

EPO Plant Patent-Eligibility Update - Political Pressure Brings Further Uncertainty for Applicants

Recent weeks have seen important developments in the debate on patent-eligibility of plants in Europe, with the EPO's Boards of Appeal and its President, Administrative Council and member states pulling in opposite directions. The President has now referred questions, published today, to the Enlarged Board of Appeal, but the admissibility of the referral is uncertain, so it is unclear how or when the Enlarged Board will react. Applicants in this field will therefore face further delay and uncertainty. More generally, this is also a highly unusual, polarised situation that highlights the potential for conflict between different branches of the European patent system. Fortunately, however, this issue only directly affects some plant-related applications, not all that generally relate to plants in some way.

In December 2018 (reported [here](#)), EPO Technical Board of Appeal 3.3.04 held [Rule 28\(2\) EPC](#) invalid as it believed it to be in conflict with [Article 53\(b\) EPC](#). This was confirmed in a [reasoned decision in February 2019](#). Article 53(b) EPC renders patent-ineligible plant and animal varieties and essentially biological processes for the production of plants and animals and has been controversial, resulting in the "[Broccoli](#) and [Tomatoes II](#)" decisions (G2/13 and G2/12) of the Enlarged Board of Appeal in 2015. These indicated that, although essentially biological processes for the production of plants are patent-ineligible according to Article 53(b) EPC, the products of such processes are not ineligible just because the processes could not be patented. If other conditions such as novelty and non-obviousness were complied with, a plant obtained by breeding could be patented.

In 2016, the European Commission issued a [notice](#) that was followed in 2017 by the EPO's Administrative Council via [implementation](#) of Rule 28(2) EPC, to the effect that "*European patents shall not be granted in respect of plants or animals exclusively obtained by means of an essentially biological process*". Although generally not impacting plants obtained by biotechnological means, including techniques such as CRISPR/Cas, this made it almost impossible to obtain a patent to a plant obtained by breeding. Moreover, Rule 28(2) EPC purported to exclude from patentability the same plants that the Enlarged Board had held to be patent-eligible in the Broccoli and Tomatoes II decisions.

The Technical Board of Appeal's [decision in case T1063/18](#) changed this again. The Board found that Rule 28(2) EPC was in conflict with Article 53(b) EPC and hence in breach of [Article 164\(2\) EPC](#) as interpreted by the Enlarged Board in the Broccoli and Tomatoes II decisions. Article 164(2) EPC indicates that, if an Article and a Rule are in conflict, the Article prevails. Notably, the Technical Board also took this step itself rather than referring questions on the matter to the Enlarged Board of Appeal, essentially because there was no ambiguity in the case law and

hence no reason to do so. This was within the Board's power at a judicial level, but was always going to be controversial.

Following decision T1063/18, there was a lot of legal commentary and some inevitable protest, but no change for applicants. In our experience, issues in this area were not examined while examiners waited for the written decision to issue, presumably as it is hard for examiners to ignore Rule 28(2) EPC while it is still part of the EPC, even though it has been held invalid. Of course, more political developments were also to follow.

Meantime, the same Board of Appeal that issued T1063/18 has reiterated its position in another case, [T2734/18](#), confirming that it intends to reverse the refusal of an application under Rule 28(2) EPC. It is possible that the Board was sending a message by this action, as its Communication was issued only a few months after the Appeal was filed, whereas it is normally slower to pick cases up. This is in contrast to the latest actions from the EPO's Administrative Council and President. Following discussion at an Administrative Council meeting in March 2019, it was reported that the EPO's relatively new President would himself refer questions to the Enlarged Board of Appeal, then announced on 5 April 2019 that the [referral had been made](#). The President indicated that he "*reacts to the concerns expressed by the Contracting States, the user community and representatives of civil society who are worried about legal uncertainty resulting from decision T1063/18*" and "*seeks the Enlarged Board of Appeal to clarify the applicable legal framework*".

The difficulty with this is that, arguably, the legal framework is in fact already clear. Article 53(b) EPC is the basic source of law, the way to interpret it is laid out in the Broccoli and Tomatoes II decisions, and although [Article 112\(1\)\(b\) EPC](#) permits the President to refer points of law to the Enlarged Board, this is only "*where two Boards of Appeal have given different decisions*". On the face of it, there are no such different decisions here, and nor is it likely that any will meantime be given, as most or all cases in this area will be handled by the same Board that issued T1063/18.

