

**INTER-GOVERNMENTAL
CONFERENCE FOR THE SETTING UP
OF A EUROPEAN SYSTEM
FOR THE GRANT OF PATENTS**

REPORTS

on the

**FIRST PRELIMINARY DRAFT
CONVENTION FOR A EUROPEAN
SYSTEM FOR THE GRANT
OF PATENTS**

FOREWORD

At its second meeting, held at Luxembourg from 13 to 16 January 1970, the Inter-governmental Conference for the setting up of a European system for the grant of patents adopted a First Preliminary Draft Convention for a European System for the Grant of Patents, which it decided to publish.*

The Draft had been submitted to the Conference by a Working Party consisting of the British, French, German, Netherlands, Swedish and Swiss delegations. These delegations also submitted reports to the Conference on the various Parts and Chapters of the Draft Convention. In addition, a General Report on the main outlines of the Draft was submitted by Mr. VAN BENTHEM, President of the "Octrooiraad" (Netherlands Patent Office).

The Conference decided to publish all these reports, in order to facilitate consultations on the First Preliminary Draft with the interested circles.

* This text has been published separately.

GENERAL REPORT

by Mr. J.B. van Benthem, President of the Netherlands Patent Office ("Octrooiraad")

1. At its meeting in Brussels on 21 May 1969, the Conference decided to draw up a draft for a Convention setting up a European system for the grant of patents, on the basis of the principles contained in a Memorandum, dated 13 May 1969, submitted by the six Member States of the Common Market. The Conference set up a Working Party, composed of the delegations of the Federal Republic of Germany, France, the Netherlands, the United Kingdom, Sweden and Switzerland, to examine the section of the Convention dealing with the patentability of inventions and the procedure for the grant of patents. This Working Party has instructed me to submit to you, at the present meeting, from 13 to 16 January, a general report on the work accomplished so far. I shall restrict myself to giving a concise survey of the results of this work, since the Working Party has appointed a number of special rapporteurs to give more detailed information to the Conference.

2. The Working Party has held three meetings, on 8 - 11 July, 14 - 17 October and 24 - 28 November 1969. During these three meetings, it has been able to draw up a preliminary draft of Convention provisions to govern the patentability of inventions and the procedure for the grant of European patents with the exception of a few general procedural provisions which it proposes to submit to you later. The results of its work are embodied in a series of Articles, which have been submitted to you successively in the framework of a synoptic comparison with the last draft, the 1965 Draft, prepared by the EEC "Patents" Working Party, and with the Draft drawn up by the Member States of the European Free Trade Association.

It is only because of a number of factors which have helped its work, that the Working Party has been able to achieve this result in six months. In the first place, it was able to take advantage of the above-mentioned drafts, which represent a considerable amount of work which, to a large extent, the Working Party did not have to do again. Secondly, we must express our appreciation to the Working Party's Chairman, Dr. Haertel, not only for the highly productive preparatory work which he did in submitting texts to the Working Party as a basis for discussion, but also for the excellent

way in which he guided the discussions, which were not always easy, until a joint position was reached. Finally, I must not fail to mention the spirit of co-operation and mutual understanding shown by the Members of the Working Party, the members of its Drafting Committee and the members of the Secretariat, who never avoided the sometimes severe requirements of their work.

3. The provisions drawn up by the Working Party have been grouped in six Parts of a Preliminary Draft Convention which cover respectively: general provisions, substantive patent law, the European Patent Office, applications for European patents, the grant of a European patent, and renewal of the application during procedure for grant. The Working Party did not have time to prepare a seventh Part on certain general procedural provisions, but should the Conference so wish it is prepared to submit proposals on this subject at a later stage. Furthermore, the Working Party refrained from studying the financing of the European Patent Office and the transitional and final provisions; this was not included in the terms of reference which the Conference gave to the Working Party and, furthermore, appeared premature before the approval of the rules on patentability and the procedure for grant.

The fact that the Working Party's proposals have been submitted to you in the form of the successive provisions of a Convention in no way prejudices how the necessary provisions are to be distributed between the Convention which is to be concluded and its Implementing Regulations, which should be concluded at the same time, but which it should be possible to amend by a less complex procedure than that of a Diplomatic Conference. The Working Party proposes that discussion of this distribution of the provisions be postponed until the final stage of work on the draft Convention and the draft Implementing Regulations. Its proposals should be seen as an expression of its desire to submit, provisionally, an overall survey of the subjects to be settled.

The contents of the various Parts into which the Working Party has grouped its proposals will now be briefly explained, while leaving more detailed explanation to the special rapporteurs.

PART I

GENERAL PROVISIONS

(Articles 1 - 8)

4. These provisions, and particularly Article 2, reflect the basic idea adopted by the Conference i.e. that an international system for the grant of patents should be set up, leading by a single act to be performed by an international body (the European Patent Office) to the grant of a European patent, which would be the equivalent of a bundle of national patents governed by the respective national law of each of the Contracting States to the Convention. The international aspect, then, only relates to the procedure for the grant of a European patent, giving a bundle of national patents which have the same status as patents delivered at national level, in particular as regards their term and revocation, the substance of exclusive rights and infringement thereof, licences, and the levying of annual fees. Hence the sections of the 1965 Draft Convention (drawn up by the EEC "Patents" Working Party) dealing with revocation procedure, procedure in infringement and compulsory licences (Parts VII, VIII and X) have not been adopted, and the national law of the Contracting States will not be affected in this respect. These sections will probably be found in a second Convention to be concluded by the Member States of the EEC setting up a system under which the

procedure for the grant of a European patent will, for these countries, lead to the grant of a Community patent governed by Community law, but the status of this Community patent vis-à-vis the Convention for the grant of European patents will not be different from that of the national patents of the other Contracting States resulting from the grant of the European patent.

As regards the purely national legal status of patents resulting from the grant of a European patent, a marginal comment is however called for. It is to be expected that all the interested circles will argue, for reasons of legal certainty, in favour of the adoption of the Convention's substantive law, which governs the grant of European patents, as the law also governing their validity after grant. It is very probable that this is to be the case for the Community patent of the Member States of the EEC but the question (which, I would emphasize, does not affect the jurisdiction of national judges) merits study by the other countries. The same applies to the term of national patents resulting from the grant of a European patent, which has provisionally been left to national law to determine, unless the Conference should take this question into consideration (see note 2 to Article 2).

PART II

SUBSTANTIVE PATENT LAW

(Articles 9 - 29)

This part deals firstly with the patentability of inventions and the rights conferred by the patent and by the publication of the application prior to grant. In addition, it contains certain miscellaneous rules concerning, in particular, the right to the grant of a European patent, the right of the inventor to be mentioned as such, patents of addition, and the assignment of European patent applications.

In the spirit of the principles contained in Part I, the rights conferred by a European patent are the same as those conferred by an ordinary national patent in the State concerned (Article 18). The publication of the European application 18 months after its priority date provisionally gives rise to the same rights, unless the national law prefers to reduce these rights to that of claiming appropriate compensation from any person using the subject matter of the application in circumstances determined by the national law (Article 19). It is thus national law which determines the rights conferred by the European patent as well as those resulting from the publication of the European application.

The rules of patentability (Articles 9 to 14 – in particular those concerning the exceptions to patentability, novelty, inventive step and industrial application) have in principle been taken over from the Strasbourg Convention of 27 November 1963 on the unification of certain points of substantive law on Patents for Invention. In the matter of patent applications filed prior to the application to be examined, but published later, the above-mentioned Convention offers a choice between two methods, of which the Working Party has chosen, as did the 1965 Draft, that which consists in considering the contents of such applications as being comprised in the state of the art, and therefore as a possible obstacle to novelty (Article 11). The strictness of this solution has been reduced, on the one hand by the provision laying down that prior applications are only taken into consideration when intended for the same country as the application to be examined (Article 11 (4)) and, on the other hand, by totally or partially excluding such applications from being considered in deciding whether there is an inventive step involved in the invention which forms the subject matter of the application to be examined (Article 13). The foregoing naturally only applies in the case of several applications for European patents which correspond more or less. The effects of

a similarity between a European patent application and a prior or later national right are to be settled by the national law concerned (revocation of the European patent or of the national patent).

The right to the European patent is determined by the Convention (belonging to the inventor or his assignee) except where a contract of employment is in force, when the Convention refers to national law. However,

the European Patent Office will not decide on the right of the applicant to the grant of a patent, since the applicant is deemed to be entitled to that right (Article 15). To meet the possible needs of the interested circles, the European patent application may be assigned for one or more of the designated States, but in the case of a partial assignment, the application shall remain undivided in proceedings before the European Patent Office (Article 22).

PART III

THE EUROPEAN PATENT OFFICE

(Articles 30 to 63)

6. This part governs the status and organization of the body common to the Contracting States which is responsible for the grant of European patents (the European Patent Office).

As regards the status of the European Patent Office, Articles 32 and 34 endow it with legal personality and with the privileges and immunities to be set out in a Protocol.

To ensure the smooth working of the European Patent Office, its working languages have been restricted to three, English, French and German, and applications and specifications are published in only one of these languages (that of the application itself) with a translation of the claims into the other two working languages (Article 34). The rights of Contracting States are given maximum protection, however, by a number of special provisions. In the first place, anyone residing in a State in which a language other than the three above-mentioned languages is used may file a European application in that language, provided that they furnish a translation into one of the working languages within a period to be determined (Article 34). Such a State may also require the applicant to furnish a translation of the claims into its official language on the publication of a European application valid for its territory (Article 19). Last but not least, any Contracting State may require the applicant to furnish a complete translation of the specification of a European patent granted for its territory,

and even to pay for its publication where the specification has not been drawn up in an official language of that State (Article 100).

As regards the organization of the Office, the latter is to be directed by a President responsible to an Administrative Council, composed of representatives of the Contracting States (Articles 30 - 36). For carrying out procedure, the Office has two administrative bodies (Articles 53 - 58) responsible for examining European patent applications (the Examining Sections and Examining Divisions) and two judicial bodies (the Boards of Appeal, responsible for appeals from the decisions of the Examining Sections and Examining Divisions, and an Enlarged Board of Appeal responsible for decisions on points of law submitted to it by the Boards of Appeal or by the President). The Enlarged Board of Appeal has been added to ensure the uniform application of the law, since it appeared to be impossible to provide for appeal either to the Court of Justice of the European Communities (as envisaged in the 1965 Draft) or to a special Court.

Articles 59 to 63 deal with the Register of European Patents, with the publications of the European Patent Office and with its relations with national authorities. During the discussion of Article 60, it was suggested that the confidential nature of patent applications prior to their publication should not prevent the publication of certain data, such as the name of the applicant and the date, number, classification and title of the application, but the Working Party has not yet taken up any position on this proposal, which is to be reconsidered later.

PART IV

APPLICATIONS FOR EUROPEAN PATENTS

(Articles 64 to 76)

7. This part deals with the filing and requirements of applications for European patents and with priority right.

A European patent application may enjoy a right of priority based on a regular national first filing made in

a Contracting State or in another State, on condition, however, that that other State grants corresponding rights to a national filing based on a European first filing. Articles 73 to 75 govern priority right in accordance with the provisions of the Paris Convention.

The formal requirements and conditions for accepting European patent applications are set out in Articles 66 to 73, in accordance with the Strasbourg Convention

relating to the formalities required for patent applications and with the PCT; Article 72 refers to the Implementing Regulations for the details of these requirements. The new system of the Convention means that the applicant must designate in his application for the grant of a European patent the Contracting State or States in which he desires protection for his invention (Article 67). It is thus enough to designate a single State.

European patent applications must be filed either with the European Office or, if the law of a Contracting State so permits, with the competent national authority or authorities of that State. Contracting States may even prescribe such filing with the national authority for persons resident in their territory: this option must be open in order to safeguard any secrecy requirements in the interests of the State concerned (Article 64).

PART V

EXAMINATION, GRANT AND OPPOSITION

(Articles 77 - 123)

8. There are three stages in the proposed procedure for the grant of a European patent.

9. The first stage (Articles 77 - 87) is compulsory: it involves an examination of the European patent application for formal or obvious deficiencies, carried out by an Examining Section, and a search into the state of the art concerned, carried out by the International Patent Institute (IIB). The examination effected by the Examining Section leads to the acceptance or refusal of the application, whereas the search carried out by the IIB results simply in a report which is attached to the application. This report is replaced by the international search report in the case of an international application under the PCT, but the European Patent Office may, where appropriate, obtain a supplementary report from the IIB. If the European patent application is accepted, it is published, together with the report on the state of the art, 18 months after its priority date.

