

Air Passenger

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Related Practice Areas: **Antitrust / Competition**

In re: International Air Transportation Surcharge Litigation - M-06-01793 CRB, U.S.D.C., Northern District of California. Between 2004 and 2006, British Airways and Virgin Atlantic conspired to increase the fuel surcharge they added to the price of tickets for “long haul” flights to and from the United States and the United Kingdom. Virgin Atlantic sought amnesty from the Department of Justice for its participation in the conspiracy, and British Airways pled guilty to violations of U.S. and U.K. antitrust law.

Dozens of lawsuits were filed across the country seeking damages resulting from the conspiracy, and the litigations were consolidated before District Judge Charles Breyer of the United States District Court for the Northern District of California in San Francisco.

The Court appointed Hausfeld as co-lead counsel to represent the potential class of purchasers harmed by the conspiracy. Following over a year of difficult negotiations, expert analysis, and discovery, Plaintiffs negotiated a comprehensive \$200 million settlement of the claims of both U.S. purchasers and U.K. purchasers who choose to file a claim for a refund. The groundbreaking settlement, primarily negotiated by Chairperson Michael Hausfeld, represented the first time foreign purchasers have been afforded an opportunity to participate in a U.S. class settlement on an equal footing with purchasers in the United States. The settlement provides for a refund of 33% of the surcharge paid on each ticket purchased during the conspiracy period, an amount Plaintiffs' expert determined was approximately 100% of the damages caused by the conspiracy. The settlement was heralded by Judge Breyer as “a very good result” for the class. See September 26, 2008 Hearing Transcript, at 29.

After objections to the settlement were resolved, funds were distributed to class members.