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Divisional applications are ok after all
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Andrew Hammond of Valea looks back at the lead-up to the EPO Enlarged Board's recent decision regarding divisional applications and forward to its possible consequences

Divisional applications are OK after all

The EPO Enlarged Board of Appeal has recently answered questions concerning the practice of filing divisional applications. Article 76 EPC governs the filing of divisional applications. It provides:

A European divisional application:

- must be filed directly with the European Patent Office at Munich or its branch at The Hague.
- It may be filed only in respect of subject-matter which does not extend beyond the content of the earlier application as filed;
- in so far as this provision is complied with, the divisional application shall be deemed to have been filed on the date of filing of the earlier application and shall have the benefit of any right to priority.

The provisions for European divisional applications are contained in Rule 25 EPC. Originally, an applicant needed the Examining Division's consent to file a divisional application. This discretionary power was dispensed with in 1988, allowing applicants to file divisional applications of their own volition. Rule 25 was further amended in 2002. Paragraph 1 now reads "the applicant may file a divisional application relating to any pending earlier patent application".

The EPC provides no explicit provision for filing a subsequent divisional application from an earlier divisional application. However, in its Notice concerning amendments of Rule 25(1), the EPO explained that "the word 'any' has been introduced in order to clarify that it is irrelevant what kind of application the parent application is. The parent could thus also be an earlier divisional application".

Praxis

Rule 25 now reflects the praxis that had developed in the 1990s. The applicant filed a divisional application before the parent application was granted and, if he believed that there was further useful subject matter to be claimed, filed a second generation divisional application using the first generation divisional application as the parent application. Provided the divisional application met the filing requirements of Article 80 EPC, it was accorded the same filing date as the parent. Whether it was confined to subject matter contained in the parent was not decided until the examination procedure. The test for whether there is added subject matter corresponds to the test for determining whether an amendment to an application fulfils the requirements of Article 123(2) EPC.

Warning signs

In T 904/97, the Board of Appeal 3.4.2 considered the status of a second generation divisional application (child) whose parent had already been found to contravene Article 76(1) because its subject matter extended beyond its parent application, that is, the grandparent of the second generation divisional application. The Board decided that, because the parent application did not fulfil Article 76(1), it could not benefit from the filing date of the grandparent. As such, it could not transfer this date to its child. Allocating the actual filing date of the parent application to the child, the Board found that the claimed subject matter lacked novelty given the publication of the grandparent application. The Board also questioned whether a divisional application could serve as a basis for filing a further divisional application.

In T 555/00, the Board of Appeal 3.2.5 found that an intermediate date could not be allocated to a child application. To be entitled to the filing date of its grandparent, the child's subject matter had to be disclosed both in its parent application as filed and the grandparent application as filed. Unfortunately, the Board confusingly stated that "not only the patent in suit, but also the parent application must comply with Article 76(1) EPC." However, it confirmed that a divisional application could serve as a basis for filing a further divisional application.

This confusing statement was misinterpreted by the Board of Appeal 3.4.2 in T 1158/01 to mean that if the parent does not comply with Article 76(1) it is invalid and so too is its child. So, in T 1158/01, the Board found that:

When the validity of a second-generation divisional application is examined, the validity of the first-generation divisional must also be examined. If the subject matter of the first-generation divisional does not comply with Article 76(1) EPC, the second-generation divisional is likewise invalid.

The Board mentioned that the conditions of Article 76(1) EPC "expressly" had to be met when the divisional application is filed. The Board also raised the question whether the claims of a second generation divisional had to be among the claims of its parent to comply with Article 76(1), although did not need to answer this

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question to reach its decision. Instead, the same Board provided its answer in T 720/02. In T 720/02, the Board found that:

The invention or group of inventions defined in the claims of the parent application as divided out of the grandparent application determines the essential content of the parent application. To meet the requirements of Article 76 EPC any further divisional applications must be directed to objects encompassed by such invention or group of inventions.

