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# IN THE COMPETITION APPEAL TRIBUNAL

Case Nos. 1304/7/7/19 1305/7/7/19

Victoria House, Bloomsbury Place, London WC1A 2EB

23 September 2019

Before:

# THE HON MR JUSTICE ROTH

(President)
SIMON HOLMES

## PROFESSOR ROBIN MASON

(Sitting as a Tribunal in England and Wales)

BETWEEN:

#### **JUSTIN GUTMANN**

**Applicant** 

- and -

# FIRST MTR SOUTH WESTERN TRAINS LIMITED STAGECOACH SOUTHWESTERN TRAINS LIMITED LONDON & SOUTH EASTERN RAILWAY LIMITED

Respondents

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PRE-HEARING REVIEW

### **APPEARANCES**

Mr Phili	o Moser	QC and	Mr Stefan	Kuppen (i	instructed b	y Charles	Lyndon	Ltd and	Hausfeld	. & (	Со І	LLP)
appeared	on beha	lf of the	Applicant.									

Mr Tim Ward QC and Mr James Bourke (instructed by Slaughter and May) appeared on behalf of First MTR South Western Trains Limited.

Ms Sarah Abram (instructed by Dentons UK and Middle East LLP) appeared on behalf of Stagecoach South Western Trains Limited.

Mr Paul Harris QC and Mr Michael Armitage (instructed by Freshfields Bruckhaus Deringer LLP) appeared on behalf of London & South Eastern Railway Limited.

- 1 Monday, 23 September 2019
- 2 (2.00 pm)
- 3 THE PRESIDENT: Yes, Mr Ward.

- 5 Application by MR WARD
- 6 MR WARD: Sir, as you're aware, the tribunal has before it
- 7 the respondents' application for a stay of these
- 8 proceedings, in light of the grant of permission to the
- 9 Supreme Court in Merricks. You will also have noted,
- 10 I am sure, from the skeleton arguments, that we don't
- 11 seek a stay in respect of the costs issues, where there
- 12 are active discussions between the parties and in the
- 13 event that there is anything left to decide, we would be
- 14 very content for that to be dealt with on one day
- 15 in November, within the current listing that the tribunal
- 16 has, should the tribunal be minded to stay the rest of
- 17 the CPO.
- 18 THE PRESIDENT: Yes, and indeed, if progress is made in
- 19 these discussions, it might be less than a full day.
- 20 MR WARD: Indeed, there may be little or nothing, but at the
- 21 moment it's a little too early to say. Would it be helpful
- 22 for me to outline some of the core reasons why we
- 23 submit a stay is the appropriate course on the
- 24 remaining issues of substance?
- 25 THE PRESIDENT: Yes, in brief terms. We've read the three

- 1 skeletons. We take it you are, as it were, the
- 2 spokesperson for all three respondents, because the
- 3 arguments are very much the same.
- 4 MR WARD: Yes, the other respondents will speak for
- 5 themselves in addition but I am going to make what I
- 6 understand to be the core arguments which are
- 7 common. The first point which is, of course, a very
- 8 obvious one, is that the ruling of the Supreme Court will
- 9 determine the correct approach to such hearings, in
- 10 circumstances where, of course, the tribunal and the
- 11 Court of Appeal have taken very different views on
- 12 matters which are fundamental. In particular,
- 13 I appreciate how familiar this is, but how intense the
- 14 review is by the tribunal at this stage, in other words
- 15 whether it is just a strike out test, the standard of
- 16 scrutiny of the evidence, what the Court of Appeal has
- 17 characterised as an impermissible mini trial, whether it's
- 18 necessary to show that damages to individuals are
- 19 compensatory, and whether the question of distribution
- 20 is even relevant to certification.
- 21 Now, of course at present, the tribunal and the parties are
- 22 bound by the approach of the Court of Appeal, but the
- 23 Supreme Court's answer to the questions will be
- 24 definitive, and it may adopt one or other formulation or
- 25 something entirely different of its own, of course. The

