



Mr Raimund Lutz  
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80298 Munich  
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Dear Mr Lutz

### **Third party observations at the EPO**

As you know, the IP Federation represents IP-intensive companies in the United Kingdom (see list of members attached). All our members are extensive users of the patent system in Europe, both as applicants and litigators (either plaintiffs or defendants in patent actions), and employ their own in-house patent professionals.

I am writing to you about the matter of third party observations and, in particular, the extent of the ability of third parties to make observations to the European Patent Office under Art. 115 EPC.

At the meeting of the SACEPO Working Party on Rules on 19 May 2011, which I and my colleague from the IP Federation, Richard Wilding, attended, the EPO presented a mock-up of a proposed web page to facilitate the making of third party observations. As a general comment, we welcome the proposal - the web page appeared to be well designed and should ease the job of third parties making such observations.

The proposed web page had tabs for making observations in relation to "novelty" and "inventive step". However, we wish to express regret (as Richard did at the meeting) that there was no tab expressly in relation to Art. 83 or Art. 84 EPC - these matters are presumably intended to be subsumed under the tab for "Other Observations". Since Art. 83 EPC is a ground which third parties may raise later during the opposition procedure, I shall not refer to it again and shall direct all further comments to Art. 84 EPC and especially to the matter of claim clarity.

### **Clarification of claims during examination**

Article 84 is not an opposition ground, and so third parties have no direct opportunity to object to lack of clarity of European patent claims after grant. In our opinion, this fact alone presents a powerful reason for giving any such problems careful consideration before grant. Our experience of opposition procedures is that, where clarity problems do arise, all concerned have to make strenuous efforts to address them under other headings, such as Art. 83 EPC. We submit that it would be of benefit to all parties, and would facilitate improved efficiency of the opposition procedure, if claims could be clarified to the greatest possible extent during the examination. We further submit that, in many cases, third parties are best placed to assist the EPO in this matter, since the EPO does not have experience of the difficulties of trying to construe the bounds of patent claims when advising clients about how to design products. Our experience has been, however,

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that observations regarding lack of clarity objections made in the absence of other observations do not appear to be considered (since examiners are currently not required to comment upon such observations, this is our interpretation of what happens). We give a reason below why we think this may be the case.

The advantages given above are not the only or even the main reason for asking that the clarity of claim wordings be taken more seriously when raised via a third party observation. The principal reason for asking for such a thing is that third parties need to understand what patent claims mean in order to be able to design their products appropriately. From discussions with EPO directors during the above-mentioned SACEPO meeting, I gather that there appeared to be an opinion within the EPO that third parties can deal with clarity issues by interpreting unclear claims so that they lack novelty over close prior art. If this is genuinely the EPO's prevailing view, then it misses the point, in our opinion, and suggests that European industry has not done a satisfactory job in highlighting to the EPO the significant problems that can result from unclear patent claims.

Although infringement matters do not form part of the EPO's remit, the EPO needs to be aware that the granting of unclear claims renders the task of construing the scope of a claim considerably more difficult and may have a direct effect on how innovators behave in Europe. Patents granted by the EPO must comply with the EPC, including Article 84 thereof, so the EPO does have a duty to grant clear patent claims. We submit that consideration of the implications of granting unclear claims should inform the EPO's practice in relation to Articles 115 and 84 EPC.

#### **Practical difficulties in construction of prior art**

Turning to the matter of whether third parties should deal with clarity by broadly construing available prior art, we would like to make the following comments: third parties may often have no particularly relevant prior art and no business interest in attempting to invalidate the patent in question either. They may not want to incur the time or cost of doing so and will often simply need to be able to design outside patent claims with confidence. That can be difficult or even impossible, if the claims cannot be properly understood. As a result, reliance upon prior art cannot be an appropriate basis for dealing with unclear patent claims.

Even if a third party can construct a novelty objection by creatively construing an unclear term and use this in opposition proceedings, the European opposition may not provide a satisfactory solution to the freedom-to-practise problem, because it can often take many years to bring such a procedure to a close. These long time periods are often not commensurate with commercial decision-making timings. Furthermore, the patent may only be encountered after termination of the opposition period, meaning that a third party can be faced with the daunting task of assessing how to deal with an indeterminate patent claim in multiple jurisdictions, which have divergent views about how to interpret Art. 69 EPC. Faced with such imponderables, our experience has been that companies often default to a safe position by designing further outside a claim than may be fair or warranted, or change direction entirely. If designing a single product for sale throughout Europe, as is often required to make the product commercially viable, then one must design for the European jurisdiction with the broadest claim interpretation. If the claims are unclear, this places an unfair burden on third parties which is to the detriment of European industry.

A hypothetical example of the kind of problem we are referring to could be the innocuous-sounding parameter "water soluble" in a claim, with no range limits or

associated measurement method. Without knowing the limits of water solubility, it would not be possible to establish how far one has to go to be deemed no longer "water soluble", and one would be faced with the choices outlined above. There are many other such terms for which a third party practising in the field may be better placed than the examining division to identify the practical difficulties involved in reliably determining whether a particular product falls within the scope of a claim.

#### **A broad interpretation of Art. 115 EPC**

Art. 115 EPC expressly states that third parties may present observations "concerning the patentability of the invention". From speaking to examiners, we have understood that this phrase is often interpreted to refer to the section of the European Patent Convention entitled "Patentability", that is Part II, Chapter I, relating to Articles 52 to 57 EPC. Regardless of whether or not that interpretation is justified, Art. 115 EPC does not appear to prohibit third parties from making observations in relation to articles of the EPC other than Articles 52-57, such as Art. 84. We submit that, for the reasons we have given, it is in the interests of European industry, but also of the EPO, to ensure that clarity observations raised by third parties are given proper consideration, even when made in the absence of any other observation. We also submit that concerns which have been expressed in relation to a wave of spurious clarity observations reducing procedural efficiency are not justified. That is because the procedure is in the hands of the examining divisions which ultimately have the power to conclude that poorly made clarity observations are unsustainable.

#### **Concluding remarks**

Given the impending introduction of a web portal for making observations under Art. 115 EPC, we ask that the EPO give careful consideration to our comments and reconsider its decision not to include a "clarity" tab on the web page. We also request that the EPO amend the Guidelines to make explicit the fact that third parties may object under Art. 115 EPC to lack of clarity of the claims of European patent applications.

It is in everyone's interest that patents granted by the EPO are of the highest quality. We believe this modest proposal, requiring negligible investment of time and resources, would make a major contribution to attaining this goal.

Yours sincerely

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## IP Federation members 2011

The IP Federation (formerly TMPDF), represents the views of UK industry in both IPR policy and practice matters within the EU, the UK and internationally. Its membership comprises the innovative and influential companies listed below. It is listed on the European Commission's register of interest representatives with identity no: 83549331760-12.

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