

Independence of the Boards of Appeal of the EPO

The Chartered Institute of Patent Attorneys are pleased that the proposals in CA/16/15 represent a significant improvement in many respects over the current situation, and indeed over the proposals CIPA made in February to the Administrative Council.

The overall shape of the proposal [ceding of powers concerning the Boards of Appeal from the President to the President of the Boards of Appeal; ensuring a degree of budgetary independence; and providing an independent advisory body for the AC] appears sound in principle, although CIPA has some comments on the detail.

The role of the BOAC

The proposal appears ambiguous as to the role of the BOAC, which appears to blend advisory, supervisory, legislative and management roles.

At present, management of the BoA is largely with the Presidium, chaired by the Vice-President of DG3. CIPA consider that the day-to-day management of the BoA should continue to be with Presidium, but chaired by the President of the BoA as the person and body closest to the work, and that the BOAC should have primarily advisory and oversight roles.

The BOAC could be seen as analogous to the Board of Auditors, providing independent advice to the AC on the functioning of the Boards of Appeal and, through consultation, providing some advice (including proposals for changes to the rules of procedure) direct to the body being supervised.

Such advice, to the AC and to the BoA, could include advice on any aspect relevant to running efficient and independent Boards of Appeal.

CIPA suggest also that the BOAC might function as an appointments committee.

At present, appointments to the BoA, including the appointment of the Chairman of the EBOA, are by the President of the EPO. CA/16/15 proposes to pass this responsibility to the President of the Boards of Appeal who will also be Chairman of the EBOA. However, at present the EPO President

proposes not only the members but also the Chairman of the EBOA (Article 11(3) EPC) and it appears inappropriate for the President of the EBOA to propose his successor.

An independent BOAC making proposals for appointments based on consultation with the Presidium would appear to offer independent oversight of the Boards of Appeal without prejudicing independence. This is a model adopted in several states.

Appended hereto is an organisational chart summarising the structure suggested above.

Membership of the BOAC

The model proposed in CA/16/15 (paragraph 31) appears to lack true independence by comprising members of the AC.

It is suggested that the BOAC should be like the Board of Auditors, *“whose independence is beyond doubt”* (Article 49 EPC) and so be entirely appointed externally. CIPA has some concerns that restriction to *“...presidents and/or senior judges of national, European and international courts”* might lead to a narrow pool of available candidates and also consider it essential that the majority of those appointed have some knowledge of patent matters.

To ensure relevance of the BOAC, it is suggested that the BOAC be empowered to have a consultative group comprising persons having experience in the Boards of Appeal (both Board members and users) to ensure that the BOAC has a full understanding of the functions and practice of the Boards of Appeal (which can differ significantly from the functions and practice of a national court).

Role of the Presidium

The Presidium should continue in its present function of serving as a Council of the Judiciary, deciding the BOA and EBOA Rules of Procedure (Rules 12(3) and 13(2) EPC) and the business distribution scheme, but in the light of any advice received from the BOAC. If there were tension between the BOAC and Presidium in adopting Rules of Procedure (or any other matters), then this would be a factor for the AC to take into account when deciding to approve any changes.

Members of the BoA

Paragraph 41-46 of CA/16/15 appears to be aimed at controlling conflicts of interest of members of the BoA.

If cast too broadly, such control can be oppressive and careful attention will be required to ensure that the restrictions do not deter appointments to the BoA.

In particular, restrictions on post-appointment activity should be examined very closely as the restrictions hinted at appear to go beyond those suggested by the Burgh House principles. Advisably, any code of conduct should permit BoA members, after serving on the BoA, to revert to other duties in the EPO (e.g. as an examiner), or take external appointments subject to no conflict with matters on which they have participated as a Board member. For those appointed internally of the EPO, it should be considered whether appointees to the Boards should have a ***right*** (subject, of course, to any disciplinary action) to return to such other duties in the EPO.

It should also be investigated whether temporary appointments to the BoA could be considered, both as a means of trialling new members and as a means to provide additional temporary capacity in areas suffering backlogs.

