

IN THE HIGH COURT OF JUSTICE  
QUEEN'S BENCH DIVISION

1998-A-No.458

Royal Courts of Justice  
Thursday, 28th October 1999

Before:

MR. JUSTICE BURTON

B E T W E E N:

A. & Ors.

Claimants

- and -

THE NATIONAL BLOOD AUTHORITY

Defendants

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Re: HEPATITIS LITIGATION

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MR. M. BROOKE, O.C., MR. I. FORRESTER, O.C., and MR. J. ASIF  
(instructed by Messrs. Deas Mallen Souter, Newcastle upon  
Tyne) appeared on behalf of the Claimants.

MR. N. UNDERHILL, O.C., MR. P. BROOK SMITH (instructed by Messrs.  
Davies Arnold Cooper) and MR. S. PEARL (Solicitor, Messrs.  
Davies Arnold Cooper) appeared on behalf of the Defendants.

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JUDGMENT

(As approved by the Judge)

1 MR. JUSTICE BURTON: In this multi-party action in which I have,  
2 since February 1999, been the assigned judge, multiple  
3 claimants, now numbering something over 130, for whom  
4 Mr. Brooke, Q.C., has appeared with Mr. Forrester, Q.C., of  
5 the Scots Bar, and Mr. Asif, instructed for the purposes of  
6 all generic issues by Deas Mallen Souter, are suing the  
7 defendants, the English & Welsh Blood Authorities, for whom  
8 Mr. Underhill, Q.C., has appeared with Mr. Brook Smith,  
9 instructed by Davies Arnold Cooper, based on allegations that  
10 they contracted hepatitis C as a result of blood transfusions.

11 Their cases are put in a number of ways, but for the  
12 purpose of the presently planned generic trial, which has been  
13 fixed, ever since I was appointed as assigned judge, for  
14 October 2000, the only live issue is whether there is  
15 liability under the Consumer Products Act 1987 ("the CPA")  
16 which enacted the provisions of the Council Directive  
17 85/374/EEC of 25th July 1985 ("the Directive"). As I am the  
18 assigned judge and the parties well know the facts of the  
19 case, I shall not summarise them for the purposes of this  
20 judgment. Similarly, I shall not need, for the purposes of  
21 this judgment, to set out in great detail the arguments of the  
22 parties in this application by the claimants for a preliminary  
23 reference to the European Court in advance of the generic  
24 trial pursuant to Article 374/EEC. The reason for that is  
25 that there has been, as in all interlocutory proceedings  
26 before me and before Master Eyre, a transcript of those  
27 arguments and of the exchanges between me and counsel, so much  
28 of the thinking behind the submissions and indeed my

1 conclusions will be patent from a reading of the transcript of  
2 the hearing which lasted some five hours.

3 Suffice it for me to set out first the two articles of  
4 the Directive which, because it is the wording of the  
5 Directive and not of the CPA which is decisive, have been most  
6 closely concentrated on in the course of the hearing and for  
7 the purpose of this application.

8 The Directive was issued to introduce something close  
9 to strict liability into the manufacture and supply of  
10 consumer products, and the two articles in issue in this  
11 application were as follows. First of all, Article 6, which  
12 reads:

13 "1. A product is defective when it does not provide  
14 the safety which a person is entitled to expect,  
15 taking all circumstances into account, including:

16 "(a) the presentation of the product;

17 "(b) the use to which it could reasonably be expected  
18 that the product would be put;

19 "(c) the time when the product was put into  
20 circulation."

21 Article 7 which reads:

22 "The producer shall not be liable as a result of this  
23 Directive if he proves...

24 "(e) that the state of scientific and technical  
25 knowledge at the time when he put the product into  
26 circulation was not such as to enable the existence of  
27 the defect to be discovered..."

1           The relevant pleadings read as follows as to Article 6  
2       at paragraph 10 of the defence:

3           "It is expressly denied that the infection of blood or  
4       blood products with HCV [that is hepatitis C virus]  
5       constitutes a defect within the meaning of the Act.  
6       By virtue of s.3 of the Act [and that is a reference  
7       to the section which enacts Article 6], a product is  
8       defective for the purposes of the Act if '[its] safety  
9       ... is not such as persons generally are entitled to  
10      expect' having regard to all the circumstances. It is  
11      the Defendants' case (without prejudice to the burden  
12      of proof) that at all material times blood or blood  
13      products so infected were safe as persons generally  
14      were entitled to expect. The circumstances on which  
15      the Defendants will in particular rely can be  
16      summarised as follows..."

