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### **Increasing Formalism in Appeal Proceedings – The EPO Boards of Appeal Headed to a Mere Reviewing Instance?**

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# Increasing Formalism in Appeal Proceedings – The EPO Boards of Appeal Headed to a Mere Reviewing Instance?

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## Abstract

*A study has been undertaken to investigate the impact of the Rules of Procedure of the Boards of Appeal (RPBA) as amended in 2002 on the nature and efficiency of appeal proceedings. To this purpose samples of inter partes decisions of the EPO Boards of Appeal were selected on a random basis from the years 1995, 2004 and 2013. The selected decisions then were analyzed in accordance with a set of queries. This analysis' outcome suggests that the new RPBA, while directing the parties to submit complete cases as early as possible, concurrently lead to a significant over all increase in formal discussions replacing substantive ones of the past, without making the appeal proceedings more efficient.*

## A. Legal Background

### I. Article 114 EPC

1. Pursuant to Article 114 (1) EPC, "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". Article 114 (2) EPC stipulates: "The European Patent Office may disregard facts or evidence which are not submitted in due time by the parties concerned".

The EPC thus on the one hand generally authorizes independent fact finding by instances of the European Patent Office (EPO), while on the other hand vesting them with a discretionary power of preclusion.

2. The extent of the authorization to examine the facts of the EPO's own motion was controversial for *inter partes* proceedings in the early years of the Office. In 1993, the Enlarged Board of Appeal eventually restricted this power considerably by finding:

- that the power of an Opposition Division or a Board of Appeal to examine and decide on the maintenance of a European patent depended upon the extent to which the patent was opposed in the notice of opposition<sup>5</sup>, and
- that an Opposition Division or a Board of Appeal was not obliged to consider all the grounds for opposition referred to in Article 100 EPC, going beyond the grounds relied on by the opponent in its statement of opposition. In principle, the Opposition Division

should examine only such grounds for opposition which had been properly submitted and substantiated in accordance with Article 99 (1) in conjunction with Rule 76 EPC. Exceptionally, the Opposition Division might in application of Article 114 (1) EPC consider other grounds for opposition which, *prima facie*, in whole or in part would seem to prejudice the maintenance of the European patent. Fresh grounds for opposition might be considered in appeal proceedings only with the approval of the patentee.<sup>6</sup>

3. The Enlarged Board took the view that in contrast to the merely administrative character of the procedure before the Opposition Division, the appeal procedure was to be considered as a judicial procedure. Such procedure was by its very nature less investigative than an administrative procedure. Although Article 114 (1) EPC formally covered also the appeal procedure, it was therefore justified to apply this provision generally in a more restrictive manner in such procedure than in opposition procedure.<sup>7</sup>

### II. Rules of Procedure of the Boards of Appeal

1. Under the impression of an ever-increasing workload, the Presidium of the Boards of Appeal amended the RPBA in 2002,<sup>8</sup> which then entered into force on May 1, 2003.<sup>9</sup> The *travaux préparatoires* express the intention that the existing "philosophy" of the appeal procedure as developed by the Boards was to be maintained. The amendments were intended to increase the efficiency and shorten the length of appeal proceedings by introducing some elements of case-law into the rules, seeking to ensure that they contain a similar degree of detail and certainty as procedural rules of other courts. *Inter alia*, it was the intention to include a more defined and controlled initial phase of proceedings and a more pragmatic exercise of the discretion under Article 114 (2) EPC thereafter.<sup>10</sup> In particular, Articles 12 and Article 13 (1) RPBA provided a cut-off point after which any further material submitted would be *ipso facto* late. Article 13 RPBA made the admissibility of any amendment to a party's case as filed ("whether relating to facts, evidence, arguments or requests") after the cut-off point a matter for the Board's discretion, but gave the Board a specific authority to refuse the amendment on the grounds of complexity of the new subject matter submitted, of the current state of proceedings and the need for procedural economy. In particular, amendments should not be

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<sup>5</sup> G 9/91, OJ EPO 1993, 408 – "Power to examine/ROHM AND HAAS; Headnote.

<sup>6</sup> G 10/91, OJ EPO 1993, 420 – "Examination of oppositions/appeals"; Headnote.

<sup>7</sup> *Supra* Reasons pt. 18.

<sup>8</sup> In accordance with Article 23(4) and Rule 12(3) EPC.

<sup>9</sup> See OJ EPO 2003, 61.

<sup>10</sup> See decision T 1621/09-3.2.03 of 22.09.2011; Reasons pt. 25ff.

admitted if they would lead to adjournments of oral proceedings.

The intended overall effect of the new Rules was to prevent “ping pong” submissions and “salami” tactics in written proceedings and to provide the Board (and the rapporteur in particular) with an appeal file containing one comprehensive submission from each party.

2. While Article 12 (4) RPBA appears to give the parties some kind of guarantee that everything presented by them at the very beginning of the appeal proceedings would be taken into account by the Boards if and to the extent it relates to the case under appeal, this Article includes a proviso referring back to events in preceding first instance proceedings by vesting the Board with the power “to hold inadmissible facts, evidence or requests which could have been presented or were not admitted in the first instance proceedings”. Hence, this proviso in principle allows preclusion of subject-matter from being reconsidered in appeal proceedings under certain circumstances.

