

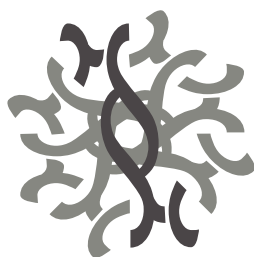


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M I C H A L S K I • H Ü T T E R M A N N
P A T E N T A N W Ä L T E

Referral to the Enlarged Board of Appeal of the European Patent Office concerning the organization of oral proceedings by videoconference

The outbreak of the COVID-19 pandemic has also led to a previously unimaginable switch to videoconferencing in oral proceedings before the European Patent Office. In oral hearings in examination proceedings, video conferencing has now become the new norm, unlike, for example, before the German Office. The fact that this is quite intentional on the part of the Office - and probably also for the post-pandemic period - is made clear, among other things, by the guidelines for examination¹ in section C-VII-5, which will be valid from March: „Oral hearings in examination proceedings will normally be held by videoconference, unless a direct hearing of evidence is required or there are other serious reasons for not doing so.“² An oral hearing on the premises of the European Patent Office has thus become a special case.



The guidelines for examination first cite as „serious reasons“ for holding oral proceedings on the premises of the EPO a required „*demonstration or inspection of an article ... in which the haptic features are essential.*“

However, the serious reasons do not include a taking of evidence. Rather, evidentiary hearings in examination and opposition proceedings by videoconference have been explicitly made possible by amending Rules 117 and 118³ of the Implementing Regulations. Pursuant to these amendments, the EPO notifies with the summons whether the taking of evidence will be conducted by videoconference and that a party, witness or expert who has been summoned to the EPO premises may also be heard by videoconference upon request.

This changeover has been slower in appeal proceedings. But there, too - again in contrast to the Federal Patent Court - most oral proceedings are currently held as video conferences. However, this has so far been due to the pandemic and has not (yet?) been declared the new norm. However, the new Article 15a of the Rules of Procedure of the Boards of Appeal⁴ allows the Boards of Appeal, on the one hand, to hold oral proceedings by video conference. On the other hand, both a party and a member of the board may, upon request, also participate by videoconference if oral proceedings are held on the premises of the EPO. The Chairman may even order this for a party in exceptional cases.

In proceedings [T 1807/15](#), the following auxiliary request was then made by the representative of the patent proprietor at the beginning of the oral proceedings, which were held as a video conference: „*We hereby submit the auxiliary request to submit to the Enlarged Board of Appeal for decision the question whether oral proceedings under Art. 116 EPC can be replaced by a video conference if the*

¹ available at <https://www.epo.org/law-practice/legal-texts/guidelines.html>

² the same statement is also found in section E-III-1

³ cf. Official Journal EPO 2020, A132, found in the December issue

⁴ the draft that has entered into force can be viewed at: [http://documents.epo.org/projects/babylon/eponet.nsf/0/26FC88F4EBB475FEC125861F002F09E7/\\$File/user_consultation_art_15a_RPBA_en.pdf](http://documents.epo.org/projects/babylon/eponet.nsf/0/26FC88F4EBB475FEC125861F002F09E7/$File/user_consultation_art_15a_RPBA_en.pdf), see also our [12/2020](#) newsletter

parties do not agree to this." The Board then decided to close the oral proceedings and to submit a relevant question to the Enlarged Board of Appeal. The wording of the referral question is not yet known, let alone the number at the Enlarged Board of Appeal, which, however, should probably be G 1/21.

A comparable request from the opposite perspective, namely under which circumstances an examining division should grant a request to conduct oral proceedings by video conference, had still been rejected in decision [T 2068/14](#) by a Board of Appeal in 2015 and rejected on the merits.⁵

In this context, the Enlarged Board of Appeal may also have to consider a decision from December last year, namely [T 1604/16](#), in which the Board did not follow the limitation of a Board of Appeal in the assessment of evidence previously established in decision [T 1418/17](#), as it did not consider there to be sufficient information based solely on the record of the first instance.

In decision [T 1604/16](#), a decision had to be made on the submission of a party which questioned the assessment of the evidence on an obvious prior use in the first instance. The Board was able to fully understand the doubts expressed. The transcript of statements made by a witness before the opposition division was available. The Board noted that the direct impression that the witness might give would only be available during the examination of the witness himself. The obvious prior use was therefore judged not to be sufficiently established.

