R (on the application of PACCAR Inc and others) (Appellants) v Competition Appeal Tribunal and others (Respondents)

Case ID: 2021/0078

Case summary

Issue

Are litigation funding agreements ("LFAs") pursuant to which the funder is entitled to recover a percentage of any damages recovered "damages-based agreements" ("DBAs") within the meaning of the legislation which regulates such agreements?

Facts

The issue arises in the context of applications to bring collective proceedings for breaches of competition law. By a decision dated 19 July 2016, the European Commission found that five major European truck manufacturing groups, including DAF, infringed competition law.

On the basis of the Commission decision, the Road Haulage Association Limited ("RHA") and UK Trucks Claim Limited ("UKTC") each sought an order from the Competition Appeal Tribunal (the "Tribunal") authorising them to bring separate collective claims for damages on behalf persons who acquired trucks from DAF and other manufactures. RHA and UKTC have LFAs in place, under which the funder's maximum remuneration is calculated by reference to a share of the damages ultimately recovered in the litigation. DAF contends that these agreements constitute DBAs with the consequence that they are unlawful and unenforceable because they do not comply with the statutory requirements for DBAs.

DAF's argument that the agreements were DBAs was rejected by the Tribunal and the Divisional Court on judicial review (the Court of Appeal having held it had no jurisdiction to hear an appeal from the Tribunal in such a case). DAF now appeals directly to the Supreme Court.

Judgment appealed

[2021] EWCA Civ 299

Parties

Appellant(s)

PACCAR Inc and others

Respondent(s)

Competition Appeal Tribunal and others

Appeal

Justices

Lord Reed, Lord Sales, Lord Leggatt, Lord Stephens, Lady Rose

Hearing start date

16 February 2023

Hearing finish date

16 February 2023

Watch hearing

16 February 2023 Morning session Afternoon session