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Verband der freiberuflichen Europäischen und Schweizer Patentanwälte

Association des conseils en brevets suisses et européens de profession libérale

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User consultation on amendments to the Rules of Procedure of the Boards of Appeal

Dear Mr Hanski
Dear Mr Josefsson

We appreciate the opportunity to comment on the proposed amendments to the Rules of Procedure of the Boards of Appeal (RPBA).

The following comments have been put together in close collaboration with the ASSOCIATION OF SWISS PATENT AND TRADEMARK ATTORNEYS (VSP) and the SWISS ASSOCIATION FOR INTELLECTUAL PROPERTY LAW (INGRES).

It is very encouraging to see that the structural reform of the Boards of Appeal has apparently been a success so far, and that one of the five-year objectives has been achieved even ahead of time (less than 7'000 pending cases already in 2022). Further, we consider it a remarkable achievement that it will «soon» be a reality that 90% of settled cases had a pendency time of no more than 30 months.

We understand that the Boards of Appeal are pursuing further ambitious timeliness objectives in the future, and in particular to start dealing with cases as soon as they are transferred to the Boards of Appeal. The introduction to the user consultation notes that the proposed changes to the procedural framework are deemed «necessary» to achieve this. We appreciate the ongoing efforts to further improve timeliness. However, we respectfully disagree with the proposed measures to large extent. In our opinion, the proposed measures are neither necessary nor appropriate in order to further improve timeliness. Especially because the proceedings before the Board of Appeal usually take place at a very late stage of the grant procedure, when considerable financial efforts have already been made not only before the European Patent Office, it is very important, due to the complexity of conflicting proceedings with two opposing parties, that both parties have sufficient and equal time to present their arguments in the best possible way.

1. Art. 12
Basis of appeal proceedings

According to the proposal, the standard period for filing the written reply would be shortened to two months, to support the pursuit of "more ambitious timeliness objectives". We strongly disagree with this proposal, for at least the following reasons.

i) The proposal systematically disadvantages respondents

An appeal has to be filed within two months of notification of the impugned decision; Art. 108 EPC, first sentence. But it is only within four months of notification of the decision that a statement setting out the grounds of appeal shall be filed; Art. 108 EPC, third sentence. Accordingly, appellants can rely on a statutory time limit of four months to compile their reasons for the appeal.

Under current Art. 12 para. 1 lit. c RPBA (and former Art. 12 para. 1 lit. b RPBA 2007), respondents can be sure that their reply is taken into consideration for the decision when they file it within four months after notification of the reasons of the appeal. This is indeed important in terms procedural fairness: We believe that appellants and respondents shall be given the same time for their initial submission during appeal proceedings.

The proposal reduces the standard period for filing the written reply to only two months. This cuts the time available for respondents to come up with their reply by half. This is a drastic reduction. We note that the Board shall be given the discretionary power to extend this standard period of its own motion, and that the Boards "will normally" do so, e.g., when an appellant/respondent is facing numerous appeals from different opponents. However, we believe it is unacceptable for respondents to be given four months for their first submission (which is just the same time that appellants have guaranteed for their initial submission by way of a statutory time limit) only at the discretion of the individual Board. Extensions under Art. 12 para. 7 are no effective remedy of potentially unequal treatment of both sides, either. These extensions are only "exceptionally" available, and they are again subject to the discretion of the individual Board.

For reasons of procedural fairness alone, i.e., that both sides shall be given equal time for their first submission in the proceedings without any further ado, we disagree with the proposal.

ii) The proposal does not do justice to the ever increasing importance of the first submission of a party in the appeal proceedings

R. 100 para. 2 EPC (like former Art. 100 para. 2 EPC 1973) holds that the Board of Appeal may specify a period for the reply of the respondent. This is meant to safeguard the right to be heard; Art. 113 EPC. The RPBA put this into practice by way Art. 12 para. 1 lit c RPBA. The Boards are not required to set a time limit for the respondent to submit his reply, but it provides a procedural guarantee for respondents that a reply filed within four months after notification of the reasons of the appeal will be taken into consideration.

Since Art. 12 para. 2 lit. c reflects the Boards' practice under R. 100 para. 2 EPC (formerly Art. 100 para. 2 EPC 1973), we believe it is important to take the *Travaux préparatoires* of Art. 100 EPC 1973 into account. The HAERTEL draft held with respect to Art. 96 (which later became Art. 110 EPC 1973):[1]

> *«Der Arbeitsentwurf geht davon aus, dass das Beschwerdeverfahren **lediglich eine Verlängerung des Verfahrens der ersten Instanz** ist. Da in der ersten Instanz das Amtsverfahren herrscht, bei dem die Beteiligten durch ihre Anträge grundsätzlich lediglich bestimmte amtliche Massnahmen auslösen können, wurde dieses System auch in der zweiten Instanz beibehalten. Daher **unterscheidet sich** auch **das Beschwerdeverfahren wesentlich von einem gerichtlichen Verfahren** in Sachen zivilrechtlicher Streitigkeiten, das als Parteiverfahren ausgebildet ist.»*

The understanding of appeal proceedings has changed significantly over time. It is commonly accepted nowadays that the nature of the appeal proceedings is a review of the impugned decision in a judicial manner, not just a continuation of first instance proceedings.