### III. Conclusion

1. Summing up, it is notable that with respect to appeal proceedings the Enlarged Board of Appeal has construed Article 114 (1) EPC to only be of limited importance, and pursuant to Rules 12 and 13 RPBA Article 114 (2) EPC takes full effect after the initial phase of the appeal proceedings, but may also preclude amendments to a party’s case in subsequent appeal proceedings based on first instance events.

2. Article 114 EPC thus implies a tension between powers based on diverging principles: on the one hand, the Boards’ power to examine the case *ex officio*, suggesting that all relevant facts and requests needed to be considered. On the other hand, the power not to consider submissions that had been filed too late. An investigation of the course the appeal proceedings are about to take in this area of friction under the impact of the amended RPBA would therefore appear highly interesting, in particular whether or not the intended goals of increased efficiency and shortened procedure materialize at all. And if so, whether or not this comes along with a change of the “philosophy” of the appeal procedure.

## B. Study of case law of the EPO Boards of Appeal over time

In order to answer the above questions, a comprehensive study of the case law of the Boards of Appeal over the last twenty years has been undertaken in order to identify trends showing up on a statistical basis from a series of decisions at different points of time.

### I. Method

1. We decided to look at the years 1995, representing the situation well before the RPBA amendment, 2004, i.e. shortly after the implementation of the new Rules, and 2013, the most recent year where complete data are

available and the application of the Rules maybe expected to have consolidated. From the EPO data base,<sup>11</sup> samples of 150 *inter partes* decisions of the Technical Boards of Appeal were taken from each of those years on a random basis, i.e. altogether 450 cases. For reasons of language skills, only English and German cases were selected. Furthermore, cases without substantive examination of patentability, e.g. cases of revocation on request of the patent proprietor or cases of missing statement of grounds, were not taken into account. The samples thus corresponded to 20 to 30 % of all cases meeting these criteria for each year.

2. From each decision, the following data were collected:

- Case No. of the decision
- Deciding Board of Appeal
- Date of the decision
- Appellant(s) (patentee and/or opponent(s))
- Result of opposition proceedings (revocation of patent/rejection of opposition/maintenance in amended form)
- Whether or not the appeal decision was final
- Order of the decision (appeal allowed or dismissed)
- Result of appeal proceedings (revocation of patent/rejection of opposition/maintenance in amended form/remittal for substantive further prosecution)
- Number of pages of the reasons of the decision
- Percentage of pages of the reasons dealing with formal and procedural matters (including issues under Article 84 and 123 EPC)
- Percentage of pages of the reasons dealing with late submissions (covered by Articles 114(2) EPC and/or 12(4) and 13(1) RPBA)
- Whether or not a revocation of the patent was based on formal (Articles 84, 123(2) and 123(3) EPC, respectively) and/or substantive (Articles 52(2), 54, 56, 57 and 83 EPC, respectively) grounds
- Whether or not requests have been amended in appeal proceedings
- Number of auxiliary requests either formally or substantively examined in the decision
- Whether or not new submissions (requests and/or evidence) have been admitted depending on the point of time (submitted with the statement of grounds or the reply to it/submitted before or after summons to oral proceedings/submitted during oral proceedings/not submitted or admitted in first instance proceedings)
- Whether or not substantive examination did not occur because of non-admittance of all final requests
- And as a last point, whether or not the principle of *reformatio in peius* was applied.

### II. Results

The results of a straightforward analysis and comparison of the data for the respective years can be summarized by means of the following percentage rates:

11 <http://www.epo.org/law-practice/case-law-appeals/advanced-search.html>

(a) Results of subsequent appeal proceedings as compared with the results of opposition proceedings

1. Patent revoked in opposition proceedings (Fig. 1; n=number of cases)

Result of appeal proceedings	1995 (n=56)	2004 (n=59)	2013 (n=50)
Revocation of patent	34 % (n=19)	44 % (n=26)	62 % (n=31)
Rejection of opposition	5 % (n=3)	2 % (n=1)	4 % (n=2)
Maintenance of patent as amended	46 % (n=26)	32 % (n=19)	10 % (n=5)
Remittal of case to first instance	14 % (n=8)	22 % (n=13)	24 % (n=12)

There is an increasing tendency to simply confirm the decision taken by the opposition division against the patent proprietor resulting in a double revocation rate in 2013 as compared with 1995. As a consequence, the Boards apparently do no longer even endeavor to maintain patents in amended forms. At best, they tend to remit the case to the opposition division. The combined percentages of revocations and maintenances in 1995 (80%) thus roughly correspond to the combined percentages of revocations and remittals in 2013 (86%), characterizing a transition to an appeal procedure that overall is less positive for the patentee and also less final.

2. Opposition rejected in opposition proceedings (Fig. 2)

Result of appeal proceedings	1995 (n=57)	2004 (n=48)	2013 (n=36)
Revocation of patent	19 % (n=11)	31 % (n=15)	39 % (n=14)
Rejection of opposition	61 % (n=35)	33 % (n=16)	53 % (n=19)
Maintenance of patent as amended	16 % (n=9)	29 % (n=14)	6 % (n=2)
Remittal of case to first instance	4 % (n=2)	6 % (n=3)	3 % (n=1)

Here too, first instance decisions in 2013 were confirmed in the majority of cases. Nevertheless, compared to 1995 the percentage of patent revocations has again almost doubled in 2013 and maintenance decisions are decreasing, whereas in 2004 the percentages of revocations, rejections and maintenances were rather on even terms.

