



New logos for star plans



Newspad has commissioned new logos which can be used by companies whose share plans have been selected. The Estonian designer originally selected online for the new Centre logo has created a star which can be used with *newspad*, with the Centre logo and alone.

The designer won the original competition on quality and price; it made sense to go back to him for the star design so it could align creatively with the logo. The Centre used Fiverr to find and commission the artist.

Companies will be able to choose whether they use the star alone or with *newspad* to commend them to their employees and to the outside world. Several of the winners have chosen to receive their stars at the British Isles Symposium on March 7: some places are still available.



EVENTS



British Isles Symposium 2019

The presentation of newspad stars and awards, at a reception with invited guests, will close the Centre's third [British Isles share schemes Symposium](#) in London on Thursday March 7 at Travers Smith. A case history

featuring online bank Coconut, which is using EMI to help motivate its employees, is being presented by its founder and ceo, Sam O'Connor. There will also be time to assess the significance of the Morgan Stanley acquisition of Solium.

You can see a timed programme in the [event brochure](#), which has been sponsored by Zedra Guernsey and Estera.

Featured in the expert line-up are:

Colin Kendon of Bird & Bird; David Craddock of his eponymously named consultancy; Martin MacLeod of Deloitte; Jennifer Rudman of Equiniti; William Franklin and Eva Simpson-Fryer of Pett Franklin; Sue Wilson and Elizabeth Bowdler of PwC; Nigel Mason and Robin Hartley of the RM2 Partnership; Nicholas Greenacre of White & Case; Damian Carnell of Willis Towers Watson; Elaine Graham of Zedra; and Elissavet Grout and Kevin Donegan of Travers Smith.

Ticket prices:

practitioner members: £395 + vat

practitioner non-members: £595 + vat

Admission is free for delegates from plan issuer companies.

To reserve your place at the symposium contact events@esopcentre.com or call +44 (0)207 239 4971

Jersey share schemes and trustees - May 17

Save the day for the 2019 [Jersey seminar](#). The Esop Institute/STEP Jersey event will be on

Friday May 17 at the Pomme d'Or hotel in St Helier.

Don't miss this great opportunity to update your knowledge. Talks will cover EBTs and the Common Reporting Standard; Share scheme and EBT issues on transactions; an update on developments in UK employment taxes with more to be announced.

The presentations will run from 9:00am to 1:00pm (approx.) followed by a lunch for delegates and speakers.

Tickets:

Esop Centre/STEP members: £375

Non-members: £480

You can reserve your place by emailing events@esopcentre.com or call the Centre on +44 (0)20 7239 4906

WEBINARS

Five ways to make your share plan a success

Wednesday February 27 2019 11:00am

Whether you are wanting to grant a share award to a key individual or grant share options to all employees what will it take to make your share plan a success?

Join Sarah Anderson, RM2 director to find out what five key elements you need in place to ensure that your [share scheme succeeds](#).

CENTRE AND MEMBER NEWS

Baker McKenzie joins the Centre

Leading world law firm Baker McKenzie has resumed membership of the Esop Centre. It had global revenues of \$2.9 bn last year. Announcing the results global chairman Paul Rawlinson stressed commitment to corporate social responsibility as a firm with a united group of partners, with a common purpose and vision and a key set of strategic priorities." The Centre contact is Jeremy Edwards based in its 100 New Bridge Street offices.

This year the firm is also expanding its legal services centre in Belfast.

Centre members make good showing in the Citywealth IFC Awards 2019

Estera won Trust Company of the Year – Caribbean, in the Citywealth IFC awards. The awards were announced in London on Wednesday January 23 2019 and recognise outstanding achievements in Estera's Bermuda, BVI and Cayman offices.

ZEDRA won silver for 'Trust company of the year - Guernsey'

ZEDRA was shortlisted as 'Trust Company of the Year' in three jurisdictions – Jersey, Guernsey and Isle of Man. Group deputy chairman [Bart Deconinck](#) said "I am delighted that ZEDRA has been shortlisted across three jurisdictions this year, following our win for 'Trust Company of the Year – Switzerland' last year".

Ogier won [silver awards](#) for law firm of the year in both Jersey and Guernsey. Advocate James Campbell said "This is a great start to 2019 for the team, and reflects another year of hard work by our partners and our teams.

"Last year saw a huge variety of instructions to our Jersey and Guernsey teams, prompted by global political uncertainty, changes to regulation and new laws creating opportunities for new structuring, family offices and philanthropy in particular.

"We expect demand to continue to be strong, and have been focusing on strengthening our teams in advance of what we expect to be another very busy year."

Intertrust to acquire ABN AMRO business

Pending regulatory approvals, Intertrust will be acquiring ABN AMRO's escrow and settlement business. ABN AMRO is the market leader in the Dutch escrow market with a strong presence in the UK and a growing business in Germany. With the acquisition, Intertrust will become the number one escrow provider in Europe.

The ABN AMRO escrow and settlement team has a long history with Intertrust; they were historically both part of the same division within MeesPierson, owned by ABN AMRO. The acquisition brings them back together.