- 1 approach of the defendants to this hearing has been
- 2 based upon the legally binding standard of the Court of
- 3 Appeal. We haven't, and indeed couldn't, argue the
- 4 case as if the competition tribunal's judgment still stood,
- 5 and in my client, First MTR's pleadings, we expressly
- 6 reserve the position pending the ruling of the
- 7 Supreme Court, as to whether we might seek to adduce
- 8 fresh evidence or make further submissions, and I think
- 9 the position of my friends is the same. This is not a, if
- 10 you like, proforma objection based on a sort of just in
- 11 case basis. If it were of assistance, I could take the
- 12 tribunal through the First MTR response document and
- 13 just show you where we have explicitly said that the
- 14 approach of the Court of Appeal bites directly on the
- way we're putting the case, and made clear that were
- 16 we free to do so, there may be other matters that we
- 17 would wish to raise.
- 18 THE PRESIDENT: No, I don't think you need to. We've
- 19 looked at the response to the application, and I don't
- 20 think you need take us to the documents.
- 21 MR WARD: Thank you, sir. Of course, one thing here that
- 22 is central is the now two reports of Mr Holt, the expert
- 23 for the claimant. Whilst we have raised points about
- 24 Mr Holt's report in our response, as I know the other
- 25 two respondents have, we were of course constrained

- 1 by the observations of the Court of Appeal insofar as to
- 2 the kind of points we could realistically take, if the Court
- 3 of Appeal's approach is correct.
- 4 Now, the real purpose of the stay is to avoid what would
- 5 otherwise be a very large amount of wasted effort and
- 6 expenditure if this hearing goes ahead and the
- 7 Supreme Court then varies the legal test in a way that
- 8 implies that there were other avenues that could have
- 9 been explored and that have not been. So although it's,
- 10 of course, right for the applicant to say that the tribunal
- 11 has a power to reconsider certification if necessary, in
- 12 our respectful submission that would be a very large
- 13 waste of time, energy and money, given that, unlike the
- 14 position in Trucks, we do now know for certain that
- 15 permission to the Supreme Court has been granted.
- 16 The other matter that I would just advert to now is the
- 17 question of prejudice arising from the delay, because
- 18 that is a matter that the applicant has raised in his
- 19 skeleton argument. Well, the starting point for that, of
- 20 course, is this is a damages only claim, and a claim in
- 21 which interest is also claimed. So if at the end of the
- 22 day the proposed representative is successful, there
- 23 will be compensation for the delay, and it is important,
- 24 when considering the arguments about prejudice, to
- 25 bear in mind the scale of the claims.

- 1 THE PRESIDENT: Yes.
- 2 MR WARD: The estimate of Mr Holt, his central case
- 3 estimate, is the value per individual claimant is £29. So
- 4 without wishing to minimise the significance of these
- 5 proceedings, certainly on a collective level, any
- 6 individual prejudice arising out of the delay is, in my
- 7 respectful submission, very slight, and indeed, when
- 8 one looks at the kind of proceedings these are, any
- 9 concern about the effective effluxion of time is not
- 10 powerful in this case. The applicant himself says that
- 11 he is unlikely to call any individual members of the
- 12 proposed class as a witness. That's in the litigation
- 13 plan. My clients have taken, of course, all appropriate
- 14 steps to preserve documents. In reality, the evidence
- 15 that we are concerned with is not likely to turn on my
- 16 client's side, on individual recollection of specific
- 17 events. The tribunal will appreciate that's one of the
- 18 things we say is wrong with this claim, is that it doesn't
- 19 actually engage with individual circumstances, but the
- 20 way the claimant is putting the case is, effectively, that
- 21 there is a sort of alleged systemic defect in the way
- 22 these tickets are sold. The kind of evidence one needs
- 23 to address that is not itself likely to be harmed by a stay
- 24 of the period it will require for the Supreme Court to
- 25 consider the petition, which is now of course, fully

