



Institut der beim Europäischen Patentamt zugelassenen Vertreter  
Institute of Professional Representatives before the European Patent Office  
Institut des mandataires agréés près l'Office européen des brevets

European Patent Institute · Bayerstrasse 83 · 80335 Munich · Germany

Mr Benoît Battistelli, President  
European Patent Office

Mr Sean Dennehey, Chairman of the Committee on Patent Law  
c/o Council Secretariat

Bob-van-Bentham-Platz 1  
80469 Munich

9<sup>th</sup> February 2018

**epi Comments on CA/PL 4/18 and CA/PL 6/18 Corr. 1**

Dear Mr. Battistelli,  
Dear Mr. Dennehey,

Please find attached comments from our Institute about papers CA/PL 4/18 and CA/PL 6/18 Corr.1, which are supporting items on the agenda of the meeting of the Committee on Patent Law of 20<sup>th</sup> February 2018.

It is hoped that these comments will assist the Committee in its work

Yours sincerely

A handwritten signature in black ink, appearing to be 'Francis Leyder', is written over a large, light blue oval background.

Francis Leyder  
President

9<sup>th</sup> February 2018

### **epi Comments on CA/PL 4/17**

**epi** is the representative body for all European Patent Attorneys entered on the List of Authorised Representatives kept by the EPO under Article 134 EPC. Our members represent the vast majority of applicants, patentees and opponents in proceedings before the EPO, both before and after grant. They also represent many third parties who monitor patent applications relating to their business activities. Our members represent parties of all sizes and types, from individual inventors, SMEs and universities to multinational companies. Our members work either in private practice or in industry. Our members therefore have great experience of the needs of all parties with interests in the proceedings before the EPO.

**epi** has studied CA/PL 4/18 and wishes to present the following comments on it for the assistance of your Committee. Due to the short time for consultation and changes the EPO has made in the proposal, **epi** has been shooting at a moving target, which has made it difficult to provide a view of the proposal now before your Committee.

#### **The Position of epi's Council**

A previous version of the EPO's proposal, then called Early Certainty with Flexibility, was presented to **epi**'s Council at its 83rd meeting on 18th November 2017. At the end of the presentation, the Council members voted by at least a two-thirds majority against that proposal and against any proposal for deferment of examination. Thus, although some members of Council were in favour of some sort of deferred examination, the position of **epi**'s Council is that no proposal for deferment of examination should be accepted.

#### **CA/PL 4/18**

As noted above, CA/PL 4/18 is based on the previous proposal called Early Certainty with Flexibility (ECwF), but has had some amendments made. Even with the amendments, **epi** is concerned that the proposal in CA/PL 4/18 still does not provide a proper balance between the interests of third parties and on the one hand and the interests of applicants on the other.

#### **Reasons**

The proposal set forth in CA/PL 4/18 is to implement a system called by the EPO "User Driven Early Certainty". This will be referred to herein after as "UDEC".

It is considered that UDEC will lead to a reduction in legal certainty to the detriment of third parties and the system as a whole. There would be unexamined patent applications in the system with little indication as to whether or in what form they might be granted, making it

very difficult for applicants or third parties to make informed commercial decisions. This would have an adverse effect on innovation in the marketplace.

It is to be noted that in certain countries, it is possible to request a preliminary injunction on the basis of a published application. If UDEC comes into effect, in those countries third parties will be at risk of being subjected to a preliminary injunction based on an application for a longer period, which will lead to further legal uncertainty. It is also the case that applicants accrue rights as of the date of publication of an application but these rights do not become clear until the application is granted. This again shows that UDEC will increase the degree of legal uncertainty.

The reputation of the EPO as a leading examining patent office would suffer and its influence in shaping good examining practices would be reduced. In this respect, reference was made to the Patent Prosecution Highway (PPH) where, if EPO examination is deferred, it will not be possible to rely on high quality granted European patent claims. It is then more likely that reliance will be placed on granted US claims which, in many people's opinion, are less suitable for allowance in other patent systems. If granted European patent claims are used in the PPH, it is likely that good claim drafting practices will spread outward from the EPO.

The proposal also seems to be entirely contrary to the objective of the EPO's work in the past few years which has been aimed at progressing applications to grant in a more timely manner so that all parties to the system have legal certainty and can make necessary commercial decisions sooner. **epi** appreciates the efforts the EPO has been making to reduce pendency times. These efforts would be undermined by any proposal for deferment.

