviour of the appellant had occurred at a difficult time for him, since several of the colleagues at his patent bureau had departed at about the same time. An indefinite deletion therefore seemed to be an excessive penalty. It also seemed arbitrary and not compatible with the principle that every penalty should be fixed as to its term. The term could be understood as definite in the sense that it would be permanent, so that the patent attorney could not be re-entered in the list of professional representatives. However, the versions in German and English read, respectively, "unbefristete Dauer" and "indefinite period", which could, as could the French version "durée indéterminée", also be interpreted as meaning either an indefinite period or a period which was not limited by the law itself. All versions, then, allowed the interpretation that the period could be fixed by the deciding body.

The DBA considered that a deletion for an indefinite period would be tantamount to a definite deletion. There were no provisions for the re-entry into the list and no procedures or conditions laid down in the law for how such a re-entry could be allowed. A representative upon whom this sanction had been imposed would find himself faced by "une vide juridique" or subjected to arbitrariness. Moreover, if a fixed term was imposed, re-entry into the list would be automatic as soon as the term had expired.

⁴⁸ Point 7.8 of the reasons discusses the appropriate interpretation of Article 4 (1) (e) RDR.

ANNEX III A SUMMARY OF RELEVANT EPC PROVISIONS ON PROCEDURE

1.1 Introduction

Most of the procedural provisions in the EPC of interest are to be found in Parts V to VII, such as the provisions on opposition procedure, appeals procedure and common provisions governing procedure, ie. Articles 99 to 126 EPC. In view of the guarantee of a fair trial in Article 6(1) ECHR, other relevant provisions are those concerning the departments of the EPO charged with the procedure and their respective competence, as well as provisions laying down the status of the members of the Boards of Appeal, viz. Articles 15 to 24 EPC. Articles 133-134 EPC on representation and the rules to be applied when the EPO is acting under the PCT convention may also have generated relevant case law on procedures⁴⁹.

1.2 Responsible departments of the EPO - organisation and competence

Article 15 EPC enumerates exhaustively the responsible departments, whereas the responsibilities of the respective organs are set out in Articles 16 to 22 EPC.

Thus there are currently seven different organs in the EPO: the Receiving Section and the Search Division⁵⁰, both currently situated in the Hague, competent to examine applications on formal requirements for the procedure up to when a request for examination has been made or the applicant has indicated a desire to proceed with the application, the Examining and Opposition Divisions, responsible for the substantive examination of patent applications and oppositions, respectively, the Legal Division with specific responsibility for matters related to the Register of European patents and the list of professional representatives, and finally the Boards of Appeal, the second instance examining appeals from each of the previously mentioned departments and the Enlarged Board of Appeal.

1.2.1 The Receiving Section - Article 16 EPC

This department examines applications as they are filed. A first task for this section is to examine whether the conditions for a filing date are met. Thus the Receiving Section examines applications against Article 90 - 93 EPC and their corresponding Rules⁵¹. Under the planned BEST system, there will be no geographical allocation mentioned in this article, nor in Article 17 EPC. An appeal from a decision by the Receiving Section is heard by the Legal Board of Appeal, see Article 21 (2) EPC. Questions arising for this section are frequently whether or not a valid request for examination has been filed, or as the case may be, if the application has to be deemed to be withdrawn.

1.2.2 The Search Division - Article 17 EPC

⁴⁹ Main sources for this part, outside of the EPC itself, are *Singer, Lunzer and Paterson*.

⁵⁰ This is written in the summer of 2000. Under the so-called BEST project, Bringing Examination and Search Together, these two examination stages will be brought together formally through amendments to the EPC to be discussed and possibly adopted at the diplomatic conference scheduled for November 2000, see the Basic Proposal for the revision of the EPC, doc CA 100/00 of 9 August 2000. Inter alia Articles 16-18 EPC are to be revised.

⁵¹ The Implementing Regulations to the EPC, here abbreviated IR.

This division is the first one to deal with substantive matters, i.e. the novelty of an invention, its sole responsibility being to draw up the European search report. The reason for this organisation is historic. The Institut International des Brevets, IIB, was already in operation at the time of the inception of the EPC, issuing search reports for its member states, originally the Benelux countries and France⁵². Under the planned BEST system, this strict allocation of search and examination duties will disappear to the effect that the novelty search will have been carried out by essentially the same examiners who later carry out the substantive technical examination of the patentability criteria other than novelty.

1.2.3 The Examining Division - Article 18 EPC

This division is the first EPO organ to examine the patentability of an application as a whole. Paragraph two of Article 18 EPC specifies summarily the procedures to be followed. An Examining Division is composed of three technically qualified members, one of whom has the major task of examining the application (the primary examiner), oral proceedings are held before the division as such, and the division may be enlarged by a legally qualified examiner if it deems this necessary. The chairman has the casting vote. The Examining Division ceases to be competent for a case when it has either refused the application or allowed the patent. However, if there is an appeal, the division is competent to decide on rectification under Article 109 EPC. Should the Board of Appeal refer the matter back to the Examining Division under Article 111 (2) EPC, the competence of the latter is reinstated⁵³.

1.2.4 The Opposition Division - Article 19 EPC

After the grant of a European patent, it is transformed into several national patents ('the bundle effect'). However, if any person files a valid notice of opposition within nine months after the grant of the patent was published in the Bulletin of the EPO, the opposition procedure starts. The Opposition Division now becomes competent and responsible for the further examination. This particular organisation of procedures has had a rather strong impact on the *inter partes* procedure before the EPO in comparison to the previously prevailing procedures before national authorities where opposition from third parties were filed before the patent was granted. - Like the Examining Division, the Opposition Division is made up of three technically qualified examiners and may likewise be enlarged by a legally qualified examiner. However, it is allowed under Article 19 EPC for one member of the Division to have been involved in the proceedings for grant of the patent, although this person may not be the chairman of the Opposition Division. The rest of Article 19 (2) EPC mirrors Article 18 (2) EPC.

