



INDUSTRY-WIDE TRUCKS CARTEL FACING AN ESTIMATED £14bn LEGAL CLAIM IN UK TRIBUNAL

British truck owners and lessees could receive compensation totaling £14bn without having to sign up to a claim in one of the biggest ‘opt-out’ class actions in British legal history.

UK Trucks Claim Limited (UKTC) has issued proceedings on behalf of owners and lessees of over 600,000 trucks, which were sold by way of unlawful anti-competitive practices undertaken and admitted by a cartel of European truck manufacturers over a 14-year period.

This follows a 2016 European Commission ruling in which MAN, Daimler, Volvo/Renault, Iveco and DAF were fined a record €3bn (£2.7bn) for breaking EU competition rules by (1) illegally fixing the prices of medium (6-16 tonnes) and heavy (over 16 tonnes) trucks; (2) coordinating the timing of the introduction of new emission technologies for these trucks; and (3) passing on the cost of these emission technologies to their customers between the dates 17 January 1997 and 18 January 2011.

The fines imposed by the European Commission do not compensate the victims and the European Commission encourages private enforcement via damages actions in its wake.

UKTC, which was formed specifically to represent all affected UK truck owners and lessees, is seeking to be appointed as their class representative to pursue a collective claim for all those affected. Brexit will not affect this claim: this is a claim before a UK court regarding UK registrations of trucks and is based on rights granted by UK legislation.

The UKTC lodged its application on 18 May 2018 with the Competition Appeal Tribunal, which has powers to award damages to victims of anti-competitive conduct.

The UKTC is asking the CAT to grant UKTC’s application for an “opt-out” order. Under this special procedure, the CAT would first determine the total amount of damages the defendants are required to pay to UK traders for their overall losses from 1997 to 2011. Individual traders would then be able to claim their share from this total fund. According to research consultancy Europe Economics, if successful, truck owners and lessees could be in line for compensation averaging £20,000 per truck acquired during the cartel period.

UKTC’s legal adviser is Legalink firm Weightmans LLP, a national firm with over 200 partners and 1,200 staff who have a wealth of experience in dealing with group litigation claims and securing favourable outcomes for their clients.

The counsel team comprises three renowned competition law specialists: Rhodri Thompson QC, Adam Aldred and Doug Cochran.

UKTC’s costs are funded by Calunius Capital LLP, investment adviser to some of Europe’s biggest litigation funders and a founding member of the Association of Litigation Funders.

The CAT will be listing its first Case Management Conference in autumn 2018 when directions will be provided for the parties ahead of a full hearing, which will decide whether to grant UKTC permission to pursue its claim.