10. The second stage (Articles 88 - 100) involves the full examination of the European patent application by an Examining Division, which examines whether the application meets all the formal and substantive requirements laid down in the Convention. This examination leads either to the grant of the patent (where appropriate, after amendment of the application) or to refusal of the application. With the introduction of the system of deferred examination, the second stage examination has become optional. It will only be made on request by the applicant or by any other person; such a request may be made up to the end of a period which remains to be fixed. To offset any disadvantages which certain delegations see as attached to the system of deferred examination (notwithstanding the compulsory search into the state of the art and the possibility of requesting examination on the filing of the application), a special provision gives the Administrative Council of the European Patent Office authority to reduce this time limit, either as a general rule or in respect of certain areas of technology, should the public interest so require. Despite this provision the only agreement which the Working Party has been able to reach on the time limit for deferred examination is that this should not exceed seven years after the filing of the European

patent application. The question should be reconsidered later in the light of discussions with the interested circles.

11. If the second stage of the European procedure should lead to the grant of the patent, the latter is published together with a specification containing the description, claims and any drawings, in the form in which they have been approved. This publication marks the beginning of a period of twelve months during which anyone may give notice to the European Patent Office of opposition to the grant of the European patent. Such opposition opens the third stage of the procedure (Articles 101 - 107), which is therefore also not obligatory, in which an Examining Division examines any opposition, and may either revoke the European patent wholly or in part, or reject the opposition. In the case of partial revocation, a new specification is then published.

The Conference will note, on making a comparison with the 1965 EEC Draft, that the Working Party has placed opposition procedure after the grant of the European patent, the second stage no longer ending with the second publication of the application, but with the grant of the patent itself. This change offers two advantages: not only does it avoid a second publication of the application but, above all, and without harming the interests of the proprietor of the patent, it allows the opposition period to be extended by four months to one year, such extension allowing the Contracting States to require and to publish, for the benefit of any of their own nationals who may be interested in opposition, a translation of the patent specification well before the end of the opposition period. Of course, the transfer of opposition to after the grant of the European patent means that its proprietor obtains full rights prior to any opposition, but the Working Party was of the opinion that, for a number of reasons, and particularly to avoid any dilatory opposition, even the publication of the application after the second stage of the procedure should in principle enjoy the same rights as the patent itself.

12. The Draft submitted to the Conference for approval sets out in Part V the whole of the procedure which takes place at European level, between the European Patent Office and the applicant alone as regards the first and second stages, and, as regards the third stage, with third parties taking part in the proceedings with

the applicant. The rules of procedure allow the parties to state their opinion on any communication made and, in particular, allow the applicant to meet the objections raised, if possible, by amending the description, claims and drawings of his application or, in the case of opposition, of his patent. In each of the three stages, the decision of the first authority (Examining Section or Division) is subject to appeal before a Board of Appeal (Articles 108 - 115), which may in turn submit any point of law to the Enlarged Board of Appeal (Article 116).

13. Finally, Articles 117 - 123 bring the Draft Convention into line with the provisions of the PCT, in particular as regards the activities of the European Patent Office as a receiving Office, designated Office or elected Office within the meaning of that Treaty.

14. Examination of Articles 124 - 128 on the conversion of a European patent application into a national application has been postponed until the preceding provisions relating to the procedure for grant have been approved.

PART VI

RENEWAL OF EUROPEAN PATENT APPLICATIONS AND EUROPEAN PATENTS

(Articles 129 - 132)

15. European patent applications are subject to the payment to the European Patent Office of annual renewal fees due in respect of the third year and each

subsequent year, calculated from the date of filing the application. Articles 129 - 131 lay down the conditions for payment of these fees, which are only payable up to the grant of the European patent. It is for the national law of each Contracting State to prescribe any annual fees payable after the grant of the European patent, resulting in a bundle of national patents.

REPORT BY THE BRITISH DELEGATION ON ARTICLES 1 TO 29

PART I

GENERAL PROVISIONS

16. Article 1 raised the fundamental question whether the work should aim at providing only a common system of rules and procedure for granting patents effective in the Member States (the "minimum" approach) or whether it should go further and provide in addition a common law for judging the validity of the patents when granted (the "maximum" approach). While the Working Party was generally in sympathy with the objective of harmonising the laws on validity, it felt that it was more prudent to adopt the "minimum" approach to the drafting as it was considered to require too much from acceding States to oblige them either to amend their national tests of validity or to apply to patents granted through the European route tests different from those applied to national patents. It was thought that the "cold harmonisation" effect would probably induce States for whom patents had been granted on one set of rules to avoid judging their validity on a different set of rules; thus they would be encouraged to amend their national laws to conform with the tests applied in granting European patents. It was also suggested that if there was strong pressure for the maximum solution to be adopted, the draft could perhaps be altered.

It is to be noted, however, that the provisions for "belated opposition" (Articles 101 to 107) constitute an exception to the "minimum" approach since they provide for centralised revocation of the European patent application within one year of grant.

17. Article 2 points out the main distinctions between the present draft and the earlier (1965) draft. Under the earlier draft a provisional patent was granted on the application when published and was "confirmed" after examination. The same concept was retained in the EFTA Draft except that the confirmed or "final" patents were in effect independent national patents. The present draft drops the concept of a provisional patent. On publication after 18 months from the priority date there is simply a published European patent application. European patents are granted only after examination and then have the effect of and are subject to the same conditions as national patents in the countries affected.

Thus, the grant of a European patent is equivalent to the grant of a bundle of national patents. The bundle

is subject as a whole to the belated opposition procedure referred to above. Otherwise, each national patent is subject only to the jurisdiction of the competent authorities of the respective State and to the law of that State. This contrasts with the old draft which resulted in the grant of an international and autonomous patent. Under the present draft the international character is restricted to the application before grant and to the belated opposition procedure. The unitary character of a European application vis-à-vis the European Patent Office is dealt with separately in Article 22.

18. Under the new system it will be neither necessary nor desirable to require an applicant to cover all Member States in one application. Article 3 provides for designating one or more of the Member States.

19. Contrary to the earlier draft there is no Article 4 setting up a Patent Court. It is proposed to deal with appeals on patent applications by an appeal body other than a court and to use other means for dealing with disputes etc. which, under the earlier draft, were dealt with by the Patent Court.

20. Article 5, defining "accessibility" or entitlement to apply, has been drafted in accordance with the Brussels memorandum and follows as closely as possible the wording of Articles 2 and 3 of the Paris Convention and it particularly excludes from accessibility nationals and residents of non-Contracting States which "subject the grant of a patent to conditions which can only be met in the territory of the State in question" (subject to certain exclusions). The Working Party had in mind countries which allow priority to an applicant who can show that the invention was made in its territory at a date earlier than the date of filing of the patent application while denying this possibility in respect of inventions made outside its territory. The former case would mainly occur in respect of inventions made by its own nationals, while it would be rare for the latter case to apply to inventions made by its nationals. In such countries it was felt by some members of the Working Party that foreign nationals are treated — in practice if not in theory — differently from

their own nationals. The exact wording of the text is subject to further study and possible revision.

21. Article 6 of the 1965 Draft prohibited simultaneous protection of a given invention by a national patent and a European patent. There was some support for retaining this as a harmonising act, but the majority favoured the present draft which leaves the matter to national law.

22. Article 7 was retained on the understanding that it applies only to past commitments at the time of joining the Convention.

23. Article 8 permits the EEC countries to ensure that the European patent is unitary as far as the Common Market is concerned and must cover all or none of the EEC countries.

PART II

SUBSTANTIVE PATENT LAW

CHAPTER I

PATENTABILITY

24. Article 9 (1) defines the basic requirements for patentability as in Article 1 of the 1963 Strasbourg Convention on Substantive Patent Law. For the avoidance of doubt it is considered desirable to set out in Article 9 (2) a non-exhaustive list of exclusions which follow as far as possible the corresponding provisions in Rule 39 of the PCT Regulations. Computer programmes are not, for the present, specifically excluded, since their patentability is still a subject of controversy. This does not, however, mean that they are necessarily considered to be inventions within the meaning of Article 9 (1).

25. Article 10 (exceptions to patentability) simply follows Article 2 of the Strasbourg Convention.

26. Articles 11 and 12 follow closely the novelty rules of Article 4 of the Strasbourg Convention. Article 11 (3), by a substantial majority view of the Working Party, adopts the option provided by the Strasbourg Article 4 (3) according to which conflicts between copending applications are resolved by treating the whole contents of the earlier application as part of the prior art as of its priority date. This means that the later invention must be novel in relation to anything disclosed in the earlier application. The question whether it needs to show an inventive step over the earlier disclosure is dealt with in Article 13. The formula adopted in Article 11 (3) is of course more severe than that adopted in, for example, the UK, German and French laws which adopt the test of prior claiming. It is to be observed that it may be possible for an applicant to withdraw his European application and retain only a particular national application if he is in a position where he could get a national patent but not a European one. This could apply not only where the national law is less strict but also in a case where the earlier European application covers some only of the countries covered by the later application (see Article 11 (4)). Conflict between a European application and a national application will be left to be resolved nationally, after grant of the European patent. While this Article refers to "dates of filing", Article 74 in effect substitutes for these dates, the "priority dates".

27. Article 13 presents two alternatives which differ only to the extent to which prior European applications, under Article 11 (3) are to be taken into account in assessing inventive step. According to the first variant, the Article 11 (3), documents are to be ignored altogether however trivial the difference. According to the second variant, any Article 11 (3) document can only be considered on its own, separately from the rest of the prior art, in the light of the knowledge available to the "man skilled in the art" who is deemed to be judging the question. The second variant should thus exclude trivial differences and common substitutions. Neither variant, however, permits Article 11 (3) documents to be associated with other individual elements of the prior art, whether other Article 11 (3) documents or published material.

28. Article 14 (industrial application) follows Article 3 of the Strasbourg Convention.

CHAPTER II

RIGHT TO THE PATENT

29. Article 15 of the 1965 Draft had the effect of partially unifying national law on the right to a patent by laying down that the right to a European patent shall belong to the inventor or his assignee, subject to national law on employed inventors. The Working Party considered whether a complete unification on this point was practicable at this point in time since the law on employed inventors varies greatly from country to country. It came to the conclusion that the principle set out in the 1965 Draft would be satisfactory but has clarified the position of employed inventors; whether the right to the patent belongs to the employer or to the employee is determined by the national law governing their contractual or other relationship. Where the same invention has been evolved independently by more than one person, then the right to the patent belongs to the first to file; under Article 74, the priority dates are taken into account.

30. By paragraph 2 of Article 15 the European Patent Office will make no investigation into the applicant's entitlement to apply. Nor will it receive a complaint of unlawful obtaining of the invention as in Article 16 (1) and (2) of the 1965 Draft. It will, however, under Article 16 as now drafted, act on a final decision by a competent

court or authority that some person other than the applicant is entitled, under Article 15, to the patent. In that case the application in suit is considered withdrawn and its priority will be transferred to a new application for the same invention filed by the other person. The draft permits the new application to include matter not present in the disclosure of the original application, but such added matter would not benefit from the priority of the original application.

It seems necessary to make provision for a similar substitution in accordance with a decision of a competent court or authority given while belated opposition proceedings are possible or pending.

31. Article 17 follows the 1965 Draft. Under Article 4ter of the Paris Convention, the inventor has a right to be mentioned as such in the patent. The European Patent Office will not adjudicate on a claim by a person to be the inventor. The inventor will, however, have the right to seek a court order as to his inventorship and the applicant will then be obliged to mention him in his application. This Article can, therefore, be considered as creating a new civil right in each member country.

CHAPTER III

EFFECTS OF THE PATENT

32. Article 18 of the Draft is omitted since European patents are, under Article 2 (2), effectively national patents (or group patents under Article 8).

In conformity with the "minimum" approach referred to in connection with Article 1, the resolution of conflicts between European patents and national patents, neither of which is published prior art relative to the other, is left to national action, e.g. in revocation proceedings. Article 19 of the 1965 Draft is therefore omitted.

33. Article 18 may be considered repetitive having regard to Article 2 (2). The general view of the Working Party was, however, that its retention is justified, Article 2 setting out the general principle and Article 18 dealing with a specific aspect which goes naturally with Article 19.