As a key element of this judicial review, the convergent approach that has been introduced with the RPBA 2020 puts much emphasis on the first submissions of the parties; more than ever before. Appeal proceedings are essentially front-loaded today. Which is good in terms of procedural efficiency and legal certainty. However, we believe that the front-loaded nature of today's appeal proceedings requires that respondents be given sufficient time to compile a thorough reply. We are convinced that, as a rule, two months are not sufficient time for a thorough reply, for essentially the same reasons that have been discussed in support of the four months time limit for the reasons of the appeal. At the Munich Diplomatic Conference, it was held:[2]

> *«The total time limit of three (3) months for filing an appeal setting out the grounds on which it is based will frequently be felt too short, […].»*

Further, at the Munich Diplomatic Conference it was noted that sufficient time is also in the interest of the EPO:[3]

> *«A sufficient term for submitting the grounds lies in the interest of the Office with respect to careful preparation.»*

[1] HAERTEL Entwurf, Art. 96: Prüfung der Beschwerde, 2.) Bemerkungen
[2] M/15, p. 122, para. 49
[3] M/21, p. 218, para. 9

This is still true today, even more so in view of the increased importance of the first submission; and it is equally true for the respondents reply in today's front-loaded appeal proceedings.

iii) The proposal starts from the wrong place

The pendency time of settled appeal cases in 2022 had been 56 months, which is eleven months less than in 2018 (67 months).[4] We understand that the pendency time is expected to reach the 30 months target "soon".

We appreciate the ongoing effort to further improve timeliness. However, this must not result in excessive time pressure and constant hustle at the parties' end. The Boards of Appeal are the first and final instance of judicial review. We believe that the importance of this procedural stage demands for objectively sufficient time being given to the parties.

We understand that an appeal case is opened when the notice of appeal is received, i.e. when EPO Form 3204 is sent out. We believe that this is the beginning of the pendency time in the statistics. Accordingly, the current procedural framework enables the Boards to conduct a standard *inter partes* case in a pendency time of about twelve months, i.e.,

- about two months until the reasons of the appeal are filed;
- four months for the respondent to file the reply (Art. 12 para. 1 lit. c RPBA);
- two months between receipt of the reply and summons to oral proceedings being issued (Art. 15 para. 1 RPBA); and
- four months advance notice of the date of the oral proceedings (Art. 15 para. 1 RPBA; two months of which are guaranteed by way of R. 115 EPC).

We do not know the exact pendency time of *inter partes* appeal cases; only aggregated numbers of *ex parte* and *inter partes* appeal cases are given in the Annual Report.[5] However, experience shows that the average *inter partes* appeal proceeding has a (much) longer pendency time than the average *ex parte* appeal because no respondent is involved, i.e. at least six months less are consumed at the parties' end. But even leaving this difference aside: Twelve months is only about 21% of the pendency time of (aggregated *inter partes* and *ex parte*) appeal cases in 2022, and it will only amount to 40% of the pendency time when the target of 30 months will be reached.

We firmly believe that no further reduction of time available at the parties' end shall be pursued as long as the (still vast) majority of the overall pendency time in *inter partes* cases is consumed by the Boards of Appeal. The potential of the current procedural framework should be leveraged first.

[4] Annual Report of the Boards of Appeal (2022), p. 8

[5] 1271 ex parte appeals and 2305 inter partes appeals were settled in 2022; Annual Report 2022 of the Boards of Appeal, p. 30-31

2. Art. 13
Amendment to a party's appeal case

Triggering the third level of the convergent approach only with the communication of the Board under Art. 15 para. 1 RPBA is a sensible approach. The proposed amendment is welcomed.

3. Art. 15
Oral proceedings and issuing decisions

With the proposed amendment to Art 13 para. 2 RPBA, the communication under Art. 15 para. 1 RPBA shall trigger the third level of the convergent approach. In the current version of Art. 13 para. 2 RPBA, the summons to oral proceedings trigger the third level of the convergent approach.

We appreciate that the proposed amendment makes it possible for the Boards – without any apparent disadvantage for the parties – to issue summons to oral proceedings very early in the proceedings. We trust that this will indeed make it more likely that all parties / representatives can make the necessary arrangements for the scheduled date, i.e. that less requests for postponement will be filed.

However, this comes with a significant downside for the parties. According to the proposal, the third level of the convergent approach can be triggered as early as one month after receipt of the written reply of the respondent in *inter partes* proceedings. We believe that this is too short in most of the cases, by far.

According to current Art. 15 para. 1 RPBA, the Boards "shall endeavour" to not trigger the third level of the convergent approach earlier than two months after receipt of the reply of the respondent. We appreciate that the current provision is not a procedural guarantee of a gap of at least two months. However, in our experience, it hardly ever happened that a Board triggered the third level any earlier (with the only exception of accelerated proceedings). Accordingly, it is not perceived as a strengthening of the parties' position to proceedings that a time gap of one month shall henceforth be guaranteed according to the proposal.

We request that a procedural guarantee of two months shall be foreseen in the last sentence of Art. 15 para. 1 RPBA, with the only exception being accelerated proceedings:

> *«In cases where there is more than one party, the Board shall issue the communication no earlier than ~~one~~ two months after receipt of the written reply or replies referred to in Article 12, paragraph 1(c); or no earlier than one month in case of accelerated proceedings.»*

This would indeed strengthen the parties' position to proceedings because they are not anymore depending on the Boards' endeavours to not issue the communications earlier. We believe that this time gap is anything but a bottleneck in terms of further improvements of timeliness. In view of the overall pendency times, one month is nuisance. But for an appellant, it is critically important that the third level of the convergent approach is not triggered as early as one month after receipt of the reply.

We hope the above is useful in your further discussions of the proposed amendments to the RPBA.

Yours sincerely,

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President VESPA/ACBSE