



COMPETITION APPEAL TRIBUNAL

**NOTICE OF A CLAIM FOR DAMAGES UNDER SECTION 47A OF
THE COMPETITION ACT 1998**

CASE No: 1178/5/7/11

The Registrar of the Competition Appeal Tribunal (“the Tribunal”) gives notice of the receipt of a claim for damages (“the Claim”) on 18 January 2011, under section 47A of the Competition Act 1998 (“the Act”), by 2 Travel Group PLC (in liquidation) of 55 Baker Street, London, W1U 7EU (“the Claimant”) against Cardiff City Transport Services Limited of Sloper Road, Leckwith, Cardiff, CF1 8AF (“the Defendant”). The Claimant is represented by Addleshaw Goddard LLP of Sovereign House, Sovereign Street, Leeds, LS1 1HQ (Reference: 101743/192).

The Claimant is a company that, prior to its liquidation on 20 May 2005, carried on business in the United Kingdom (primarily in South Wales) in the provision of local bus services, coach services and engineering services. The Defendant is a private limited company, wholly owned by the County Council of the City and County of Cardiff, which provides local bus services in Cardiff. On 12 January 2011, pursuant to section 167 of the Insolvency Act 1986, HHJ Jarman QC gave the Claimant leave to commence these proceedings.

The Claim arises from a decision taken by the Office of Fair Trading (“OFT”) on 18 November 2008 (CA98/01/2008 – Abuse of a dominant position by Cardiff Bus; Case CE/5281/04) (“the Decision”). In the Decision, the OFT found that, between 19 April 2004 and 18 February 2005, the Defendant infringed the prohibition imposed by section 18(1) of the 1998 Act (“the Chapter II prohibition”) by engaging in predatory conduct against the Claimant which amounted to an abuse of its dominant position in the relevant markets.

For the reasons set out in the Claim, the Claimant suffered loss and damage as a result of the infringement found by the OFT in the Decision. The Claimant claims in respect of the following losses (in each case particularised in more detail in the Claim):

- (a) lost profits as at the date of liquidation in the sum of £798,871, alternatively as at the date of issue in the sum of £7,267,645 and thereafter at £4,511 per working day until trial, adjusted as the Tribunal considers appropriate to take account of all relevant circumstances;
- (b) the loss of the Claimant’s business as a going concern as at the date of liquidation in the sum of £5 million, alternatively as at the date of trial in the sum of £15 million, scaled down as the Tribunal considers appropriate to take account of unidentified contingencies;
- (c) wasted management and staff time in the sum of £171,776;
- (d) the loss suffered by the Claimant as a result of it being driven out of the market by the Defendant and being unable to grow and prosper as a successful bus company, in the sum of £15 million, adjusted as the Tribunal considers appropriate to take account of all relevant circumstances;
- (e) the lost commercial opportunity to develop the Claimant’s Swansea depot, in the sum of £10 million, adjusted as the Tribunal considers appropriate to take account of all relevant circumstances.

The Claimant also seeks:

- (a) exemplary damages in the amount of £3,218,600;

- (b) interest pursuant to rule 56(2) of the Competition Appeal Tribunal Rules 2003 (SI 2003 No. 1372) at 8% per annum or at such rate and for such a period as the Tribunal determines is appropriate;
- (c) costs.

Further details concerning the procedures of the Tribunal can be found on its website at www.catribunal.org.uk. Alternatively the Tribunal Registry can be contacted by post at the above address or by telephone (020 7979 7979) or fax (020 7979 7978). Please quote the case number mentioned above in all communications.

Charles Dhanowa OBE
Registrar

Published 24 January 2011