

News

LANDMARK CARTEL DAMAGES JUDGMENT FOR BCLP CLIENTS ROYAL MAIL AND BT

WINNING JUDGMENT ANNOUNCED IN LONG-RUNNING CASE FOR CLIENTS WILL HAVE IMPACT IN UK AND ACROSS EUROPE

Feb 15, 2023

International law firm BCLP secured a major win for clients Royal Mail and BT in their follow-on cartel damages actions against truck manufacturer group DAF. The landmark case is now the leading cartel damages judgment in the UK and will be influential across Europe.

Royal Mail and BT filed claims against DAF in 2016 and 2017, respectively, following the European Commission's July 2016 decision finding that DAF, MAN, Volvo/Renault, Daimler and Iveco participated in a cartel which involved colluding on prices and the passing on of costs associated with emissions technologies between 1997 and 2011. After years of litigation, the claims were heard together in a 10-week trial before London's Competition Appeal Tribunal (CAT) between April and June 2022.

On Feb. 7, the CAT handed down a judgment ruling ([available here](#)) decisively in Royal Mail and BT's favor. The CAT firmly ruled that the cartel caused loss and was critical of attempts by DAF to argue it was "implausible" that its cartel conduct caused harm to the Royal Mail and BT, agreeing with the claimants that raised prices are a plausible outcome of a pervasive cartel lasting 14 years and characterizing DAF's position as "extreme." The judgment picks up on the claimants' criticisms throughout the trial of DAF's litigation strategy of not providing evidence of what DAF actually did with the information they received thanks to the cartel.

The CAT will award the claimants damages calculated on the basis of a 5% overcharge on the value of the relevant trucks purchased in the period 1997-2011, plus the claimants' costs of financing those truck purchases. The CAT also agreed with the claimants that DAF's argument that any overcharge Royal Mail and BT suffered was "passed on" to their own customers through higher prices should be rejected entirely.

"This is a significant victory for the claimants," noted Lead Partner Edward Coulson. "DAF have denied that their participation in the cartel had any impact on UK truck prices throughout six years

of litigation. But now there is clarity from the UK’s specialist tribunal that DAF’s involvement in the trucks cartel caused loss to its customers through unlawfully high prices.”

BCLP’s Head of Antitrust, Competition & Trade, Andrew Hockley, noted: “We are delighted to be able to deliver this important result for BT and Royal Mail. It has been an absolutely stellar performance by Ed and the whole trucks team throughout. BCLP’s competition litigation team in the UK, the USA, France, Belgium, Singapore, Hong Kong SAR and Australia continues to go from strength to strength, supporting defendants and claimants in complex, business-critical regulatory investigations, disputes and high-value damages proceedings.”

The BCLP team included Edward Coulson, Ben Blacklock, Andrew Hockley, Andrew Leitch, Alexandra Hildyard, Graeme Thomas, Sam Brown, India Fahy, Tom Wright, Marieke Datema, Dan Swinburn, Jason Alvares, George Christodoulides and Natasha Warby.

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