



## **EPO update**

The Federation continually engages with the European Patent Office (EPO) to provide input to consultations on matters relating to implementing and ancillary regulations to the European Patent Convention (EPC) and to procedures of the EPO. The Federation maintains ongoing working relationships with EPO representatives, including meetings with the President and Directors throughout the year.

### ***Appointment of António Campinos as EPO President***

The Administrative Council of the European Patent Organisation that met in Munich on 10 October 2017 under the chairmanship of Mr Christoph Ernst elected Mr António Campinos to succeed Mr Benoît Battistelli as President of the European Patent Office. Mr Campinos's five-year term commenced on 1 July 2018.

A Portuguese national, Mr Campinos is the former Executive Director of the European Union Intellectual Property Office (EUIPO). He is also a former President of the Portuguese Patent Institute (INPI). In the latter function, he has been for many years the Portuguese representative on the Administrative Council of the European Patent Organisation.

### ***EPO reorganisation***

In autumn 2017, the EPO performed an internal reorganisation of its directorates. The reorganisation involved rationalising the organisation into three directorates: DG Operations; DG Corporate Support; and DG Legal and International Affairs. Each directorate has its own chief operating officer.

Furthermore, oppositions are now handled by a dedicated subset of all EPO examiners organised into an "opposition group". Examiners in the opposition group will spend a proportion of their time on opposition workload, other examiners not being involved in oppositions.

### ***EPO proposal for User Driven Early Certainty (UDEEC)***

In November 2017 the EPO announced a new proposal for permitting postponement of substantive examination of patent applications filed at the EPO. Known as "User Driven Early Certainty" (UDEEC), the proposal outlines a process by which applications for which substantive examination has been requested can be subject to a request for postponement of examination for up to three years. No substantive examination takes place during the period of postponement, which can be interrupted on request of the applicant or on receipt of "substantiated and non-anonymous" third party observations. No fees were proposed for either the postponement or triggering observations.

The EPO consulted on the UDEEC proposal during the latter part of 2017 and early 2018, including a user consultation event in Munich in February 2018. User feedback has ranged from outright support to outright rejection of the proposal, with notable diverging positions between industries having different interests. Despite these diverging views, there is a commonly held preference for a decision of the Administrative Council on any proposal for deferred examination to ensure proper law-making process.

The status and fate of the UDEEC proposal is unclear and is in the hands of the new EPO President, Mr Campinos.

***EPO Boards of Appeal consultation on proposed amended Rules of Procedure***

Between February and April 2018 the EPO Boards of Appeal, under President Carl Josefsson, consulted on proposed revisions to the Rules of Procedure of the Boards of Appeal.

The proposed revisions are directed at positioning the procedure before the Boards of Appeal as a judicial review of the decision under appeal (proposed revised Art. 12(2) RPBA). Thus, the proposals seek to achieve three main objectives: to provide a convergent approach (between the Boards) to the admissibility of amendments to a party's case; to require compulsory communications from the Boards of Appeal, including a communication of the matters to be addressed; and to provide for a reduction in the content of a written decision.

The convergent approach by the Boards is achieved by an increased strict application of the rules of procedure in a more harmonised manner - effectively a further stricter application of Art. 12(4) RPBA and additional constraints on the opportunities for parties to amend their case both prior to, and at, oral proceedings. Indeed, the intention is to make it very difficult for a party to modify their case after a summons to oral proceedings. In this regard, the proposed revisions provide an expectation of, and clearly identify to a party, sanctions or consequences for any failure to meet requirements of the rules of procedure so that parties understand the constraints applied to them and their case.

The Boards presented the proposals as providing three levels of admissibility depending upon a stage of the procedure. A first level (level 1), governed by proposed revised Art. 12 RPBA, defines what might be admissible in a party's case as filed in the grounds of appeal. A second level (level 2), governed by proposed revised Art. 13(1) RPBA, defines what amendments to a party's case might be admissible when filed after the grounds of appeal and before a substantive communication of the Boards of Appeal. A third level (level 3), governed by proposed revised Art. 13(2) RPBA, defines what amendments to a party's case might be admissible after a communication or summons from the Boards of Appeal.