⁵² According to the Hague Agreement of 6 June 1947, revised 16 February 1961.

⁵³ After BEST has been adopted, Article 18 will only refer to the examining divisions being responsible for examining any European patent application.

1.2.5 The Legal Division - Article 20 EPC

This Division is competent to decide on entries in the European patent register and the list of professional representatives. One legally qualified member is competent to take decisions. This Division is said to have been proposed shortly before the Munich conference in order to make an appeal possible⁵⁴.

1.2.6 The Boards of Appeal - Article 21 EPC

The possibility to appeal decisions from any of the foregoing departments is laid down in this Article, which further governs the composition of the respective board of Appeal depending on the nature of the decision under appeal.

As noted before, the Legal Board of Appeal (LBA) is responsible for appeals from the Receiving Section or the Legal Division (paragraph 2). It is to be noted that the names of different Boards of Appeal are not laid down in the EPC, but appeared later. By definition of law, the LBA consists of three legally qualified members. Its appeals are classified as J cases. According to paragraph 3 (a), an appeal against the decision of an Examining Division is heard by a Board of Appeal consisting of two technically qualified members and one legally qualified member (a Technical Board of Appeal, TBA) if the decision under appeal 'concerns the refusal of a European patent application or the grant of a European patent' and was taken by a three-member organ. The scope of this provision has generated questions to the EBA⁵⁵.

In case the first instance was enlarged by a legally qualified examiner, a corresponding enlargement of the TBA is required: it has to consist of three technically qualified members and two legally qualified members (paragraph 3 (b)). The cases of all TBAs are classified as T - cases.

Appeals that not fall under any of the categories being heard by a TBA are to be heard by the LBA (paragraph 3 ©)). They generally concern formal matters, for example the right to have restitutio regarding a missed time limit.

For appeals from decisions of Opposition Divisions, the competence is straightforward: a TBA consisting either of three or five members is always exclusively competent to hear these appeals (paragraph 4 (a) or (b)).

1.2.7 The Enlarged Board of Appeal - Article 22 EPC

The EBA is a special instance within the BAs, to be seen as a replacement for the tradition in national systems to allow for plenary sessions and decisions by all the justices of a court in matters of particular importance, especially when the harmonisation of the case law must be safeguarded or the court has been seized for the first time with a legal question of fundamental importance. The court itself normally decides whether or not a question requires a decision by the plenary court. Such matters are regulated by the court's own rules of procedure or by the procedural law applicable to the proceedings. Some systems give the president of the court the prerogative to decide which matters should be decided this way.

⁵⁴ See Lunzer, p. 65.

⁵⁵ See decision G 2/90, OJ EPO 1992, 10.

Under the EPC a provision on plenary sessions was not seen as appropriate, maybe because of the balance of members in the boards of appeal, of which only 20 % are legally qualified members⁵⁶. Since questions referred to the EBA must be legal of nature, another composition was desirable, which accounts for the fact that the EBA consists of seven members, two of which are technically qualified and the remaining five legally qualified.

Under the EPC, then, the EBA is a BA of special composition in the interest of having experienced members of senior standing to which other BAs can turn in search for a solution to a given legal problem. The EBA is not a third instance and it cannot be seized directly by the parties⁵⁷. There is no appeal from a Board of Appeal. When a question is referred, the Board of Appeal will stay the proceedings until the EBA has responded; only then will the proceedings continue.

1.3 Independence of the members of the BAs

1.3.1 Article 23 EPC

It is well recognised in states adhering to the rule of law and the separation of the powers of government that a court needs guarantees for its members not to be pressured into taking politically desirable decisions which do not adhere to the law as they should under generally recognised principles of interpretation. There are some basic guarantees without which a court of law cannot be seen as an “impartial tribunal”, as required under the ECHR. One such guarantee is the freedom from instructions from the administrative powers of an organisation. This principle is laid down in paragraph 3 of Article 23 EPC. Another is the principle that courts govern themselves in matters not already governed by law, ie. with regard to their inner workings. This principle is expressed in paragraph 4.

To provide another safeguard against irrelevant influences, paragraph 2 forbids the members of the BAs to be members of other departments of the EPO, ie. the first instances from which appeals lie to the BAS.

The justification for the first paragraph of Article 23 EPC is more in dispute. It sets down a limited term of office of five years, and does not even exclude that members may be removed from office during that term. During the negotiations on the EPC this provision was discussed from several points of view. While in some national systems judges are also appointed for fixed terms, the ideal is a non-limited term in office, except for any retirement age that may be set by law. According to most historians, the reason why the term was set to five years was the fear that if appeals would not be filed in a sufficient number, members would go idle and the office would still have to pay them their salaries and emoluments⁵⁸. If such a situation should occur, there is therefore a special provision in the Service Regulations⁵⁹ to guarantee that the member’s status is upheld, although his duties may have changed.

1.3.2 Article 15 (1) of the Service Regulations - The solemn declaration

⁵⁶ In February 2000, there were 100 members in all, of which 20 were legally qualified.

⁵⁷ For further details on the duties of the EBA, see below under Article 112 EPC.

⁵⁸ See Lunzer, p. 78.

⁵⁹ The SR govern the relationship between the EPO and its personnel. Article 41(3) SR guarantees a member who is moved to another department of the EPO the same grade salary as for his previous post.