34. Article 19 defines the rights conferred on publication of the application before grant. The Memorandum of 13 May 1969 requires that some protection is granted at that stage. The draft, while establishing, as a principle, in paragraph 1, that full patent protection should be given, allows (paragraph 2) any State to reserve the right to give more restricted protection and to make it depend (paragraph 4) on the availability of the patent claims in a particular language. Protection is, in any case, governed (paragraph 3) by the scope of the granted patent. The relevant national law governs whether the protection of this Article can be invoked before grant.

35. Article 20 follows Article 8 of the Strasbourg Convention. Some members of the Working Party were anxious to ensure that there would be uniform interpretation of the claims in all member States, but no agree-

ment could be reached on any more precise formulation than that of the Strasbourg text.

36. Articles 22 and 23 of the 1965 Draft were omitted as being matters for national law under the "minimum" approach to the Convention. However, it was noted that if all member States were prepared to accept a term of 20 years, this could be incorporated in the draft.

CHAPTER IV

PATENTS OF ADDITION

37. Article 21 follows the principles of the 1965 Draft but has been redrafted having in mind the text developed in the draft Council of Europe proposals for further unification. It is to be noted that the scope for patents of addition will be quite small having regard to the time limit for application mentioned in paragraph 1. The application may be converted into a substantive application at the option of the applicant; the latest date at which this can be done will have to be determined later for there must be sufficient time after conversion to allow for examination for non-obviousness vis-à-vis the parent patent.

CHAPTER V

THE PATENT APPLICATION AS AN OBJECT OF PROPERTY

38. As regards Article 22, the Working Party considered whether assignment of the application in the various States to different persons should be prohibited. It decided, however, that it was preferable to allow such assignment or the granting of rights to different people in different States. However, the application is to be prosecuted before the European Patent Office as an entity, i.e. it will not be possible to amend it for some States and not for others. The various assignees will be regarded as joint applicants and the Regulations will provide for who is to represent them before the European Patent Office.

39. The provisions of Article 23 reproduce, for the registration of European patent applications, the provisions of paragraphs 2 to 5 of Article 25 of the 1965 Draft for registering the assignment of patents. It is to be noted that it will also be necessary to arrange for the registration of assignments of patents made during belated oppositions or during the period in which such oppositions may be filed.

40. The Working Party doubted whether Articles 26 to 28a and 30 of the 1965 Draft, which regulate property in respect of mortgaging, distraint, etc., were necessary or desirable in relation to applications, but this matter will be considered later.

41. Article 28 allows licensing of patent applications either for all States or in some only and provides for the registration of the licences. Whether it is necessary will be considered later.

PART III

THE EUROPEAN PATENT OFFICE

CHAPTER I

STATUS AND GENERAL ORGANIZATION

42. After defining the basic principles (Part I) and then establishing substantive patent law (Part II), the Preliminary Draft Convention deals, in Part III, with the administrative and financial organization of the "European Patent Office", which is a body "common to the Contracting States" (Article 4) responsible for the application of this law as regards the grant of patents.

Chapter I of Part III contains Articles 30 to 40, which were of identical tenor in the EEC and EFTA drafts. These Articles lay down the broad outlines of the administrative arrangements applicable to the international body, which will have to be supplemented or further defined either in the Convention itself or in the Implementing Regulations. Substantial amendments have been made to these Articles only where it was necessary to take account of the fact that, at the present stage, the setting up of a European Patent Court is no longer envisaged.

43. In its present form, the Preliminary Draft Convention proposes that the European Patent Office be "endowed with administrative and financial autonomy" (Article 30 (1)) and "legal personality" (Article 32 (1)). These provisions are, then, aimed at setting up an inter-governmental organization having its own administrative and financial arrangements, independent of any other existing institution, and enjoying, in each of the Contracting States, the most extensive legal capacity, allowing it in particular to acquire or transfer movable and immovable property, and to sue and be sued in its own name (Article 32 (2)).

44. The European Patent Office is to be directed by a "President", assisted by "Vice-Presidents" (Article 36 (1) and (3)) and his activities will be supervised by an "Administrative Council" (Article 30 (2)).

45. The President will be responsible to the Administrative Council for the activities of the European Patent Office (Article 36 (1)).

The powers of the President (Article 36) fall under four categories:

(a) He has to ensure the correct application of the provisions of the Convention and its Implementing Regulations. To this end, he will take all necessary steps to inform the public or to instruct the personnel placed under his authority, and to improve the organization and functioning of his administration.

(b) He exercises supervisory authority over the whole of the personnel and may appoint and promote them and exercise disciplinary authority over them, save over the

Vice-Presidents and the members of the Boards of Appeal.

(c) He must prepare the budget and implement it after its approval by the Administrative Council, to whom he must submit the annual accounts, the balance sheet and a management report.

(d) He may place before the Administrative Council any proposal on which he is not competent to decide, such as any proposal for amending the Convention or its Implementing Regulations.

46. The composition, duties and operation of the Administrative Council have not yet been studied by the Working Party, but will be the subject of provisions to be introduced into the Convention.

However, it will be recalled that the Memorandum adopted by the Inter-governmental Conference at its first meeting provides that the Administrative Council should have an inter-governmental character, and that the member states should be represented on an equal basis, which implies that the decisions of the Council would be directly binding on the Governments without having to pass through a higher instance. In accordance with the Memorandum the principal tasks of the Administrative Council would be: laying down the Service Regulations, the appointment of the senior officials, the adoption of the budget, and the administrative and financial control of the European Patent Office.

On the subject of the appointment of the senior officials, Article 37 lays down that the President, the Vice-Presidents and the members of the Boards of Appeal are to be appointed by decision of the Administrative Council.

In addition, Articles 30 and 36, which have already been referred to, in effect endow the Administrative Council with budgetary powers and powers as regards administrative and financial control.

Article 36 (2)(b), which gives the President the right to act on his own initiative as regards regulations, implies that the regulatory powers granted to the Administrative Council will not be restricted to the Service Regulations, which the Memorandum indicates as an area within the competence of the Council.

47. The powers of the President and of the Administrative Council (acting in a select committee) may extend beyond the normal field of application of the Convention for a European System for the Grant of Patents (Article 31), since Article 8 of the Preliminary Draft provides that "any group of Contracting States may provide by a special agreement that a European patent granted for all those States has a unitary character throughout their territories and is subject to the provisions of that special agreement." The Member States of the EEC are at present drawing up an agreement of this nature, intended

to make the "unitary patent" granted for the whole of the territories of their States subject to a unitary law – in particular as regards revocation – which requires the setting up of special bodies, such as Revocation Boards.

The aim of Article 31 is to allow for the setting up of such special organs within the European Patent Office, reserved for the use the States signatory to such a special agreement. These organs set up within the European Patent Office will be placed under the authority of the President but, of course, their operating expenses will be borne only by the States signatory to the special agreement, and the administrative and financial control of this additional part of the administrative machinery of the European Patent Office will only be exercised by these States, meeting within a select committee of the Administrative Council.

Naturally, the select committee will have certain links, whose form is to be fixed, with the Administrative Council as a whole, in particular on the occasion of the discussion and adoption of the budget of the European Patent Office.

48. Under the present provisions of Article 33, the administration of the European Patent Office will be concentrated in a single headquarters.

However, should it deem it necessary, the Administrative Council may decide to create branches for information and liaison in the Contracting States or with the International Patent Institute at The Hague or with other organisations in the field of industrial property. The name given to these branches indicates the limit of their functions, and their creation clearly could not lead to any real decentralization of the European Patent Office.

This is not at all the case as regards a proposal for the setting up, in view of the languages used for the filing of patent applications, of "Branch Examining Offices" in certain Contracting States. The present report will limit itself to mentioning this proposal, since the matter has not yet been discussed by the Working Party.

49. The languages in use at the European Patent Office will be English, French and German (Article 34).

However, an exception must be made in respect of nationals of or persons domiciled in Contracting States where none of the three languages of the European Patent Office is an official language. In such a case, the patent application and the documents to be produced by the applicant during the proceedings may be drawn up in an official language of the Contracting State concerned (e.g. Italian for an Italian or Swiss national), provided that a translation into one of the languages of the European Patent Office is supplied within a time limit specified in the Implementing Regulations.

Official publications of the European Patent Office will appear in the three languages. This applies to entries in the Register of European Patents, to the European Patent Bulletin and to the Official Journal of the European Patent Office and to published claims, whether of patent applications or of patents themselves. On the other hand, for reasons of economy, the description of the invention will only be published in the language used for filing the application, or in that of the translation if, for example, Italian was used for filing the application.

50. Article 35 of the Preliminary Draft establishes the principle that the European Patent Office is to enjoy certain privileges and immunities in the territory of the Contracting States, under conditions to be defined in a separate Protocol.

51. All officials and employees of the European Patent Office are to be bound by the rules of professional secrecy (Article 38), and may not file applications for patents, either directly or through an intermediary. The rules governing the recruitment, promotion, remuneration and discipline of officials and employees will, as has already been stated, be laid down in Service Regulations to be adopted by the Administrative Council.

52. In the earlier EEC and EFTA Drafts, disputes between the European Patent Office and its staff relating to the implementation of the Service Regulations (Article 39) fell within the competence of an International Court. This is not a viable solution if it leads to excessive financial burdens, as would be the case if the number of cases brought before this Court were small. The drafters of the EEC Draft did not envisage the creation of a "European Patent Court", to which Article 4 of that text (now deleted) referred, but intended to entrust the Court of Justice of the European Communities with the settlement of the disputes in question and the control of the legality of the decisions of the Administrative Council and of the President of the European Patent Office (Article 41 of the 1965 Draft, now deleted – see point 54 below) and with wider competences in respect of activities relating to European patents. However, it is not possible to entrust this ultimate jurisdiction to the Court of Justice of the European Communities in a European system for patents which involves other States besides the Member States of the EEC.

As, furthermore, in the present opinion of the Working Party it is not considered indispensable to set up an International Court of Justice, Article 39 of the Preliminary Draft awards competence to settle any dispute between the European Patent Office and its servants to an "Appeals Committee", whose Statute will have to be set out in a special regulation. This appears to be a viable solution, since many inter-governmental organisations deal with the settlement of disputes of this nature by referring to Appeals Committees, variously composed, but always including members not belonging to the organisation concerned. Such is the case, for example, with the International Patents Institute, BIRPI, and the Council of Europe.

53. In the matter of the liability of the European Patent Office, the provisions of Article 40 have been taken from the Treaty of Rome establishing the EEC, and, in particular, from Article 215 thereof.

54. Finally, as has been stated above, the fact that the setting up of an International Court of Justice is no longer envisaged leads to the abandonment of the control of the legality of the decisions of the Administrative Council and of the President of the European Patent Office, as had been provided for in Article 41 of the

EEC and EFTA Drafts. This omission seems to bear little practical significance, if one refers to the existing inter-governmental institutions, such as the Inter-

national Patent Institute or BIRPI, which do not have any such control and where the absence of this control has not led to any difficulties.

REPORT BY THE SWISS DELEGATION ON ARTICLES 53 TO 63

CHAPTER III

THE DEPARTMENTS

55. Chapter III (Articles 53-58) refers to the separate departments of the European Patent Office, which are occupied with the procedure of examination and grant, and with appeals. Their composition and functions are described and their respective competences are set out. The departments in question are, on the one hand, the Examining Sections and Examining Divisions whose main responsibility is the examination procedure, in addition to which the latter are also competent to decide on the refusal or grant of a patent and on any opposition raised after the grant of the patent. It is the task of the Boards of Appeal and of the Enlarged Board of Appeal to give decisions on appeal against decisions of the Examining Sections and Examining Divisions.

56. Article 53 lists the separate departments engaged in proceedings before the European Patent Office.

In order to make it clear that the Examining Divisions do not constitute a higher procedural instance, but that each consists of a group of examiners which takes over from the individual examiners, they have been listed together with the Examining Sections under (a).

The reference to Patent Administration Divisions in the 1965 Draft has been deleted because, in accordance with the objective of the Draft Convention, a European patent once granted is no longer administered by the European Patent Office, but by the authorities of the Contracting States. In the same way the Revocation Boards have been deleted, because revocation – apart from special agreements under Article 8 – falls under the exclusive competence of the authorities of the Contracting States in which the patent produces its effect. (cf. Article 2 (2)).