Specifically, this decision raises the issue of the comparability of on-site witness examinations at the EPO's premises and witness examinations via video conference.

More generally, this decision illustrates the fundamental problem of the extent to which a video conference is still comparable to an on-site hearing in the same room, even when more than the spoken word is involved. Non-verbal communication, for example unspoken indications from the Board (or Opposition Division), may well be essential for all parties.

It is quite possible that the referral to the Enlarged Board of Appeal will result in oral proceedings in proceedings before the Boards of Appeal again being held at the EPO premises pending a decision, if a party has stated that it does not agree to oral proceedings as a video conference. Furthermore, it is quite conceivable that proceedings will be suspended where a party has stated that it is unable to appear at the EPO premises due to the pandemic.

In addition, it is conceivable that the question referred may pose a significant problem for the clear move away in the first instance from oral proceedings on the premises of the EPO. It is possible that the President of the EPO will be forced to suspend proceedings in which the next step is an oral hearing and a party has stated that it does not agree to a video conference. A drop in the second COVID-19 wave could prevent a widespread deadlock in proceedings in this case.

Of course, a quick decision on the matter would be desirable, similar to the



⁵ cf. the guiding principle and point 5.4 of the reasons for the decision

„Haar“ decision G 2/19⁶. In any case, the submission is politically explosive, since waiving the obligation to be present at oral proceedings in Munich - and, of course, the presumed extensive loss of the location advantage of law firms with an office in Munich⁷ - has already been classified as a „redistribution of the cards“ for the market of European patent representatives.⁸ The outcome of the proceedings can thus be awaited with excitement in any case.

Federal Court of Justice refers questions on non-aggression clauses in trademark law to the ECJ

In the recently published [decision](#) „Nichtangriffsabrede“⁹, the Federal Court of Justice dealt with the relationship between national and European law and in the end came to the conclusion that the ECJ should be consulted.

The underlying case constellation is very complex and cannot be presented in all details.

The basis of the dispute was a disagreement in the jewelry and watchmaking sector. Specifically, the plaintiff had taken over the business of the defendant in 2010, whereby it was regulated in the takeover agreement that a German trademark of the defendant was to be transferred to the plaintiff for part of the goods and services and the defendant undertook neither to attack this transferred trademark itself nor to support third parties in doing so. The shareholders of the plaintiff and the defendant were partly identical when the contract was concluded.

However, this partial transfer had never been recorded in the register. Instead, the defendant had applied for a European trademark in 2011, using the seniority of the German trademark, and allowed the German trademark to lapse. Apparently after this had come to the attention of the plaintiff in 2015, the defendant had then transferred this European trademark to the plaintiff.

In 2016, a breach occurred, the shareholders who were active in both companies declared their resignation from the plaintiff in the 2016 shareholders' meeting, at the same time they announced that they would file for cancellation of the plaintiff's trademarks.

Three cancellation requests for revocation were then also received by the EUIPO against corresponding trademarks of the applicant, but in the name of a lawyer.¹⁰

⁶ s. our [newsletter 6/2019](#)

⁷ note: A first downgrade of this kind was of course already the practice of providing for oral proceedings in notification proceedings in Rijswijk, an appeal against this ([T 933/10](#)) was unsuccessful.

⁸ s. here: <https://www.juve-patent.com/news-and-stories/people-and-business/compulsory-video-conferencing-reshuffles-the-cards-for-patent-attorneys/>

⁹ BGH, Order of November 19, 2020 - I ZR 27/19 - Non-aggression agreement

¹⁰ note: The fact that the latter obviously acted as a straw man was never proven, but apparently all courts involved assumed that he did.



The plaintiff then sued the defendants with the aim of having them instruct this lawyer to withdraw the requests for deletion and to reimburse any damages incurred.

Both the first action before the Munich Regional Court and the appeal before the Munich Higher Regional Court were unsuccessful, although the Munich Higher Regional Court allowed an appeal.