- 1 pending before it.
- 2 THE PRESIDENT: Yes.
- 3 MR WARD: So those are just the brief outline points that we
- 4 would make in favour of this stay.
- 5 THE PRESIDENT: You said, I think, that this is a damages
- 6 only claim, but I think the relief sought is also injunctive.
- 7 MR WARD: Yes, sorry.
- 8 THE PRESIDENT: And one of the points that's made in the
- 9 applicant's skeleton is that this is an ongoing practice,
- 10 and therefore, the longer the litigation goes on, the
- 11 longer the practice goes on.
- 12 MR WARD: And indeed, if they're right, the larger the pool
- 13 will be of potential claimants. That is right, and thank
- 14 you, sir, for picking me up on that. In truth, where we
- 15 are talking about the very, very modest level of
- 16 individual damage that is at stake in this claim, in my
- 17 respectful submission that may well be a factor to weigh
- in the scales, but it is very evidently and powerfully
- 19 outweighed by the other considerations that I've already
- 20 urged upon the tribunal.
- 21 MR HOLMES: Should we weigh in the scales the fact that
- 22 the applicants say that the anti-competitive behaviour is
- 23 ongoing? You mentioned a moment ago that your
- 24 clients have taken steps to preserve documents. Have
- 25 any steps been taken, without prejudice to your views

- on the behaviour, to change the behaviour?
- 2 MR WARD: As far as I'm aware, no. Of course my clients
- 3 don't accept that anything that's said here is capable of
- 4 amounting to an abuse of dominance, but this is why
- 5 I do advert again to the fact that even if the applicant is
- 6 right, and that this is abusive, I fully take on board the
- 7 point that the behaviour is continuing, but the actual
- 8 harm we're talking about here, even if there is any, on
- 9 their case, is of a very, very modest scale. I don't say
- 10 that's something you should ignore entirely, I just say
- 11 it's plainly outweighed.
- 12 Can I assist further at this time?
- 13 THE PRESIDENT: Yes, Ms Abram.

- 15 Submissions by MS ABRAM
- 16 MS ABRAM: Sir, I gratefully adopt the submissions of
- 17 Mr Ward and I just make three very short,
- 18 supplementary points, if I may. The first, very briefly, is
- 19 that so far as my clients, Stagecoach, is concerned, the
- 20 behaviour is not continuing, because Stagecoach is no
- 21 longer running the franchise. Just as a matter of fact,
- 22 that is over.
- 23 THE PRESIDENT: When did that end?
- 24 MS ABRAM: In 2017.
- 25 THE PRESIDENT: Thank you.

- 1 MS ABRAM: The second point is to underline that the
- 2 potential implications of the tribunal's decision on a stay
- 3 extend beyond the question of certification. If the
- 4 tribunal were to certify these proceedings, the applicant
- 5 would doubtless and quite understandably want to push
- 6 on past the certification stage to, for instance,
- 7 advertising and publicising the CPO, setting a date for
- 8 an opt out, a defence on the part of the respondents
- 9 and replies. All of those stages would be substantial,
- 10 time consuming on the part of the tribunal, and very
- 11 costly on the part of all parties. And so the question of
- 12 the egg that is to be unscrambled, as you, sir, put it in
- 13 your judgment in Trucks, is not just a matter of the
- 14 certification stage but goes beyond it. The applicant
- 15 hasn't addressed this point, and that's I think, because
- 16 there's no good answer to it, because if the applicant,
- 17 understandably, were to wish to push ahead, if
- 18 certification were granted, the problem would arise. If
- 19 the applicants were to say: no, I wouldn't want to push
- 20 ahead any further if you were just to certify the
- 21 proceedings, well then, why not grant the stay to begin
- 22 with?
- 23 That's the second point that I make. The third is just to
- 24 emphasise another point that the applicant has not, with
- 25 respect, fully grappled with, that the issues that the

- 1 Supreme Court may address in Merricks won't
- 2 necessarily be restricted to the question of how high the
- 3 threshold should be set for a certification application.
- 4 There's a whole range of issues that are in play in
- 5 Merricks, and of course, a penumbra of issues on which
- 6 the Supreme Court might also choose to comment. So
- 7 for instance, the test for data availability, just to take
- 8 one example. Is the test, as the Court of Appeal held,
- 9 merely that the applicant's approach to what data would
- 10 be available is credible, or is a more detailed review of
- 11 what data would be available appropriate, as the
- 12 tribunal held in Merricks? Now the Supreme Court
- 13 might go for one of these approaches or for a third one
- 14 altogether, and for that reason, in my submission it's
- 15 unrealistic for the applicant to say blithely: well, it's open
- 16 to the tribunal in November to look at the question of
- 17 certification by reference to both tests. Just do the
- 18 Court of Appeal test, do the tribunal test, it'll all come
- 19 out in the wash. Actually, there's a whole range,
- 20 a multi-factorial analysis that would need to be
- 21 considered, and it's not realistic for the tribunal to be
- 22 asked to look at all of the bits of the Court of Appeal
- 23 approach, all of the bits of the tribunal approach, and
- 24 a third hybrid or possibly totally different approach that
- 25 the Supreme Court might adopt.