3. Patent maintained in amended form in opposition proceedings (Fig. 3)

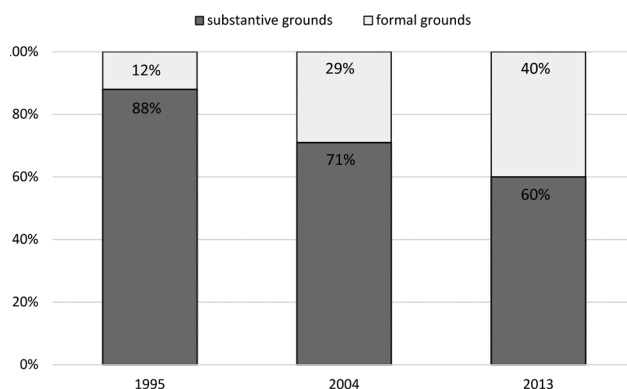
Result of appeal proceedings	1995 (n=37)	2004 (n=43)	2013 (n=64)
Revocation of patent	27 % (n=10)	40 % (n=17)	47 % (n=30)
Rejection of opposition	3 % (n=1)	0 % (n=0)	3 % (n=2)
Maintenance of patent as amended	62 % (n=23)	53 % (n=23)	47 % (n=30)
Remittal of case to first instance	8 % (n=3)	7 % (n=3)	3 % (n=2)

Here again a marked increase of revocations at the expense of confirmations can be observed in 2013, the revocations now equaling the percentage of confirmations of the first instance decision.

(b) Grounds for revocation in appeal proceedings (Figs. 4 and 5)

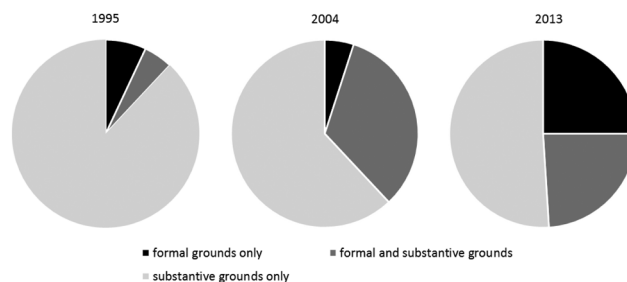
1. As shown in Fig. 4, the grounds for revocation in appeal proceedings have changed considerably from 1995 to 2013. Whereas in 1995 about 88% of the grounds for revocation were of substantive nature (predominantly inventive step), this number reduced to 60% in 2013<sup>12</sup>.

Grounds for revocation in appeal proceedings (Fig. 4)



2. The ratios of revocation cases in which formal grounds only, substantive grounds only, and both formal and substantive grounds played a role are depicted in Fig. 5. Notably, while in 1995 and 2004 only 7% and 5%, respectively, of the revocation cases (3 cases in total each) were solely based on formal grounds, in 2013 this number increased to 25% (19 cases in total). At the same time, the ratio of revocation cases in which only substantive grounds for revocation played a role decreased from 88% in 1995 (35 cases) to 62% in 2004 (36 cases) and finally to 51% in 2013 (38 cases).

Distribution of grounds for revocation in appeal proceedings (Fig. 5)



3. As regards revocations on formal grounds, it is striking that they are either based upon Article 123(2) EPC – a number of 2 cases in 1995 as compared to 22 cases in 2013 (2004: 13 cases), amounting to an increase by a factor of 11 – or upon other formal or procedural reasons (mainly relating to late amendments not admitted; 25 cases in 2013; 9 cases in 2004) that hardly show up in the data of 1995.

(c) Length of the decisions and amount of reasoning

1. The length of the reasons for the decision has slightly increased from on average 8.3 pages in 1995 to 9.6 pages in 2013, which amounts to an increase of 16%.

12 It should be noted that in some revocation cases both formal and substantive grounds may play a role, e.g. if a main request is rejected based on formal grounds and an auxiliary request is rejected based on substantive grounds.

2. During the same time period, the proportion of the reasons dealing with formal and procedural issues shows a sharp rise of about 75 %.

3. An even more pronounced surge by 600 % can be observed for issues of lateness among the reasons (from 2 % of the reasons on average in 1995 (0.2 pages) to 12 % in 2013 (1.2 pages). At the same time also the number of cases in which issues of lateness were discussed in the reasons increased (from 23 in 1995 to 76 in 2013).

(d) Amendments of requests and number of auxiliary requests

1. Amendments of requests in appeal proceedings increased slightly: in 1995, in 69 % of all cases amended requests were filed. In 2004 and 2013 this number increased to 71 % and 76 %, respectively.

2. However, the number of auxiliary requests dealt with in the reasons rose significantly by 150 % over the period under consideration. On average, almost two auxiliary requests per case had to be examined by the Boards in 2013. The number of cases in which auxiliary requests had to be examined similarly rose from 34 % of all cases in 1995 to 54 % of all cases in 2013.