The solemn declaration that each BA members has to give before the EBA reads:

"I solemnly undertake to perform my duties as a member of the Boards of Appeal of the European Patent Office in accordance with the European Patent Convention and the principles of procedural law generally recognised in the Contracting States to that Convention, to act, in taking decisions, without respect of persons, to act solely in the interests of truth and justice, and to maintain strict secrecy concerning the Boards' deliberation."

1.4 Impartiality - Article 24 EPC

The safeguarding of the necessary standing of judges has a mirror side; judges must at all times remain genuinely impartial. This is reflected in Article 24 EPC, which addresses the risk of double interest as well as the obligation to impartiality. These are two different aspects of the same requirement, the 'subjective' and 'objective' impartiality.

A judge who has an interest in a specific outcome of a case is in violation of the obligation to impartiality. This comprises an interest born of the fact that an appellate judge was involved in the case in the first instance. Under paragraph 1, a person who participated in the decision under appeal may therefore not be a member of the board taking a decision on the appeal. In the practice of the BAs, an even stricter line has been taken; a member who was involved at any stage of the first instance proceedings will not be appointed to the appeal case. It goes without saying that a member who had at any time represented any of the parties also cannot deal with the appeal⁶⁰.

Further, paragraph 2 prescribes that members may voluntarily step down from an appeal case. This also covers situations not strictly governed by paragraph 1, but for which the member or the board in question sees a need to exclude any doubt in the minds of the parties that the board would not be impartial.

Paragraph 3 addresses the right of parties to object to a certain composition, in which case a decision under paragraph 4 must be taken by a board or the EBA in another composition, not including the member against whom the objection was raised. There are two limitations to this right; firstly it cannot be validly raised after the party had taken a procedural step in the proceedings in spite of knowing about the reason for the objection, and secondly an objection may not be based on the nationality of members.

1.5 Opposition procedure - Articles 99 - 104 EPC

The EPC introduced a new procedure separated from the search and substantive examination stages, the opposition, which is a post-grant procedure. Most European states with patent laws comprising substantive examination had a special step within the granting procedure, inviting third parties to file comments on the patent application. This system was based on the realisation that the search could not always ensure that relevant state of the art would be found that could destroy novelty or inventive step of the invention claimed, and that third parties, often competitors in a specific field, could possess more knowledge of pertinence to the patentability of the invention. Generally therefore, patent applications were 'laid open for inspection' 18 months

⁶⁰ The obligation to impartiality extends under the case law to other departments of the EPO, see *T 261/88* and *G 5/91*.

after their filing to allow objections from third parties. After examination of the objections, the patent office would decide either to grant or to refuse the patent.

The new approach was introduced out of fears that the European substantive examination would be time-consuming to the effect that would-be patentees would suffer economically, if objections had to be filed before grant. Industry therefore requested that the examination should close with a fully granted patent (or an appealable decision to refuse the application) without third parties having previously been heard. This has had profound effects on the patenting system, not least procedurally, but also substantially. Opponents are formally parties to the opposition proceedings. Secondly, there has been a shift from the general obligation on the applicant to convince the patent office that the invention meets the requirements for a patent to the opponents, who have the full burden of proof for their claim that the invention as claimed does not meet these requirements.

The main provisions on opposition proceedings are laid down in Articles 99-105 EPC. Article 99 EPC contains provisions on time limits, formal requirements (written form, containing a reasoned statement, required fee, extension to all designated states, identification of the patentee, transfer of patent rights). Because of the fact that a revocation of the patent has an *ex tunc effect erga omnes*, the fact that a European patent has already lapsed or been surrendered is no bar to opposition.

In the case law of the BAs an important role is played by Rule 55 ©) EPC, which provides that a notice of opposition must contain a statement of the extent to which the patent is opposed and the grounds on which it is based, as well as an indication of the facts and evidence and arguments to be presented in support of the opposition. This rule has also been influenced by the need to ensure that the final outcome of the patent application is not unduly prolonged. Inadmissibility is decided under Rule 56 EPC.

Article 100 EPC lists exhaustively the grounds of opposition that can be validly raised. These are the same as are allowed as grounds for revocation in national proceedings, see Article 138 EPC. Essentially admissible grounds are that the subject-matter of the patent does not concern an invention or is excluded from patenting (Articles 52 and 53 EPC), does not meet the requirements of novelty, inventive step or is not susceptible of industrial applicability (Articles 54 to 57 EPC), does not disclose the invention sufficiently for a skilled person to be able to work it (Article 83 EPC) or if the patent extends beyond the content of the application as filed (Article 123 (3) EPC) or in case of a patent for a divisional application (or a new application filed in accordance with Article 61 EPC by the rightful owner of the patent) it extends beyond the content of the earlier application.

Articles 101 and 102 EPC concern the examination and decision on an opposition. An express obligation on the Opposition Division to invite the parties to file observations and to observe the IR is included in Article 101 (2) EPC. Article 102 EPC lists the options that are open to the Opposition Division; to revoke the patent, to reject the opposition or to maintain the patent in amended form. If the patent is to be maintained in amended form, certain procedural steps have to be fulfilled, in accordance with paragraphs 3 - 5 of this Article, which correspond to the formal requirements for grant of a European patent in Article 96(2) - (5) EPC.

Parties before the EPO as a main rule carry their own costs, Article 104 (1) EPC. However, if for reasons of equity a different apportionment of costs is justified, the Opposition Division or the Board of Appeal may

order such apportionment as regards the costs incurred in taking of evidence or in oral proceedings. This is applied mainly in cases where a party has caused further oral proceedings to be held.