- 1 So in my submission, their proposed solution just won't work.
- 2 THE PRESIDENT: Yes, thank you. Mr Harris.

- 4 Submissions by MR HARRIS
- 5 MR HARRIS: Sir, very briefly, I adopt too, the submissions
- of Miss Abram and Mr Ward on behalf of London &
- 7 South Eastern Railways. Just three very quick points.
- 8 Reference is made to the ongoing alleged
- 9 anti-competitive effect, but in addition to those points
- 10 made by Mr Ward, there's no application of course, for
- 11 interim relief. If that were thought to be a genuine
- 12 concern, that application could have been made but it
- 13 hasn't been made. The second point is that in addition
- 14 to emphasising certain of the points from Mr Ward and
- 15 Ms Abram, if the non-funding issues were to proceed
- 16 in November, and given that although it's not yet been
- 17 set down, it looks most likely that the appeal in Merricks
- 18 before the Supreme Court will be May 2020, or
- 19 thereabouts, in any event, at least six months beyond
- 20 that, then there would be no choice on the part of any
- 21 respondent who was so minded, who lost at
- 22 the November hearing, to issue all the appeal papers,
- 23 and there would therefore be yet further resource and
- 24 expense, because they would have to preserve their
- 25 position. As you know, the respondents have largely

- 1 taken the view that the Court of Appeal decision is not
- 2 the correct approach and that they, obviously, hope and
- 3 potentially envisage that it will be, if I can put it like this,
- 4 relaxed, so as to be more in line with the tribunal
- 5 approach when the Supreme Court hearing occurs. So
- 6 the second point is simply appellate costs wasted that
- 7 don't need to be wasted.
- 8 And then lastly, on a point of fact, my client has put in place
- 9 full litigation holds, so there's no suggestion that a stay
- 10 of the sort of ambit we're talking about would lead to
- 11 any greater danger of loss of evidence on my client's
- 12 part.
- 13 THE PRESIDENT: Put in place full litigation?
- 14 MR HARRIS: Holds.
- 15 THE PRESIDENT: On documents?
- 16 MR HARRIS: Yes, that's right. Preservation protocols.
- 17 Unless I can assist further, those are the additional
- 18 points.
- 19 THE PRESIDENT: Thank you very much. Yes, Mr Moser.

- 21 Submissions by MR MOSER
- 22 MR MOSER: Sir, we've set out our position in the skeleton
- 23 arguments. I'm, like my learned friends, not going to
- 24 repeat that. As the tribunal knows, our claim has
- 25 pleaded to what, for us, is the higher standard, as it

- 1 were, of CAT Merricks, and the responses have been
- 2 pleaded to what is, for them, the higher standard of the
- 3 Court of Appeal. And I needn't turn up the pleadings for
- 4 that, that's generally accepted. We submit that the
- 5 certification hearing can and should go ahead, and that
- 6 is just and proportionate, and that the correct legal test
- 7 for this, as yet unmentioned, is one on which all parties
- 8 are agreed. It's the AB Sudan case mentioned by the
- 9 tribunal in Trucks, and the question, essentially, is there
- 10 has to be a good reason for a case not to go ahead.
- 11 Sir, I don't have to show a good reason why there
- 12 should not be a stay, they have to show a good reason
- 13 for a stay. Of course, we do say there are good
- 14 reasons to go ahead and we do say those are the
- 15 matters that ought to be considered in the balance
- 16 when considering a stay. Above all, there ought to be
- 17 no delay. Further, the appropriate class representative,
- 18 who is in court, sitting at the far end of the second row,
- 19 Mr Gutmann, ought not to be prejudiced by memories
- 20 fading --
- 21 THE PRESIDENT: When you say no delay, that means that
- 22 if we go ahead in November, and you're successful,
- 23 then we proceed, presumably, to fixing a date when the
- 24 opt out must close, then go to responses, then start
- 25 disclosure; is that right?