The Board did not base its conclusion on the EPC, but rather on its belief that allowing the applicant to divide out subject matter that was not encompassed in the invention for which the parent application was filed “would unacceptably deceive the legitimate expectation of the public” that exclusive rights would be confined to the subject matter of the claims granted in the grandparent and the subject matter specifically divided out of the grandparent by way of the parent.

The same Board considered in T 39/03 whether the conditions of Article 76(1) EPC “expressly” had to be met when the divisional application is filed. It expressed strong reservations against the possibility of correcting divisional applications that, when filed, contravened Article 76(1) EPC. The Board stated that a divisional application could only benefit from the filing and priority dates of the earlier application if it had been *filed* in respect of subject matter that did not extend beyond the content of the earlier application. However, the Board conceded that its views were not in line with established EPO practice and so referred the following questions to the Enlarged Board of Appeal:

G 1/05

- 1) Can a divisional application that does not meet the requirements of Article 76(1) EPC because, at its actual filing date, it extends beyond the content of the earlier application, be amended later in order to make it a valid divisional application?

- 2) If the answer to question (1) is yes, is this still possible when the earlier application is no longer pending?

- 3) If the answer to question (2) is yes, are there any further limitations of substance to this possibility beyond those imposed by Articles 76(1) and 123(2) EPC? Can the corrected divisional application in particular be directed to aspects of the earlier application not encompassed by those to which the divisional as filed had been directed?

In response to this referral, the EPO announced that all proceedings before EPO first-instance departments in which the decision depends entirely on the Enlarged Board's decision would be suspended. The suspension of first-instance proceedings also applied to opposition divisions, that is, granted patents. Suddenly the validity of opposed patents granted on divisional applications was being questioned.

T 1409/05 – a saviour?

In T 1409/05, Board of Appeal 3.4.03 was asked to decide whether the Examining Division had been right to refuse a third generation divisional application for non-compliance with Article 76(1) EPC. The Board found the recently developed line of jurisprudence of T 720/02 “problematic” because it could find no legal basis for requiring the claims of a later application to be “nested” among the claims of the earlier application. The Board also concluded that compliance with Article 76(1) EPC was not a requirement for according a filing date to a divisional application, but just another condition for grant.

So the fears of applicants and proprietors were eased a little when the Board referred the following questions to the Enlarged Board:

G 1/06

- 1) In the case of a sequence of applications consisting of a root (originating) application followed by divisional applications,

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each divided from its predecessor, is it a *necessary and sufficient* condition for a divisional application of that sequence to comply with Article 76(1) EPC, second sentence, that anything disclosed in that divisional application be directly, unambiguously and separately derivable from what is disclosed in each of the preceding applications as filed?

- 2) If the above condition is *not* sufficient, does said sentence impose the additional requirement
 - a) that the subject-matter of the claims of said divisional be nested within the subject-matter of the claims of its divisional predecessors? or
 - b) that all the divisional predecessors of said divisional comply with Article 76(1) EPC?

And granted patents?

Meanwhile, the Board of Appeal 3.2.03 in T 1040/04 was faced with a patent granted on a divisional application that purportedly did not fulfil the requirements of Article 76(1) EPC on its date of filing. As if to highlight the absurdity of the situation that could arise if T 39/03 were followed, the purported contravention of Article 76(1) was the change in the description of the feature of an angle being less than 90 degrees to an angle being different from 90 degrees. The Board referred the following question to the Enlarged Board:

G 3/06

Can a patent which has been granted on a divisional application which did not meet the requirements of Article 76(1) EPC because at its actual date of filing it extended beyond the content of the earlier application, be amended during opposition proceedings in order to overcome the ground of opposition under Article 100(c) EPC and thereby fulfill said requirements?

G 1/05, G 1/06 and G 3/06 were consolidated and the president of the EPO was invited to file his comments. Meanwhile, the remaining appellants in T 1040/04 withdrew their appeals and the proceedings in G 3/06 were terminated.