1.6 Intervention - Article 105 EPC

Article 105 EPC governs the lodging of interventions, ie. oppositions from third parties who have not filed an opposition within the nine months allowed under Article 99 EPC, but against whom national infringement litigation has been instituted. The opportunity to resolve the extent of a patent in centralised proceedings before the EPO was considered expedient, leading to the adoption of this provision. This instrument allows third parties to join other opponents by filing a notice of opposition with the EPO within three months from the date infringement proceedings were instituted against them. An intervention presupposes that opposition proceedings are still pending, either before an Opposition Division or before a Board of Appeal. To be admissible the notice of intervention must further be filed in a written reasoned statement. This corresponds to the requirement for oppositions under Article 99 EPC.

1.7 Appeal procedure - Articles 106 - 112 EPC

Articles 106 to 112 EPC deal with the main provisions on appeals. Article 106 EPC sets down the decisions of the first instance from which appeals lie, ie. from the Receiving Section, from the Examining and Opposition Divisions and from the Legal Division (paragraph 1). Thus there is no appeal from the Search Division. An appeal has suspensive effect. Interlocutory decisions are not appealable, unless specific allowance is given (paragraph 3). This is however regularly the case when an Examination or Opposition Division has taken a decision to grant or to maintain a patent, for practical reasons. After grant or maintenance a number of formal steps remain, which would be superfluous should the board reverse the decision.

Other decisions that do not terminate proceedings or decisions on the apportionment of costs may not be appealed separately before the final decision has been taken.

Article 107 EPC concerns the status of parties to the appeal proceedings. In order to appeal, a party must be adversely affected by the decision in question. Parties to the first instance proceedings who have not appealed are still parties as of right. This is significant for opponents who may not have had an interest in filing an appeal themselves but who would want to follow the appeal proceedings instituted by another opponent. Parties as of right do not have the same standing as appellants. They are mainly reduced to defending the decision under appeal.

Cross-appeals were not common in the early days of the history of the Boards of Appeal. After the EBA handed down decisions *G 9/91*, *G 10/91*, *G 9/92*, *G 4/93* and *G 8/93*, clarifying the difference in status of parties to an appeal, they have become more frequent.

Article 108 EPC lays down the time limit and form of appeal. The appeal is filed in two stages, firstly a notice of appeal must be filed within two months from the notice of the decision⁶¹ and the appeal fee submitted,

⁶¹ The notice is deemed to have been delivered on the tenth day after the date the decision was posted (ie. the date stamped on the decision) under Rule 78 (2) EPC.

while a total of four months calculated from the same date is given for the filing of the grounds for the appeal.

A possibility to have a decision of the first instance rectified upon appeal is given in Article 109 EPC on interlocutory revision. Originally the period for revision, which is taken by the decision that took the decision under appeal, was one month. This period was recently extended to three months⁶². The provision, which only applies to *ex parte* proceedings, prevents unnecessary appeal proceedings in cases where the applicant on appeal amended the patent application and the amendments were sufficient in the view of the Examining Division to overcome the objection/s that had led to the refusal of a patent.

In respect of appeals, articles 110 and 111 EPC correspond *mutatis mutandis* to Articles 96, 99, 101 and 102 EPC on first instance procedure. The Board of Appeal has the same obligation to invite the parties as the departments of first instance and if the appellant in an *ex parte* case fails to reply in due time the application is deemed to be withdrawn. In deciding on the appeal, Board exercises any power within the competence of the department that took the decision under appeal, ie. it can take any decision that would have been within the purview of that department. However, it may also decide to remit the case to that department for further prosecution (Article 111(1) EPC).

Article 111(2) EPC concerns the *res judicata* effect of matters decided within an appeal, where the case is remitted under paragraph 1. Paragraph 2 prescribes that the department of first instance shall be bound by the *ratio decidendi* of the Board of Appeal. If a decision had been taken by the Receiving Section, and the case later is examined by the Examining Division, the Board of Appeal decision will also bind the Examining Division.

Article 112 EPC concerns the Enlarged Board of Appeal. This Board has two major duties, it issues decisions or opinions on questions referred to it either by a Board of Appeal or by the President of the EPO, and in matters of removal of a member of the Boards of Appeal under Article 23 (1) EPC, the Enlarged Board of Appeal decides whether or not to propose to the Administrative Council that a member be removed. It is composed of Members of the Boards of Appeal.

As already pointed out the Enlarged Board of Appeal is not a third and last instance. It may be characterised as an instance for harmonisation of legal practices of the Boards of Appeal. It is competent to examine matters of a legal nature, its main obligation being to ensure uniform application of the law and to decide important points of law.

Only the Boards are competent to decide whether or not to refer questions, ie. the parties do not have direct access to the EBA (paragraph 1 a). They refer questions only if they consider it required for the purposes indicated. The President of the EPO is competent to refer questions only where two Boards have taken different decisions on the same question (paragraph 1 (b)). EBA decisions are considered to be general precedents; the law however gives them binding force only for the Board that referred the question (paragraph 3).

⁶² This amendment entered into force on 1 January 1999 (OJ EPO 1999,1).

1.8 Article 112a EPC as adopted by the Diplomatic Conference in November 2000⁶³

The text of this Article reads:

Article 112a Petition for review by the Enlarged Board of Appeal

(1) Any party to appeal proceedings adversely affected by the decision of the Board of Appeal may file a petition for review of the decision by the Enlarged Board of Appeal.

