Scotland is the latest country to create its own class action procedure

OVERVIEW
On July 31st, Scotland became the latest country to introduce its own procedure for bringing group proceedings, or class actions. The Civil Litigation (Expenses and Group Proceedings) Bill brings Scotland in line with the current trend in Europe, and worldwide, where collective redress is viewed as a mechanism for creating a more accessible, affordable and equitable civil justice system.

This new legislation allows for opt-in class action style litigation for breaches of consumer protection laws. Sectors including the pharmaceutical industry, financial services, personal data storage, general consumer products and other consumer facing industries will now be subject to collective actions brought by representative parties on behalf of relevant class members.

Scotland created this reform with an international reach in mind. Claimants outside of Scotland, along with Scottish citizens, have standing to bring a collective action against businesses with operations within Scotland and companies selling services or products in Scotland.

There is a certain degree of ambiguity as to how Scotland’s class action procedure will function because of Scottish lawmakers’ desire to only deal with key aspects of the mechanism—rather than create a comprehensive new set of rules. Clarification of the Scottish class action model will come with time, experience, and demonstration through their justice system.

WHY THIS MATTERS
The U.S. Supreme Court’s decision in Morrison in 2010 limited the scope of class actions that could be brought in U.S. courts, reducing important asset recovery opportunities worldwide. In response, other countries began to enact class action recovery mechanisms and the global landscape became more complex, with varying processes and standards.
Scotland has taken affirmative steps towards protecting consumer rights and promoting access to justice by creating a mechanism to address them, while recognizing the importance of appropriate international litigation.

**NEXT STEPS**
There is no immediate change of which you need to be aware. The Broadridge team will continue to monitor developments, maximize your opportunities and stay on top of the legal and filing requirements.

We provide complete portfolio monitoring and asset recovery services in all class and collective actions, in all jurisdictions to support maximum opportunities and maximum recoveries.