The proposal further seems to be entirely contrary to what the founders of the EPC had decided. There was discussion before EPC 1973 was finalised about whether there should be any form of deferred examination and it was decided that there should not be. This was confirmed in the Travaux Préparatoires to the EPC2000. The present proposal seems to lack any overriding justification for going against this decision. A mere indication that "some users" (see paragraph 10 of CA/PL 4/18) had requested this is no justification. Certainly, within **epi**, there have been no calls for deferred examination and it is suspected that these calls come from a minority of applicants. It cannot be seen why a new system should be introduced merely at the request of "some users".

It is noted that CA/PL 4/18 in paragraph 4 refers to the 2009 proposal of the delegations of Denmark, Germany and the Netherlands and notes that this proposal would be returned to at a later stage. However, it should be noted that the 2009 proposal was made as a way to deal with the backlog in examination. As the EPO points out in paragraph 8 of CA/PL 4/18,

the EPO has made great strides in dealing with the backlog and so there does not seem to be any reason to revisit the 2009 proposal.

In paragraph 18, CA/PL 4/18 refers to inefficient uses of EPO resources. However, it is unclear what benefits would be seen by the EPO, except perhaps the receipt of the necessary fees. In particular, the EPO will receive three years of extra renewal fees. The EPO will also receive the examination fee three years before examination begins. (The examination fee is fully refundable until examination has actually begun.) Without some further explanation, it cannot be seen how more efficient use of the EPO's resources could be achieved. All that would happen would be that some part of the backlog may be dealt with but then, at the end of the deferment period, the situation would return to the present situation and so it could not be seen how this would benefit the EPO in use of its resources.

In fact, it can be envisaged that introduction of the proposal would actually use up more EPO resources to no effect. It will be necessary to ensure that there is a mechanism to implement the deferment and then allow the application to return to the examination stream in good order. If the applicant decides to abandon an application after a deferment, the EPO then needs to fully refund the examination fee, which will use up further EPO resources. Moreover, the delay in beginning examination will inevitably mean that the examiner will have to study the case again in more depth than usual in order to update himself before proceeding with examination.

In a previous version of the present proposal and in discussions with the EPO, it has been indicated that it is expected that take up would be about 10%. It would be interesting to see the basis for this number. It could be envisaged that this number is a significant underestimate as the proposal allows for a large cost-deferment for the applicant, which may make the system attractive to many more users than envisaged. If there is a large take-up of the system, this could have interesting effects on examiner workload and may surprise many other applicants with applications apparently stuck in the backlog.

The delay could also be seen as being to the detriment of national patent offices as it will delay the receipt by them of national renewal fees.

### **Specific Comments on CA/PL 4/18**

#### **Paragraph 4**

As noted above, there seems to be no reason to revisit the 2009 proposal because the EPO has made such great strides in reducing the backlog.

## Paragraph 5

At the **epi** Council meeting, it was considered that it was vital that no request for deferment should be allowed until the applicant has provided a **substantiated** response to any negative written opinion produced in the search phase. This will be referred to again below. Of course, if the applicant receives a completely positive written opinion, then one can see no reason why the applicant would have to file any response, and this raises the question whether the applicant should still be able to request deferment.

## Paragraph 6

**epi** considers that ECfS has provided a very valuable tool by providing a timely, high quality search report. However, this cannot provide any information as to what an applicant will do when presented with the search report and third parties are very interested in the reaction of the applicant.

## Paragraph 7

**epi** also welcomes the EPO's use of third party observations (TPOs) to trigger accelerated examination. However, **epi** wonders whether the relatively low use of TPOs during examination is affected by the fact that, to trigger accelerated examination, the TPOs need to be non-anonymous (see below).

## Paragraph 8

**epi** welcomes the efforts made by the EPO to reduce pendency times and to reduce the backlogs. However, as noted above, this seems to go against revisiting the 2009 proposal.

## Paragraph 9

**epi** does not see that the use of the term “thus” at the beginning of this paragraph is logical. The logical view of the previous paragraphs is that the EPO is well on the way to meeting the Paris Criteria. Any move to delay examination would move the EPO away from meeting these criteria.