(d) Admittance of new submissions in appeal proceedings

1. Overall admittance of new submissions (Fig. 6)

Admittance of new submissions in appeal proceedings (Fig. 6)

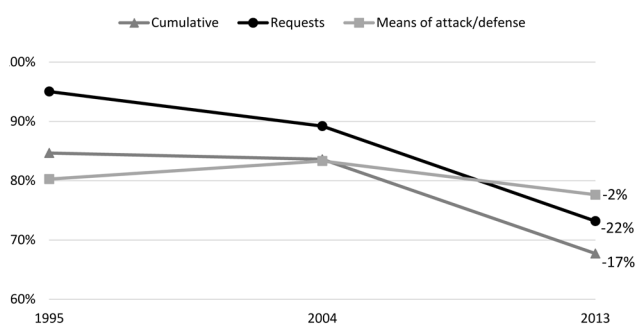


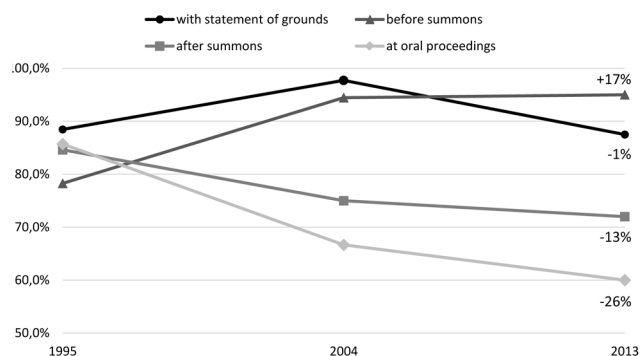
Fig. 6 depicts the likelihood that new submissions are admitted in the appeal proceedings. The likelihoods relate to the fraction of cases in which all (of possibly multiple) requests or means of attack/defense were admitted. In the remaining fraction of cases, therefore, at least one new request or a new means of attack/defense was not admitted. As can be seen from Fig. 6, in the period from 1995 to 2004, the admittance of new requests in appeal proceedings slightly decreased, whereas the corresponding admittance of new means of attack and/or defense slightly increased, resulting in a rather stable overall admittance rate. However, from 2004 onwards, the overall admittance rate appears to fall off more distinctly, which is in particular due to the aggravated admittance of requests (minus 22 % in 2013 as compared to 1995) while the Boards are more lenient regarding new means of attack or defense.

Similar results are obtained when looking at the likelihood that none of the new submissions is admitted. The

fraction of cases in which none of the newly submitted requests was admitted increased from 0 % in 1995 to 11 % (11 cases) in 2013 (2004: 3 %; 3 cases). The fraction of cases in which none of the new means of attack and/or defense were admitted on the other hand remained rather stable (8 % in 1995 and 2004; 11 % in 2013; 6, 5, and 8 cases, respectively).

2. Admittance of new means of attack and/or defense depending on time of submission (Fig. 7)

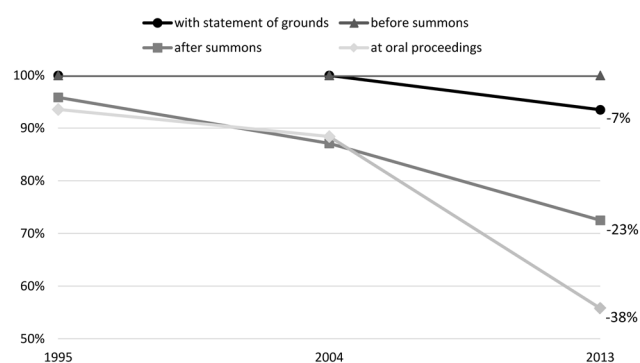
Admittance of means of attack/defense in appeal proceedings (Fig. 7)



Our analysis shows that in 2013 new means of attack and/or defense suffer reduced admittance, irrespective of whether such means were submitted with the statement of grounds by the appellant (or with the reply to it by the respondent), after summons to oral proceedings or during oral proceedings. In the latter case, the decrease of admittance rate was the most pronounced (minus 26 % as compared to 1995; from 6 cases admitted out of 7 cases in 1995 to 3 out of 5 cases in 2013). Also when the new means of attack/defense were submitted after the summons, a pronounced decrease is observed (minus 13 % as compared to 1995; from 11 cases admitted out of 13 cases in 1995 to 18 out of 25 cases in 2013). Interestingly, if such means were submitted after the grounds of appeal (or the reply thereto) had been submitted but before a summons was issued, i. e. presumably in the course of exchange of arguments among the parties, they were increasingly admitted and considered by the Boards.

