

WUESTHOFF & WUESTHOFF

The proposed amendments to the Rules of the Boards of Appeal

- Patentee's Perspective -

Bayerischer Patentanwaltsverein e.V.

13 November 2018

AGENDA

WUESTHOFF & WUESTHOFF

- Status and objectives of the revision
- Core of the revision: proposed Articles 12 and 13
- The proposed changes in light of streamlined opposition proceedings (Early Certainty from Opposition)
- Consequences and guidance for patentees
- Oral Proceedings and issuance of decision

Revision of the Rules of Procedure I - Status

WUESTHOFF & WUESTHOFF

- 1 February 2018: First published draft of the proposed rules
- Until 30 April 2018: online user consultation
- After consideration of the submissions, a revised public draft for presentation at the User Conference on 5 December 2018 was released on 25 October 2018.
- The then finalized rules may enter into force in Q3/Q4 of 2019

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & Wuesthoff

Page 3

Revision of the Rules of Procedure II - Objectives

WUESTHOFF & WUESTHOFF

- Improving the appeal procedure with respect to
 - Predictability / transparency
 - Consistency
 - Efficiency / duration

- keeping in mind
 - efficiency of opposition-appeal procedure as a whole
 - the parties' fundamental right to fair proceedings and right to be heard (Art 113 (1) EPC)

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & Wuesthoff

Page 4

Revision of the Rules of Procedure III

- Objectives (cont'd)

WUESTHOFF & WUESTHOFF

- Predictability / transparency
 - List of cases to be dealt with by the Board within next year (proposed new Art 1 (2))
 - Mandatory Board communication before oral proceedings (proposed revised Art 15 (1))
 - Provisions for what is admissible at which stage of appeal (e.g. proposed revised Art 12 and 13)
- Consistency
 - Codification of the main line of case law on “change of case” and the “Board’s discretion” to improve consistency
- Efficiency / duration
 - Reducing the number of issues to be dealt with in decision to improve efficiency/duration

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & Wuesthoff

Page 5

Revision of the Rules of Procedure IV

- Core of the revision

WUESTHOFF & WUESTHOFF

- Emphasis on making the concept of the appeal proceedings being a judicial review of first instance decision (G 9/91 and G 10/91, r. 18) more effective
- Core issues:
 - Basis of the appeal proceedings (proposed Art 12)
 - Change of a party’s case (proposed Art 13)
 - Oral proceedings and issuance of decision (proposed Art 15)
- Additionally, a number of smaller, editorial amendments are proposed throughout the rules for reasons of clarity and consistency.

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & Wuesthoff

Page 6

Basis of the appeal procedure I

WUESTHOFF & WUESTHOFF

Proposed revised Art 12 (1)

Appeal proceedings are based on:

- **new** para (a): appeal proceedings are also based on decision and any minutes issued by department of first instance (clarification)
- **new** para (e): any minutes of video or telephone conference with the party/parties in appeal proceedings

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & Wuesthoff

Page 7

Basis of the appeal procedure II

WUESTHOFF & WUESTHOFF

Proposed new Art 12 (2)

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

“Request”: term not limited to text of application/patent

“Objection”: term broadly includes line of attack/argument

Proposed revised Art 12 (3) and new Art 12 (5)

- correspond to current Art 12(2) (“complete appeal case”)

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & Wuesthoff

Page 8

Basis of the appeal procedure III

Proposed **new** Art 12 (4) – 1st level of convergent approach

*Any part of a party's appeal case which does not meet the requirements in paragraph 2 is to be regarded as an "**amendment**", unless the party demonstrates that this part was admittedly raised and maintained in the proceedings leading to the decision under appeal. Any such amendment may be admitted only at the discretion of the Board.*

Basis of the appeal procedure IV

Proposed **new** Art 12 (4) – 1st level of convergent approach

...

The party shall clearly identify each amendment and provide reasons for submitting it in the appeal proceedings [justification], and, in the case of an amendment to a patent application or patent, shall also indicate the basis...and provide reasons why the amendment overcomes the objections raised.