## Paragraph 10

**epi** fully agrees with the first sentence of paragraph 10. However, **epi** has not seen any evidence to support the rest of the sentence. Also, **epi** wonders why the wishes of “some users” should be preferred to the views of other users, in particular third parties.

## Paragraphs 11 and 12

These paragraphs seem to show that, from the EPO's operational point of view, there is no need for any sort of deferred examination, as this would impair its move towards meeting the Paris Criteria.

### **Paragraph 13**

**epi** welcomes the mechanisms to bring applications to grant in a timely manner since these lead to reducing legal uncertainty.

### **Paragraph 14**

However, **epi** does not see why it should be acceptable under the system established by EPC 1973 and re-established by EPC 2000 that there should be options to increase legal uncertainty. The member states when adopting EPC 1973 decided not to adopt delayed examination and the member states re-adopted this position when adopting EPC 2000. The fact that other offices allow delayed examination does not mean that the member states of the EPC should change established practice.

### **Paragraphs 15 and 16**

Paragraph 15 confirms that not all situations warrant deferred examination but again it is not seen why this justifies introducing a system which would be applicable to all situations. This is especially the case because paragraph 16 shows that there are already ways in which an applicant can defer examination.

### **Paragraph 17**

The paragraph also shows that it is already possible to “game the system” to achieve deferred examination by choice of application route. This reinforces a point made below regarding calculation of the start of the deferment so that there is no possibility to “game the system”.

### **Paragraph 18**

We have commented on paragraph 18 above.

### **Paragraph 19**

**epi** agrees that the interests of third parties must be safeguarded but considers that the present proposal is insufficient to do this, as explained above. We will comment on divisional applications below.

### **Paragraph 20**

**epi** agrees that the present procedures as operated by the EPO are producing high quality results. However, the present proposal will still delay examination which will still reduce legal certainty.

## Paragraph 21

It is interesting to note that the EPO has already decided to implement UDEC even though it has not carried out its main user consultation, which will take place on 9th February, 2018, and even though there are a number of voices opposed to it.

## Paragraph 22

**epi** agrees with the first two bullet points in this paragraph. We also agree with the third bullet point but consider that it does not go far enough. The applicant should have to file a **substantiated** response to any negative written opinion. **epi** notes that a third party wishing to lift the deferment will have to file **substantiated** third party observations (TPOs) and it appears to be unfair to third parties if applicants can merely file non-substantiated responses when a greater burden is placed on third parties.

If the applicant has to file a substantiated response, this would at least provide third parties with some idea of the direction in which the applicant would go during substantive examination. It would then make it somewhat easier for third parties to take commercial decisions on Freedom-to-Operate (FTO) studies.

It should therefore be a condition of accepting a request for deferment to provide a substantiated response to the written opinion.

If requests for deferment are to be handled by a formalities officer, then it appears that only a cursory inspection of the response will be made. If this is the case, would a response saying “The Applicant disagrees with the opinion of the Search Examiner and contends that the application meets all the requirements of the EPC” or copying arguments from another case be a sufficient response? This should **not** be considered to be a sufficient response and the response should contain relevant reasoning to support any conclusory statement. If there is no reasoning provided, third parties are again disadvantaged as they have to guess at what the applicant will do when it needs to file a full response to the first communication from the Examining Division. This leads to further legal uncertainty and makes it more difficult for third parties to carry out FTO studies. In view of this, an examiner should determine whether the response is sufficient. This could again add to, rather than reduce, the work of examiners but is necessary to ensure that third parties are not unfairly disadvantaged.

## Paragraph 23 to 25 and 29

If the proposal were to be introduced, **epi** agrees that the request for deferment should only be filed online.



It is considered that the method for calculating the deferment period set out in these paragraphs would lead to applicants having a preference for the PCT route rather than the Euro-direct route. This is because following the method of the proposal leads to a greater deferment using the PCT route as opposed to the Euro-direct route. This has been clearly illustrated by the EPO in the graphs on page 10/15. This is, in fact, detrimental to SMEs in particular because the PCT route is more expensive than the Euro-direct route. There also seems to be no reason why the two routes should have different ends to the deferment period.

