

EPC2000: A BRIEF GUIDE TO THE CHANGES

BACKGROUND

The original EPC dates from 1973, although it did not come into force until 1977. A great deal has happened since then, notably in terms of international agreements. In 1994, the Uruguay round of talks in the WTO led to the TRIPS treaty, which brought intellectual property within the international trading system. TRIPS – the Agreement on Trade-Related Aspects of Intellectual Property Rights – requires all member states to provide protection for various IP rights, including the grant of patents in all fields of technology. It was questionable whether the original EPC did this.

In any case, the Administrative Council of the EPO already recognised the need for change. The original EPC laid down many detailed aspects of EPO procedure in its Articles, making these difficult to change. Ways were found to work around a few individual issues, but it became clear that a more wide-ranging revision was needed.

Meanwhile, discussions on harmonizing formal procedures relating to patent applications led to the Patent Law Treaty in the year 2000. This agreed certain standards for obtaining a filing date, the form of an application, and so on, which were less restrictive than those set out in the EPC and its Implementing Regulations. By the way, I shall use the word "Rules" to refer to the Implementing Regulations.

That same year, the Administrative Council of the EPO proposed a draft of a revised EPC. This was discussed at a conference of the contracting states, and in 2002 the revised text was agreed at a second conference.

ENTRY INTO FORCE

Having agreed the text of the new EPC did not mean that it could come into force immediately. It needed to be ratified (or "acceded to") by the individual contracting states. Since it was not practical to bring the new Convention into force for only a few states, it was agreed to wait until 15th state had acceded to it, and then make it compulsory for everyone.

Last December, Greece became the 15th state. This means that EPC 2000 will definitely come into force by December next year at the latest. Any states, which have not joined in by then must leave the EPC altogether, so it is very likely that all the other contracting states will take the necessary steps before December 2007. The new convention could begin earlier, if all the contracting states act in good time: on the first day of the third month following the final accession.

Why revise the EPC?

There are at least five reasons altogether:

First, to comply with PLT and TRIPS, as already mentioned. This means ensuring that the EPC follows the more relaxed procedures laid down in the PLT, as well as making it clearer that European law is compatible with TRIPS.

Second, to modernise the Convention, bearing in mind the great development in the European system since its beginning. With over 30 contracting states now, there is a need to avoid unnecessary regulations. Also, technology has developed since the original EPC was drafted, particularly in the areas of software and biotechnology.

Third, it has been recognised that the original Convention is lacking in some areas. There is no procedure at the EPO for amending a granted patent. Nor is there any possibility of a further appeal beyond the Board of Appeal.

Fourth, the original EPC is quite restrictive about what work should be done in the various branches of the EPO. In particular, Article 17 stated that the search divisions shall be at The Hague. This made it questionable whether searches could properly be done elsewhere in the EPO, as is essential for the so-called "BEST" project. This involves the search and examination being carried out by the same primary Examiner, who may not be in The Hague.

Lastly, revising the EPC makes it possible to tidy up various defects of wording in the original Convention. More importantly, it allows various provisions of the Articles to be moved into the Rules. Since it is relatively easy to change the Rules (there is no need for a diplomatic conference), this will make it easier to update the European system in future.

HIGHLIGHTS OF EPC2000

There are many small changes in EPC2000, and changes which would not interest Japanese applicants. In no particular order, I think the most important changes from your point of view are these.

- First, a change in the how so-called "intermediate" European applications can be applied as novelty-only prior art.
- Second, a simplification of medical use claims.
- Third, the introduction for the first time in European practice, of a Doctrine of Equivalents.
- Fourth, a new procedure for amending European patents after grant.
- Fifth, the possibility for Board of Appeal decisions to be reviewed.
- Lastly, procedural changes which generally make the European system more user-friendly to applicants and attorneys.

ARTICLE 54(3) DOCUMENTS

There is a concept of "novelty only" prior art under European practice – Article 54(3). If you have a European patent application, but someone else has a European (or Euro-PCT) application of an earlier priority date, then the other application can be cited as prior art even if it was not published at the priority date of your application. However, it only counts for novelty purposes, not inventive step.

Also, under the old law, there must be an overlap of designated states between both applications, and the prior art effect only exists in those overlapping states. This can lead to the situation where different claims are granted for different designated states, because the prior art situation is different. To make things more complicated, the overlap of states depends on the payment of designation fees for the earlier application. This can lead to the prior art effect changing over time. For example, an earlier application which counts as Art. 54(3) prior art upon publication may then be withdrawn, so that it is no longer prior art at all.

EPC2000 abolishes this kind of situation. After EPC2000 comes into force, every new European application will automatically cover all EPC contracting states when it is filed, and will be capable of acting as Article 54(3) prior art against any other European application. What's more, it will remain citeable as Art. 54(3) prior art regardless of what designation fees are paid on it.