Some courts have positions for “law clerks” [persons who undertake background activities in support of the judiciary] and such positions may be useful:-

- in support of the Boards of Appeal;
- in testing suitability for serving on the Boards of Appeal; and
- in training senior Examiners in making their decisions better able to resist challenge on formal grounds.

Location of the Boards of Appeal.

CIPA sees no need to relocate the Boards of Appeal. Independence is a matter of function, not of location.

Budgetary position

The proposal that the BOA will prepare its own budget and that the President of the EPO will include the BOA budget request in the draft budget he submits to the Administrative Council for approval appears an appropriate measure for providing independence.

Procedure and efficiency

CIPA is concerned about the time appeals take to be heard, and the frequency of remittal to first instance, often after a prolonged period.

It is difficult to disentangle the factors of procedure, resources and behaviour in determining reasons for any perceived inefficiency in the Boards of Appeal. No decisions on change need making immediately, and a study would be welcomed, but such a study should also consider not only procedure in the Boards of Appeal, but also aspects such as whether the practices at first instance lead to inefficient proceedings and to a waste of resources.

If decisions at first instance dealt with all issues, rather than just stopping when convenient to dispose of a matter, Board of Appeal proceedings could be less of a re-hearing and more of a review (which would require less resource).

It is not apparent whether the Boards have the resources for more active case management, as occurs in national courts, and it should be assessed whether an early case management decision setting out a timetable would be of assistance in providing a more compact procedure, particularly where multiple opponents are involved.

As an interim measure, it could be considered whether a fast track procedure might be formally implemented for cases where a first-instance department issues a decision against a party solely upon a particular issue which is decisive for the case, and leaves other essential issues outstanding¹. For such cases, when remittal to first instance is requested by an appellant, an early review could be undertaken by the Board to determine whether remittal is necessary if a decision is reached in the appellant's favour on the appealed matters: if so, accelerated handling could take place to reduce delay in the whole procedure. Such a procedure would discourage wasted effort by both the parties and the Board in arguing matters that necessarily will be remitted and may encourage more pertinent pleadings and shorter proceedings.

¹ See for example T 2130/11

It is understood that some prioritisation takes place to some extent, but a formalised procedure allowing the appellant to clearly flag such cases might assist more efficient procedure.

Consistency

The variability of practice between Boards working on what is a single set of procedural rules is disturbing and should be an early focus of BOAC activity. Some measures to reinforce consistency may be necessary, for example by having more prescriptive rules for some aspects of procedure. As examples where practice varies:-

- Application of Article 12(4) RPBA where some decisions appear to adopt an artificial idea of what “could” have been presented at first instance and others adopt a reasonable analysis of the procedure to reach a decision;
- Application of Article 13 RPBA where some decisions appear unduly restrictive concerning amendments of the case, and others appear to adopt an “anything goes” approach;
- Application of Article 15(1) RPBA where what is seen by many users as the most useful part of the procedure (the communication in advance of oral proceedings) appears underused by some boards, leading to issues sometimes only becoming apparent at oral proceedings, with the consequent perception of a lack of fair hearing.

In addition, in the interest of consistency and legal certainty, it is suggested that Article 20(1) RPBA be reviewed to reduce the occurrence of cases where there are two or more conflicting decisions on interpretation of the EPC. Whether this is best done by reference to the Enlarged Board or by requiring a larger panel [Article 9 RPBA] could be decided on a case-by-case basis, but simply giving Board A the right to say “Board B was wrong” does not guarantee a smooth development of the law.

In a similar manner it might assist users and the first instance if Article 20(2) RPBA were amended to stop at the word “action” so that If, in its decision, a Board gives a different interpretation of the Convention to that provided for in the Guidelines, it shall *always* state the grounds for its action.

Petitions for review

CIPA has seen epi’s letter concerning the composition of Enlarged Board panels for petitions for review, and concurs that greater use of external members would improve the perception of independence of the review procedure.

Comparison with CIPA proposals

The proposals in CA/16/15 complement those made by CIPA in February but omit an important aspect – namely transparency. It is important that all disciplinary rules and codes of conduct be available to the public if the perception of independence is to withstand scrutiny.

Organisational chart