3. Admittance of new requests depending on time of submission (Figs. 8 and 9)

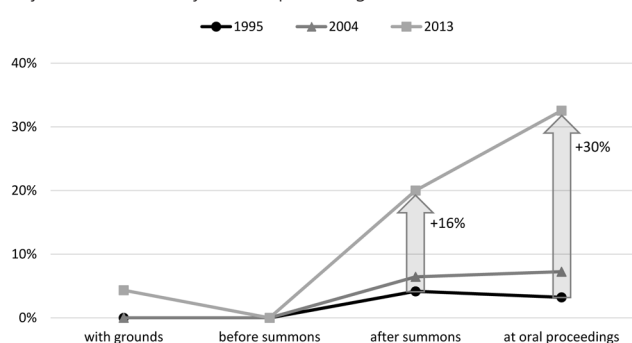
Admittance of requests in appeal proceedings (Fig. 8)



The graphs for admittance of new requests in appeal proceedings roughly follow the same pattern in that requests submitted either with the statement of grounds, after summons to oral proceedings or during oral proceedings are progressively less admitted in appeal proceedings. In particular, requests filed after summons or during oral proceedings have doubtful chances of admittance in 2013 (admittance rate reduced by 23 % (from 23 out of 24 cases in 1995 to 29 out of 40 cases in 2013) and 38 % (from 58 out of 62 cases in 1995 to 24 out of 43 cases in 2013), respectively as compared to 1995). However, the admittance rate of requests filed between the initial appeal phase and summons to oral proceedings remains rather stable, i.e. if requests are filed in this period most of them will still be admitted.

Notably, also in Figure 8, the displayed numbers relate to the fractions of cases in which all (of possibly multiple) requests submitted during the respective periods of time were admitted. Here, it is instructive to also look at the fraction of cases, in which none of newly submitted requests was admitted, see *infra* Fig. 9:

Rejection of all newly filed requests (Fig. 9)



As can be seen from Fig. 9, the risk that all newly filed requests are rejected increased from 1995 to 2013 for requests filed after summons and at oral proceedings. Notably, the risk of non-admission increased by 16 % for new requests filed after summons and by 30 % for new requests filed at oral proceedings. In 2013, there is also a non-negligible risk (about 5 %) that no new requests are admitted even if these are filed with the grounds of appeal. In the years 2004 and 1995, this risk did not materialize.

4. Submissions not admitted pursuant to Article 12(4) RPBA (Fig. 10)

Non-admittance in appeal proceedings due to neglect or non-admittance in first instance (Fig. 10)

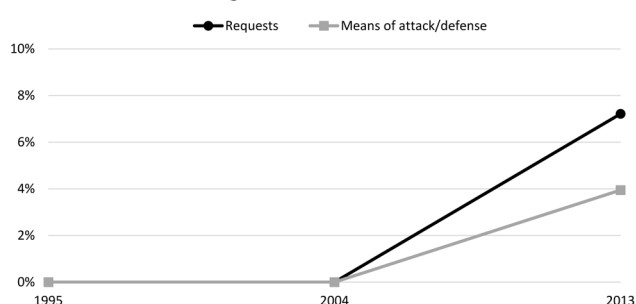


Fig. 10 shows that in 2013 the Boards used their discretionary power so as not to admit submissions which could have been submitted, or had been disregarded, in first instance proceedings, whereas this phenomenon is entirely missing in 1995 and 2004. In about 7 % (7 cases in total) of the cases in 2013, requests were not admitted pursuant to Article 12(4) RPBA, and the non-admittance rate for means of attack or defense was roughly half of the percentage of requests (3 cases in total).

C. Discussion of study results

1. Impact of the new Rules of Procedure on efficiency and length of procedure

1. The study shows on the one hand that a preclusion effect exists in 2013, with a clear tendency to become the more pronounced the more advanced appeal proceedings are. This applies particularly to new submissions in oral proceedings which are now less easily admitted. E.g., new auxiliary requests filed during oral proceedings were admitted in 1995 at a rate of 94 %; this rate dropped in 2013 to 56 %.

2. Hence, it can be said that the RPBA take the intended effect of controlling the discretion of the Boards to admit amendments to a party’s case so that an early submission is rewarded and late submissions are progressively penalized. The fact that new requests and/or new means of attack or defense submitted in the period between the beginning of appeal proceedings and the arrangement of oral proceedings have a relatively high admittance rate by the Boards may be due to justified reactions occasioned by early submissions of an opposing party. While “salami” tactics thus do no longer pay off under the new Rules, the Rules apparently cannot entirely suppress an exchange of “ping pong” submissions.

3. On the other hand, the study casts doubts on whether an overall improvement in respect of efficiency and length of procedure has been achieved since the amount of reasoning has increased by 16 % (from 8.3 pages on average in 1995 to 9.6 pages in 2013), and amendments to requests in appeal proceedings are even more frequent than in 1995. In addition, the number of auxiliary requests maintained in appeal proceedings – to the effect that these requests had to be dealt with in the Boards’ decisions – rose dramatically by 150 %.

4. This seems to reflect the fact that in the past requests were often presented (and admitted) on a tentative basis during appeal proceedings with a view to arrive at an allowable version in a convergent way, this version then being maintained as the only final request considered by the Board in its decision. The new RPBA, however, induce the patent proprietor to file a sufficiently high number of auxiliary requests as early as possible on a precautionary basis in order to cover all limitations he is prepared to accept while avoiding any admittance problems.

5. This phenomenon appears to be aggravated by Article 12 (4) RPBA including an element of reprehensible omission in preceding first instance proceedings so that

any submissions not filed or filed too late or withdrawn in opposition proceedings may become inadmissible in subsequent appeal proceedings. The provision necessarily tends to blow up the subject of dispute, most notably by increasing the number of auxiliary requests submitted sufficiently early in opposition proceedings and, depending on the course of the proceedings, maintained in opposition proceedings until the end and then presented again at the very beginning of appeal proceedings. Otherwise, such requests may not have been admitted in 2013, even when already filed with the statement setting out the grounds of appeal. This can be seen from Figs. 8 and 9.