17           Then the circumstances are set out in four sub-  
18      paragraphs including at 10.3 the words:

19           "It is the Defendants' case that the expectation which  
20      patients are entitled to have as to the safety of  
21      products supplied by way of medical treatment (or in  
22      any event products of the type which are the subject-  
23      matter of this litigation) is not that they will be  
24      free of the risk of injurious effect but (at most)  
25      that any such risks are of a kind which are generally  
26      known to doctors who may use them."

27           The response to that is at paragraph 4 of the reply,  
28      which reads:

29           "With regard to paragraph 10 of the Main Defence:

30           a. At all material times Blood or Blood products  
31      infected with HCV have not provided the safety which a  
32      person is entitled to expect."

33           Then:

1 "e. It is denied that the circumstances pleaded under  
2 paragraph 10 in the Main Defence either singly or  
3 cumulatively negative the entitlement of a person to  
4 expect not to be HCV-infected at any material time by  
5 blood or blood products."

6 A number of other specific matters are put in response  
7 to the pleading in paragraph 10 relying on the defendants'  
8 interpretation of the effect of Article 6.

9 Then as to Article 7(e), the relevant paragraph of the  
10 defence is paragraph 13 which reads as follows:

11 "Further, in relation to all Plaintiffs infected by  
12 whole blood or blood components, the Defendants will  
13 if necessary rely on the provisions of s.4(1)(e) of  
14 the Act."

15 I interpolate that that is the UK enactment of Article  
16 7(e).

17 "In the state of scientific and technical knowledge at  
18 the time that the blood and blood products were  
19 supplied the Regions could not be expected to have  
20 discovered any contamination with the HCV virus. They  
21 could only be expected to have discovered such  
22 contamination when (a) the virus had been  
23 scientifically identified; (b) a reliable method of  
24 testing donated blood for the virus had become readily  
25 available; (c) practical systems were in place for  
26 the administration of such tests. The Defendants will  
27 say that those conditions were not satisfied until 1st  
28 September 1991. The relevant sequence of events can  
29 be summarised as follows..."

30 There are then eight sub-paragraphs in which those  
31 events are so summarised.

1           The response to that is at paragraph 5 of the reply  
2       which joins issue on paragraph 13 and then carries on:

3           "Without prejudice to the generality of the foregoing,  
4       the Plaintiffs plead as follows:

5           "a. At all material times the existence of the defect  
6           was known to the defendants in that they knew  
7           that blood and blood products were infected on  
8           occasion with a hepatitis virus later called HCV.  
9           The risk of such infection was not a development  
10          risk, but a production risk to which Article 7(e)  
11          of the Directive and section 4(1)(e) of the Act  
12          has no application."

13           Then in 5b there are set out alternative answers to  
14       the case of the defendants pleaded in paragraph 13, and I read  
15       them as follows:

16           "b. If, contrary to the Plaintiffs' contention in  
17           paragraph 5a., it is open to the Defendant to  
18           rely upon section 4(1)(e) of The Act (construed  
19           in accordance with Article 7e of the Directive)  
20           then it is the Plaintiffs' case (without  
21           prejudice to the burden of proof) that at all  
22           material times the state of scientific and  
23           technical knowledge was such as to enable the  
24           existence of the defect to be discovered:

25           "i) by the practice of surrogate testing, to  
26           wit:

- 27           (1) testing donors for anti-HBc;  
28           (2) testing donors for serum ALT levels;  
29           (3) acting upon the results of such  
30           testing."

31           This was described by Mr. Brooke in the course of his  
32       submissions as his first fall-back. Then:

1                   "ii) by anti-HCV testing (from either 1st March  
2                   1988 or from such other date as may be  
3                   revealed on discovery and/or in answer to  
4                   interrogatories when such testing could  
5                   first have been devised)..."

6                   This is described by Mr. Brooke as his second fall-  
7                   back.

8                   There are then in sub-clauses (iii), (iv) and (v) what  
9                   I assume are further fall-backs, perhaps a third, fourth and  
10                  fifth fall-back, which have not been the subject matter of any  
11                  argument before me today or in this application.

12                  The application by the claimants for a preliminary  
13                  reference is based upon draft questions which have been  
14                  formulated in three different ways. The interrogatory style,  
15                  the list of issues style and then in the form of six questions  
16                  which are actually incorporated into the notice of  
17                  application. These questions have been refined, or at any  
18                  rate summarised, yet further in the course of argument during  
19                  the hearing. The defendants submit that the very difficulty  
20                  of, and variations in, the formulation emphasise the  
21                  inappropriateness of the questions being put to the European  
22                  Court at this stage before the facts are found and the issues  
23                  crystallised; but the claimants say that the principle should  
24                  be established that there should be a preliminary reference  
25                  and then the precise formulation of the questions can be  
26                  carried out subsequently, by agreement if possible, but in any  
27                  event involving input from the defendants and, if necessary,  
28                  after a further hearing to settle any outstanding disputes or  
29                  uncertainties about their final form.