- 1 MR MOSER: Sir, yes.
- 2 THE PRESIDENT: And then if it turns out that the standard
- 3 we've applied, as we have to, of the Court of Appeal, is
- 4 too low, and contrary to your views expressed, you
- 5 don't satisfy the higher standard, all that's been
- 6 wasted?
- 7 MR MOSER: But what we propose, and I appreciate we're in
- 8 the tribunal's hands, but what we propose is that the
- 9 tribunal should look at it on both bases.
- 10 THE PRESIDENT: Yes, I understand that, but still, if we
- 11 apply the -- let's suppose we can look at it on both
- 12 bases, and let's suppose that we find, contrary to what
- 13 you say, but it's quite possible, that you satisfy what is
- 14 the governing Court of Appeal standard, but you would
- 15 not satisfy the higher tribunal standard, we then make
- 16 the order in your favour, because we're bound by the
- 17 Court of Appeal. And that's why I was asking you. And
- 18 we then go ahead to advertise the class, fix a date for
- 19 opt out, go ahead with defences, start disclosure, and if
- 20 the Supreme Court in July or October says: actually, it's
- 21 the higher standard, and you say: we don't need
- 22 another hearing because we've already discussed that,
- 23 but then of course, the CPOs are revoked and all that
- 24 money is wasted.
- 25 MR MOSER: There are three possible outcomes --

- 1 THE PRESIDENT: Isn't that what would happen?
- 2 MR MOSER: In that exact timeline, yes, of course. But
- 3 there are three --
- 4 THE PRESIDENT: And who would bear the cost of that?
- 5 MR MOSER: That would be a matter for argument, but, sir,
- 6 there are three possible outcomes, aren't there. Either
- 7 the tribunal is going to find that you don't need to satisfy
- 8 the strike out test, we, the applicants, and the case is
- 9 over. In which case no time has been wasted. Or it is
- 10 found that we satisfy the higher CAT standard, in which
- 11 case I venture to submit it's not going to matter what the
- 12 Supreme Court find in May or whenever it gives
- 13 judgment afterwards. Then there is the third option,
- 14 which quite rightly, you're testing me on, and there it is
- 15 possible that we meet the Court of Appeal standard but
- 16 not the CAT standard. My submission is we proceed
- 17 on the current law, which is not an unusual situation,
- 18 because it's the standard Sudan approach. You have
- 19 to show why you shouldn't proceed under the law as it
- 20 stands.
- 21 THE PRESIDENT: We would have to proceed -- I mean we
- 22 would have to rule on the basis of the Court of Appeal
- 23 judgment. That's binding on us.
- 24 MR MOSER: Quite.
- 25 THE PRESIDENT: There's no question about that.

- 1 MR MOSER: There is the third way that in that situation it
- 2 would still be possible to think about whether matters
- 3 ought to rest there and await the outcome of the
- 4 Supreme Court in spring of next year.
- 5 THE PRESIDENT: I don't think we would give judgment in
- 6 the spring, I think it would be heard in the spring.
- 7 MR MOSER: Be heard in the spring.
- 8 THE PRESIDENT: But if it is going to rest there, what really
- 9 is being achieved? Because we're talking about three
- 10 or four days' argument, no doubt say, a month for
- 11 judgment, but I mean in that case, what really -- if
- 12 you're not going to proceed with the action, it's just
- 13 going to remain with the potential for further argument,
- 14 then what is the point?
- 15 MR MOSER: What we have achieved is in all of the other
- 16 possible outcomes, sir. This is the one outcome where
- 17 I can see that there is the potential, potential, for
- 18 wasted costs.
- 19 THE PRESIDENT: Well there's a further possibility, as you
- 20 recognise in your skeleton, namely that the
- 21 Supreme Court doesn't approach it on the basis of
- 22 either the Court of Appeal or CAT, but it's quite possible
- 23 it thinks it through itself and says "We think the proper
- 24 approach is this", and they bring in some matters that,
- 25 being the highest court of the land, that escaped the