There is a growing market trend towards more complex multi-party settlement payments and

this may provide opportunities to cross-sell escrow to clients in Europe and beyond.

The transaction is expected to close in the third quarter of this year and until then the two separate companies will operate separately.

Travers Smith advises August Equity on the sale of the SecureData Group

Travers Smith has advised August Equity on the [sale of the SecureData Group \("SecureData"\)](#) to Orange Business Services S.A. (a company backed by Orange Cyberdefence, the cyber division of the global telecoms and mobile operator Orange).

White & Case advises SoftBank Vision Fund on largest ever European fintech investment

Global law firm White & Case has advised SoftBank Vision Fund on its investment in British unicorn OakNorth, in what will be the largest ever European fintech fundraising. The investment will value OakNorth at around US\$2.8 billion. Closing of the investment will take place subject to regulatory approvals. OakNorth is a challenger bank that specialises in lending to small and medium-sized businesses. It has lent over US\$3.7 billion to British businesses, and has licensed its automated lending system to other banks and lenders worldwide.

"We are proud to be working with SoftBank Vision Fund as we focus more and more on investing in and working with fast-growth and tech-enabled businesses," said White & Case partner Ian Bagshaw, who co-led the Firm's deal team. "This is our second Vision Fund deal in a month. We are truly committed to tech and it is fantastic to have now advised on the largest ever fintech investment in Europe after advising Avast last year on the largest ever software IPO in Europe."

The White & Case team in London which advised on both the OakNorth deal and the other investments was led by partners Ian Bagshaw, Emmie Jones and Daniel Turgel, with support from associates Joseph Bradley, Elena Ruggiu and Disha Chandrachud. The

team also included London partners Lindsey Canning, Nicholas Greenacre, Hyder Jumabhoy, Helen Levendi, Prabhu Narasimhan, Patrick Sarch, Michael Weir and Stuart Willey, Washington DC partner Farhad Jalinous and London counsel Paul Harrington.

Boost to Computershare profits

Higher interest rates in the United States, Britain and Canada have boosted the fortunes of [Computershare](#), as it earned more interest on the \$US21 billion of clients' cash it held on average in the first half.

UK AND WORLD NEWS

Direct Solutions establishes employee share trust

Direct Solutions has made moves to put its future in the hands of its staff as management lays the groundwork for an employee share trust. Since turnover increased to over £3m and staff were added to a social media services wing, managing director Allistair Hunter has been considering how to consolidate that growth.

The Clacton-on-Sea, Essex-based company [unveiled in December a new employee share scheme](#) that will see shares in the firm sold to its 22 members of staff through a transaction financed by company funds. The current employee share stands at six percent of the company, with plans to be entirely employee-owned unfolding "over the next few years". Hunter said: "I have a number of friends and associates who have done something similar at their businesses and it has worked very well for them. This gives our staff a stake in everything we do, whereas currently I can do whatever I want and just relay to them the information.

"Too many companies are putting people on zero-hour contracts and not keeping them informed – and a lot of these companies are going under. With this scheme, everybody will take ownership of each job we do and therefore it is important to everyone that clients get what they want, when they want it and at the right price.

"I have recommended this process to a number of our clients and many have started

putting plans in place already. I think it is the way ahead."

While staff will take an increasing shared investment in the future, Hunter said he would remain managing director.

Morgan Stanley to buy Canadian employee stock manager Solium for \$1.1 billion – a 43percent premium

Morgan Stanley agreed to [buy Solium Capital Inc.](#) in a bid to add younger clients and tech startups to its stock-plan administration business.

The firm will pay \$19.15 a share in cash, about 43 percent higher than Solium's closing price on Friday. The agreement values Solium at about \$1.1 billion (US\$900 million).

Morgan Stanley will add Calgary-based Solium's 3,000 stock-plan clients and one million participants to its rival offering, which has 320 clients and 1.5 million participants. Solium's clients include such startups as Stripe Inc., Instacart Inc. and Shopify Inc., giving Morgan Stanley's investment bankers a chance to pitch capital-raising ideas to those firms, while its advisers court tech workers as they start to accumulate wealth.

USA: GM Cruise offers equity as employee incentive

While General Motors' Cruise autonomous-vehicle unit works to get some high-profile projects off the ground, it has been moving to secure top-tier talent by offering current and future [employees equity in the business under a new incentive plan](#).

Such equity incentives aren't unusual for a tech startup. But GM Cruise is not a public or independent company. It remains part of GM, and despite pressure from Wall Street to spin off the operation, the automaker said it plans to retain Cruise for the foreseeable future.

A GM spokesman said all of Cruise's more than 1,100 employees are eligible for the incentives, which were described in an annual report filed last week with the Securities and Exchange Commission. He declined to speculate how many employees the company expects to participate or allow into the programme. The plan was approved last year by the GM Cruise board, led by GM ceo Mary Barra, and became effective September 12, according to the filing.

USA: 2020 Presidential hopeful Kirsten Gillibrand lobbied for Esop guarantees

In 2018, [Kirsten Gillibrand](#) wrote and helped [pass the Main Street Employee Ownership Act](#), which gave the US Small Business Administration tools to help small businesses transitioning to employee stock ownership plans. In these plans, companies take out loans to buy shares from their shareholders, and then divide the shares among employees.