1           As to the respective positions of the parties on the  
2 question of a preliminary reference, the claimants say that  
3 the advantages of it are:

4           (1) that if the European Court resolves the dispute  
5 between the parties about the construction, ambit and effect  
6 of Articles 6 and 7(e) entirely in their favour then the trial  
7 will be shorter, possibly much shorter, and that, at worst,  
8 even if the issues are not entirely resolved in their favour  
9 the European Court may give guidance which would be valuable;

10           (2) that the making of such reference is inevitable at  
11 some stage, and making it now rather than later will save time  
12 and may save costs.

13           The respondents say that there are no advantages, or  
14 at any rate no sufficient or clear advantages, to be gained.

15           1. The issues are not yet sufficiently clear. The  
16 facts are uncertain or not even capable of being categorised  
17 as assumed facts, given the existence of disputes not only  
18 about their accuracy but also their effect and their  
19 relevance, and that a preliminary reference is consequently  
20 inappropriate.

21           2. That it is not inevitable that there will be a  
22 reference at some stage, for example if the defendants' legal  
23 submissions were to succeed at trial but the claimants were  
24 nevertheless to win on the facts, or if the claimants' legal  
25 submissions were to succeed at trial and the defendants did  
26 not seek a reference, and that there would be little or no  
27 saving in time or cost in any event, particularly as the case  
28 would have to continue to be prepared for trial in the



1        meanwhile on the full-blown basis, given the claimants'  
2        understandable and correct stance that they are not seeking a  
3        stay.

4                I turn then to the questions that are recited in the  
5        notice of application as being those which the claimants want  
6        referred. They are as follows:

7                "(1) In circumstances where a patient has received a  
8        transfusion of blood or blood products or the  
9        transplantation of a body part and has contracted  
10       hepatitis C, a serious illness, due to the presence of  
11       viral matter in the transfusion or body part, are the  
12       blood products so transfused or the body parts so  
13       transplanted to be regarded as 'defective product'  
14       within the meaning of Article 6 of Directive 85/374?

15               "(2) Would the answer to (1) differ depending on the  
16        circumstances of the patient so that different levels  
17        of expectation of safety would apply to an unconscious  
18        patient needing an emergency transfusion, a patient  
19        undergoing elective surgery whose needs could have  
20        been met by autonomous transfusion, and the patient  
21        accustomed to being treated with blood products?

22               "(3) Would the answer to (1) differ if the producers  
23        of the blood product or body part in question were  
24        able to show that contaminating viral material was  
25        difficult to detect?

26               "(4) Is the state of scientific knowledge defence  
27        provided for in Article 7(e) and implemented in  
28        national law open to the defendants at all if it is  
29        proved that at all material times it has been known  
30        that blood, blood products and body parts were at risk  
31        of being infected with the hepatitis virus in due  
32        course identified as HCV and on occasion were so  
33        infected?

1           "(5) If the answer to (1) is affirmative, is Article  
2           7(e) of the Directive to be interpreted as making this  
3           defence available to producers of hepatitis C  
4           contaminated blood products and body parts in respect  
5           of the period before HCV was identified by science  
6           even though at all material times the state of  
7           knowledge has been such that producers of blood  
8           products and body parts were capable of reducing,  
9           albeit not eliminating, the risk of infection by  
10          rejecting some of the blood products or body parts  
11          which might be infectious?

12          "(6) May the producer of such blood products or body  
13          parts also validly invoke the state of scientific and  
14          technical knowledge defence if it is proved that the  
15          then available technology which could have allowed the  
16          detection of the presence of hepatitis C virus in  
17          these products, albeit at a cost of false positives,  
18          was not used by the producer in question, is the  
19          answer to this question affected by the fact that in  
20          other countries such technology was used to reduce the  
21          risk of the transfusion of contaminated blood of a  
22          transplantation of contaminated body parts."

23          These are summarised by the claimants at paragraph 16  
24          of their skeleton argument as follows:

25          "(a) Are blood, blood components, blood products or  
26          body parts 'products' within the meaning of the CPA?

27          "(b) If so, are blood, blood components, blood  
28          products or body parts infected with HCV defective  
29          within the meaning of the CPA?

30          "(c) If so, is it open to the defendants to rely on  
31          the state of scientific and technical knowledge  
32          defence at all?