(2) The petition may only be filed on the grounds that:

- (a) a member of the Board of Appeal took part in the decision in breach of Article 24, paragraph 1, or despite being excluded pursuant to a decision under Article 24, paragraph 4;
- (b) the Board of Appeal included a person not appointed as a member of the Boards of Appeal;
- (c) a fundamental violation of Article 113 occurred;
- (d) any other fundamental procedural defect defined in the Implementing Regulations occurred in the appeal proceedings; or
- (e) a criminal act established under the conditions laid down in the Implementing Regulations may have had an impact on the decision.

(3) The petition for review shall not have suspensive effect.

(4) The petition for review shall be filed in a reasoned statement, in accordance with the Implementing Regulations. If based on paragraph 2(a) to (d), the petition shall be filed within two months of notification of the decision of the Board of Appeal. If based on paragraph 2(e), the petition shall be filed within two months of the date on which the criminal act has been established and in any event no later than five years from notification of the decision of the Board of Appeal. The petition shall not be deemed to have been filed until after the prescribed fee has been paid.

(5) The Enlarged Board of Appeal shall examine the petition for review in accordance with the Implementing Regulations. If the petition is allowable, the Enlarged board of Appeal shall set aside the decision and shall re-open proceedings before the Boards of Appeal in accordance with the Implementing Regulations.

(6) Any person who, in a designated Contracting State, has in good faith used or made effective and serious preparations for using an invention which is the subject of a published European patent application or a European patent in the period between the decision of the Board of Appeal and publication in the European Patent Bulletin of the mention of the decision of the Enlarged Board of Appeal on the petition, may without payment continue such use in the course of his business or for the needs thereof⁶⁴.

⁶³ See special edition No. 4 of the OJ 2001, p. 100 f.

⁶⁴ The Implementing Regulations to Article 112a EPC had not yet been adopted in October 2001. Among proposals under discussion was a text for Rule 67 f (2) (a), which would leave it to the EBA in the composition of two legally and one technically qualified member to declare petitions for review inadmissible not only on formal grounds but also those "which are clearly unallowable". This is reminiscent of the ECHR "manifestly ill-founded" but would give the EBA a wider margin for rejecting petitions if adopted.

1.9 Common provisions on procedure - Articles 113 - 126 EPC

These provisions are to be applied by all organs of the EPO, regardless of instance.

The first Article, 113 EPC, has generated a prolific case law, in particular on what constitutes legitimate expectation on the part of the parties. Its first paragraph puts the obligation on the EPO not to issue decisions based on grounds or evidence on which the parties had not been given the opportunity to comment. Secondly, a patent application or a patent may only be considered in the text submitted or agreed to by the applicant or patentee (paragraph 2).

According to the wording of paragraph 1, only grounds and evidence are of significance for the right to be heard. This would exclude conclusions or arguments that the deciding body may have for the decision. The case law, however, seems to indicate a more far-reaching onus on the EPO.

The examination is not strictly limited to the facts as referred to by the parties. In Article 114 (1) EPC this is expressed as an obligation on the EPO to examine the facts on its own motion within which it is not restricted to facts, evidence and arguments presented by the parties, nor to the relief sought. Vice versa, the EPO may disregard facts and evidence not submitted in due time (paragraph 2). This Article has also generated a large mass of case law. In later years, decisions by the Enlarged Board of Appeal⁶⁵ have limited the effects of paragraph 1 as far as appeal proceedings are concerned; basically the appeal proceedings are characterised as civil administrative proceedings to which the principle of party disposition prevails, giving the Boards of Appeal less margin for any research of their own, eg. of the state of the art.

The *ex officio* nature of first instance proceedings is underlined by Rule 60 (2) EPC, according to which opposition proceedings may be continued although the opposition is withdrawn.

Article 115 EPC gives third parties the opportunity to file observations, which are then communicated to the other parties.

Article 116 EPC governs oral proceedings. In keeping with the fundamental requirement that a party has to be allowed to present his case directly to the court in person, oral proceedings are foreseen as a matter of course, on request of the parties or where the responsible department finds it necessary and expedient. The only exception concerns a request from the applicant to the Receiving Section, which may be refused, unless this department finds it expedient or envisages refusing the application. During the time until the application is published, oral proceedings are not public, paragraph 3. Before the Boards of Appeal oral proceedings are public, unless the application has not yet been published. The same applies to the Opposition Divisions. These departments may still declare the proceedings not public, if the parties could have serious disadvantages from admission of the public.

The taking of evidence in cases before an international organisation is complicated. The organs of the EPO are not competent to request testimonies to be given under oath. Witnesses may come from many different countries. Frequently, the organs of the EPO must rely upon written evidence. These and other difficulties have

⁶⁵ In particular decision *G 9/91*.

led to Article 117 EPC, which contains several principles and procedural requirements for the taking of evidence.

Article 117 EPC lists the categories recognised as means of evidence (paragraph 1). Paragraph 2 empowers the responsible department, if an Examining Division, an Opposition Division or a Board of Appeal, to commission one of its members to examine the evidence adduced. Rules 72 to 76 EPC give detailed provisions on decisions to hear oral evidence, the procedures to be followed, on the right for a witness to be heard by the competent court of his country of residence, and the right of parties to be present and to interrogate witnesses, the hearing of experts, costs of taking evidence, conservation of evidence and minutes of taking evidence.

In this context, it should be noted that, in contrast to the opinion of the HRComm in the *Lenzing cases*⁶⁶ that the BAs have powers to obtain sworn statements from witnesses, as remarked above the BAs cannot itself hear witnesses under oath. Because of the time consuming alternative of obtaining sworn statements by referring oral evidence to be taken by national courts, written affidavits sworn before a national notary have been accepted in practice as the rule rather than the exception. This and other deficiencies in the EPC procedure have been criticised, putting the status of the BAs as a proper court of law in doubt⁶⁷.