57. Article 54 (1) describes the functions of the Examining Section and delimits its competence as against that of the Examining Division. The Working Party chose the making of a request for examination and the receipt of the report on the state of the art as the criterion for delimiting this competence (see Article 79). It is therefore the task of the Examining Section to examine the European patent application for formal and obvious deficiencies (Article 77) and to obtain the report on the state of the art from the International Patent Institute (Article 79). The procedure then goes to the Examining Division (Article 55).

Paragraph 2 makes it clear that each Examining Section is to consist only of a single Examiner. The Working Party was of the opinion that it is for the European Patent Office itself to determine how many Examining Sections are necessary and to allocate their responsibilities.

58. Article 55 (1) sets out the responsibilities of the Examining Divisions. The group of examiners constituting an Examining Division continues the examination of the European application from the time when the Examining Section ceases to be responsible. In normal cases the Examining Division will therefore continue the procedure with the examination for novelty according to Articles 88 et seq. It is competent for the decision on the grant of the European patent (Article 97) and for any opposition proceedings introduced after the grant of the patent (Articles 101 et seq.). The Working Party discussed this division of responsibilities between the Examining Sections and the Examining Divisions very thoroughly. It was suggested that the Examining Section should be responsible up to the publication of the patent claims, i.e., within the meaning of the latest procedure decided upon by the Working Party, up to the grant of the patent (Article 97). Under this system the Examining Divisions would only enter as a body taking opposition proceedings. The Working Party was not unaware of the advantage of this solution as regards the organisation of procedure. However the majority was of the opinion that the division of responsibilities laid down in Article 54 (1) and Article 55 (1) was, at least during the initial period of the European Patent Office's activities, more likely than the counter proposal to guarantee the correct and uniform application of the Convention. It was also aware that only experience would show whether the procedure chosen would prove satisfactory. It therefore proposes that provision should be made for a simplified procedure for revising Articles 54 and 55 in order to be able to adapt these provisions more easily to the knowledge gained through practice.

The Working Party proposed to examine later whether the examiners constituting the Examining Division which has decided on the grant of the patent should be changed in the event of opposition proceedings.

Paragraph 2 governs the composition of the Examining Divisions. The Working Party assumed that the single examiner constituting the Examining Section would in general belong to the Examining Division competent for the examination of the application. It therefore seems expedient in the interests of the procedure to entrust him with the processing of the application until the documents for the Examining Division are ready for the final decision. In the opinion of the Working Party the allocation of duties within an Examining Division will be a question to be settled under the internal organisation of the European Patent Office, in particular in view of possible language problems.

59. For the reasons for the abandonment of the patent Administration Divisions provided for in Article 57 of the 1965 Draft, see the comments under Article 53 (cf. point 56 above).

CHAPTER IV

REGISTER AND PUBLICATIONS

Should administrative questions arise at some stage during the procedure for the grant of a patent, for example in connection with the payment of fees, the Examining Section or the Examining Division responsible at that stage in the proceedings shall be competent to deal with them. Should a decision on this matter require specialized knowledge, in particular of a legal nature, they may if necessary ask the advice of another member of the Patent Office.

60. Article 56 (1) describes the competence of the Boards of Appeal.

The majority of the Working Party was in favour of a solution, in paragraph 2, in respect of the composition of the Boards of Appeal, which is close to the second variant of the 1965 Draft. This solution provides, according to the nature of the decision to be taken, for a Board composed of three or five technically qualified or legally qualified members. The fact that the Boards are always composed of an unequal number of members allows the undesirable necessity for a casting vote to be avoided.

61. Article 57 provides for the setting up of an Enlarged Board of Appeal. The Working Party is of the opinion that such a body is needed to ensure the uniform application of the law by the Boards of Appeal. To this end, it will therefore give binding decisions only on fundamental points of law submitted to it by the Boards of Appeal. In addition it was proposed that the Enlarged Board of Appeal should be constituted as a body of third instance in order to give the parties the possibility of a further appeal. The majority of the Working Party rejected this proposal, since it was afraid that such a system would make the procedure for the grant of patents excessively long and heavy.

The majority of the Working Party was of the opinion that the President of the European Patent Office should be able, in the interests of the uniformity and legal consistency of examination practice, to seek the opinion of the Enlarged Board of Appeal. It is therefore laid down that the Enlarged Board of Appeal shall be competent to give such opinions.

The Working Party assumed that the Enlarged Board of Appeal would not be organized as a standing body, but would be constituted ad hoc for each case with the composition referred to in paragraph 2, the member normally being drawn from the Boards of Appeal.

The responsibilities of the Enlarged Board of Appeal are set out separately in Article 116.

62. Article 58 governs the independence of the members of the Boards of Appeal and of the Enlarged Board of Appeal. In order to emphasize the juridical nature possessed by these bodies, the Working Party has proposed, in paragraph 1, a term during which the members of the Boards may not be removed from office.

63. The reasons for the abolition of the Revocation Boards (former Article 59) are given under Article 53 (cf. point 56 above).

64. Chapter IV (Articles 59 and 60) deals with the keeping of the Register of European Patents and with the publication obligations of the European Patent Office.

65. Article 59, which deals with the keeping of the Register and the opening of the Register to inspection, has been brought into line with Article 30 (2) of the PCT. In order to guarantee the applicant's justified interest in secrecy, it was considered necessary, in the second sentence of paragraph 1, to prohibit entries in the Patent Register, which is open to public inspection, before the publication of the application (Article 85). Otherwise, this provision corresponds to that of the 1965 Draft.

When discussing a provision for the inspection of files, the Working Party will examine at a later date whether the European Patent Office may give certain details of the application to third parties before the publication of the application.

66. According to Article 60, which should still be supplemented by a reference to Article 98, the publications of the European Patent Office are as follows:

- (i) Publication of the application pursuant to Article 85;
- (ii) Publication of the specification pursuant to Article 98 at the same time as the publication of the grant of the patent;
- (iii) Publication of a new specification pursuant to Article 107, where the European patent has been amended during opposition proceedings;
- (iv) Publication of a European Patent Bulletin;
- (v) Publication of an Official Journal containing the matter described in sub-paragraph (b), including in particular, fundamental decisions of the Boards of Appeal and the Enlarged Board of Appeal.

As with Article 59, this provision is also to be reconsidered during discussions on the provision concerning inspection of files.

67. The Working Party examined whether a provision on the patent classification to be used by the European Patent Office should be retained in the Convention. It came to the conclusion that it would be more useful to include a corresponding provision in the Implementing Regulations, in order to be able to take into account developments in patent classification and thus to be able to adapt more easily to changed conditions.

CHAPTER V

RELATIONS WITH NATIONAL AUTHORITIES

68. Chapter V (Articles 61-63) regulates the relationships between the European Patent Office and the legal and administrative authorities of the Contracting States as regards the exchange of publications, mutual information and the response to letters rogatory.

69. In paragraph 1 of Article 61, a reference must be made to Article 98 in addition to Articles 60, 85 and 107.

70. In paragraph 2 of Article 62 it is laid down that files will only be communicated on request. This provision is thus brought into line with paragraphs 1 and 3, which also prescribe the making of a request. The Working Party was also of the opinion that files could

be communicated without this having to be explicitly stated in the text as in the EFTA draft.

71. Article 63 stipulates that letters rogatory originate from the European Patent Office as such.

REPORT BY THE NETHERLANDS DELEGATION ON ARTICLES 64 TO 76

PART IV

APPLICATIONS FOR EUROPEAN PATENTS

CHAPTER I

FILING AND REQUIREMENTS OF THE APPLICATION

72. Chapter I contains Articles 64 to 72, which deal with the filing of applications for European patents and lay down the requirements for such filing. European applications may be filed either directly at the European Patent Office or through the intermediary of a national patent office, if the national law so permits (Article 64). Any Contracting State may require, in view of the filing of applications whose subject matter may concern national defence interests, that the European application may only be filed through the intermediary of the national patent office. Applications whose subject matter concerns national defence interests will not be forwarded to the European Patent Office (Article 65).

73. Article 66 sets out the formal requirements for the filing of European applications. In drafting these Articles, account was taken of the Strasbourg drafts and the provisions of the PCT draft. The sanction for failure to pay the filing fee is dealt with in a new Article 69, which provides that in such case the application shall be deemed to be withdrawn.

The question of the inclusion of an abstract in the application at the time of filing will be put to the interested circles. In the PCT, the language problem and the use of the abstract in the examination for novelty are deemed to be grounds justifying the requirement of an abstract, whereas here, in the grant of European patents, these two grounds are not relevant.

74. The Contracting States in whose territory the applicant desires protection for his invention must be designated on filing the application. The requirements correspond to those of the PCT draft. It is possible to designate a single State, since the applicant may have a valid interest where the State in question does not provide for prior examination in its national procedure (Article 67).

75. Article 68 lays down the minimum requirements for obtaining a filing date for the European application.

76. Article 70 on unity of invention corresponds exactly to Rule 13 of the PCT draft.

77. Article 71 is based on Article 8 of the 1963 Strasbourg Convention on the unification of certain points of substantive law on Patents for Invention, pursuant to which the description must disclose the invention in a manner sufficiently clear and complete for it to be carried out by a person skilled in the art.

78. Article 72 contains a reference to the Implementing Regulations in respect of the other conditions which the European application must satisfy.

CHAPTER II

PRIORITY

79. Chapter II contains Articles 73 to 76, which regulate the claiming of a priority right based on a first filing in a country which is a Member of the Paris Union. The Chapter deals successively with the substance of priority right (Article 73), the juridical effects (Article 74), formal requirements (Article 75) and the juridical effect where the European application is converted into a national application (Article 76).

80. The provisions concerning the substance of priority right correspond to the provisions of the Paris Convention. Paragraph 5 of Article 73 lays down that the priority right of a first filing made in a non-Contracting State will only be recognized in so far as that State in return recognizes the right of priority based on a first filing made at the European Patent Office. It will be for the Administrative Council to decide where there is reciprocity. A distinction has been drawn between the Members of the Paris Union and other countries. Article 76 provides that an application for a European patent shall be equivalent to a national filing. This provision will be applicable in the event of a European application being converted into a national application.

81. Article 74 defines the juridical effect of the right of priority. For the purposes of applying paragraphs 2 and 3 of Article 11, the date of first filing counts as the date of filing the European application, i.e. from that date the contents of the application are considered to be comprised in the state of the art (provided that the first application is later published). This raises a problem: in certain countries, patent applications enjoying a foreign priority right are not considered to be comprised in the state of the art as from the priority date, al-

though the legislations of these countries include in general the content of patent applications in the state of the art as from the date of filing. Such a practice is not very favourable to foreign applicants. It may be asked whether it is not advisable to introduce a new provision laying down that the effect of priority right under Article 74 may only be enjoyed on condition of

reciprocity. The Working Party noted that this question must be re-examined later. It would be better to wait for the further evolution of the PCT draft.

82. Article 75 lays down the formal requirements for claiming priority right. The formal requirements are the same as those of the PCT draft.

REPORT BY THE SWEDISH DELEGATION ON ARTICLES 77 TO 87

PART V

EXAMINATION, GRANT AND OPPOSITION

CHAPTER I

PROCEDURE PRIOR TO THE INTRODUCTION OF THE REQUEST FOR EXAMINATION

83. Part V of the Draft Convention deals with the procedure leading to the grant of a European patent.

Chapter I contains the provisions for the procedure prior to the introduction of the request for examination. The novelty search is to be obligatory for all European patent applications in the sense that it is undertaken without a special request by the applicant or third parties. The main changes as compared to the 1962 EEC Draft and the EFTA Draft are due to the fact that provisional European patents are no longer envisaged.

84. Upon the receipt of a patent application the Examining Section has to check the application for formal deficiencies (Article 77 (1)). In addition, the Examining Section shall investigate whether the invention fulfils the substantive requirements of the Convention. This investigation, which is done without access to a search report, is at this stage in all cases directed only to obvious deficiencies. The investigation shall include unity of invention. If lack of unity is noted at an early stage this may obviate the need for additional search reports at a later stage which would prolong the procedure (Article 77 (2)).

85. If the Examining Section finds that the application does not comply with the basic formal, fee and designation requirements (Articles 66 to 68) it shall give a decision to the effect that the application is not validly made (Article 78 (1)). With regard to other deficiencies the applicant shall be invited to make observations or to remedy the disclosed deficiencies. If the objections are not met within the prescribed period the application shall be refused. For reasons of an orderly procedure and to limit the extent of later examination it is important to restrict the applicant's possibilities to make changes in the application. Thus the changes allowed are restricted to those necessary to meet the observations by the Examining Section (Article 78 (2)). However, it is understood that this shall not oblige the examiner to

make other observations than those concerning obvious deficiencies.

