



Faegre Drinker's EU Class Action Team

The EU recently enacted the Collective Redress Directive and the EU Member States have been implementing it into national law. The Directive requires EU Member States to provide consumers access to procedural mechanisms for class or collective action to enforce dozens of EU consumer protection laws impacting virtually all sectors of the economy. The Directive significantly expands the legal framework for class and collective actions across the EU, including by requiring Member States with no prior history of collective or class consumer litigation mechanisms to enact them. The EU also has passed an updated "digital age" Product Liability Directive and an AI Directive that Member States are required to implement over the next two years. These new Directives expose businesses in various industries to new or expanded liability risks, and claims could be pursued in a collective manner through mechanisms borne by the Collective Redress Directive.

Why Does It Matter?



FORUM SHOPPING: The degree of preexisting infrastructure for collective actions and legal process (e.g., availability of discovery mechanisms, relative pace of litigation) differs significantly across the EU. The Collective Redress Directive requires Member States to provide procedural means for protection of collective interests of consumers at a national level, but this creates an environment for litigation to be more favorable for claimants in certain jurisdictions.



MASSIVE SCOPE: The Collective Redress Directives will apply across the EU to all 27 Member States, and these same states will also be required to implement the AI Directive and new Product Liability Directive. The Collective Redress Directive applies to 66+ separate EU laws that touch virtually every sector of the economy.



PUNITIVE DAMAGES: Member States have discretion to allow punitive damages (and other potentially abusive measures) or not for class and collective actions, as their national laws permit.



THIRD-PARTY FUNDING: Member States have discretion to permit or restrict third-party funding, and the degree of regulation and disclosure obligations will likely differ across Member States.



PARALLEL REGULATORY SCHEMES: Regulators and competent authorities in Member States may engage in similar actions against traders related to violations separate from consumer groups.

Industries Impacted

The **66+ EU laws** in the Directive may be divided into:



Banking & Finance



Energy



Food



Pharmaceutical & Medical Devices



Transportation,
Travel & Entertainment

How Can Faegre Drinker Help?

Anchored by the experience of the firm's nationally recognized product liability and mass torts team, with full-service support from 15+ practice groups across the firm, we offer global coordinating counsel services and individualized counsel to companies doing business in the EU. Closely monitoring emerging trends and developments arising from the ongoing implementation of the Directive procedures, we help you anticipate challenges, mitigate exposure and effectively resolve legal issues related to the EU's new consumer protection laws and procedures. We can:



Advise on the Collective Redress Directive's implementation and enforcement (and other forthcoming regulatory developments and new Directives) across the EU Member States with trusted local Member State firms, and in context of U.S.-based consumer class action and mass tort litigation where applicable



Coordinate information and discovery with national counsel across jurisdictions



Develop and ensure consistent messaging and legal positions across jurisdictions despite differences in national laws



Build on our vast experience in class and consumer and mass tort actions



Centralize strategy for local jurisdictional disputes with built-in flexibility for other jurisdictions



Mitigate increased exposure and potential expenses for clients operating in EU Member States

Contact Us



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