The proposals also allow options for the provision of an abridged decision - being a decision in which the reasons for the decision are provided in a considerably abridged form, though the decision of the Board is itself complete. In a first option under proposed Art. 15(7) RPBA, an abridged decision can be prepared by a Board of Appeal in cases where all parties agree. The abridged reasons for the decision will usually already be included in the minutes of the oral proceedings. In a second option under proposed Art. 15(8) RPBA, an abridged decision can be prepared in a case where the Board is entirely in agreement with the decision at first instance and so the reasons for the decision at first instance are sufficient. This will depend on the comprehensiveness of the reasons in the first instance decision. Notably, an abridged decision is precluded in cases where a third party or court has "legitimate interest in the reasons not being abridged". This legitimate interest need not necessarily be explicitly raised with the Board directly - for example, publicity, press articles or public interest considerations will apply.

The concluded consultation is expected to be followed by a user conference before finalised proposed rules are submitted to the Board of Appeal Committee (BoAC) for approval by the Administrative Council.

***EPO online filing changes***

The EPO receives approximately 95 per cent of all new patent application filings online, and almost all are filed in PDF format. In processing these cases, the EPO employs optical character recognition (OCR) to create an XML working copy of an application. This process is considered inefficient and prone to error. Furthermore, the electronic Druckexemplar increasingly employed by the EPO in recent years is often based on such OCR documents, and the burden of confirming the accuracy of every single character in such a Druckexemplar prior to grant falls on the applicant.

The EPO is now embarking on a wholesale shift towards electronic filing only in an XML format, specifically, "Office Open XML" (ISO 29500:2008). Such a format can be generated by popular word processors such as Microsoft Word (DOCX format).

Technical preparations for receiving XML format files are currently underway at the EPO, with the legal framework being approved by the Administrative Council in December 2017 (CA/102/17). A first pilot programme was completed between July and October 2017 involving 68 volunteers. During the pilot, some challenges were encountered, especially with applicants employing embedded objects within their documents - such as CAD embeddings, mathematical formulae, ChemDraw and the like. The EPO intends to introduce support for such embeddings in future such that an XML document at the EPO will faithfully represent such embeddings, such as by way of images.

Notably, the ST.36 XML document format does not support change tracking (document mark-up). However, documents including change history information can be filed as PDF for the information of examiners.

The potential for the presence of metadata in an XML format document (such as a DOCX document) has caused some concerns for applicants. For example, a word processor can include metadata within a document unbeknown to a document author, including information such as: author name; organisation details; file attributes such as creation and modification dates; and the like. To address such concerns, the EPO has proposed to provide a "validator" tool to identify such metadata and highlight it to the applicant before filing. The validator tool will also validate that the content of an XML document can be faithfully represented in the ST.36 format.

A second pilot with 350 volunteers is being prepared in 2018. A timeframe for entry into force has not yet been decided and will depend on further testing.

#### ***Amendment of Rule 51 EPC***

On 13 December 2017, the EPO Administrative Council issued a decision amending Rule 51 EPC to permit payment of the third year renewal fee along with entry to the EP phase at 31 months. Thus, Rule 51 EPC now permits advanced payment of the third year renewal (only) up to six months before the payment falls due.

#### ***Fee payment changes***

Revisions to the Arrangements for deposit accounts and their annexes (OJ EPO 2017, Supplementary Publication 5) introduce a new obligation to file automatic debit orders in an electronically processable format (i.e. XML), with an exception for applicants filing via national offices. Further, the EPO now accepts credit card payments (MasterCard and Visa) in euros, with all transaction-related costs being borne by the EPO (OJ EPO 2017, A72-A73).

In 2018, the routine biennial EPO fee increase was suspended, so that renewal fees are now not expected to increase until 2020. The EPO has adjusted PCT fees in favour of applicants by a reduction to international search and international preliminary examination fees. Additionally, greater reductions are provided for the examination fee in the European phase where the EPO acted as international preliminary examination authority (OJ EPO 2018, A4).

The appeal fee is increased by 20 per cent to €2255 (OJ EPO 2018, A4) so that the cost coverage of the Boards of Appeal increases to 6.8 per cent. For small and medium sized enterprises, universities and private inventors, the appeal fee is maintained at €1880 (Rules 6(4) and (5) EPC).

Scott Roberts, 31 July 2018