86. For the novelty search a special fee shall be paid. This is preferable to including the search fee in the application fee, since it allows a search fee to an amount that could cover — in whole or in part — the actual costs of the IIB for searches under the European system. The question of allowing applicants fee reduction for an international type search already conducted on the application (cf. "the Belgian route" in the PCT plan) will be treated separately.

87. Already in the pre-examination stage, it may be found that an additional search report is necessary. In order to protect the applicant against arbitrariness the cases that may call for an additional search report are restricted to those where lack of unity of invention is found. In such case the applicant will be invited to restrict the application or to pay an additional search fee. Since at this stage claims may not be amended on applicant's own initiative, no other cases are likely to call for additional search reports (Article 79 (5)).

88. The sanction against non-payment of the additional fee is no longer, as in the 1965 Draft, that the application will be refused. According to the present draft, the application shall instead be considered withdrawn to the extent the application is not covered by the search report (Article 79 (6)). This agrees with the PCT draft.

89. The question of unity of invention may be controversial in particular cases. To protect the applicant it is therefore foreseen that the applicant who contests the decision of the Examining Section may be refunded the fee for an additional search should it be found during the examination stage that the inventions in fact did form unity of invention (Article 79 (7)).

90. As mentioned under point 84 above, the search procedure is simplified if applications lacking in unity of invention are divided prior to search. In accordance with the Paris Convention, however, an applicant may also on his own initiative divide an application, under conditions that may be prescribed. The obtainment of a search report could, however, be unduly delayed if

the applicant on his own initiative could divide the application prior to search. At that stage, therefore, only forced division, i.e. at the invitation of the Examining Section, will be permitted (Article 81 (1)).

91. A divisional application shall be deemed to have been filed on the date of the original application only in so far as it does not contain "added matter" in relation to the original application (Article 81 (4)).

92. Article 82 permits applicants to amend the claims upon the receipt of the report on the state of the art (the search report). Such amendments (including also new claims) may call for an additional search report with accompanying fee. Except for such amendments and those called for by the Examining Section, no material amendments may be made in the application (Article 83). Two observations should be made in this context. Since the protection sought in the claims can not go beyond what was disclosed in the original application and amendments in the description and drawings can only be made to the extent called for by the examiner, the inclusion in the application of "added matter" is effectively prevented. The restrictions on amendments are in full conformity with the PCT plan (cf. Rule 26 of the PCT plan). The further possibilities for amendments foreseen in the PCT plan, Article 28, refer to the stage where the application has passed to the designated Offices.

93. In the 1965 Draft the applicant's right to a hearing before the Examining Section was left to the discretion

of the Examining Section itself. The present Draft gives to the applicant an absolute right to be orally heard when the Examining Section proposes to refuse the application wholly or in part (Article 84).

94. According to the present Draft the application shall be actually published after the expiry of a period of 18 months from the filing or the priority date respectively. Thus the application will not merely become available by allowing the public to inspect the files. It should be observed that the technical preparations for publication may extend the time somewhat above the 18 months limit (Article 85). Division of the application may delay the publication of matter disclosed in the original application. It is therefore intended that the publication of the original application shall include also the original patent claims, and not only the claims remaining after division. The same applies when claims have been amended upon the receipt of a search report. The question is still open if both the original and amended claims shall be published in all three Convention languages (Article 85 and note thereto).

95. Upon the publication of the European patent application any person may submit written observations as to the patentability of the invention concerned. This is to be considered purely as a service for the applicant and third parties, and does not give to the person making the observations the status of a party to the following procedure. Especially, submission of such observations are not in any way connected with opposition proceedings. Observations may be submitted up to the grant of the patent.

REPORT BY THE GERMAN DELEGATION ON ARTICLES 88 TO 100

CHAPTER II

PROCEDURE FOR GRANT

96. The old Articles 88 to 104 of the 1962 Draft dealt with examination procedure under the heading of "Confirmation of the provisional European patent as a final European patent". After the introduction in the 1965 Draft of the "classical opposition procedure" and now the placing of opposition procedure after the grant of the patent (see Article 101), Articles 88 to 104 of the 1965 Draft have been split into two Chapters, i.e. Chapter II (Articles 88 to 100 – procedure for grant) and Chapter III (Articles 101 to 107 – opposition procedure).

97. Articles 88 to 100 cover that stage in the procedure generally referred to as examination for novelty in the narrow sense, which extends from the filing of the request for examination to the grant of the patent. In every case, however, this procedure is preceded by the "procedure prior to the introduction of the request for examination" (Articles 77 to 87). This also applies in the case of a request for examination being filed at the same time as the application, which, unlike in the 1962 and 1965 Drafts, is now possible. The examination for novelty within the meaning of Article 88 therefore always

takes place after examination of the European patent for formal or obvious deficiencies (Article 77 et seq.) and after a report on the state of the art has been obtained (Article 79).

98. Article 88 (1) lays down the object and the scope of the examination. The examination provided for here is a comprehensive one. Special stress is laid on examination of the patentability of the invention, but the examination also covers all the other formal and substantive requirements of the Convention and its Implementing Regulations.

99. Article 88 (2) enshrines the principle of "deferred examination" on which the Working Party was to base its work, in accordance with the Memorandum of 13 May 1969. The length of the time limit within which the request must be made has not yet been fixed. The time limits of two, five and seven years put forward for discussion represent varying conceptions of the system of "deferred examination". The object of deferred examination is to avoid the expense of examining inventions which present no economic interest. The question of what minimum period is required for a considerable number of applicants to become sufficiently certain of whether their invention is worth exploiting, to be able

to decide whether to pursue the application or to abandon it, is still to be investigated. If the fundamental decision in favour of "deferred examination", taken in the Memorandum of 13 May 1969, is to be maintained, the time limit chosen must not be shorter than this minimum period.

100. In the note to paragraph 2, it is put forward for discussion whether, if the time limit for making the request were relatively long, third parties should be enabled to introduce a request for examination on payment of a part only of the examination fee. In such a case the applicant would have to pay the remainder of the fee. This amendment to the system of deferred examination was proposed in order to make a longer time limit more readily acceptable to the public.

101. Article 88 (2) to (7) lays down further particulars relating to the introduction of a request for examination. The fact that, contrary to the 1962/1965 Drafts, a request for examination may already be introduced on filing the application, is of particular importance. To the extent that use is made of this possibility, "deferred examination" becomes "immediate examination". This time limit for the introduction of a request for examination is now to be calculated as from the filing of the application.

102. Article 89 contains further amendments to the system of deferred examination, by which this may be changed to immediate examination for all or for certain areas of technology. The longer the time limit laid down in Article 88 (2), the more important this provision becomes.

103. Article 89 (1) in its present form provides for any desired reduction or prolongation of the time limit for making a request.

104. The authority given to the Administrative Council under Article 89 (2) will allow immediate examination to be made in those areas of technology where it is in the public interest, i.e. particularly where it is in the interests of economic or research policy.

105. Article 89 (3) is based on the consideration that it was, in particular, the excessive work load of the patent offices which led a number of countries to introduce the system of deferred examination. The Administrative Council is therefore to be given the possibility of replacing deferred examination by immediate examination whenever the work load of the European Patent Office permits of this in any area of technology. In so far as the conditions are met, immediate examination can be introduced in all areas of technology.

106. Article 89 (4) lays down the procedure for the case where immediate examination has been introduced for certain areas of technology. Further details are to be laid down in the Implementing Regulations.

107. Article 90, which deals with the transfer of proceedings from the Examining Sections to the Examining Divisions, is connected with Articles 54 (1) and 55 (1), where the responsibilities of these bodies are defined. The object of Article 90 is to ensure that examination of a European patent application for formal or obvious

deficiencies pursuant to Article 77 et seq. is still undertaken by the Examining Sections where a request for examination has for example been made on the filing of the application.

108. The object of Article 92 is to ensure that, even where the request for examination has been made before the report on the state of the art has been obtained, the applicant may have a suitable period within which to reconsider his application in the light of that report and to draw the appropriate conclusions, i.e. to decide whether to limit or to withdraw the application. In addition, Article 92 is intended to ensure that, after examining the report on the state of the art, the applicant indicates to the European Patent Office, whether he wishes to maintain his application. As a rule, this will occur through the applicant continuing to pay the annual renewal fees for the application after having obtained the report on the state of the art or introducing a request for examination. In the event, however, of his only having received the report on the state of the art after the introduction of the request for examination, and of his having been invited to present his observations pursuant to Article 92 (1), he should, particularly if he considers such observations to be unnecessary, at least indicate to the European Patent Office his interest in maintaining the application. Article 92 (2) consequently lays down that if the applicant does not indicate within the period fixed in paragraph 1 that he wishes to maintain his application, the latter shall be deemed to be withdrawn.

109. Article 93 concerns the commencement of examination and the particulars of the examination procedure. The last sentence of paragraph 1 clearly lays down that persons other than the applicant, such as anyone who has sent in his observations pursuant to Article 87, or the person who has introduced the request for examination, shall not take part in the proceedings. As regards the obtaining of an additional report on the state of the art, it is clear from paragraph 2 that the Examining Division may obtain such a report whenever it considers this necessary. The additional fee is only payable by the applicant if it was necessary to obtain an additional report because of amendments to the claims.

110. Article 94 deals with the division of the application after the request for examination has been made. The period preceding the introduction of the request for examination is covered by Article 81. This partitioning follows from the 1962/65 drafts, where Article 80 concerned the division of the application and Article 98 the division of the provisional European patent. The possibility of combining the two sets of provisions relating to division can be examined later. Both Articles, in accordance with Article 4 G (2) of the Paris Union Convention, assume that the applicant may also divide the application on his own initiative, and determine at which stages in the procedure this is possible. Under Article 94 (1), sub-paragraph (a), division may be made at the request of the applicant after the introduction of the request for examination and before the beginning of examination. In order to prevent abuse, division of the

application after the beginning of examination has been made subject to the Examining Division considering such division justified. Division because of lack of unity is possible under paragraph 1 (a) at any stage in the procedure, on the invitation of the Examining Division. Details concerning division are to be dealt with in the Implementing Regulations.

111. Article 95 lays down provisions concerning the notification of the results of an examination which gives rise to objections against the application. On the one hand, it concerns objections on the grounds of substantial deficiencies, such as lack of novelty or inventive step, which cannot be corrected. The object of the notification of the result in such a case is to give the applicant the opportunity to present his observations. In particular, Article 95 also concerns notifications intended to allow the applicant to present his application in a form such that a patent can be granted. This means that the applicant is required to remove any formal deficiencies or to limit the subject of his invention in such a manner as to remove any obstacles to the grant of the patent.

112. Under Article 97, the European patent is granted on the basis of examination proceedings in which only the applicant takes part (cf. second sentence of Article 93 (1)). Intervention by third parties in the form of opposition can only take place after the patent has been granted (see Articles 101 et seq.).

113. For the rest, Article 97 lays down the details for the grant of the patent, as contained in Article 101 of the 1962/65 Drafts under the heading "Confirmation of a provisional European patent". The purpose of informing the applicant pursuant to paragraph 1 is, in addition to requesting payment of the fees, to let him know the form in which it is intended to grant the patent, before it is granted. This information will only be given after any differences of opinion between the applicant and the Examining Division in respect of the form of the patent have been largely settled. By paying the fees due, without any further comment, the applicant signifies his agreement to the form of the patent communicated to him. He may, however, provided that he pays the fees in due time, formulate any further requests for amendment. Should the Examining Division not agree to his, these requests may lead, subject to postponement of the grant of the patent, to a further exchange of letters, since the general principle applies, that a patent may only be granted in a form agreed upon with the applicant. Delay

of the grant of the patent as a result of the exchange of further differences of opinion as to the form of the patent should, however, seldom occur. For this reason it appeared to be justified to request payment of the fees at the same time as the communication under Article 97 (1) is sent. In the event of failure to pay the fees due, as elsewhere in the Convention, the fictitious arrangement whereby the application is deemed to be withdrawn will apply, in the interests of a rapid and labour-saving procedure.

114. Article 97 pays particular attention to third parties who have made a request for examination. These third parties do not take part in the proceedings which they have initiated (see second sentence of Article 93 (1)). However, Article 97 provides that they shall be notified of both the communication pursuant to paragraph 1 and the decision to grant the patent pursuant to paragraph 3, in order to give them early and direct information as to the results of the proceedings.