6. Hence, some kind of *actio=reactio* principle appears to also hold with respect to unilaterally conceived procedural measures which by not taking into account evasive maneuvers of the parties concerned may not work in reality as expected in theory.

### II. Impact of the new Rules of Procedure on the "philosophy" of the appeal proceedings

1. Although according to the *travaux préparatoires* no change of the "philosophy" of the appeal proceedings was intended by the new RPBA, our study shows that appeal proceedings have indeed been substantially transformed.

2. Such change is already apparent from the observation that there is a growing tendency of deciding against the patent proprietor since the revocation rates generally seem to mount up in appeal proceedings, irrespective of how the case was decided in the first instance. The study thus implies that the Boards of Appeal have become less "anmelderfreundlich" over time.<sup>13</sup>

3. Even more salient is a pronounced formalization of appeal proceedings. Whereas in 1995 more than 90 % of the revocation cases were based (at least in part) on substantive grounds, this in 2013 held true only for 75 %. The proportion of the reasons dealing with formal and procedural issues accordingly increased by about 75 % and among them issues of lateness, which had been more or less absent in the past, boomed by 500 %: in 2013 on average one-tenth of the reasons related to such lateness issues.

4. Hence, our study indicates that the focus of argument is changing: while in the past substantive arguments played a predominant role, this is less true in 2013. Rather, the battleground has shifted to the formal sector, replacing substantive efforts by formal ones without bringing about a net reduction of effort. One might consider this change to be an inevitable consequence of excluding specific subject-matter from further

discussion (here technical addenda) because the dispute in contentious proceedings must then occur somewhere else (here with respect to procedural matters). It must also be expected that such process of change is more or less reinforcing itself since case law on procedural aspects once established will be referred to by the parties in appeal proceedings and thus will again have to be dealt with in the reasons of further decisions. Representatives therefore normally cannot afford to forego formal attacks.

5. Moreover, the cut-off possibilities provided by Articles 12 (4) and 13 (1) RPBA shift the appeal procedure closer towards a mere reviewing exercise of the first instance decision. Pursuant to decision G 9/91 and opinion G 10/91 mentioned above, the Boards' hands are already tied with respect to the extent of opposition and in particular with respect to an *ex officio* examination of fresh grounds for opposition. The new Rules now further limit the subject of dispute by imposing cut-off constraints on the parties, either because of lateness or because of omission in first instance proceedings. Submissions of the latter type have normally not been considered by the opposition division and will meet with closed doors in appeal proceedings.

### D. Summary and evaluation

1. Our study of 150 decisions for each of the years 1995, 2004 and 2013 gives reason to assume that appeal proceedings have become more difficult for patent proprietors and much more formalized for all parties. While the intended cut-off effects with respect to late amendments may have been achieved, this seems not to have increased the efficiency of appeal proceedings. In fact, our study conveys the impression that substantive issues to some extent have been replaced by formal ones so that the subject of dispute leaves the technical arena and focusses on procedural law, without reducing the burden on the Boards and/or the parties. As construed by Articles 12 (4) and 13 (1) RPBA, the power of the Boards under Article 114 (2) EPC leads to a further limitation of the *ex officio* principle enshrined in Article 114 (1) EPC and brings the appeal proceedings more closely to an outright reviewing instance.<sup>14</sup>

2. The predominant restrictive approach in allowing late submissions has serious effects on the work of patent attorneys. After all, it is their task to safeguard their clients' interests. Unless instructed otherwise by their clients, they have to raise objections to the admittance of submissions of their adversaries which might be considered late. If they file late submissions themselves, they bear the risk that these will not be admitted. Hence, not only does this "late-filed" business have a self-enforcing tendency. Any statement in a decision that submissions are not admitted because they could have been filed earlier in the proceedings might have the further effect

13 Cf. in this context Nollen, Revocations by the Board of Appeal – statistics and analysis, *epi* Information 1/2015, 17 (which has come to our attention after completion of this work) and Hess, Müller-Stoy, Wintermeier, Sind Patente nur Papiertiger?, *Mitteilungen der deutschen Patentanwälte* 2014, 439 (English translation available at [http://www.bardehle.com/uploads/files/Patent\\_Papiertiger.pdf](http://www.bardehle.com/uploads/files/Patent_Papiertiger.pdf)), arriving at a similar result for German nullity proceedings.

14 As now explicitly confirmed by recent decision T 65/11-3.5.03 of 5.12.2014 – "Devices and transducers with cavity resonator/RAMENZONI et al.", Reasons pt. 2.4.

to invite clients to hold responsible their attorneys, should their case be lost. As a consequence, attorneys will need to think twice whether to submit a new document or a further request during the appeal procedure, if this will entail the risk of professional liability, even in cases where – from an objective point of view – negligence on the part of the attorney cannot be asserted. Such a development clearly is not in the interest of the parties involved.