1           "(d) If so, until what date is it open to the  
2           defendants to rely on the state of scientific and  
3           technical knowledge defence?"

4           This summary reveals the following about those  
5           questions:

6           1. That the first question is, in fact, an amalgam of  
7           two questions, one summarised as (a) relating to the  
8           definition of "products" in which the only disputed issue,  
9           though one that is vigorously contested, is whether body parts  
10          are products, an issue which is only, in fact, live in one out  
11          of the 130-plus actions, and the other summarised as (b)  
12          relates to the definition of "defective."

13          2. That the second and third questions are  
14          alternatives to and sub-categories of the first question,  
15          directed towards a consideration of what circumstances might  
16          be relevant if, contrary to the claimants' primary case, any  
17          circumstances were relevant at all. They are both subsumed  
18          within (b).

19          3. That the fifth and sixth questions are  
20          alternatives to and sub-categories of the fourth question  
21          directed towards a consideration of whether certain dates or  
22          events might be relevant if, contrary to the claimants'  
23          primary case, any events or dates were relevant at all, and  
24          they are both contained within (d).

25          I turn then to the principles lying behind the  
26          decision I must make as to whether there should be a  
27          preliminary reference to the European Court. The first  
28          principle is that it is a matter entirely for my discretion,

1       that is as judge of the national court. The question is  
2       whether I am satisfied that it would be advantageous for me,  
3       as proposed trial judge, to have the questions decided in  
4       advance. I refer to my recorded discussion with  
5       Mr. Forrester, Q.C., when I summarised one of the relevant  
6       questions as being:

7                "Do I want these questions answered now? Am I helped  
8                by that?"

9                To which Mr. Forrester answered:

10               "Yes.

11               Then I carried on:

12               "Or would I feel that it would be more helpful from my  
13               point of view to have the facts found and my own mind  
14               cleared up as to precisely what questions I wanted  
15               answered?

16               Mr. Forrester responded:

17               "My Lord, indeed, that is the right question to ask."

18               I said:

19               "Well, you pointed out to me that that is the question  
20               I should be asking myself.

21               Mr. Forrester responded:

22               "Yes, that is right, without fear that the conclusion  
23               you come to might be criticised or doubted."

24               He meant, of course, by the European Court.

25               The corollary is that the European Court leaves the

26       matter largely to the national court (see Bosman v. UEFA

27       [1995] 1 ECR 4921 at 5059). There are circumstances in which

1 the European Court declines or refuses to reach a conclusion  
2 on a reference, but they normally try to assist at least to  
3 the extent of giving guidance, even if they do not feel able  
4 to answer the questions with a plain Yes or No.

5 Nevertheless, there are guidelines which the European  
6 Court has given, and the most relevant area to this case in  
7 which such guidance has been given in relation to a  
8 preliminary reference is whether, as it is put in Bosman at  
9 5060:

10 "...the Court ... [has] before it the factual or legal  
11 material necessary to give a useful answer to the  
12 questions submitted to it..."

13 If it concludes that it does not, that will be one of  
14 those circumstances in which a reference will be declined to  
15 be answered by the European Court.

16 Given that the decision is, therefore, for the  
17 national court, inevitably one looks for guidelines for the  
18 decisions of this court, and the defendants draw attention to  
19 the statements of Neill J. (as he then was) in An Bord Baine  
20 (The Irish Dairy Board) v. Milk Marketing Board [1985] 1  
21 C.M.L.R. 6 at page 10, which includes a reference to the often  
22 cited statement of Lord Denning, M.R. in Bulmer v. Bollinger  
23 [1974] Ch. 401 at 423, namely:

24 "As a general rule a reference should not be made  
25 until the facts have been found by the English court  
26 and therefore a reference should not be made at an  
27 interlocutory stage: ..."

28 That statement by Lord Denning, although thus cited  
29 with approval and respect by Neill J. in the Commercial Court

1 in England, has been the subject of criticism by the Advocate-  
2 General in Pretore di Salo v. X [1987] E.C.R. 2545 at 2557;  
3 but the Advocate-General there does not in terms address the  
4 fact that Lord Denning was only talking "in general", and he  
5 makes his comment by reference to Irish Creamery Milk  
6 Suppliers' Association v. Government of Ireland & Ors. [1981]  
7 E.C.R. 735, which primarily concentrates on the fact that it  
8 is the national court which is in the best position to  
9 appreciate at what stage in the proceedings it requires a  
10 ruling. In any event, the full court in Pretore di Salo does  
11 not repeat the Advocate-General's words, but restricts itself  
12 in its judgment effectively to reiterating the gist of that  
13 passage in Irish Creamery when it says at 2568:

14 "The decision at what stage in proceedings a question  
15 should be referred to the Court of Justice for a  
16 preliminary ruling is therefore dictated by  
17 considerations of procedural economy and efficiency to  
18 be weighed only by that national court and not by the  
19 Court of Justice."