115. Article 98 deals with the basic factors governing the form of the specification. The specification must allow the public to see for which Contracting States the patent has been granted, and it must also be possible to ascertain until what time it is possible to enter an opposition against the grant of the patent.

116. Article 100 follows from the basic principle of the projected Convention, i.e. that the European patent represents a bundle of national patents which — apart from the Community patent of the Member States of the EEC — separates out into the national patents when granted. For this reason it was necessary to include a provision allowing the Contracting States, on the basis of national law, to require a translation of the specification into their official language or languages. The Community patent of the EEC States is to be covered by special provision in the second Convention.

117. Article 100 regulates the competence of the Contracting States definitively, but does afford them various possibilities as regards the method of preparation and the publication of the translations. It might also follow from this Article that a Contracting State may restrict itself to requiring the translation of only part of the specification, such as the claims. The provision laid down in Article 19 (4) is independent of Article 100: in the former, the translation of the claims can be made a condition for the grant of protection for the European patent application.

REPORT BY THE BRITISH DELEGATION ON ARTICLES 101 TO 107

CHAPTER III

OPPOSITION PROCEDURE

118. The relevant Articles of the 1965 Draft (Articles 96a to 104) made provision for an opposition procedure

following upon the publication of the examined claims but before the actual grant, a three months period being then allowed for opposition. The Working Party was agreed that the whole specification should be published at this stage. However, a designated State could not

require a translation of the specification into its own language until at least three months after the actual grant. Thus a prospective opponent would not necessarily have before him a copy of the specification in his own language and this might be a serious hardship. If provision were made to allow a State to require a translation of the specification after publication but before opposition, the opposition period would have to be extended in all cases to allow time for preparation and publication of the translation and for consideration of whether to oppose; this extended period could perhaps be as long as nine months or a year and this delay might be thought unacceptable.

The Working Party were also conscious that pre-grant opposition procedure may involve prolonged delay for the applicant unless he is entitled to sue for infringement and obtain an injunction during the opposition period.

119. Accordingly the Working Party considered a proposal for "belated opposition" in accordance with which the patent would be granted after *ex parte* examination and a printed specification would be published in one working language with the claims in the other two also. Any State would have the right to demand translations into its own language after three months. Within one year from the grant anyone could belatedly oppose the patent — in effect seek its revocation — before the European Patent Office. Any revocation or amendment of the European patent would be effective in all designated States. This system would to a large extent remove the language difficulty mentioned above and retain the advantages of a central opposition procedure without incurring an extended delay before the grant of the patent effective in the designated countries.

The Working Party recognised that the proposed system could pose problems of conflict of concurrent jurisdiction between the European Patent Office and national courts, particularly in relation to infringement proceedings commenced while a belated opposition is pending or while the opposition period has not expired.

Although some members of the Working Party reserved their position on the "belated opposition" proposal, nevertheless it was agreed to follow that proposal in drafting the Articles concerned.

120. Article 101 provides that, within one year of grant, any person may oppose the patent granted. The grounds upon which he may oppose have not yet been discussed but it is thought that they will be mainly failure of the specification to comply with Articles 9 to 14, lack of clarity in the claims and the introduction of new matter into the specification when it was before the European Patent Office; either this Article or the Regulations will set out the grounds. The opposition will be dealt with by the Examining Division and Article 55 has been amended to make this clear. The division will be differently constituted from that which granted the patent but one member will, if possible, be included in both.

121. Articles 101 (3), 102 and 103 deal with the procedure during the opposition and may need further

consideration in connection with consideration of the Regulations.

122. Article 104 prevents broadening of a claim after grant. The subject is to ensure that no one, operating in the art in such a way as to avoid infringement of the granted patent, will become liable for infringement of the patent if amended during opposition.

123. Article 98 of the 1965 Draft provided for division of the application during opposition but this was not thought necessary or desirable after grant. Accordingly the Article has been deleted. A corollary would seem to be that lack of unity of invention would not be a ground of opposition.

124. Article 99 of the draft has been deleted but it will be considered later whether provision must be made for carrying on the opposition if the patent lapses during the proceedings. The reason is that if the patent lapses it will have been a patent up to the time of lapsing and the patentee could sue nationally for infringement committed up to that time; however the patent, if invalid, ought not to have given rise to any rights and accordingly it would seem necessary to allow the opposition to be prosecuted to the point of revocation which would be retrospective.

125. Article 100 of the 1965 Draft has been deleted as there is no question of refusing a patent already granted.

126. Article 105 allows the Examining Division to revoke the patent, to dismiss the opposition, or to maintain the grant with amendment of the specification. In the last case, it will be necessary to issue a printed publication of the amended specification and thus to charge a printing fee. If this is not paid the patent will be revoked.

127. Article 106 requires the Examining Division to hear any party to the opposition on request. Thus no decision can issue against a party without that party having had an opportunity of presenting his case orally.

128. Article 107 prescribes the procedure for publishing any specification which has been amended in opposition proceedings. Paragraph 4 allows any designated State to require a translation into its own language of the amended specification not less than three months after the publication if the patent is to be of effect in that State. Thus any State can ensure that its nationals can have in their own language the final form of the European patent.

129. Article 104 of the 1965 Draft has been brought forward and is now Article 99. The Working Party thought that a certificate would be of no use after the revocation had been concluded but might conceivably be of some use to the patentee immediately after grant.

REPORT BY THE FRENCH DELEGATION ON ARTICLES 108 TO 116

CHAPTER IV

APPEALS

130. Chapter IV of Part V of the Preliminary Draft Convention (Articles 108 to 116) deals with appeals from the decisions taken by the Examining Sections and Examining Divisions in the procedure for granting European patents.

In accordance with the Memorandum of 13 May 1969, the Working Party made provision in this connection for the creation of Boards of Appeal (Article 53, point (b), Article 56 and Article 58) and of an additional jurisdictional body called the Enlarged Board of Appeal (Article 53, point (c), Article 57 and Article 58), the latter having as its function the co-ordination of the juridical action of the Boards of Appeal, but forming part of the European Patent Office.

131. Articles 108 to 115 refer to the conditions, effects and procedure for appeals to the Boards of Appeal. These provisions, based very largely on those which are stipulated by the patent laws of the examining European countries, specify only the main outline of the European procedure. They will be set out in more detail in the Implementing Regulations and supplemented by common procedural provisions (challenges to members of Boards of Appeal, the obtaining of evidence, observation of time limit prevented by force majeure, time limits, etc.).

132. Article 108 deals with decisions subject to appeal. It is applicable, not to expressly specified decisions, but to all decisions of the Examining Sections and Divisions (paragraph 1). This general rule is the only one which it seemed feasible to adopt, owing to the diversity of proceedings before the European Office. It is limited in paragraph 2, which provides that only final decisions are subject to appeal, to the exclusion of preliminary or contributing decisions, though the latter may be the subject of an appeal together with the final decision. The purpose of these provisions is obviously to prevent appeals which would be merely stalling for time. Paragraph 2 makes it clear, however, that by final decisions is meant those which terminate proceedings "as regards one of the parties". It was indeed justifiable to permit an immediate appeal in regard to decisions terminating individual proceedings without having to wait in every case for the conclusion of the examination procedure.

By the terms of paragraphs 3 and 4, the allocation of costs of proceedings stipulated in an initial decision cannot be the object of an appeal unless the appeal includes the decision itself and in no case unless the amount of the costs is in excess of a figure to be determined.

133. In conformity with the general rule followed under national laws, it is provided in Article 109 that appeals shall have suspensive effect. A decision appealed from

may not become mandatory until it has been upheld by the Board of Appeal.

134. By the terms of Article 110, appeal proceedings are open to all those who participated in the original proceedings with the exception of any party whose claims were favoured by the decision from which the appeal is being made. As is the rule in all legal systems, the plaintiff must be entitled to act and must prove that he has a justified interest. It is understood that the words "proceedings" and "participants" must be interpreted in a very broad sense, as they concern not only the proceedings for examination and for grant of a European patent, but also the proceedings relating to the designation of the inventor, consultation of files, etc.

135. Article 111 deals with the time limit and form of appeals. The time limit proposed for lodging an appeal is two months from the date of issue of the decision, which is the time provided by the Austrian legislation, amongst others. This time limit would appear to be sufficient, especially since Article 111 provides that the applicant may have another month in which to clarify in greater detail in an additional written statement the grounds set forth in his initial appeal.

An appeal is considered as not having been lodged unless the required fee has been paid. It is understood, however, that a decision classifying an appeal as null and void for that reason may itself be the object of an appeal.

136. Article 112 provides that the authority whose decision is the object of an appeal may change that decision. This provision is directed towards dispensing with the appeals procedure in the relatively large number of cases not subject to further question, particularly those where the original decision is attributable to an error by the European Patent Office or to the failure to observe a time limit, the consequences of which could then be removed by a *restitutio in integrum*.

Retraction of the original decision is automatic when the appeal is receivable and is well founded.

Paragraph 3 provides that no retraction shall be possible if the appellant is not the only party to the proceedings which led to the contested decision. This provision applies particularly — but not exclusively — to opposition proceedings.

Article 113, which deals with the examination of appeals, sets forth in paragraph 1 the principle of automatic examination, by analogy with the rule followed in the original proceedings. Even if the appellant contests only a part of the decision appealed from, the Board of Appeal may amend the entire decision. An appeal brought against a decision only partially refusing the application may therefore lead to a total rejection, possibly on the basis of evidence which did not enter into the original decision.

Paragraph 2 provides, however, that the Board of Appeal is not obliged to consider facts or evidence which were not submitted when they should have been. This provision serves to prevent the appeal proceedings from being excessively delayed by negligent or intentionally dilatory applicants.

Paragraph 3 authorizes the Board of Appeal to ask the Examining Section for further information concerning the state of the art or to obtain an additional report from the International Patent Institute at The Hague. This provision would be applied particularly in a case where the appeal proceedings might lead the applicant to withdraw some part of his claims. An additional search may be necessary in such a case, as regards the claims maintained, in respect of which the first report might not be sufficiently complete. Paragraph 3 provides that in such a case the applicant may be asked to pay an additional fee.

138. As is generally admitted in judicial bodies, Article 114 provides that a hearing before the Board of Appeal shall take place if requested by any of the parties concerned. In the absence of any such request, the Board of Appeal itself may decide to hold such a hearing.

139. Article 115 refers to the different decisions which may be taken in respect of an appeal.

Paragraphs 1 and 2 provide that a decision may be taken to reject the appeal as inadmissible if it does not comply with Articles 108, 110 and 111 (lack of status or interest of the applicant, failure to observe the time limit for filing the appeal or submitting the additional statement, etc.) or to dismiss the appeal if it is unfounded in substance.

It is recalled in this connection that if the required fee for the appeal has not been paid or was not paid within the time due, the appeal may be deemed not to have been lodged (Article 111).

The decision as to whether the appeal is receivable must naturally precede any decision as to whether or not it is well founded.

Paragraph 3 authorizes the Board of Appeal, if it annuls the decision attacked, in whole or in part, to remit the matter to the authority which took the initial decision, or to take a final decision on its own account.

If the matter is remitted to the authority which issued the initial decision, that authority may, by virtue of paragraph 4, give a new decision in conformity with the decision of the Board of Appeal. Paragraph 4 adds that

the Examining Division shall also be bound by the interpretation expressed by the Board of Appeal regarding a decision by an Examining Section. This special provision serves to avoid a new appeal proceeding in the same case in the event that the Examining Division diverges from the position taken by the Board of Appeal.

Paragraph 5 conforms to the general principle already expressed in Article 78 (5).

140. Article 116 lays down the conditions in which matters may be referred to the Enlarged Board of Appeal.

In order to co-ordinate the jurisprudence of the Boards of Appeal, the 1962 and 1965 Drafts provided that the decisions of these Boards could be the subject of a further appeal to the European Patent Court, especially in order to ensure uniform application of the law or to settle an important point of law.

The new Preliminary Draft ((c) under Article 53) entrusts this regulatory function and these powers to the Enlarged Board of Appeal.

This higher board, which can be compared with certain national courts, such as the "Verstärkter Senat" (Reinforced Senate) established under former Austrian law, the "sections de recours réunis" (combined appeal sections) under Swiss law or the "Grosser Senat" (Grand Senate) of the old German law, is not a third level of the European Patent Office.