3. The situation is aggravated by the increased use of Article 12(4) RPBA for the rejection of claim requests which could have been filed in first instance proceedings. Up to the amendment of the RPBA in 2002, non-admittance of late submissions which could have been filed in first instance proceedings was restricted to cases of procedural abuse in the sense of deliberately withholding evidence.<sup>15</sup> Recent case law extends the application of Article 12 (4) to all cases in which submissions including claim requests should have been filed or were rejected in first instance proceedings.<sup>16</sup> This means that the proprietor, in order to be on the safe side, must file and maintain auxiliary requests intended to overcome all objections raised by the opponent or the Opposition Division, even if he assumes that most of them are without merit. It goes without saying that an obligation to defend the patent in all possible directions is not appropriate in order to concentrate the proceedings on the points considered essential by the Board.

4. For parties' late filed submissions, the Boards usually refer to G 9/91 and G 10/91<sup>17</sup> as an authority for emphasizing that the principle of *ex officio* examination is of limited importance in *inter partes* appeal proceedings. However, late *ex officio* objections are not excluded and may even occur towards the end of oral proceedings.<sup>18</sup> Furthermore, it is consistent case law that the applicant or proprietor is responsible for submitting requests which are appropriate for overcoming any deficiencies. Assisting the proprietor in such attempts is, however, considered to violate the principle of impartiality, even if the Board itself raised the objection at a late stage of the proceedings.<sup>19</sup> Introducing new facts and evidence and raising late objections *ex officio* even at a late stage and thereby assisting the opponent's case is apparently seen to be in line with the Boards primary role as review instance as elaborated in G 9/91 and G 10/91 and not in conflict with the Board's impartiality. On the contrary, any hints how an objection might be overcome and the patent be saved appear to be forbidden. Thus, the proprietor may occasionally have the impression that his true adversary is not the opponent but the Board of Appeal.<sup>20</sup> This raises the question whether the current

practice is still in line with the proprietor's fundamental procedural rights.

5. Sometimes, the provisions of the RPBA are applied without duly considering that they are implementing general principles of law laid down in the Convention itself and that they have to be interpreted and applied, as expressly stipulated in Article 23 RPBA, considering higher-ranking provisions of the Convention. Therefore, refusing late submissions based on the RPBA must not result in a violation of the right to be heard. So far, the case law in review proceedings under Article 112a EPC has not resulted in general rules trying to balance possibly diverging legal principles as examination *ex officio*, disregarding late submissions and the right to be heard. Rather, the Enlarged Board of Appeal, as a rule, restricts itself to confirming that the Boards act within the limits of their discretion even if the exercise of this discretion in the individual case limits the right of the proprietor to fully defend the patent against late attacks<sup>21</sup> or results in a decision based on a surprising deviation from consistent case law addressed only in a side-remark during oral proceedings.<sup>22</sup>

6. The rejection of late filed facts and evidence limits the procedural possibilities of both, the proprietor and the opponent, although the effect on the opponent is diminished by the Boards' readiness to raise late objections *ex officio*. The rejection of late claim requests is solely to the proprietor's detriment. The chances of the proprietor to have the patent maintained is further diminished by the fact that formal standards for allowing claim amendments appear to be much stricter than in national jurisdictions. There is a very strict standard and sometimes rather formalistic manner in assessing the criterion of added-subject matter. The "inescapable trap" created by the Enlarged Board of Appeal<sup>23</sup> and not balanced by the possibility of a cross-appeal<sup>24</sup> hardly seems to be of any importance in the Contracting States.<sup>25</sup> The approaches developed by the Boards of Appeal under the headwords of "intermediate generalization"<sup>26</sup> and "singling out"<sup>27</sup> impede the broadening or modifying of the original claims. Finally, the proprietor's position is less favorable compared to the opponent's position since the prohibition of *reformatio in peius* is applied even if new attacks are allowed in appeal proceedings.<sup>28</sup> In this context, thanks to recent decision G 3/14<sup>29</sup> of the

15 Cf. "Case Law of the Boards of Appeal of the European Patent Office", 4<sup>th</sup> edition 2001, VI.F.3.1.3f.

16 For example, T 28/10 of 12.12.2011 – "Fungizide Wirkstoffkombination/BAYER CROPS SCIENCE AG"; Reasons pt. 3.3.

17 G 9/91 and G 10/91, *supra*.

18 R 1/13 of 17.06.2013 – "Petition for review/NTT"

19 For example, T 1072/93 of 18.09.1997; Reasons pt. 5.3

20 See for example the petitioner's submissions dated 23.05.2014 in case R 9/14.

21 Wegner and Hess, The right to be heard before the EPO Boards of Appeal – overruled by formal regulations?, *epi* Information 1/2014, 32.

22 R 14/12 of 25.10.2013 – "Petition for review/HYDRO-QUEBEC".

23 G 1/93, OJ EPO 1994, 541 – "Limiting feature/ADVANCED SEMICONDUCTOR PRODUCT".

24 G 9/92, OJ EPO 1994, 875 – "Non-appealing party/BMW", Reasons pt. 16.

25 See Pagenberg/Teschemacher, The inescapable trap – a case for reconsideration?, *Festschrift Straus*, Berlin 2009, page 481. For Germany: BGH, GRUR 2011, 40 – Winkelmesseinrichtung.

26 See Steinbrener, Die (un)zulässige Verallgemeinerung des Erfindungsgegenstands und der Fachmann aus europäischer Sicht, GRUR 2009, 356.