However, for existing applications, pending when EPC2000 comes into force, the old law will continue to apply to determine if they can be used as Art. 54(3) prior art.

MEDICAL USE CLAIMS

Under the old EPC, the claiming of medical inventions was made complicated by Art. 52(4), which excluded methods of treatment or diagnosis as being unpatentable. However, it was possible to claim substances or compositions for use in such methods. This was fine for the first medical use of a substance, but second or further uses had to be claimed using the so-called "Swiss-style" of claim. This refers to the medical treatment indirectly, to avoid the novel feature of the claim being in an excluded field.

EPC2000 simplifies matters by allowing the direct style of claim, already in use for first medical indications, also for second and further medical uses of a substance. This change will apply to existing applications already pending when EPC 2000 comes into force, so it is worth adding the new style claims to any new European cases in this area. There is no harm in including Swiss-style claims as well.

DOCTRINE OF EQUIVALENTS

Doctrine of Equivalents: this concept is familiar from US practice but was not previously recognised by the EPO. Indeed, the Guidelines for Examination instructed Examiners to object to any statements referring to "equivalents" of claim features in a European application, on the ground of clarity.

However, in the interests of harmonization, EPC2000 recognises the Doctrine of Equivalents. Formerly, the scope of claims under European practice was governed by Article 69 (which referred to using the description and drawings to interpret the claims) and by the Protocol on the Interpretation of Article 69, which tried to define a half-way house between a literal interpretation of the claims, and using the claims only as a guideline. Both these provisions remain as before, but EPC2000 adds a new Article 2 to the Protocol, stating that "For the purpose of determining the extent of protection conferred by a European Patent, due account shall be taken of any element which is equivalent to an element specified in the claims".

This should be an improvement for patent proprietors: the old law was difficult to interpret, sometimes leading to different results in the various national courts of Europe. Article 2 of the new Protocol should make it easier to enforce EPs.

However, it is interesting to note that the EPO regards this as a cosmetic change. It points out that "new Article 2 neither gives a binding definition of equivalents, nor specifies exactly how they are to be taken into account". Therefore, it is too early to say if this will really change the interpretation of claims under European practice.

POST-GRANT AMENDMENT

One thing, which has been missing from European practice up to now, is the possibility to amend a European Patent after grant at the EPO. Presently, if you want to amend your granted EP, you must apply separately to the Patent Office or courts of each designated state.

Under EPC2000, however, a new "limitation procedure" is introduced. This will be much simpler and cheaper than the existing procedure. However, we can expect the EPO to apply their strict standards regarding added subject matter. Thus, it will be no easier to make broadening amendments disguised as limitations.

As for how it will work, you have to file a written request, stating whether you want limitation or revocation of your patent, and optionally a statement of reasons can be included, if the amendment is not obvious. There will be a fee to pay, and the request will be considered by the Examining Division. As in normal substantive examination, the procedure is conducted between the applicant and the EPO (ex parte), but others may file 3rd party observations.

As well as limiting the claims, if you wish you can also amend the description and

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drawings. The Examining Division will not check how effective your amendment is (for example, whether it avoids certain prior art or not), only whether it meets the normal requirements for clarity, support and so on. If an Opposition is filed, this will suspend the limitation procedure. Limitation of claims is also possible in Opposition.

Finally, if the limitation is judged to be allowable, you will have to file new claims translations, and pay another printing fee. Probably, amended translations will need to be filed at the national Patent Offices as well.

REVIEW BY ENLARGED BOARD OF APPEAL

In the past, it was a cause for criticism of the European patent system that no further possibility of appeal exists, beyond the Board of Appeal. That is, a decision of the Board of Appeal is final, and although the national Courts may revoke a patent upheld by a Board of Appeal, they cannot review a refusal by the Board of Appeal.

There is already a so-called "Enlarged Board of Appeal", which is a higher authority than any Board of Appeal, but it is not much used, and only decides questions of principle referred to it by the Boards of Appeal.

EPC2000 introduces the possibility of a "petition for review" to the Enlarged Board of Appeal by patentees, applicants and opponents. Thus, for the first time, there is a second appeal instance in the European patents system.

Any petition filed will first be considered to see if they are clearly inadmissible or unallowable, and if so quickly rejected without resulting in a full review.

A full review will begin with a first stage of written exchanges between the petitioner and the Enlarged Board of Appeal, without involving any third parties (such as an opponent). At the end of this stage of the procedure (which may involve a Hearing), a decision will be made either to reject the petition as inadmissible or unallowable, or to continue the procedure with the involvement of any third parties. If the procedure continues, a second Hearing is likely involving all the parties, prior to a final decision. After that, there is no right of further appeal.

While a petition is being considered, any existing Board of Appeal decision (such as revocation of the patent) remains in force. This could give rise to "third party" rights where people start to work the invention of the revoked patent, prior to it being reinstated by the Enlarged Board.