*The Board shall exercise its discretion in view of i.a. the complexity of the amendment, the suitability of the amendment to **address** the issues which led to the decision under appeal, and the need for procedural economy [cf. criteria of current Art 13(1)]*

Basis of the appeal procedure V

Proposed revised Art 12 (6)

- Codifies case law on review of first instance decision not to admit late submission (“unless ~~manifest~~ error in use of discretion”)
- Reflects criteria of current Art 12 (4) (“*should* have been submitted/ was not admitted in first instance”, “was no longer maintained”)

Proposed revised Art 12(7)

- corresponds to current Art 12(5), but only periods specified by the Board may be extended; **NOT** period for reply to grounds of appeal

Amendment to a party's appeal case I

Proposed **new** Art 13(1) – 2nd level of convergent approach

- Reference to Art 12 (4) to (6)
- **Justification** needed why the amendment (e.g. new document) is submitted at this stage of appeal (e.g., direct response).
- Board has discretion to not admit *any* amendments in view of, *i.a.*, current state of proceedings, suitability of the amendment to **resolve** issues admissibly raised by other party or board, and any detrimental effect on procedural economy
- Claim amendments must be ***prima facie*** allowable!
 - criterion currently applied after summons to oral proceedings

WUESTHOFF & WUESTHOFF

Amendment to a party's appeal case II

Proposed **new** Art 13 (2) – 3rd level of convergent approach

- Any amendment after expiry of period specified in board's communication under R 100 (2) or after notification of summons is *in principle* not admissible, unless there are **exceptional** circumstances justified with **coherent** reasons by party

Proposed **deletion** of current Art 13 (3)

- Amendment raises new issues requiring adjournment

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & Wuesthoff

Page 13

WUESTHOFF & WUESTHOFF

Setting the stage for later inter partes appeal proceedings - Streamlined Opposition Proceedings (ECfO)

- New opposition procedure: reach decision within 15 months from expiration of the 9 months for filing opposition (standard case)

The diagram shows the following steps in a sequence:

- Expiry of the nine months period (+ 3 weeks) Art. 99(1) EPC
- Proprietor has 4 months to file observations (+ 3 weeks) Rules 79(1) and 132(2) EPC
- Documents filed by the proprietor forwarded to the opponent for information Rule 79(3) EPC. File allocated to division
- Opposition division issues summons (90% of cases) within 3 months
- 4 months for the parties for making written submissions Rule 116(1) EPC.
- Oral proceedings at least 6 months after summons. Decision taken and made public

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & Wuesthoff

Source: EPO; effective 1 July 2016
Page 14

Essentials of streamlined procedure

WUESTHOFF & WUESTHOFF

- The Patentee, as a rule, has to fully respond to all grounds of opposition and all attacks to all claims within a basic term of 4 months. This time limit may only be extended by way of exception (serious reasons).
- The Primary Examiner entrusted with substantive examination has less time to analyze the (complete) case for the OD and prepare a Preliminary Opinion on all pending claim requests.
- While the Opponent has virtually no second chance to develop/further strengthen its case *before* the OD issues the Preliminary Opinion, it could already have started preparing his opposition soon after issuance of the R 71(3) Communication.
- In principle, there is more time for the parties to prepare for oral proceedings (but this may encourage additional submissions)

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & Wuesthoff

Page 15

Impact of proposed rules and guidance for patentees I

WUESTHOFF & WUESTHOFF

- G 10/91 (r 18) reminds us that that there is no second chance for the patentee:

*“In particular with regard to fresh grounds for opposition, for the above reasons the Enlarged Board considers that such grounds may in principle not be introduced at the appeal stage. This approach also reduces the procedural uncertainty for **patentees** having otherwise to face unforeseeable complications at a very late stage of the proceedings, putting at risk the revocation of the patent, which means an irrevocable loss of rights. Opponents are in this respect in a better position, having always the possibility to initiate revocation proceedings before national courts, if they do not succeed before the EPO.”*

- In addition, an opponent may succeed if it successfully raises one objection against a particular claim request; the patentee only prevails if all objections/line of arguments are rebutted.