1.10 Representation - Articles 133 - 134 EPC

The provisions on representation, Articles 133 and 134 EPC, provide for an important part of procedural law, on the one hand the right of parties to be represented and on the other hand the obligation under the EPC in certain circumstances to be represented only by specially qualified representatives.

1.11 Special provisions for PCT applications - Article 150 - 158 EPC

Articles 150 - 158 EPC govern the application of the Patent Cooperation Treaty (PCT). This Convention, whose aim is to harmonise formal requirements for patent applications on a world-wide scale, enables applicants who have filed a PCT application in one country to use it for further applications in other countries or, as the case may be, as an application for a regional patent like the European patent. Under the PCT, an application must be filed either with the national office (or an office acting for the State in question) of which the applicant is either a resident or a national *or* with the International Bureau (a department of the World Intellectual Property Organisation, WIPO, situated in Geneva). However, agreements may be reached that an international organisation shall be competent to act as a receiving office. Such agreements have been reached with the EPO as a regional international organisation. The conditions under which the EPO can act as a receiving office are given in Article 151 EPC.

Under Article 153 EPC, the EPO acts as a designated office when the applicant has informed the receiving office that he wishes to obtain a European patent for states designated in the application that are also contracting states to the PCT. The EPO may further act as an international searching authority, an international

⁶⁶ These cases, decided in 1998, are summarised in chapter 2, p. 7.

⁶⁷ R. Jacobs, The future shape of the judicial system in Europe, *J. Brinkhof*, Patent litigation in Europe in need of change. Reports from the Ninth European Patent Judges' symposium, Madrid 1999, Special edition of the OJ EPO, 1999, p. 100 and 114.

preliminary examining authority and an elected office within the meaning of the PCT, according to Articles 154-156 EPC. The main condition for PCT applications is given in Article 150 EPC, however, according to which in cases of conflict between the two instruments the PCT always takes precedence over the EPC.

2 *New Rules of Procedure for the Boards of Appeal in force as of 1 May 2003*

Article 1- The Presidium

- (1) The Presidium referred to in Rule 10, paragraph 4 EPC, shall before the beginning of each working year draw up a scheme for the distribution among the Boards of Appeal of all appeals that may be filed during the year, designating the members who may serve on each Board and their respective alternates. The scheme may be amended during the working year.
- (2) The Presidium may delegate to the Chairman of each Board the task of designating members responsible for the examination of each appeal assigned to his Board as and when it is received by the Registry of the Boards of Appeal.

Article 3 - Procedural compliance

- (1) The Chairman shall for each appeal designate a member of the Board or himself to consider the admissibility of the appeal.
- (2) The Chairman or a member designated by him shall ensure that the parties comply with these Rules and with directions of the Board and shall propose action to be taken as appropriate.

Article 5 - Registries - paragraph 2 amended

- (2) The Presidium referred to in Rule 10, paragraph 1 EPC, may entrust to the Registrars the execution of functions which involve no technical or legal difficulties, in particular in relation to arranging for inspection of files, issuing summonses to oral proceedings and notifications and granting requests for further processing of applications.

Article 10 a - Basis of proceedings

- (1) Appeal proceedings shall be based on
 - (a) the notice of appeal and statement of grounds of appeal filed pursuant to Article 108 EPC; 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;
 - (b) in cases where there is more than one party, any written reply to the other party or parties to be filed within four months of notification of the grounds of appeal;
 - (c) any communication sent by the Board and any answer thereto filed pursuant to directions of the Board.
- (2) The statement of grounds of appeal and the reply shall contain a party's complete case. They shall set out clearly and concisely the reasons why the decision under appeal is challenged or supported and should contain, expressly or by specific reference to material filed in the first instance proceedings,

all the facts, arguments and evidence relied on and all requests made. Unless otherwise authorised by the Board, copies of papers referred to shall be attached as annexes.

- (3) Subject to Articles 113 and 116 EPC the Board may decide the case at any time after filing of the statement of grounds of appeal or, in cases where there is more than one party, after the expiry of the time limit in (1)(b).
- (4) Without prejudice to the power of the Board to hold inadmissible facts, evidence or requests -which could have been presented or were not admitted in the first instance proceedings, everything presented by the parties under (1) shall be taken into account by the Board if and to the extent it relates to the case under appeal and meets the requirements in (2).
- (5) Extension of time limits may exceptionally be allowed in the Board's discretion following receipt of a written and reasoned request."

Article 10 (b) - Amendment to a party's case

- (1) Any amendment to a party's case after it has filed its grounds of appeal or reply may be admitted and considered at the Board's discretion: The discretion shall be exercised in view of inter alia the complexity of the new subject matter submitted, the current state of the proceedings and the need for procedural economy.
- (2) Other parties shall be entitled to submit their observations on any amendment not held inadmissible by the Board ex officio.
- (3) Amendments sought to be made after oral proceedings have been arranged shall not be admitted if they raise issues which the Board or the other party or parties cannot reasonably be expected to deal with without adjournment of the oral proceedings.

Article 10 (c) - Interventions

Articles 10 a and 10 b shall apply mutatis mutandis to interventions commenced while an appeal is pending.

Article 11 – Oral Proceedings

- (1) If oral proceedings are to take place, the Board may send a communication drawing attention to matters which seem to be of special significance, or to the fact that questions appear no longer to be contentious, or containing other observations that may help concentration on essentials during the oral proceedings.
- (2) A change of date for oral proceedings may exceptionally be allowed in the Board's discretion following receipt of a written and reasoned request made as far in advance of the appointed date as possible and copied to any other parties who shall as promptly as possible inform the Board whether or not they agree.
- (3) The Board shall not be obliged to delay any step in the proceedings, including its decision, by reason only of the absence at the oral proceedings of any party duly summoned who may then be treated as relying only on its written case.
- (4) The Chairman presides over the oral proceedings and ensures their fair, orderly and efficient conduct.