20 I also note the caution not to be too hasty in  
21 resorting to a reference at page 24 of the Court of Justice's  
22 own 1999 paper. I shall therefore do my best to articulate  
23 the position from the point of view of the national court to  
24 which the European Court has therefore left the decision,  
25 taking into account all those guidelines, but in addition  
26 considering the principles by which our courts themselves  
27 consider questions of the appropriateness of preliminary  
28 issues or rulings of law of mixed law and fact. Before I do  
29 this, I should, however, add this. Not only is the national  
30 court, as the European Court has recognised, in the best

1 position to decide on the appropriateness of a preliminary  
2 ruling, but an assigned judge is in a better position than  
3 most interlocutory judges to understand the case before him  
4 and consider its appropriateness for a preliminary ruling.  
5 However, this case, and in particular my assignment to it, is  
6 still at a relatively early stage. My involvement to date in  
7 three or four interlocutory hearings gives me a better insight  
8 into the case than any other judge, but still I am infinitely  
9 less cognisant of the case and the issues than a trial judge  
10 would be or than it is to be hoped I will be when I am, as is  
11 presently proposed, the trial judge.

12 Subject to those matters, therefore, I attempt to  
13 indicate what I am looking for. Can issues be isolated in  
14 respect of which:

15 (1) facts can be agreed or assumed adequately or  
16 satisfactorily? Facts that are agreed or found are far more  
17 suitable than facts that are assumed, no doubt for certain  
18 purposes or subject to considerable caveats or hypotheses, and  
19 are certainly far better than having a determination argued  
20 against the background of each side putting in, as has been  
21 suggested, detailed factual submissions, particularly when  
22 there is a dispute not just as to the existence of some or all  
23 of the respective facts but in any event as to their effect  
24 and relevance;

25 (2) it can be sufficiently clear that a satisfactory  
26 and sufficient answer can be given by the European Court, for  
27 example, not just as in Rigsadvokaten v. Ryborg, [1991] E.C.R.



1 I-1943, an answer that the matter should be decided by the  
2 national court in accordance with all the relevant facts?

3 (3) it can be sufficiently clear that material costs  
4 and time are likely to be saved for the risks inherent in the  
5 identifying and litigating of any preliminary issues to be  
6 taken? These risks have, of course, been discussed in the  
7 English cases on preliminary issues, but given that the making  
8 of a reference to the European Court inevitably leads to  
9 greater delay than the hearing of a preliminary issue in the  
10 national court, at any rate at first instance, there is even  
11 more to weigh in the balance.

12 I turn then to my conclusions. I sought to slim down  
13 or re-summarise the questions in the course of the hearing.  
14 Ignoring the separate and less immediately significant,  
15 although obviously important, issue of body parts, they are  
16 four, the first two of which I have referred to as "the big  
17 issues".

18 (A) revolves around Article 6. The claimants say that  
19 blood or blood products are contaminated and a claimant is  
20 entitled to expect that blood is not contaminated;  
21 consequently the products are defective. Nothing else is  
22 admissible or relevant.

23 (B) revolves around Article 7. The claimants say it  
24 is enough if there is a known risk of contamination in blood  
25 generally, i.e. in what Mr. Forrester, Q.C. called "the  
26 population of products", and it is not relevant whether there  
27 is a known risk as to the particular blood or product. As the  
28 claimants contend that it is not or cannot be in issue that

1 there was such a known risk by 1988 when the CPA came into  
2 force, nothing else is admissible or relevant.

3 (C) revolves around Mr. Brooke's first fall-back, as  
4 I described it by reference to the pleading. The alleged  
5 existence of surrogate testing allegedly forecloses thereafter  
6 any further argument about the availability of the Article  
7 7(e) defence.

8 (D) consists of Mr. Brooke's second fall-back, as to  
9 the alleged existence of some limited HCV testing, similarly  
10 said to foreclose thereafter any further argument about the  
11 availability of the Article 7(e) defence.