- 1 attention of both the tribunal and the Court of Appeal,
- 2 and say "Actually, the correct approach is this," which
- 3 we of course haven't done because nobody set it out
- 4 before, and then we come back and we start doing that,
- 5 with some of the evidence heard again.
- 6 MR MOSER: It is a matter of managing the likelihood of this
- 7 sort of thing.
- 8 THE PRESIDENT: Well we've no idea what the
- 9 Supreme Court might say, we can't speculate.
- 10 MR MOSER: We've no idea. If we consider the options, the
- 11 way we've dealt with that is it need not concern the
- 12 tribunal overly, because any third way is going to be, at
- 13 any rate, somewhere between the Court of Appeal and
- 14 what this tribunal has said in Merricks, it's not going to
- 15 be less than a strike out, and so we have said the
- 16 liberating thought on that is that any third way will in any
- 17 event be met, if the Court of Appeal standard is met,
- 18 which is of course, our assumed case. That's the case
- 19 that we're submitting. Beyond that, my learned friend
- 20 Mr Ward makes four points, and I'll just address them
- 21 very briefly if I may, and Ms Abram has supplemented
- 22 them slightly. The first is how intense is the review, the
- 23 second is the standard of scrutiny, and Ms Abram adds
- 24 that includes data, and the third is compensatory
- 25 damages with the fourth, if it's different, being the

- 1 relevance of distribution. Those are the four points
- 2 Mr Ward says the Supreme Court might be looking at,
- 3 so not just the test. To meet that, sir, I can very quickly
- 4 point out that, in reality, the question of how intense the
- 5 review and the scrutiny, whether in relation to data or
- 6 anything else, that is all of a piece with the question of
- 7 what is the test, and is the test the strike out test or
- 8 another test. So I consider that we have dealt with that.
- 9 The question of compensatory damages and distribution, we
- 10 say that is not our case. In our case, other than in
- 11 Merricks, we are not arguing that there should be
- 12 a non-compensatory methodology. I could take the
- 13 tribunal to that. The tribunal has the point.
- 14 THE PRESIDENT: Yes.
- 15 MR MOSER: What the Court of Appeal says about that is
- 16 part of the Court of Appeal's findings about distribution.
- 17 So, really, that simply doesn't arise in this case. So just
- 18 to deal with Mr Ward's point on that, that is not
- 19 something that we say should in any way mitigate
- 20 against a stay.
- 21 Finally, on the question of prejudice, we've put our case on
- 22 prejudice twice. The tribunal has seen it, I know, in our
- 23 letter of 11 September and also in our skeleton
- 24 argument. I've summarised it briefly as being to do with
- 25 the loss of memory of witnesses and also in this case,

- 1 where individuals are concerned, and it may well be
- 2 that individually, each journey might be low, but
- 3 individuals, as members of the class, may well have
- 4 made many journeys, so each individual may have
- 5 a much higher loss than £29. But where individuals are
- 6 concerned, unlike in Trucks, where there was a stay, it
- 7 is a matter of the loss of evidence, the loss of proof,
- 8 that they will need for distribution, and a general loss of
- 9 memory, by which Mr Gutmann ought not to be
- 10 prejudiced. It is admitted, sir, that the conduct is
- 11 continuing. Obviously, there's something between the
- 12 parties as to whether or not it's an abuse, but that's
- 13 simply begging the question, and where it is admitted
- 14 that the conduct is continuing and it is thought
- unabated, we say that that is something the tribunal
- 16 very much ought to have in mind to weigh in the
- 17 balance as against our approach, which is to proceed
- 18 on the existing law.
- 19 Just in closing, the presumption that exists in Sudan is not
- 20 there surprisingly or unusually. We've cited other
- 21 specific examples, such as Energy Solutions and In re
- 22 Yates' Settlement Trusts, where on the specific facts of
- 23 those cases, the court proceeded, despite appeals
- 24 pending at the highest level. And secondly on that
- 25 point, case law, including the case law on certification,