- (5) When a case is ready for decision during oral proceedings, the Chairman shall state the final requests of the parties and declare the debate closed. No submissions may be made by the parties after the closure of the debate unless the Board decides to re-open the debate.
- (6) The Board shall ensure that each case is ready for decision at the conclusion of the oral proceedings, unless there are special reasons to the contrary. Before the oral proceedings are closed, the decision may be announced orally by the Chairman.

Article 11 a Costs

- (1) Subject to Article 104(1) EPC, the Board may on request order a party to pay some or all of another party's costs which shall, without limiting the Board's discretion, include those incurred by any amendment pursuant to Article 10b to a party's case as filed pursuant to Article 10b (1);
 - (a) extension of a time limit;
 - (b) acts or omissions prejudicing the timely and efficient conduct of oral proceedings;
 - (c) failure to comply with a direction of the Board;
 - (d) abuse of procedure.
- (2) The costs ordered to be paid may be all or part of those incurred by the receiving party and may inter alia be expressed as a percentage or as a specific sum. In the latter event, the Board's decision shall be a final decision for the purposes of Article 104{3} EPC. The costs ordered may include costs charged to a party by its professional representative, costs incurred by a party itself whether or not acting through a professional representative, and the costs of witnesses or experts paid by a party but shall be limited to costs necessarily and reasonably incurred.

Article 12 Communications to the parties

- (1) In the written phase of proceedings, replies to requests and directions on matters of procedure shall be given by means of communications.
- (2) If a Board deems it expedient to communicate with the parties regarding a possible appreciation of substantive or legal matters, such communication shall be made in such a way as not to imply that the Board is in any way bound by it.

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Court of First Instance and Court of Justice, EU	www.europa.eu.int/cj
World Trade Organization	www.wto.int

SUMMARY

International organisations often carry out their tasks in an incomplete legal environment. In contrast to the more complete and homogenous legal cultures which govern the activities of national patent authorities, international organisations will have to find ad hoc solutions to legal problems in many instances. The traditional solution of having a political organ decide legal issues would not be acceptable for an international institution like the European Patent Office, whose main task it is to award private property rights to individuals and to adjudicate oppositions to European patents.

Article 125 of the European Patent Convention (EPC) refers to the application of generally recognised principles of procedural law in the member states in the absence of a procedural provision in the EPC. To assess whether a nationally accepted principle is sufficiently general to be applicable is complicated, both from the point of view of the appropriate number of states to be studied and the risk that a principle does not appear in all national legal systems or that mutually inconsistent principles may apply in various states. A neutral source of law would be preferable.

The European Convention on Human Rights and Fundamental Freedoms (ECHR), adopted on 4 November 1950, could be useful as a source of law to fill procedural gaps in the EPC. As well as being neutral in that the case law of the European Court of Human Rights (HRCourt) reflects a European rather than any national legal culture, the ECHR through the HRCourt's interpretation thereof is respected as a quasi-constitution for Europe. This quality applies in particular to Article 6 ECHR on due process.

The main part of the thesis compares the EPO practice of the Boards of Appeal to the principles as adopted under Article 6 ECHR, in order to assess how well they have succeeded in meeting the standards set by the HRCourt. The thesis covers three main areas of law: patent law, international law (including human rights) and procedural law. With regard to the latter, it is limited to assessing principles of procedural law as applied by the Boards of Appeal in inter partes cases.

After an introductory chapter, a short overview of the nature of patents and patenting procedure is given in *chapter 2*. Of particular interest at the patenting stage is whether a patent is viewed as essentially a privilege handed down by a sovereign power or - as indications in modern literature suggest - as a contract to be negotiated between the inventor (or his successor in title) and the state (or the EPO as the case may be) in an essentially civil or private capacity, where only the details of its clauses are under discussion but the fundamental right to a reward for the invention is not.

In *chapter 3* on international law, the possibility for a treaty to have a legally binding force upon another treaty is examined. Although this question is answered in the negative, it is concluded that the ECHR may very well be used as a source of law in the application of the EPC. The case law under the ECHR on admissibility of complaints against international organisations is reviewed. Surprisingly, the review shows that a situation of *déni de justice* may well be arising in that complaints against acts of the EPO have been declared inadmissible, mostly based on a lack of *ratione personae*, since the EPO is not a contracting party to the ECHR. Not even a complaint directed against each EPC state also being an ECHR state was admitted, albeit not *ratione personae*, but *ratione materiae* (the Heinz case). This is of concern, since international organisations are proliferating, especially at the regional level, as witnessed by the situation in Europe. Another observation of concern is that the unique nature of the EPO and indeed this organisation as such so far has been neglected by scholars of international public law, who have focused their interest on the laws governing organisations rather than on the law to be applied by them in their daily activities.

Chapters 4 and 5 contain overviews of aspects of Article 6 ECHR as a source of law for the EPO and *necessary safeguards for an international judiciary*, respectively. In addition to an overview of the HRCourt itself, the Court of Justice of the European Communities (CJEC) and the International Court of Justice (ICJ) as regards their organisation, recruitment, internal regulations and safeguards for the judiciary, *chapter 5* looks into Recommendation R 12 (94) on the independence, efficiency and role of judges of the Council of Europe and the United Nations 1985 Basic Principles on the Independence of the Judiciary and Manual on Judges with Guidelines for the Selection, Training, Conduct and Career of Judges to find principles appropriate to adopt for courts at the international level.