The consolidated decisions

While the Enlarged Board gave only cursory reasons for its decision, its conclusions are clear – the current praxis does not contravene the provisions of the EPC.

Concerning the right to amend a divisional application to bring it into line with Article 76(1) EPC, the Enlarged Board found that “while it is clearly important for the legal security of third parties that Article 76(1) EPC keep any patent granted on a divisional application within the contents of the earlier application, it cannot be argued that legal security for third parties also requires that no amendment to cause the application to conform with Article 76(1) EPC can be allowed”. This right exists regardless of whether the earlier application is still pending or not. Accordingly, the Enlarged Board confirmed that a divisional application is a separate and independent application and should, unless provided otherwise, be treated in the same way and subject to the same requirements as an ordinary application. So questions (1) and (2) of G 1/05 were answered in the affirmative.

Concerning question (3), the Enlarged Board pointed out that: “Third parties need to be aware that while any divisional application is still pending, any of its content as filed may yet be the subject of patent claims either in the divisional application itself, or in further divisional applications. Therefore a divisional application can be directed by amendment to aspects of the earlier application also disclosed in the divisional application as filed but not encompassed by the claims of the divisional application as filed.”

When considering question (1) of G 1/06, the Enlarged Board found that although Article 76(1) EPC is not explicitly

worded to cover divisional applications of divisional applications, it does not forbid them. The Enlarged Board concluded that an *n*th generation divisional application would only be entitled to the filing date of its root application if the subject matter of the *n*th generation application were disclosed in each earlier generation application and the root application.

Article 76(3) EPC allows the procedure and the special conditions to be laid down in the implementing regulations. The Enlarged Board cannot therefore impose more tightly limited conditions than the implementing regulations. Although the Enlarged Board found it unsatisfactory that sequences of divisional applications, each containing the same broad disclosure of the original patent application, by means of at least an unamended description, should be pending for up to 20 years, it had no power to address the situation. Instead, it suggested that if administrative measures were not adequate to deal with this situation, the legislator should consider where there are abuses and what the remedy could be.

Possible repercussions

So examination of all suspended first-instance proceedings can resume, with examination and opposition divisions applying the same criteria as before.

It remains to be seen whether the EPO is able to adapt its administrative routines within the boundaries set by the implementing regulations to counter actions that upset the balance of interests between applicants and third parties. However, because an applicant may file a divisional application relating to any pending application and the Rule 51(4) communication makes them aware of the forthcoming grant of the application, it is not clear how the EPO can prevent an applicant re-filing its pending application as a divisional application.

The Administrative Council could introduce legislation (similar to Rule 34(1) of the UK Patents Act) that imposes a term within which an application must be accepted. However, given that divisional applications of the second generation make up less than 0.5% of all European applications, perhaps there is no need for legislative change.

Considerations for applicants

Without new provisions restricting divisional applications, and given the examining divisions’ draconian approach to applying Rule 29(2) EPC to restrict patent applications to one independent claim for each category, applicants should consider whether protection can be obtained by filing one or more divisional applications directed to closely related subject matter. There seems to be no reason to file a different description, although to retain the maximum freedom for amendment (and for filing further generation divisionals) the originally claimed subject matter should be encompassed within the divisional application.

The original application should be drafted with either as broad an independent claim as possible or a statement in the description of an aspect of the invention that contains few features. By linking each subsequent feature to that aspect, formal support for independently claiming other aspects of the invention is ensured.

Third parties

As the Enlarged Board points out, “third parties need to be aware that while any divisional application is still pending, any of its content as filed may yet be the subject of patent claims either in the divisional application itself, or in further divisional applications.” This makes it harder to make freedom-to-operate analyses, but any relevant patent application will need to be scrutinized to determine whether there is adequate support within its disclosure for a troublesome claim.