It is important for the case that there is already a judgment of the ECJ (Carrera, T-419/16), in which the ECJ had found that a non-challenge agreement may not extend to a cancellation request based on revocation. In support of this, the latter stated, inter alia, that the only requirement for an application for cancellation was to require „the person filing the application for revocation to have legal personality or to be capable of litigation; [the provision] does not, however, require that he establish a need for legal protection.“¹¹

On the other hand, the ECJ was of the opinion that EU trademark law constitutes an independent legal system detached from the national legal systems, i.e. how such a non-challenge agreement is interpreted by national courts is irrelevant:

„It is true that if [the application were withdrawn], the EUIPO or the court would no longer have to rule on such an application. However, contrary to the applicant's assertion, national courts have no power under national law to require [someone] to withdraw their application filed with the EUIPO for revocation of an EU trademark. The EUIPO and the Union judge, for their part, [...] cannot be bound by how national courts interpret the content of a non-challenge agreement.“¹²

However, these last considerations were not taken up by the ECJ in its appeal decision (C-35/18 P), so there is no final clarity here. Achieving this clarity was thus probably a key motivation to refer the matter to the ECJ with the following questions:

1. Does the fact laid down in [the EU trade mark regulation] that an application for revocation of an EU trade mark on the grounds of non-use may be brought by any natural or legal person and any interest group capable of bringing proceedings render ineffective a contractual agreement by which a third party undertakes vis-à-vis the proprietor of an EU trade mark not to file an application with the European Union Intellectual Property Office for revocation of that EU trade mark on the grounds of non-use?
2. Does the fact laid down in [the EU trade mark regulation] that an application for revocation of an EU trade mark on the grounds of non-use may be brought by any natural or legal person and any interest group capable of bringing proceedings have the effect that a final judgment of the court of a Member State which requires the defendant to withdraw the application for revocation of an EU trade mark on the grounds of non-use brought by himself or through a person acting on his behalf is not to be taken into account in revocation



¹¹ Para 34 of T 419/16

¹² Para 39ff. of T 419/16

proceedings before the European Union Intellectual Property Office and the EU courts?

The first question touches on a basic rule of trademark law. In every trademark system, there is the problem of how to deal with unused trademarks. In the USA, the chosen approach is that the owner must actively prove use to the office after a specified period of time, otherwise the trademark is cancelled. On the one hand, however, this leads to considerable expense, and on the other, it is common practice to simply reapply for the trademarks in question - and there are now so many trademarks in the U.S. trademark register that there has already been speculation that the U.S. is „running out of trademarks“. ¹³ Thus, it can rightly be doubted whether this is an expedient approach.

In Europe, as in most other globally valid trademark systems, cancellation due to revocation is only carried out upon request. Since such applications - although no legal interest has to be proven - are filed almost exclusively by competitors, this means that the „invisible hand of the market“ (to quote Adam Smith) should also act here and ensure that the register is cleared to some extent. This is also the reason why the sliding opposition period was deleted in the last German Trademark Modernization Act. ¹⁴

If such non-aggression agreements were valid, this would of course run counter to the general interest, and this was one of the main reasons why the ECJ held such non-aggression agreements to be invalid in the „Carrera“ decisions cited above. The Federal Court of Justice, on the other hand, considers such non-aggression agreements to be unproblematic, provided they are unobjectionable under antitrust law. ¹⁵

It is worth mentioning that, unlike in patent law, the trademark cannot be cancelled ex officio if the request for cancellation is withdrawn due to revocation. In contrast, opposition proceedings against patents, at least in the first instance, can be continued both in Germany and before the EPO even without the opponent. Whether such a change in trademark law would lead to a larger number of cancelled trademarks, however, can probably be justifiably doubted.

The second question aims to determine whether the EU market system really represents a world of its own, completely detached from national legal systems. It thus has a political relevance that should not be underestimated - especially in light of recent decisions such as the „ECB“ decision of the Federal Constitutional Court. ¹⁶ In this context, the Federal Court of Justice is of the opinion that the EUIPO must observe judgements of the member states. ¹⁷

The ECJ's answer to both questions can be awaited with interest.

¹³ Beebe/Fromer, Are we running out of trademarks, Harvard Law Review, 2018, 945

¹⁴ cf. our [Newsletter 1/2019](#) and Hüttermann, Mitt. 2019,62

¹⁵ Para 27 ff.

¹⁶ Judgment of May 05, 2020, 2 BvR 859/15, 2 BvR 980/16, 2 BvR 2006/15, 2 BvR 1651/15

¹⁷ Para 40 ff.

In Our Own Affairs

We wish your relatives, employees, colleagues and of course yourself all the best for the current, still difficult time.

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