12 As to (C) and (D), I am not at all satisfied that  
13 anything helpful would come out of a reference. There would  
14 need, it seems to me, to be detailed consideration of facts,  
15 events and dates, their status, inter-relationship and  
16 significance, not to speak of the significance of the other  
17 fall-backs pleaded by the claimants to which I have not made  
18 specific reference, and any other facts which the defendants  
19 assert to be relevant. Even if there were to be assumed  
20 facts, we might be into Mr. Forrester's suggestion of ten  
21 hypotheses, which is not only not enticing of itself but  
22 particularly so if the substratum of some or all of the  
23 hypotheses may disappear at trial.

24 I might only be persuaded of the advantage of  
25 referring (C) and (D) if the big issues were, in any event,  
26 being referred and it was thought sensible to seek some  
27 guidance from the European Court on as many other issues as  
28 possible. Of course, if there were a trial, these issues may

1 disappear into insignificance and others may assume  
2 significance.

3 I turn, therefore, to the big issues. As to those, it  
4 seems to me that there is a distinct possibility that no  
5 benefit will be gained from the reference.

6 1. The words in Article 6 which the claimants will be  
7 asking the European Court to decide should be ignored are:

8 "...the safety which a person is entitled to expect,  
9 taking all circumstances into account..."

10 Mr. Forrester, Q.C., describes "all circumstances" as  
11 "somewhat mush words, puff words", to which he does not attach  
12 great importance. But:

13 (a) It is not simply those words "all circumstances"  
14 which seem to me at any rate arguably relevant, but also the  
15 words "a person is entitled to expect". It seems to me that  
16 that at least arguably imports an objective test.

17 (b) Mr. Underhill has pointed out, and indeed  
18 Mr. Forrester accepted, that there is a considerable drafting  
19 history to the introduction and insertion of those words into  
20 Article 6 which was previously in the draft Directive Article  
21 4 and that there was quite a battle, what Mr. Forrester called  
22 "breast-beating", from many, many parties, such that what he  
23 called "a certain amount of reassurance" should be introduced  
24 into what would or might otherwise have been simply strict  
25 liability.

26 Thus "entitled to expect taking all circumstances into  
27 account" may mean exactly that, or they may be "mush and

1 puff", or they may lead to the inclusion, notwithstanding the  
2 wide language, of some circumstances and the exclusion of  
3 others. Similarly the identity of "a person", French "on" and  
4 German "man", may or may not be limited.

5 There is, it seems to me, at least a realistic risk  
6 that the first or third possibilities may arise rather than  
7 the second mush and puff one, and in the event of the third  
8 possibility at the very least it would be helpful if the  
9 circumstances in this case had been found so as to see which,  
10 if any, could be relevant.

11 2. As for article 7(e), the wording would appear to  
12 allow less room to the defendants for the consideration of  
13 background circumstances if the claimants established that  
14 "existence of the defect" means "existence of the defect in  
15 the population of products", although the word "such" might  
16 still perhaps allow or necessitate consideration of some  
17 evidence. But in any event, all the evidence which the  
18 defendants wish to adduce about detectability and the state of  
19 research, which would be excluded in respect of Article 7(e)  
20 if the claimants' interpretation of it were right, would in  
21 any event be led under Article 6, unless they were also able  
22 to exclude it there.

23 My state of mind accordingly is that I can see real  
24 risks of an unsatisfactory preliminary reference and am not  
25 satisfied, at least at this stage of my understanding of the  
26 case, that I would be much helped prior to trial by having the  
27 issues resolved by preliminary reference, but should I refer

1 it anyway and see what happens? I do not consider that is  
2 sensible in this case.

3 1. It may be that Articles 6 and 7(e) will be so  
4 construed by the European Court that the trial will be  
5 shortened or even avoided entirely, e.g. if the claimants were  
6 in a position to and did succeed entirely on both big issues.  
7 But on the other hand it may be that the result of the trial  
8 fixed for October 2000 would mean that a reference is entirely  
9 unnecessary. As I have indicated, if the claimants win the  
10 trial there may be no need for a reference at all. When I put  
11 this to Mr. Brooke he, not surprisingly, responded that it was  
12 "swings and roundabouts".

13 2. So on the basis that at best the position is  
14 finely balanced, what of the effect on time and cost? The  
15 claimants' skeleton argument identified what appeared to be a  
16 large difference in the respective situations of reference  
17 before the trial as opposed to reference after, but a large  
18 amount of that difference evaporated in the course of the  
19 hearing when it was accepted on all sides that if there were  
20 to be a reference other than a preliminary one the most likely  
21 time would be at the end of the trial with a reference by me  
22 after a finding of the facts and perhaps a provisional  
23 judgment not, as illustrated in the claimants' skeleton  
24 argument, by the House of Lords after hearings in the Court of  
25 Appeal and perhaps the House of Lords.