Before the President's questions were made publicly available, it had already therefore been widely pointed out that the lack of conflicting decisions meant a risk of rejection of the new referral as inadmissible by the Enlarged Board. This has happened twice before on patent-eligibility issues, once relating to presidential questions on plant patent-eligibility ([G3/95](#)) and once relating to computer-implemented inventions ([G3/08](#)).

The President's [letter to the Enlarged Board](#) and [accompanying questions](#) have been published today and the referral is now pending as [G3/19](#). The questions read as follows:

1. *Having regard to Article 164(2) EPC, can the meaning and scope of Article 53 EPC be clarified in the Implementing Regulations to the EPC without this clarification being a priori limited by the interpretation of said Article given in an earlier decision of the Boards of Appeal or the Enlarged Board of Appeal?*
2. *If the answer to question 1 is yes, is the exclusion from patentability of plants and animals exclusively obtained by means of an essentially biological process pursuant to Rule 28(2) EPC in conformity with Article (b) EPC which neither explicitly excludes nor explicitly allows said subject-matter?*

In the reasoning relating to question 1, the President seeks to circumvent T1063/18 by asserting that its finding that Articles of the EPC must be understood in light of Enlarged Board case law (i.e. the Broccoli/Tomatoes II decisions) such that Rule 28(2) EPC conflicts with Article 53(b) EPC is itself in conflict with other decisions that interpret Article 164(2) differently. The different decisions required by Article 112 EPC are therefore said to be in respect of Article 164(2) EPC rather than Article 53(b) EPC. The President then argues that the question 2 is also admissible because it is related to question 1. No conflicting decisions are cited specifically in relation to question 2, as none exist.

However, the President argues that Article 112(1)(b) EPC should not be interpreted narrowly and that the disparity between the Broccoli/Tomatoes II decisions and Rule 28(2) EPC is analogous to a situation where different decisions have been given. As expected, he also refers to the European Commission notice and other "*important legal developments*" since the Broccoli/Tomatoes II decisions were issued. Similar arguments based on legal thinking in the EU and in EPC member states are then advanced in support of Rule 28(2) EPC and against the patent-eligibility of plants obtained by breeding.

Enlarged Board referrals and decisions often involve detailed legal issues, but this is a factual matrix even by those standards. It is hard to predict both the admissibility of the questions and how they will be answered if they are admitted. Much may depend on how independent the Enlarged Board of Appeal wants to be of the other branches of the EPO and to what extent it considers the EPC

strictly as a stand-alone source of law as opposed to one that sits in a wider European context. It could for example simply answer "no" to question 1 and allow the existing case law to stand, or it could go as far as to answer "yes" to question 1 and go on to revisit the fundamental issues under question 2.

Either way, though, its decision will be important, not only to applicants in this scientific field but at a more general legal level. If reversing the case law by rule-making is rejected in the same way as in T1063/18, a change of the type the President and member states want would then in principle require a change to Article 53(b) EPC itself. This will, however, be hard to achieve as such changes require a diplomatic conference and unanimous agreement from the member states. On the other hand, if it overturns its own previous case law in Broccoli and Tomatoes II, that is also a rare step and could be seen as bowing to political pressure as much as reflecting the development of legal thinking.

It may also be some time before we know how the Enlarged Board will react. Typically, such cases take one to two years and time will need to be allowed for *amicus curiae* briefs to be filed by interested parties from both sides of the debate. In the meantime, however, experience suggests that the existence of the referral may well lead the EPO to impose a formal stay of prosecution on applications with claims whose allowability under Article 53(b) EPC is in doubt, failing which applicants may be able to request stays if they want them. It is also likely that no new relevant Technical Board decisions will be given while the referral is pending.

For now, we believe that all that applicants in this area can do is to react to developments case by case. In some applications, there may be little choice but to wait and see. In other cases, however, not all claim types may be affected, so it may be possible to advance examination of some claims and hold others in abeyance or file a divisional application to pursue them. Applicants should also continue to appeal any refusals under Rule 28(2) EPC to keep their options open and may even wish to consider filing *amicus curiae* briefs when the Enlarged Board opens up that option.

We will continue to follow developments in this area.

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