Article 116 (1), sub-paragraph (a), provides that, during proceedings on a case, the Board of Appeal may refer any question to the Enlarged Board of Appeal for decision. The decision of the Enlarged Board of Appeal is binding upon the Board of Appeal in the case in question (paragraph 2).

The same Article also provides (paragraph 1, sub-paragraph (b) that matters may be referred to the Enlarged Board of Appeal by the President of the European Patent Office. It follows, "*a contrario*" from paragraph 2, that in such a case the opinion expressed by the Enlarged Board of Appeal is not legally binding on the Boards of Appeal, which will not of course prevent it from influencing the Boards of Appeal in practice.

Nevertheless, while the Working Party was unanimous in admitting the possibility of such action in the particular case where two Boards of Appeal have given contradictory decisions, different opinions were expressed on the advisability of extending the powers given in this connection to the President of the European Patent Office.

REPORT BY THE GERMAN DELEGATION ON ARTICLES 117 TO 123

CHAPTER V

INTERNATIONAL APPLICATION PURSUANT TO THE PATENT CO-OPERATION TREATY

141. Chapter V contains the provisions which are intended to make it possible, in accordance with the

Memorandum of 13 May 1969, for a European patent to be obtained via an application under the Patent Co-operation Treaty (PCT) – referred to in this Chapter as "the Co-operation Treaty". This Chapter also lays down the conditions making it possible for European applicants to file international applications with the European Patent Office as a receiving Office.

142. Article 117 (1) lays down that the Co-operation Treaty can also be applied within the framework of the Convention for a European System for the Grant of Patents – subsequently referred to as “the Convention” – in accordance with the provisions of the Chapter under consideration. It is necessary to have a basic provision of this type since, in the absence of a special treaty arrangement, the Co-operation Treaty would only apply, after its ratification by a Contracting State to the Convention, to such a State’s national system for the grant of patents. This provision is also compatible with the Co-operation Treaty, which provides expressly in its Article 44 for its application to patent applications and patents with effect in more than “one State” and to the corresponding international treaties. According to Article 2 (1) of the Co-operation Treaty, an international authority entrusted by several States with the task of granting patents is also to be regarded as a national Office within the meaning of that Treaty.

143. According to Article 117 (2) proceedings before the European Patent Office in respect of international applications under the Co-operation Treaty are to be subject in the first place to the provisions of that Treaty. The provisions of the Convention are to be applied only on a supplementary basis. Consequently they only apply in so far as they do not conflict with the provisions of the Co-operation Treaty. To the extent that the European Patent Office acts simply as a receiving Office within the meaning of the Co-operation Treaty, this precedence given to the provisions of the Co-operation Treaty follows from the nature of the situation. In this case, it is not a question of a procedure for the grant of a European patent; rather, the European Patent Office is simply acting as a receiving Office under the Co-operation Treaty and it seems quite obvious that it should perform this function in accordance with the provisions of the Co-operation Treaty. Where the European Patent Office acts as designated Office, the precedence given to the provisions of the Co-operation Treaty is required by Article 27 (1) of that Treaty. It is there prescribed that no designated State – and therefore no group of designated States – shall require compliance with requirements relating to the form or contents of the international application different from or additional to those which are provided for in that Treaty and the Regulations under it. In addition, in so far as Chapter II of the Co-operation Treaty contains provisions concerning International Preliminary Examining Authorities and elected Offices, these provisions must have precedence over the provisions of the Convention where the European Patent Office acts as an International Preliminary Examining Authority or an elected Office. On the other hand, it is natural that, as is the case in every national patent legislation, the Convention must contain supplementary provisions concerning the processing of international applications by the European Patent Office.

144. In order to simplify the text of the Convention it is provided in Article 117 (3) that references to the Co-operation Treaty shall also include the Regulations under that Treaty.

145. Account must be taken of the fact that, when the European Patent Office starts its activity, the Co-operation Treaty will not already be in force for all the Contracting States to the Convention, and that it will subsequently come into force for the remaining States on differing dates. It is however desirable that, even before the Co-operation Treaty has come into force for all the Contracting States to the Convention, the European Patent Office can accept international applications as a receiving Office and can deal with them as a designated Office, to the extent laid down in detail in the subsequent Articles. The European Patent Office requires a treaty authorization to do this, since it is a joint creation of all the Contracting States to the Convention. Article 118 (1) therefore lays down that, subject to the provisions set out in the subsequent Articles, the European Patent Office may act as a receiving Office and as a designated Office under the Co-operation Treaty as soon as that Treaty has entered into force for at least one Contracting State to the Convention. The subsequent Articles ensure that the status and the rights of those States for which the Co-operation Treaty has not yet entered into force are not thereby affected.

146. According to Chapter II of the Co-operation Treaty, an international preliminary examination report is to be prepared, on the demand of an applicant, by one of the International Preliminary Examining Authorities appointed by the Assembly instituted by the Co-operation Treaty. It is possible that the European Patent Office may be appointed as an International Preliminary Examining Authority by this Assembly. The decision as to whether the European Patent Office is to request appointment as an International Preliminary Examining Authority will have to be taken by the Administrative Council, which would then have to conclude a corresponding agreement with the International Bureau under the Co-operation Treaty – the BIRPI or WIPO. It will be necessary to include a corresponding authorization in the Rules governing the powers of the Administrative Council.

For this case too, i.e. that the European Patent Office should become an International Preliminary Examining Authority under the Co-operation Treaty, a special provision is required which enables the European Patent Office to undertake this activity before all the Contracting States to the Convention have become Contracting States to the Co-operation Treaty and have accepted Chapter II thereof, the application of which Contracting States to the Treaty may exclude. Article 118 (2) contains a provision of this type.

147. Article 118 (3) contains a corresponding provision for the European Patent Office being appointed as an elected Office within the meaning of Chapter II of the Co-operation Treaty, i.e. for the case in which the European Patent Office receives an international preliminary examination report produced by another authority.

148. Article 119 sets out in detail the conditions which must be met to enable the European Patent Office to accept international applications as a receiving Office.

The restrictions contained in this Article are necessary for two reasons:

The Co-operation Treaty is a closed treaty. The advantages attaching to it can only be claimed by certain persons who stand in a particular relationship to the Contracting States which bear the financial and other charges of the Treaty. Article 9 of the Co-operation Treaty therefore lays down that only nationals of a Contracting State, or persons having their residence or registered place of business in a Contracting State, may file an international application. This principle is extended by Article 9 (2) of the Co-operation Treaty, in that the Assembly of the Contracting States may decide that nationals or residents of other States may file international applications. This provision covers cases in which, for some reason, a certain State does not feel able to become a Contracting State to the Co-operation Treaty, but in which it appears useful, in the interest of the world-wide application of the Co-operation Treaty, the nationals or residents of that State should be enabled to enjoy the advantages of the international procedure. Article 9 (2) of the Co-operation Treaty is supplemented by Rule 19 of the Regulations under the Treaty, which sets out in detail which patent office is competent as the receiving Office for a given international application.

According to Rule 19.1 (a) of the Regulations, the applicant may file his international application either with the national Office of the Contracting State of which he is a resident, or with the national Office of the Contracting State of which he is a national. Paragraph (b) extends this provision in the sense that a Contracting State may, by means of an agreement, transfer the function of receiving Office to another national Office or to an inter-governmental organisation. Finally, paragraph (c) provides that the PCT Assembly is to appoint the competent receiving Office for applications made by residents or nationals of non-Contracting States.

The second reason for the restrictions in Article 119 is the fact that Contracting States to the Convention may possibly not be or may not yet be Contracting States to the fact that Contracting States to the Convention may expect to accept a rule under which their nationals or residents had the right, on account of their nationality or residence qualification, to file international applications with the European Patent Office.

149. Article 119 of the Convention therefore first provides, in paragraph 1, that the only persons qualified to file an international application with the European Patent Office shall be those who either have the nationality of a Contracting State to the Convention, in respect of which the Co-operation Treaty has in fact entered into force, or who have their registered place of business or residence in such State.

150. Article 119 (3) offers the European Patent Office the possibility, subject to the approval of the Administrative Council, of acting as a receiving Office for applications from nationals of States for which the PCT Assembly has appointed the European Patent Office as a receiving Office in accordance with Rule 19.1 (c) of

the Regulations in implementation of a decision taken under Article 9 (2) of the Co-operation Treaty. The same rule is to apply for persons having their registered place of business or residence in such non-Contracting State. This provision could be significant for applications from developing countries which are connected with a Contracting State to the Convention.

151. According to Article 119 (2) of the Convention which corresponds to the special case of Rule 19.1 (b) of the Regulations under the Co-operation Treaty, the Administrative Council may conclude an agreement with a Contracting State to the Co-operation Treaty, which is not a Contracting State to the Convention, under which applications from that State are not to be filed with the national Office of such State, but with the European Patent Office. This case, too, may primarily be of interest to non-European developing countries which cannot accede to the Convention, but which might entrust the function of receiving Office to the European Patent Office. The difference between the cases provided for in paragraph 2 and in paragraph 3 lies in the fact that paragraph 2 deals with nationals and residents of States which are Contracting States to the Co-operation Treaty but not to the Convention, while in paragraph 3 the State in question is not a party either to the Co-operation Treaty or to the Convention. For this reason, in the case set out in paragraph 2, the initiative for transferring the function of receiving Office to the European Patent Office may come from the State which cannot become a Contracting State to the Convention, while in the case provided for in paragraph 3 the PCT Assembly must ask the European Patent Office and the Administrative Council to accept the function of receiving Office.

152. It must be pointed out for the sake of clarity that the object of paragraphs 2 and 3 is simply to make prior provision for special situations arising in the future. The inclusion of these Articles by the Working Party does not mean that its members consider that such situations are very likely to occur. In any case, the European Patent Office's function as a receiving Office under the Co-operation Treaty will, in the first years of its activity, be restricted to the cases provided for in paragraph 1.

153. Article 120 is made necessary by Article 64. Under that Article, a European patent application may either be filed directly with the European Patent Office or through the intermediary of the national Office of a Contracting State to the Convention. According to Article 64 (2), any Contracting State may prescribe that persons having their residence or their registered place of business in its territory may only file European patent applications with its own national Office.

154. The first sentence of Article 120 (1) limits the choice given to the applicant by Article 64 of the Convention.

This appeared to be necessary because in some cases the receiving Office only has a very short time available for the formal examination and the transmittal of an international application. International applications

have to be transmitted to the International Bureau within 13 months from the priority date. If an applicant takes the whole priority year under the Paris Convention to file an international application, the receiving Office has only about a month available for the formal examination and the transmittal. It does not seem desirable that this short space of time should be shortened still further by the application first being filed with the national patent Office of a Contracting State as an intermediary step. This would mean the loss of a few days at least. There would also be the danger of the application being lost on the way from the national patent Office to the European Patent Office.

155. The second sentence of Article 120 (1) does however leave the route via the national Office open for the case in which a Contracting State insists on the use of this route for reasons of national security.

156. For the case in which an international application is filed with the European Patent Office via a national patent Office, Article 120 (2) provides that such national Office shall take all the necessary measures to ensure that the application is transmitted to the European Patent Office in due time. The national Office must therefore carry out the security check which it considers to be necessary so quickly that transmittal of the application by the European Patent Office to the International Bureau is not endangered thereby. A national Office naturally has the right, in the interests of its national security, to refuse to transmit the application to the European Patent Office.

157. Article 121 (1) and (2) make provision for the case in which the European Patent Office is to act as a designated Office under the Co-operation Treaty. According to Article 4 (1), sub-paragraph (ii), of the Co-operation Treaty, an international application must contain the designation of the Contracting State or States in which protection for the invention is desired. If an applicant wishes his international application under the Co-operation Treaty to lead to the grant of a European patent, he must first designate those Contracting States to the European Convention for which the European patent is to be granted on the basis of the international application. Designation of these Contracting States in this way will not of itself lead to the desired result. The applicant will also have to make it clear that the European Patent Office is to act as designated Office, in place of the national patent Offices of these Contracting States, and thereby that he wants to have a European patent. Article 121 (1) gives him a time limit of 12 months after the priority date for making such a communication. The priority date within the meaning of this provision is to be understood as the date of the earliest application, the priority of which is claimed for the international application, or, if no priority is claimed, the date of filing the international application. The limitation to 12 months is necessary because it ensures, in the event of very early transmittal to the designated Offices, that the application is forwarded to the right designated Office. In addition, the designated Offices which ask for early transmittal of a copy of the

international application under Article 13 of the Co-operation Treaty will see from it whether it is desired to obtain, by means of the international application, a European patent or a national patent in individual Contracting States to the European Convention. The communication is to be made either to the receiving Office or, if the international application is no longer with the receiving Office, to the International Bureau (BIRPI or WIPO). Paragraph 1 is drafted in such a way that the time limit is met if the communication is received by either of these bodies, since it could be difficult for the applicant to determine whether his application has already been forwarded to the International Bureau or not.

