



COMPANIES - NEWS DIGEST

MasterCard fails to delay action over transaction fees; General Financial

By Jane Croft

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MasterCard which is being sued at the High Court by several high street retailers including Wm Morrison and Asda, has failed in its attempt to delay UK legal proceedings that centre on the fees charged for card transactions.

MasterCard had sought to put the UK case on hold as it awaited a ruling from the European Court of Justice expected before next year.

Last year the EU General Court in Luxembourg upheld a European Commission ruling in 2007 that fees set by MasterCard on cross-border card payments were anti-competitive and breached EU law.

The dispute centres on "interchange" fees set by MasterCard and Visa that are passed on to the retailer by the card acquirers - usually the big banks.

Yesterday, Mr Justice Field rejected MasterCard's application that the UK proceedings should be delayed and ordered MasterCard to lodge its defences to the lawsuits and prepare for a pre-trial hearing.

The judge ruled that "there is a pressing need to get on with this litigation" and found that for MasterCard the cost of pleading a defence and preparing for a pre-trial hearing was "relatively modest".

Jonathan Sinclair, head of competition litigation at Stewarts Law, which is acting for the retailers, said: "Our clients welcome the court's decision which allows their claims to progress and now requires defences to be served.

"This is important as interchange fees continue to be levied on card transactions in the UK notwithstanding relevant findings by the EU Commission indicating that they are anti-competitive."

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