26 The rival timetables looked something like this by the  
27 end.

1 (A) Preliminary reference, made November 1999, back  
2 from European Court hopefully July 2001. The trial would have  
3 had to have been fixed anyway for the convenience not only of  
4 the court but all the parties and the experts, otherwise with  
5 a lengthy trial like this if one did not seek to fix the trial  
6 until the European Court result was in, there would be a much  
7 longer delay. In fixing the date for such trial a period  
8 would have to be left to allow for the assimilation of the  
9 effect of the judgment, particularly if it consisted of  
10 guidance as to what evidence should be adduced and what  
11 circumstances, if any, should be considered. January 2002  
12 would be the earliest and might itself be at real risk if, as  
13 could be the case, the European Court's judgment were delayed  
14 longer than allowance has been made for. Assuming, however, a  
15 trial starting in January 2002 and a shorter trial than the  
16 three months presently planned, although that may not  
17 eventuate unless the claimants are at least partially  
18 successful in Europe, that could mean judgment in May 2002.

19 Alternatively:

20 (B) Leaving the trial at October 2000 without a  
21 preliminary reference, then provisional judgment and a  
22 reference February 2001; back from Europe, October 2002;  
23 judgment incorporating the results of the reference, November  
24 2002.

25 The maximum gain between the two scenarios at the  
26 conclusion of the first instance decision taking into account  
27 the result of a reference would thus be six months. However:

1           (i) That may not eventuate and, leaving aside the  
2 risk of further delay, if the claimants were not wholly  
3 successful or not successful at all in Europe, then the trial  
4 may not be shortened at all.

5           (ii) We have at the moment a certainty of a trial  
6 date.

7           (iii) As discussed, the case may not go to Europe at  
8 all, in which case it would have been resolved in February  
9 2001, 15 months earlier than on scenario 1.

10           (iv) As for cost saving, of course, if the case did  
11 not go to Europe at all then all the European costs would be  
12 saved if scenario 2 were followed. But leaving that aside,  
13 there is not a great saving in costs, even if the claimants  
14 were wholly successful in Europe, because the trial would have  
15 had to have been prepared meanwhile anyway to avoid the risk  
16 of any delay, as all accept, so that the maximum that could be  
17 saved would be the costs of that part of hearing which, if the  
18 claimants were substantially successful in Europe, would be  
19 rendered unnecessary, not a substantial amount in the overall  
20 picture.

21           In all those circumstances, therefore, I consider a  
22 preliminary reference, whether of the questions posed or of  
23 any similar questions, inappropriate and not beneficial to the  
24 expeditious, convenient and just disposal of these claims.

25           I think I have already indicated, I think to both of  
26 you, that in the likely event, so far as costs are concerned,  
27 that it would follow the event.  
28  
29



1 MR. ASIF: My Lord, quite so. I was going to say that I would not  
2 seek to say anything beyond what was said on the last occasion  
3 so far as costs are concerned.  
4  
5 MR. JUSTICE BURTON: Thank you very much indeed. I do not know  
6 whether it is a case in which either of you want to consider  
7 leave to appeal. It seems to me entirely a discretionary  
8 matter and, as I indicated, one that I am probably in the best  
9 position to judge, but if you are thinking of any question of  
10 leave to appeal I suppose you ought to deal with it now or, at  
11 any rate, if you do not want to deal with it now, perhaps in  
12 writing in the next few days, because one does not want to  
13 leave this open for very long.  
14  
15 MR. ASIF: I think the provisional view which those instructing me  
16 have formed is that because it is a prime example of an  
17 exercise of your Lordship's discretion, it is not something  
18 really which is suitable for any appeal from this court unless  
19 the parties were going to say that your Lordship had not taken  
20 into account particular matters which you ought to have done.  
21 Clearly your Lordship has given a very thorough consideration  
22 of the authorities and has heard full argument, so I do not  
23 think that any argument along those lines would get off the  
24 ground.  
25  
26 My Lord, can I mention that the parties are looking to  
27 fix another hearing in your Lordship's diary some time in the  
28 middle of December. Perhaps, having thought about the terms  
29 of your Lordship's judgment, if the parties do think that a  
30 further report ought to be pursued, that might be the best  
31 time for any renewed application for leave to be made, if your  
32 Lordship were prepared to leave it for that long.  
33  
34 MR. JUSTICE BURTON: For leave to appeal. There are two points in  
35 answer to what you say.  
36  
37 First of all, as far as a date is concerned, I am  
38 starting a long case in the Queen's Bench division on 6th  
39 November, which will, unless it goes short in some way, take  
40 me through until Christmas, so I am therefore sitting every  
41 day. I am sure that I will be able to assist you by finding  
42 some time, perhaps a Friday, something of that kind, if you  
43 can find out when would be convenient and let my clerk or the  
44 clerk of the lists know. I have a pre-trial conference in  
45 that case next Wednesday morning and then, of course, I start,  
46 subject to reading days, the following Monday or Tuesday.  
47 I can raise it with them to find out when they think there  
48 will be a possibility of a break, so I will try and fit round  
49 you.  
50  
51 MR. ASIF: My Lord, I think certainly from the claimants' point of  
52 view we are looking, if possible, for a Friday and preferably  
53 10th December, but obviously we have not yet had any input  
54 from the defendants' counsel. My Lord, I think my head of  
55 chambers is in the trial that your Lordship is hearing, so he  
56 will just have to make room for Mr. Brooke if your Lordship is  
57 prepared to take us on a Friday.