158. According to Articles 8 and 67 (4) of the Convention any group of Contracting States may provide that they may only be designated jointly. This provision is intended in the first place to cover the Member States of the European Economic Community, which wish to prescribe in a separate convention that the European patent is to count as a unitary patent for their territory. Article 121 (2) gives such a group of States the possibility of also laying down a corresponding special rule for international applications which are intended to lead to the grant of a European patent. In order to save the applicant from legal disadvantages if he accidentally fails to designate certain Contracting States in this group, it will be possible to prescribe that all the Contracting States in the group are to be taken as being designated even if only one or some of the Contracting States of the group have been designated, provided that the applicant has indicated that he wishes to obtain a European patent for these States.

159. Neither in Article 121 (1) and (2) nor in other Articles is it expressly provided that the European Patent Office may only become the designated Office for those Contracting States to the Convention which are at the same time Contracting States to the Co-operation Treaty. A ruling of this type appears to be unnecessary, since the receiving Office will refuse the designation, in an international application, of a State which is not a Contracting State to the Co-operation Treaty. As far as the States belonging to the European Economic Community are concerned, it is assumed that they will all have ratified the Co-operation Treaty before the Convention enters into force or that they will ratify it later at the same time.

160. Since designation fees are already levied for international applications in respect of every designated State, Article 121 (4) lays down that no additional "European" designation fee is to be payable under Article 67 (2) of the Convention.

161. According to Article 121 (3) of the Convention, the European Patent Office may act as an elected Office if the following conditions are met:

- (i) the applicant must have named as a designated State, and must have elected, a Contracting State to the Convention for which Chapter II of the Co-operation Treaty has entered into force,

(ii) he must have indicated that he desires a European patent for this State and therefore that the European Patent Office is to be the designated Office.

The election of such a State means that the European Patent Office is also the elected Office for all the other Contracting States to the Convention which have been designated. This applies even when the Co-operation Treaty as a whole, or Chapter II thereof, has not entered into force for the other designated Contracting States. These other Contracting States must consequently accept that the European patent application is not dealt with before the end of the time limit of 25 months which is laid down in Chapter II of the Co-operation Treaty.

162. Article 122 (1) lays down that the International Search Report under Article 18 of the Co-operation Treaty shall take the place of the report on the state of the art provided for in the Treaty. It may be assumed that an International Search Report under the Co-operation Treaty will as a rule be equivalent to the report on the state of the art provided for in the Convention. This means that a European application which is based on an international application will be accompanied by a report which is adequate for the purposes of the European procedure. For the special case of the International Search Report not meeting the European requirements, it is provided in paragraph 2 that the European Patent Office may obtain a supplementary report on the state of the art from the International Patent Institute at The Hague at any time. The cost of this supplementary report will presumably have to be charged to the applicant, but this question has not yet been sufficiently elucidated. The provisions of paragraph 2 will enable the European Patent Office to examine international applications upon receipt in order to see if, on the face of it, the International Search Report meets or does not meet the requirements of this Convention. It would conflict with the spirit of the Co-operation Treaty if a report from the International Patent Institute at The Hague were in every case or for particular groups of cases to be automatically required in addition to the International Search Report. Instead, the European Patent Office is to decide in each case whether it is necessary to obtain a supplementary report on the state of the art.

163. The object of Article 123 of the Convention is to produce conformity with Article 29 of the Co-operation Treaty. Under the latter Article the protective effects of the international publication of an international application are to be the same as those of compulsory national publication of an unexamined national application. The Article does however give the designated States the possibility of providing that the protection shall apply only from a later date, when the international application has not been published in the language in which national applications are published. In this way, the designated States will be able to protect third parties in their territories from claims based on provisional

protection being brought against them before the application has either been made available to the public, or has been communicated to such third parties, in the language of such designated State.

Article 123 complies with this principle.

164. Paragraph 1 first provides that, as from its international publication by the International Bureau, an international application for which the European Patent Office is a designated Office shall confer the provisional protection granted pursuant to Article 19 of the Convention, i.e. the same provisional protection as that associated with the publication of an unexamined European application. It follows from the reference to Article 19, paragraph 1 of which refers in its turn to Article 18 of the Convention, that this provisional protection is only granted for those Contracting States to the Convention which are designated in the international application.

165. The International Bureau will publish the international application either in the English, French, German, Japanese or Russian version in which it has been filed, or, if it has been filed in another language, in an English translation. It is only the abstract which will always be available in English (see Rule 48.3 of the Regulations under the Co-operation Treaty). Since, in a number of cases, only the abstract will be available in a language which is widely employed in western Europe, the principle laid down in paragraph 1 must be limited in the subsequent paragraphs. Interested parties cannot be expected to take notice of an application which is available only in Japanese, for example, with an English abstract. Provisional protection can, rather, only commence at the time at which, from the linguistic point of view, the international application has been published to an extent not less than that laid down for the publication of European patent applications in Article 34 (5) of the Convention. This is guaranteed by paragraphs 2 and 3 of Article 123: The application must be published in at least one of the languages specified in Article 34 (1) of the Convention; in addition, a translation of the claims into both of the other languages specified in Article 34 (1) must be published. This means that, in the case referred to in paragraph 2, in which the International Bureau has already published the international application in one of the specified languages, all that is required is a translation of the claims into the other languages. In other cases, for example in the case of an international application published in Japanese, a translation of the application into one of the languages specified in Article 34 (1) is also required. This rule does not affect the right of every Contracting State to make the commencement of provisional protection depend on the claims being translated into one of its official languages and being made available to the public or at least to those affected by the provisional protection. This right, which is laid down in Article 19 (4), is of course also applicable in the context of Article 123.

166. In addition, paragraph 4 of Article 123 lays down that publication of the international application by the

International Bureau, together with the publication of the translation of the claims pursuant to paragraph 2, or the publication of the translations of the application and the claims pursuant to paragraph 3, is to take the place of the publication of the European application pursuant to Article 85. The object of the provision is to lay down that after the publication of the translations still required under paragraphs 2 and 3 the international application is regarded as being at the same stage of the European Patent Office procedure as a European application which has not been filed via the PCT route, but has been published pursuant to Article 85 of the Convention. For example, as from the date of publication of the translations, it is possible for any third party to raise objections against the patentability of the invention which is the subject of the application, in accordance with Article 87.

167. On account of the Co-operation Treaty, Articles 117 to 123 must be supplemented by further provisions. Supplementary provisions are in particular required for the cases in which the Co-operation Treaty leaves it to the national legislature to lay down rules or at least permits this. A special ruling might for example be required by Article 17 (3), sub-paragraphs (b) and (c), an Article 34 (3), sub-paragraphs (b) and (c) of the Co-operation Treaty. At the present stage, it is not necessary to formulate such special rules, which are only of secondary importance for the European system for the grant of patents as a whole. The drafting of these provisions can be left until after the diplomatic conference on the Co-operation Treaty, in order to wait and see in what form the individual Articles of the Co-operation Treaty, which would form the basis for such rules, issue from this diplomatic conference.

REPORT BY THE SWISS DELEGATION ON ARTICLES 124 TO 132

CHAPTER VI

CONVERSION OF A EUROPEAN PATENT APPLICATION INTO A NATIONAL APPLICATION

168. The Working Party has reserved Articles 124 to 128 for possible provisions concerning the conversion of a European patent application into a national application. This question will not be examined until the basic characteristics of the procedure for grant have been established.

PART VI

RENEWAL OF EUROPEAN PATENT APPLICATIONS AND EUROPEAN PATENTS

CHAPTER I

RENEWAL OF EUROPEAN PATENT APPLICATIONS

169. Article 129 (1) sets out the principle that the annual fees for a European patent application must be paid to the European Patent Office. The amount of these fees will be fixed in the Rules relating to fees, which are still to be drawn up. When drawing up these Rules, the Working Party will deal with the questions still left open, i.e. will the amounts of these fees be fixed or progressive, and are the renewal fees to include a supplement (country fee) fixed according to the number of Contracting States which have been designated? In this connection, see the introductory note to Part VI of the First Preliminary Draft Convention.

The Working Party considers that the question of whether the renewal fees are to help finance the European Patent Office, and if so, to what extent, should be reserved for the financial provisions in Articles 41 to 52.

Paragraph 2 clearly lays down for which period the last renewal fee has to be paid to the European Patent Office.

Paragraph 3 settles the question of the payment of renewal fees for European patents of addition. The Working Party is unanimous in considering that renewal fees should be paid for applications for patents of addition which have become independent applications, in the same way as for originally independent applications, i.e. retrospectively to the date of filing of the application. Against this, it was proposed that applications for patents of addition should be treated in the same way as applications for independent patents, as far as fees were concerned, and that the same fees should be levied.

The Working Party considered that this solution, which would compromise the advantages of an application for a patent of addition, would be less favourable to applicants than the solutions adopted by most of the national legislations, and rejected it by a majority vote.

Neither did the Working Party approve another suggestion that renewal fees should in principle be imposed for applications for patents of addition, but that these fees would be repaid if the patent remained a patent of addition when granted. The Working Party considered that such a procedure would be too expensive to administer.

170. Article 130 deals with the payment of renewal fees. The Working Party proposes in paragraph 1 that the due date should not be the anniversary of the date of filing of the application, but of the last day of the month in which the application was filed. This means that it will only be necessary to check on 12 due dates each year, and that it will be much easier for the European Patent Office to supervise the payment of fees.

The time limit of 6 months, and the imposition of an additional fee, which are laid down in paragraph 2 result from the obligation contained in Article 5bis of the Paris Convention.

The fiction of withdrawal of the application which is introduced into paragraph 3 corresponds to the consequence of failure to pay which the Draft normally lays down for failure to observe time limits.

171. Article 131 specifies that the administrative and judicial authorities of the Contracting States are bound by the decisions of the European Patent Office as to whether renewal fees and additional fees have been paid in due time. Depending on the stage reached in the procedure, it will be either the Examining Sections or the Examining Divisions which will have to take these decisions. In addition, in order to make it clear that the fiction introduced in Article 130 does not imply any disadvantage for the applicant, this provision refers expressly to the possibility of an appeal.

172. The Working Party has deleted the provisions of Articles 122 and 123 of the 1965 Draft, concerning

extensions of time for payment and the effects of failure to pay within the extended period. The object of these provisions was to enable a needy applicant to delay payment of the renewal fees due during the procedure, until after the final grant of the patent. In view of the structure of the present draft, this object can no longer be obtained, since — apart from revocation as a result of opposition proceedings — the European patent is subject after its grant to the national legislation of the Contracting States. It is for this reason that the maintenance of the European patent should not depend on the subsequent payment of European fees. When it deals with the question of assistance, the Working Party will examine whether it should also be extended to renewal fees.

CHAPTER II

RENEWAL OF EUROPEAN PATENTS

173. Article 132 defines the right of the Contracting States to impose renewal fees for European patents: producing effects in their territories. This authorization already follows from Article 2 (2). Applicants or patent holders must however be prevented from having to pay a renewal fee both to the European Patent Office and to the authorities of the Contracting States for one and the same period of time.

With this in view, the Article lays down that Contracting States may only impose a fee in respect of a patent for the years following the last year for which a renewal fee had to be paid to the European Patent Office in respect of the application.

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174. The Articles which governed the surrender, lapse and revocation of the European patent, and also compulsory licences, in the 1965 Draft, have not been included in the present Draft Convention. These are legal points affecting the existence of the European patent. According to Article 2 (2) of the Preliminary Draft Convention the legal system of the Contracting States as applicable to national patents of these States is applicable here.

REPORTS ON THE FIRST CONVENTION

This booklet contains the reports which constitute a commentary on the First Preliminary Draft Convention for a European system for the grant of patents, which has been published separately.

The two booklets containing, on the one hand, the First Preliminary Draft Convention in German, English and French and, on the other hand, the reports in one of these three languages, form a set.

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