27 Whereas the German practice applies the same principles of law, the assessment is more liberal because more weight is put on the understanding of the skilled person than on the mere wording of the specification; see recently BGH, Mitteilungen der deutschen Patentanwälte 2012, 344, Reasons pt. IV.1.c).

28 G 1/99, OJ EPO 2001, 183 – "Reformatio in peius/3M".

29 G 3/14 of 24.03.2015 – "Examination of clarity objections".



Enlarged Board of Appeal, the proprietors are fortunate that their room for manoeuvre has not been further restricted by allowing objections to clarity in additional situations.

7. One of the aims of the amendment to the RPBA was to increase legal certainty by codifying principles developed for dealing with late submissions in the previous case law. However, it appears that, although there is a clear tendency to a more rigid approach in refusing late submissions, the weight of the criteria for exercising this discretion seems to be rather different in different Boards. There are Boards for which the relevance of late submissions for the decision to be taken is still an important criterion, whereas others refuse to consider it at all, even for submissions filed with the statement of grounds of appeal and even if a plausible explanation for the late filing is given.<sup>30</sup> A clear divergence exists in cases in which submissions are filed in appeal proceedings which had been rejected by the Opposition Division. Some Boards restrict themselves to the examination whether the department of first instance has applied erroneous criteria in exercising its discretion<sup>31</sup>, whereas other Boards also examine whether the reason for not admitting the submission persists at the appeal stage.<sup>32</sup> The latter approach seems quite correct because the factual situation is different.

8. It is an old question whether or not there is a fair balance between the chances of the competitor attacking the patent and of the proprietor defending it.<sup>33</sup> As the statistical data suggest, the practice of the Boards of Appeal applying the RPBA seem to have moved the scale to the proprietor's detriment. Hence, the balance between the rights of the proprietor and those of the opponent deserves to be reconsidered.

9. While there is a public interest in the revocation of patents not fulfilling the requirements of patentability, the increasing emphasis on formal requirements can hardly be justified with such interest. Rather, the amendments to the RPBA had originally been aimed at increasing efficiency. The data resulting from our study may, however, be interpreted as an indication that the positive effects caused by not considering substantive questions are more than compensated by the increased efforts necessary for dealing with procedural and formal aspects. This becomes evident in the daily practice of oral proceedings. Often, the morning and the early afternoon is spent for tiresome discussions on procedural and formal problems before the substantive discussion can begin which one would expect to be the core of the examination of the patent's validity.

10. It thus appears that the new Rules of Procedure, while originally conceived to cause the parties to put all their cards on the table at the very beginning of appeal proceedings, in reality have triggered a gradual transition to blocking any amendments to a party's case, while preserving the full discretion to raise objections *ex officio* within the framework of the grounds for opposition dealt with in first instance proceedings. It is doubtful whether such change of philosophy was envisaged or even intended, and whether it would be desirable in view of the fact that the Boards of Appeal are the last, but only judicial instance in European administrative validity proceedings.

## Résumé

*Une étude a été mise en œuvre en vue d'analyser l'impact du Règlement de procédure des chambres de recours (RPCR), tel qu'il a été modifié en 2002, sur la nature et l'efficacité des procédures de recours. A cette fin, des échantillons de décisions inter partes des chambres de recours de l'OEB datant des années 1995, 2004 et 2013 ont été sélectionnés sur une base aléatoire. Ensuite, les décisions sélectionnées ont été analysées à l'aide d'une série de questions. Le résultat de l'analyse laisse à penser que le nouveau RPCR, tout en obligeant les parties à soumettre l'ensemble de leurs moyens invoqués le plus tôt possible, entraîne simultanément une augmentation générale significative de discussions formelles qui remplacent les discussions quant au fond du passé sans rendre les procédures de recours plus efficaces.*

## Zusammenfassung

*Die Auswirkungen der 2002 erfolgten Neufassung der Verfahrensordnung der Beschwerdekammern (VOBK) auf die Natur und Effizienz des Beschwerdeverfahrens wurden in einer Studie untersucht. Zu diesem Zweck wurden Stichproben von Inter partes-Entscheidungen der Beschwerdekammern des EPA aus den Jahren 1995, 2004 und 2013 nach dem Zufallsprinzip ausgewählt. Die ausgewählten Entscheidungen wurden anschließend anhand eines Fragenkatalogs analysiert. Das Ergebnis der Analyse legt nahe, dass die neue VOBK zwar die Parteien veranlasst, ihren vollständigen Sachvortrag so früh wie möglich vorzubringen, gleichzeitig aber insgesamt eine deutliche Zunahme formaler Diskussionen zur Folge hat, die die sachlichen Diskussionen der Vergangenheit ersetzen, ohne das Beschwerdeverfahren effizienter zu machen.*

30 For example, T 724/08 of 16.11.2012; Reasons pt. 3.4.

31 For example, T 902/09 of 30.04.2014 – "Nutritional compositions/DSM"; Reasons pt. 2.1.2.

32 For example, T 1253/09 of 25. 04.2012; Reasons pts. 6 and 7.

33 Beier, Die Rechtsbehelfe des Patentinhabers und seiner Wettbewerber im Vergleich, GRUR Int. 1989, 1; Reply: Teschemacher, GRUR Int. 1989, 190.