**epi** considered the problem of divisional applications (mentioned in paragraph 25) if the proposal were to be introduced. If this were the case, **epi** suggests that the end of the deferment period should be computed from the earliest priority date or, if no priority is claimed, from the filing date. Since the earliest priority date or filing date for a divisional is the same as it is for the parent, the deferment period will always end at the same time for any divisional application. For example, the end of the deferment period could be set 3 years from the filing date (explanatory paragraph 13 of CA/PL 4/18 explains that 3 years from the filing date is the standard in all the other IP5 Offices). A five-year period was also mentioned during the discussion in our Council meeting but there was no vote on that point.

Incidentally, most patent management systems would not be able to manage the proposed system, whereas the priority and filing date of the ultimate parent are always available for computation.

#### **Paragraph 26**

**epi** agrees with this paragraph but does not see it as a justification for the proposal.

If the proposal were to be introduced, **epi** welcomes the requirement for requesting deferment using electronic means.

#### **Paragraph 27**

If the proposal were to be introduced, **epi** welcomes the proposal that the applicant should have to pay the examination fee, as well as all the other necessary fees, at the beginning of and during the deferment period. **epi** notes that the examination fee is fully refundable as long as examination has not actually started.

However, **epi's** Council, when considering ECwF, voted in favour of it being necessary for an applicant to pay a fee for deferment. As noted above, it may well be that the EPO incurs costs in administering the system and at least these costs should be reimbursed by the applicant who requests deferment. No specific fee levels were agreed on but it was agreed that the fee should be a significant fraction of the examination fee.



## Paragraphs 28 and 30

No comment.

## Paragraphs 31 to 37

If the proposal were to be introduced, **epi** welcomes the principle that third parties should be in a position to lift the deferment, as set out in paragraphs 31 to 37, and agrees with many of the points made in these paragraphs.

However, **epi** considers that there should be stronger safeguards for third parties. In particular, it was strongly felt at the Council meeting that a third party should have to do no more to lift the deferment than the applicant has to request the deferment. As noted above, **epi** considers that, if the applicant can request deferment after filing a formal response to the patentability opinion, it should be possible for third parties to request lifting of the deferment by filing formal TPOs. Such formal TPOs could merely state that “The third party considers that none of the claims in the application meet the requirements of the EPC”.

It was also discussed at the Council meeting that it should be possible for third parties to pay a fee to lift deferment, without needing to submit TPOs. Again, no specific fee levels were mentioned on but it was suggested that the fee should be a significant fraction of the examination fee. No agreement on this discussion was reached.

As has been pointed out above, an applicant obtains provisional rights under an application and in some countries can obtain a preliminary injunction based on an application. It is therefore suggested that a third party should be able to lift deferment without providing TPOs if the applicant has invoked the rights under the European patent application against him.

**epi**'s Council was strongly against any requirement for non-anonymity for any request for lifting of the deferment. Thus, it should be impossible for the applicant to identify who requested the lifting. It was pointed out that even indicating that a company is interested in an application provides **useful commercial information** to the applicant and this would deter third parties from requesting the lifting of a deferment.

**epi** has been told that the EPO considers that the reference to “non-anonymous” in the proposal merely indicates that there needs to be an email address to which the EPO can send enquiries. If this is what “non-anonymous” means, then this term should not be used and an explanatory note added.

If the proposal were to be introduced, **epi** welcomes the proposal in paragraph 31 regarding acceleration. However, **epi** questions how it will be possible to force the applicant to follow accelerated prosecution after the filing of TPOs. Since the applicant did

not request acceleration, all the applicant would need to do would be to fail to respond in time and acceleration is cancelled. Does the EPO envisage any sanction against applicants who fail to observe the PACE requirements?

### **Paragraph 38**

No comment.

### **Paragraphs 39 to 42**

**epi** considers that proper legal basis for the changes proposed by the EPO should be provided. Although it could be regarded as merely an operational change, it does have significant legal ramifications for the EPO, the national Patent Offices, applicants and third parties. It therefore should only be adopted if there is proper legal basis.

**epi** also suggests that the proposal in paragraph 42 is premature and should not be followed. **epi** believes that there has not been enough time for proper consultation. As far as can be seen, only applicants have been consulted, not third parties (although, of course, applicants are often also third parties in respect of their competitors' applications). Further consultation in a longer time frame should be carried out.

If the proposal were to be introduced, **epi** welcomes the proposal in paragraph 41 regarding the Guidelines. However, it again illustrates that the proposal is premature since the Guidelines should be amended before the system comes into effect.