PROCEDURAL CHANGES

These are changes, which concern day-to-day handling of cases at the EPO, and therefore more of interest to attorneys rather than applicants.

The main ones are the requirements on filing, including priority claims, and an extension of the existing "further processing" procedure.

PRIORITY CLAIM

A first change concerns priority claims. Previously, there was limited scope to claim priority from an application not filed in a Paris Convention country. Also, the priority claim had to be made at the time of filing. After filing, though it was possible in some cases to correct an existing priority claim, adding one for the first time was not normally possible. Thus, omitting to mention the priority claim on the application form was potentially fatal.

Under EPC2000, as part of compliance with TRIPs, an application in any WTO-member country can be used to establish priority.

Also, forgetting to claim priority when you file an application will no longer be fatal, as it can be added later, up to 16 months from the priority date concerned. This change is part of compliance with the PLT.

A further change is that, although under the present system a translation of the priority document has to be filed before grant of a patent can occur, this requirement will be waived unless the translation is needed to verify the priority claim.

OBTAINING A FILING DATE

In the old EPC, Article 91 prescribed various elements, which had to be present in an European Patent Application. This article has been abolished in EPC2000, and replaced by a new Rule 40. Thus, the EPO will have more flexibility, in future, regarding the form and content of applications.

One specific change is that, as one of the measures to comply with the PLT, claims will no longer be needed to get a European filing date, though they will need to be added later. A two-month term will be allowed for this, as well as for correcting other deficiencies such as missing parts of the description and drawings.

In fact, it should be possible to obtain a filing date without any specification at all, so long as you clearly identify an earlier application in another country, on which the European filing is based. Again, a specification is to be filed within two months.

FURTHER PROCESSING

Under the old EPC, the "further processing" procedure is a valuable way to obtain more time for certain procedural steps. However, it is quite limited in its application. It does not apply to time limits stipulated in the EPC itself or in the Rules. A more expensive

and demanding procedure called "Restitution" is needed in such cases.

Under EPC2000, further processing will be extended to many other time limits, not just for the filing of documents but also for paying fees. Although a fee must be paid in each case, this is a small price to pay for the added security and flexibility this change will allow. In addition, the procedure will be less alarming to applicants. At present, further processing can only take place once the application is deemed to be withdrawn or abandoned; this is no longer necessary.

Some terms will continue to be excluded from further processing. These include the two month term for correcting deficiencies in a new application; time limits for renewal fees, and so on. However, Restitution will be possible in most of these cases, and will also become available in the event that the one-year Convention term is missed. That is, if a European application is filed more than one year after the priority date, a valid priority claim may still be possible.

OTHER CHANGES

There are many other changes, most of which will have no significant effect on applicants or attorneys. However, two other points are worth mentioning.

At present, there is no "duty of disclosure" before the EPO. That is, you do not have to disclose to them any prior art you are aware of, usually from searches of corresponding applications elsewhere in the world. From now on, though, the EPO has the option to ask for such a disclosure. It remains to be seen how much EPO Examiners will use this power. The EPO search is quite thorough, so perhaps it is not really needed.

Another point follows from the new procedure for review by the Enlarged Board of Appeal. In the present EPO Appeal procedure, it is possible that the Board of Appeal could make a procedural mistake prior to issuing a decision. For example, there were a few unfortunate cases in which the EPO failed to hold a Hearing, even though one had been requested. There was no way to correct such a mistake, since the procedure before the Board of Appeal was final. Now, it will be possible for the Enlarged Board of Appeal to judge whether a "fundamental procedural defect" has occurred, and if necessary re-open the appeal procedure.

TRANSITIONAL PROVISIONS

A separate Revision Act sets out in detail how the new wording of EPC2000 will be applied. There are basically three categories of changes:-

Firstly, changes which the EPO is already applying. Officially, they can only be applied provisionally because EPC2000 has not yet come into force. These changes include allowing searches to be performed in Munich, as part of the BEST program. As they concern internal EPO organisation, such changes do not affect applicants directly.

Second, there are changes, which will apply to all existing applications and granted patents, once EPC2000 officially comes into effect. This includes changes considered by the EPO as "cosmetic" ones, which do not alter the legal position under the old EPC. An example is the amendment of Article 52(1), concerning patentable inventions, to refer to "inventions, in all fields of technology". This wording was inserted to comply with TRIPs. Another example is the new Protocol on determining the scope of claims, as already mentioned.

Other changes applying to existing applications and (where applicable) patents include the wider scope of "further processing", and the new "limitation" procedure. The possibility of review of a Board of Appeal decision will apply to all such decisions taken after EPC2000 comes into force. Generally, all the procedural changes will apply to existing applications.

Thirdly, some of the changes in EPC2000 will only apply to new applications, and not to pending applications or patents existing when EPC2000 comes into force. As mentioned, these include the effect of an application as prior art under Article 54(3).

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