1 MR. JUSTICE BURTON: There we are. Obviously you will make  
2 inquiries and see if you can do anything by arrangement. That  
3 is fine.  
4  
5 As for the second matter, yes, particularly if  
6 Mr. Pearl does not object I am perfectly prepared to extend  
7 the time for seeking permission to appeal until December. On  
8 the other hand, if you are going to move for preliminary  
9 reference, another further month will have gone. More than a  
10 month, six weeks will have gone.  
11  
12 MR. ASIF: My Lord, of course, and I am sure that is something  
13 that those instructing me will bear in mind if they consider  
14 that they wish to make an application.  
15  
16 MR. JUSTICE BURTON: I have indicated that it might be better if  
17 you did decide, contrary to your present belief, that you  
18 wished to make an application for permission to appeal in  
19 writing serving it before -- it does not need to be a formal  
20 document but some kind of short written submissions in support  
21 of permission to appeal and serve it on the defendants, make  
22 sure that they have an opportunity to respond to it and then  
23 send the written submission and the written submission in  
24 answer to my clerk and I will deal with it in writing, but  
25 from what you are saying it looks unlikely that you will.  
26  
27 MR. ASIF: I think that is certainly the provisional view that  
28 those instructing me have formed.  
29  
30 MR. JUSTICE BURTON: Clearly there will be a transcript of this  
31 judgment. Certainly after the extremely helpful way in which  
32 such a speedy transcript was provided, which was very helpful  
33 indeed, to me last Monday, I am not going to ask for any kind  
34 of expedition, far from it, but I simply ask that on this  
35 occasion, as opposed to normally when you simply have the  
36 transcript for yourselves, if a transcript could be supplied  
37 to me it would be helpful. Of course, it may be that I will  
38 be given the opportunity of correcting it in case there are  
39 any typographical errors, but that obviously will be something  
40 we ought to have, and I would certainly need to have in front  
41 of me, before I considered any permission to appeal if we are  
42 not going to deal with it today.  
43  
44 MR. ASIF: My Lord, that is certainly right, and bearing in mind  
45 your Lordship's invitation for members of the press to attend  
46 the judgment, it is likely or certainly possible that your  
47 Lordship's judgment may be of some interest to the law  
48 reporters in which case, of course you would have the  
49 opportunity to correct it and make any amendments.  
50  
51 MR. JUSTICE BURTON: I do not know whether one needs to say in  
52 this day and age that I give leave for it to be treated as  
53 delivered in open court, but if I did I would certainly say  
54 that it should be.  
55  
56 MR. ASIF: I think one still does need to do that formerly,  
57 because chambers judgments, unless the court says that they

1 are to be treated as being delivered in open court, although  
2 the public are entitled to attend, parties do not tend or such  
3 matters do not tend to be reported as such.  
4  
5 MR. JUSTICE BURTON: It is a very self-contained point and unless  
6 either of you have anything further to say I would be happy to  
7 say that it should be deemed to be delivered in open court.  
8  
9 Thank you very much. There were no further problems  
10 arising out of drafting of the orders on the last occasion,  
11 I take it.  
12  
13 MR. ASIF: My Lord, no. In fact, apart from the orders in the  
14 individual cases there are not really any substantive orders  
15 to be made. Obviously I will deal with the drawing up of the  
16 order on this particular application which will deal with  
17 anything else that needs ----  
18  
19 MR. JUSTICE BURTON: Yes. I cannot remember whether we did  
20 anything vital except I think there were a few matters that  
21 may have gone by consent.  
22  
23 MR. ASIF: I think they were all on the individual cases.  
24  
25 MR. JUSTICE BURTON: Very well. Thank you.  
26  
27

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