Chapters 6 - 8 comprise the comparative parts of the thesis, divided into three main blocks of issues, ie the tribunal, access to the tribunal and the trial itself. Some inconsistencies and deficiencies emerge from this study, eg regarding safeguards for the judiciary, discrimination between parties as regard their status and the character of the procedure, which in my view needs to become more transparent and shift towards a purely civil procedure.

The main objection against the *organisation* of and other regulations concerning the tribunal, i.e. the Boards of Appeal, concerns the fact that the posts of chairman of the Enlarged board of Appeal and Vice-President of DG 3, the administrative department for the boards, when held by the same person, infringes on the obligation of a judiciary to remain independent, which is not possible to meet, since the Vice-President is subordinate to the President of the European Patent Office, an executive position. This may encroach upon his independence as a judge, which reflects on the Boards of Appeal as a whole. *Chapter 6* addresses this and other institutional issues from a human rights perspective. In addition, it surveys the boards

with regard to elements found decisive in the 1994 Council of Europe Recommendation (see above) and the corresponding UN Basic Principles on the independence of the judiciary and Manual on judges. The organisation of the tribunal, rotation of members between boards and the appointment of members to specific cases are not based on any transparent regulation, which could open for non-relevant reasons influencing the organisation. The status of the EBA is criticised from the fact that it does not decide cases on substance in the manner of a plenary or extended court with particular experience. A proposed system of review is for that very reason not adequate under Article 6 (1) ECHR. A system such as the one laid down for the HRCourt itself is instead advocated. The independence of the members of the BAs is also discussed from the aspect of their tradition of not allowing dissenting opinions.

Whereas institutional issues were found lacking in a number of respects, the right of access to the EPO appellate procedure - discussed in *chapter 7* - was found to be overall adequate. Some party status issues, in particular where a transfer has taken place, were found to contain risks of discrimination between patentees and opponents, due to restrictive practices concerning transfers of opponent status. The status of interveners is satisfactory.

Chapter 8 represents the main block of the comparative part, addressing as it does main issues of procedure, such as the procedural standing of the parties, the adversarial nature of court proceedings under Article 6 (1) ECHR (of which the need for equality of arms is one aspect), the law of evidence, legitimate expectations vis-à-vis the EPO, oral and public hearings, and the length of proceedings. This chapter starts out by surveying procedural *principles* that have been adopted by the boards of appeal, which were found to correspond fairly well to basic principles of procedure as laid down by the HRCourt. Next, the relative *standing of the parties* is examined as to the conditions for and the extent of the appeal review afforded them. The patentee is found to be slightly favoured over the other parties, a result of the generous admittance of new matter into the proceedings which may destroy the patentability of the invention as claimed. Unless the patentee were allowed to introduce new claims into the proceedings at a late stage, even during the oral proceedings, his possibilities of saving at least part of the patent protection would be unreasonably lost.

A long standing practice to admit *late filed evidence* is criticised from the point of view that post-grant opposition proceedings in fact are the same in nature as invalidity proceedings at the national level. In appellate proceedings at the national level, it is assumed that there will be restrictions on new matter. The relevance test violates the principle of equality of arms, may lead to dilatory practices on the part of the parties. This tends to slow down the proceedings, so as to violate the obligation of a speedy trial under Article 6 (1) ECHR.

The EPC does not meet ECHR standards with regard to the *taking of oral evidence*, which cannot be done under oath. Special circumstances also prevent evidence from being taken

as soon as possible, which rather diminishes its reliability. The EPC provides for the conservation of evidence, a possibility that unfortunately is not used.

The temporal limitation of the right of a patentee to defend himself against *third party illegal disclosure* of his invention, Article 55 (1) (a) EPC, is criticised from the ECHR principle that substantive law which undermines procedural rights may in fact be in violation of Article 6 (1) ECHR, otherwise states could legislate away such rights.

The lack of a possibility to *cross-appeal* after expiry of the time limit for appeal is also criticised as unnecessarily giving rise to vice-versa appeals.

On the other hand, the practice under the heading of *good faith* and the right to be heard is found to even surpass what could be expected, to the point that parties started to rely on the EPO for informing them at every stage of the proceedings about time limits running out or actions to be taken, so that the EBA had to be called on to restrict this practice, excluding that it was an obligation of the EPO to offer this service that could later be used as a reason for rectifications, extended time limits and the like. - The law and practice regarding *oral and public hearings* was also found to meet ECHR standards, with small exceptions.

Of great concern is the *length of proceedings*, which is a particularly important aspect, since patent protection is limited in time, observed by the HRCourt in a few cases, rendering the errant state a reprimand for violation of Article 6 (1) ECHR and the penalty of having to pay damages. A specific example from the EPO is discussed, in which the final decision was taken - after referral of a question to the EBA - almost 20 years after the priority date.

Chapter 9, finally, looks into the future of patent procedures at the European level, examining ongoing projects in patent law, drawing a few conclusions:

-Opposition proceedings which take place only after grant of the patent should be equaled to invalidity proceedings.

-There is no justification for two separate proceedings with essentially the same object, i.e. to examine whether the patent should not have been awarded in the first place or should not have been awarded with as Board a scope.

-As long as there is no central European court, the opposition procedure before the EPO should constitute the only opportunity for an opponent to challenge the validity of European patents, leaving to national courts (and later to a future European Patent Litigation Court) to settle disputes over infringement.

The thesis closes with a holistic approach to alleviate the lack of co-ordination downstream and to promote early introduction of matter relevant to the patent in dispute.

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