

7. Amongst the documents from the Information Commissioner is a list of named News of the World Journalists and a detailed table of Data Protection infringements between 2001 and 2003 (this is based upon evidence seized in a raid on another private investigator who was subsequently prosecuted). A number of those names are still with us and some of them have moved to prominent positions on NoW and The Sun. Typical infringements are "turning round" car reg. and mobile phone numbers (illegal).
8. This evidence, particularly the email from the News of the World is fatal to our case.
9. Taylor has now amended his pleadings to include this material and we have to file an amended Defence by June 9<sup>th</sup>. He has also finally served Mulcaire who also has the June 9<sup>th</sup> deadline.
10. Recognising the inevitable, I authorised our solicitors, Farrers, to make a formal offer to Taylor of £150K plus costs. We thought it unlikely he would take it but hoped it would open negotiations which would lead to a confidential settlement. The response from his solicitors is that he "is not interested in settling, it's a matter of principle and he wants to take it to trial".

Where we go:

11. Our position is very perilous. The damning email is genuine and proves we actively made use of a large number of extremely private voicemails from Taylor's telephone in June/July 2005 and that this was pursuant to a February 2005 contract, i.e. a 5/6-month operation. He has no evidence that the News of the World continued to act illegally after that but he can prove Mulcaire continued to access his mobile until May 2006 (because Mulcaire pleaded guilty to it).
12. We will be getting guidance from a senior QC next week about our next step. Inevitably this will be at the very least an admission of liability to a large part of the claim and an attempt to put Taylor under costs pressure by making a formal offer of substantial damages and his costs. He is claiming both ordinary damages and exemplary (punitive) damages and will succeed on both claims. This case will be expensive.
13. Mulcaire is likely to offer no defence and will have judgement entered against him. Her wants us to indemnify him and I think we should. The damages awarded will effectively be against him and us jointly and we do not want Mulcaire fighting against us.
14. Julian Pike at Farrers is handling our case he's on

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