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & Wuesthoff

Page 16

Impact of proposed rules and guidance for patentees II

- In view of the increased focus on the judicial review of the OD decision (Art 12(2) and (4)), any claim request not submitted in the first instance will be considered an “amendment” which is subject to the Board’s discretion, and may not be admitted even if filed with the grounds of appeal.
- Similarly, any claim amendment considered by OD as belated and not admitted into to the procedure, will only (very) exceptionally be admitted into the appeal procedure (Art 12(6)).
- *Additionally*, any claim amendment submitted after the initial phase (grounds or reply) is subject to the Board’s discretion and must be **prima facie allowable**, i.e. must overcome any objection raised up to that point and must not give rise to new objections (Art 13(1)).

Impact of proposed rules and guidance for patentees III

- To be on the safe side and to avoid that allowable subject-matter may be lost for reasons of non-admissibility, patentees should consider to
 - exhaustively analyze the opposition(s) and the evidence relied on
 - present all reasonable claim amendments to the OD “on the silver plate” to *ideally* have them considered in the OD’s preliminary view
 - carefully analyze the preliminary opinion, adjust the strategy, if needed, and file any remaining fall-back positions and supporting evidence within final R 116 (2) deadline before oral proceedings to have them admitted into the first instance proceedings.
 - have a divisional pending for important cases, at least until after the initial phase of the appeal proceedings

Conclusions I

WUESTHOFF & WUESTHOFF

- On the background of the streamlined opposition procedure, the proposed changes to the rules may have particularly harsh consequences for the patentee.
- In particular, the new criterion of “*prima facie*” allowability acc. to Art 13(1) seems too strict, and possibly difficult to apply in a reasonable and satisfying way.
- To forestall admissibility issues, all reasonable claim requests (and supporting evidence) must be submitted in due time in the first instance.
- Additionally, divisional applications may be kept pending as a back-up.

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & WuesthoffPage 19

Conclusions II

WUESTHOFF & WUESTHOFF

- The changes lead to a higher risk of professional liability for representatives, as there is very little room for fixing any oversight happened in the first instance.
- However, it is not only up to the representatives to act extremely thoroughly and prudently, but this applies all the more to the first instance who defines the basis for the subsequent appeal proceedings.

For discussion purposes only – Dr. Hendrik Wichmann, Wuesthoff & WuesthoffPage 20

Oral proceedings and issuance of decision I

Proposed revised Art 15 (1)

- Corresponds to current Art 15 (1), but Board shall endeavour
 - to summon to oral proceedings (o.p.) at least 4 months before date of o.p., and
 - to issue a (separate) *mandatory* Communication at least 4 months before o.p. drawing attention to matters of particular significance for the decision to be taken.

Board may

- also provide preliminary opinion
- invite a party to file observations (R 100(2)), or merely mention possibility of filing written submissions

Oral proceedings and issuance of decision II

Proposed **new** Art 15 (2)

- Corresponds to current “Notice” of VP DG3 of 16.07.2007
 - codifies “serious reasons” for postponement which must relate to the *representative*, if the party is represented
 - now includes ‘firmly booked’ holidays or business trips
 - no obligation to state why representative cannot be replaced

Oral proceedings and issuance of decision III

Proposed **new** Art 15 (7)

- Option to issue decision with reasons (or parts thereof) in abridged form
 - if this has been announced at the oral proceedings
 - provided the parties give their (prior) explicit consent
 - No legitimate interest of third party or court in full reasoning
 - Abridged reasons may be included in minutes

Proposed **new** Art 15 (8)

- Further option to give abridged reasons, if Board agrees with (reasons of) first instance on one or more issues, and grounds of appeal do not contain new submissions
- consent of the party/ies is not required

Oral proceedings and issuance of decision IV

Proposed **new** Art 15 (9)

The Board shall issue a decision in a timely manner:

- If **decision** is taken in order to **conclude** the appeal proceedings and **announced** at the o.p., it shall be issued within 3 months; **if not**, parties have to be informed when the decision will be dispatched. The BoA President shall also be informed thereof.
- If decision is **not announced** at the o.p., the **chair** has to **indicate the date** on which the complete decision will be despatched. **If not** despatched within 3 months, a new date has to be set or, *exceptionally*, a Communication has to be issued specifying the further procedural steps (further oral proceedings or referral to EBA).

WUESTHOFF & WUESTHOFF
Thank you for your attention!



*Feel free to contact me with any comments
or questions.*

wichmann@wuesthoff.de