**epi** considers that further and more extensive consultation should in any event be undertaken. It is difficult to see how the system could be stopped after it is introduced without having a severe impact on the EPO's ability to meet the Paris Criteria. If the possibility to defer is removed, then a large body of deferred applications would have to be examined. It would therefore be sensible to ensure that the proposal will operate as expected by the EPO. This will require much more extensive user consultation.

### **Paragraphs 43 to 47**

If the proposal were to be introduced, **epi** welcomes the proposal in paragraph 47 but suggests that the EPO will need to monitor the system very carefully in case, as often happens, the law of unintended consequences operates.

- - - - -

9<sup>th</sup> February 2018

### **epi Comments on CA/PL 6/18 Corr. 1**

**epi** is the representative body for all European Patent Attorneys entered on the List of Authorised Representatives kept by the EPO under Article 134 EPC. Our members represent the vast majority of applicants, patentees and opponents in proceedings before the EPO, both before and after grant. They also represent many third parties who monitor patent applications relating to their business activities. Our members represent parties of all sizes and types, from individual inventors, SMEs and universities to multinational companies. Our members work either in private practice or in industry. Our members therefore have great experience of the needs of all parties with interests in the proceedings before the EPO.

**epi** has studied CA/PL 6/18 Corr. 1 and wishes to present the following comments on it for the assistance of your Committee.

#### **Assessment under the EPC of "erroneously" filed applications under the PCT upon entering the European phase**

During the last years **epi** has followed the discussions on the interpretation of Rule 20.5 PCT and on the possibility to include in PCT an explicit provision that would allow the applicant, under certain clearly defined circumstances and within a limited time from filing date, to replace erroneously filed elements with the correct elements. For the replacement, the correct elements must be "completely contained" in the priority application.

After all these years of continuous deliberations at international level **epi** welcomes the proposal of EPO, which it is believed will unblock the deadlock in the PCT/WG. A relevant explicit legal basis in PCT would increase legal certainty and would allow the rectification of clear errors that may happen on digital era, without harming the interests of third parties

The proposal relates to the competence and procedures followed by the Receiving Offices. The issue of the "replacement of the erroneously filed elements" has two further aspects, i.e. the treatment of such requests by International Authorities and by Designated and Elected Offices. If the proposal is adopted, International Authorities and in particular International Searching Authorities will have the possibility to base the search on the correct<sup>1</sup> elements of the application. Designated and Elected Offices will be allowed to

---

<sup>1</sup> Whilst it appears correct to refer to "erroneously filed element or part", it should not be referred to anything "correct" in the international phase, that decision lying with the Designated or Elected Offices

submit a notification of incompatibility where the replacement is not compatible with the respective national law.

Regarding the conditions presented in paragraph 34 of CA/PL 6/18 Corr. 1 **epi** has the following remarks:

- a) **epi** agrees that that the incorporation by reference and the correction of the erroneously filed element or part should be allowed only in pre-publication phase for the protection of third parties.
- b) In CA/PL 6/18, it is suggested –and **epi** supports- to allow incorporation by reference and not to replace the erroneous filing submitted on the date of filing. As it is suggested in paragraph 33 *“the file could be put in order at a later stage during examination”*.
- c) **epi** suggests including an explicit provision to regulate if the erroneous documents
  - will be published –**epi** believes they should– and
  - if they will be considered during search –**epi** believes they should not.

The condition that relates to the additional fee implies that the search will be based on the correct documents and **epi** considers appropriate to clarify these points.

- d) If an additional fee is to be charged, it should be done only if the search of the erroneous filing has begun before the incorporation by reference and it will have to be re-done on the basis of the correct documents. As the deadline for the incorporation will be in most – very few – cases two months from filing, we would like to know, how often does the search of international applications start within two months from filing.
- e) It is understood that Designated Offices should have the possibility not to allow the correction of erroneous filings if this is not compatible with the respective national law. However, all Receiving Offices should offer the possibility to incorporate the elements or parts intended to be filed, so that applicants of all international applications will have the same treatment irrespective of their nationality, residence and competent Receiving Office that they use.

In conclusion, **epi** welcomes the proposal, which is found to be constructive within the PCT framework and we expect that the PCT/WG will be in a position to reach an agreement for a legal provision that would allow the applicant of international applications to correct conditionally an international application that contains an erroneously filed element or part.

- - - - -