- 1 will always be in flux. On Friday, for example, a few
- 2 days ago, the Canadian Supreme Court handed down
- 3 its ruling in Pioneer Corporation v Godfrey, looking
- 4 again at elements of Pro-Sys, and I make no
- 5 submissions on that today, but it simply illustrates that
- 6 the law on certification can change, even in more
- 7 settled jurisdictions.
- 8 So again, I hold against that the prejudice, and I comment
- 9 finally, that in one week's time, we will be celebrating, if
- 10 that's the word, the fourth anniversary of the
- 11 introduction of the collective proceedings jurisdiction,
- 12 with the first certification still awaited. So when we say
- 13 there should be no delay, we do say that that is also
- 14 something to put into the balance.
- 15 Sir, that's all I propose to say for the moment, unless I can
- 16 assist you further.
- 17 THE PRESIDENT: Yes, thank you. I think we will rise and
- 18 consider where we go from here.
- 19 (2.31 pm)
- 20 (A short break)
- 21 (2.50 pm)

- 23 Ruling
- 24 THE PRESIDENT: Despite the attractive submissions we
- 25 have heard and read, presented on behalf of the

- 1 applicant, we have concluded that the only sensible and
- 2 practicable course, having regard to the interests of the
- 3 class members, the respondents, and indeed this
- 4 tribunal and the other cases to be heard before the
- 5 tribunal, is to grant a stay of the non-funding issues in
- 6 these applications until after the Supreme Court
- 7 judgment in the Merricks case. We would only say that
- 8 once the date of the Supreme Court hearing has been
- 9 fixed, we are content that the parties should fix on
- 10 a provisional basis, a date some four to six months
- 11 later, depending on when the Supreme Court hearing
- 12 takes place, for the hearing of the non-funding issues
- 13 that are being stayed, so that we do not lose time by
- 14 only starting to look for a hearing date after the
- 15 Supreme Court judgment comes out and then further
- 16 months are lost.
- 17 The parties have agreed, as we have understood Mr Ward's
- 18 submission, that the funding issue can be heard, or
- 19 issues, can be heard separately. Ultimately, it is for the
- 20 tribunal to be satisfied whether a split hearing should be
- 21 ordered, but we accept that it is on these applications,
- 22 a wholly discrete area. It is not affected by the appeal
- 23 to the Supreme Court in Merricks, and we agree that
- 24 the funding issue should be heard as a split issue,
- 25 using one of the days currently allotted this November.

- 1 We think and direct that it will be heard on Thursday,
- 7 November. As we understand it, and we expect there
- 3 should be one counsel for all respondents on the
- 4 funding issues, we see there is a joint funding
- 5 response. We would not expect to hear from more than
- 6 one counsel. There is only the question then, of just
- 7 revising the directions for skeletons that were
- 8 previously ordered by the tribunal. We think that given
- 9 the more confined nature of the hearing and to leave
- 10 further time for discussions between the parties who
- 11 are seeking to narrow the issues, perhaps it can be
- 12 a slightly later date. So, Mr Moser, and indeed all
- 13 counsel, we thought to put it back to 25 October for
- 14 both skeletons. That is a Friday, I think. Skeletons and
- 15 bundles. As regards length of skeletons, again, clearly
- 16 they can be shorter, they are not going to cover what
- 17 were the main issues, and we think a page limit of
- 18 25 pages for each side.
- 19 Is there anything else that we need to address?
- 20 MR MOSER: There is perhaps a micro issue as to whether
- 21 or not it matters what the timetable on the day of the
- 22 hearing on 7 November is going to be. For what it's
- 23 worth, the sort of thing we had in mind was two and
- 24 a half hours for them, then two hours and ten minutes'
- 25 response for us, and 20 minutes' response for them, but

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that's perhaps a matter that can be \dots
 2
     THE PRESIDENT: Well I think rather than directing that
     now, why don't we wait until after you have put in your
 3
 4
     skeletons, seek to agree timing. If you can't, then we
 5
     will make a ruling. I'm sure with goodwill, you will divide
 6
     up the day in a sensible way.
7
     Thank you all very much.
 8
     (2.55 pm)
                                               (The hearing concluded)
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