Newcastle attracting bigger commercial legal cases thanks to 'sea change' of business court

Newcastle is now attracting "bigger and better" legal cases from businesses with a range of disputes including shareholder fall outs, contractual wrangles and intellectual property theft.

That's the message from two of the city's top legal names – Judge Philip Kramer and Simon Goldberg QC – who have been reflecting on the five years since Newcastle <u>got its own</u> <u>Business and Property Court</u>.

Next year the court will hear a £250m case which the pair point to as evidence that such legal battles — which sometimes involve eye-watering costs for firms — are not going to Leeds and London as they have in the past.

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Mr Goldberg QC — who heads up Trinity Chambers and is the region's first specialist business and property barrister to take Silk earlier this year — said it is good time to be a lawyer or barrister in the region.

Since the move in 2017 – initiated by the Master of the Rolls and Head of Civil Justice Sir Geoffrey Vos – the Newcastle court has become a "one-stop shop" for business litigation, opening what Judge Kramer, the first permanent business and property judge in the city, refers to as a 'highway' between London and the North East allowing notable senior judges to come up from London when the need arises. In London, the Commercial Court – a sub-division of the Queen's Bench Division of the High Court – would typically hear high profile cases worth hundreds of millions of pounds. Below that the London Circuit Commercial Court hears most cases worth more than £500,000, and the London County Court would hear the rest.

Judge Kramer explained: "In the regions, you want the court to be able to do all of that. If you have a big case, it should be dealt with locally. And so, in the Circuit Commercial Court we deal with fairly small claims compared to what the London Circuit Commercial Court deals – perhaps £100,000 or so cases. We'll also deal with some County Court claims less than £100,000. But also, we don't have an upper limit because we can get a big judge in."

The move has brought several key benefits for North East firms looking for a swift outcome to disputes.

Judge Kramer added: "In Newcastle we're fairly bespoke in the way we deal with cases. I can get on cases fairly quickly if an outcome is needed quickly. The other factor is cost. I sit in London and I see solicitors costs of up to £1,000 an hour. I dealt with a case in London where in the space of just one week — including from the start of the application and two or three hearings — it cost £0.5m. Costs are much more moderated up here.

"You also have the benefit of expertise locally. If you can encourage local firms and barristers to want to come to work in the court then you develop expertise – and that has grown in the last five years."

The types of cases now heard in Newcastle include disputes between directors and shareholders about the way in which companies are run, disagreements about <u>rights of way</u> between property developers, and construction-related disputes including well publicised cladding issues on high-rise buildings, among others.

As the region's first business and property QC, Mr Goldberg typically handles cases for entrepreneurs, home-grown small and medium-sized business, or larger business with North East bases and directors.

Mr Goldberg QC, who was born and education in the region, said: "What happened in 2017 was a sea change. Newcastle went from being something of a backwater in terms of business and property litigation to having Judge Kramer's appointment as the first permanent Business and Property judge, which meant, as a legal community, we could start to attract work to Newcastle which we'd been losing in the 15 years prior to that.

"My appointment is both a culmination of getting that good quality work in and a sort of staging post on the way to what the Business and Property Courts will become. In order to get appointed as a QC, you've got to demonstrate that you're a high quality advocate in important, substantial cases. Before 2017, I, with a practice in Newcastle, would never have been able to demonstrate advocacy to a sufficient standard – because there weren't sufficient cases up here."

Mr Goldberg QC also said the move is in sync with the Government's 'levelling up' agenda – encouraging more firms to litigate in the city and therefore boosting opportunities for local barristers and solicitors and he notes there is likely to be significant work generated by the creation of Teesside Freeport – to which Newcastle is the closest court.

He added: "I would hope in the next five to 10 years there are more QCs doing business and property work and I hope we end up with more judges because that'll be a sign of the court servicing its community. " Read More

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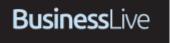
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