SA: Value created for Clicks Group employees through share programme

Over 7, 800 [Clicks Group employees](#) will share in a R1.5bn payment that has been created through the group's employee share ownership scheme. This is in addition to the R1.3bn already paid out under the scheme to beneficiaries in 2018.

Vikesh Ramsunder, ceo of Clicks Group, said this was the final payment of the remaining 50 percent of shares in the scheme.

Pacific Building moves to employee ownership

Forty-five workers employed by Glasgow construction and fit-out company [Pacific Building Ltd](#) have started the year in new roles as joint owners of the business.

Managing director and majority shareholder, Brian Gallacher, said the decision to move to employee ownership was taken to lay the foundations of a prosperous future for the firm.

DustScan becomes an EOB

DustScan Ltd became employee-owned on December 18 last year with its shares owned by an [Employee Ownership Trust](#) (DustScan Trustees Ltd). The firm joins the growing list of professional firms – architects, lawyers, consulting engineers and scientists - to embrace the new format.

US Esop workers “have higher retirement savings”

A recent [survey shows Employee Stock Ownership Plans](#) (Esops) offer higher retirement savings than other retirement plans. The survey, from the National Center for Employee Ownership (NCEO) shows Esop participants have more than twice as much in their retirement accounts as employees in non-Esop companies with defined contribution plans.

USA: Pro-Esop Bill, S.177 introduced in the Senate

Policies proposed in S. 177 by senators Roberts and Cardin will address core social issues such as adequate retirement security and making sure working Americans have an ownership stake in the capitalist system, according to outgoing Esop Association president, J Michael Keeling.

Thanked the senators for their efforts he said, "It is extremely encouraging to see these Senate leaders, representing bi-partisanship, [standing up for employee ownership](#) through Esops. Research proves that Esop companies are more profitable, more productive and provide sustainable jobs when compared to their non-Esop counterparts."

Employee ownership: It's how it makes you feel that is most important

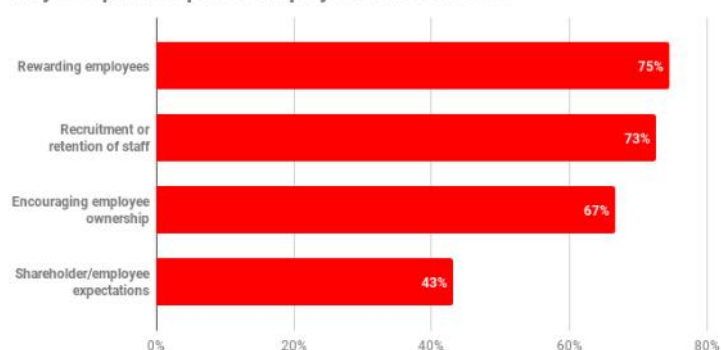
According to specialist magazine HR Director [Scottish Enterprise and the Scottish government](#) are hugely supportive of businesses that opt to become employee-owned. "While the benefits along with the financial incentives are naturally welcome, they aren't the real reason we would strongly recommend this model of business succession. What really makes us passionate about it has been our own experience of the emotional connection. The team feel security through self-actualisation. They take ownership of mistakes and feel pride in achievements."

[Scottish Enterprise event](#): Selling your Business? Discover why Auchrannie and P4P sold to their employees. February 20 2019.

Small and mid-size quoted companies polled on Esops

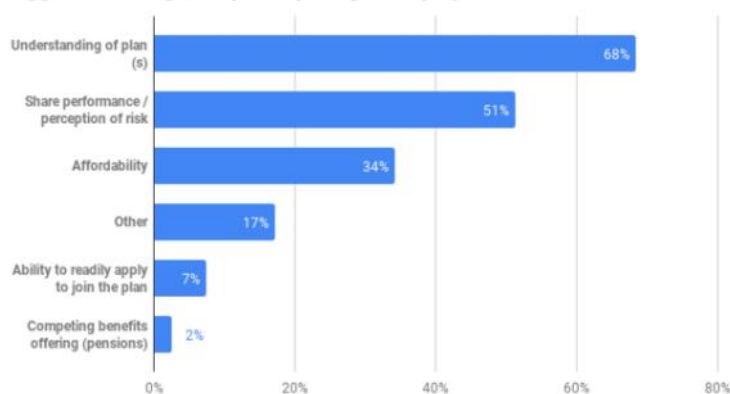
In November 2018, the Quoted Companies Alliance share schemes expert group commissioned a [poll of small and mid-size quoted companies on employee share schemes](#).

Why companies operate employee share schemes



The survey showed that the most popular scheme was EMI at 41 percent, just ahead surprisingly of non tax advantaged options at 37 percent. Third place was shared by CSOPs, SAYE and LTIPs.

Biggest challenges to participating in employee share schemes



Overall, 56 small and mid-size quoted companies completed the survey.

Entertainment One applies for block listing to satisfy its LTIP and SAYE plans

Entertainment One [has applied to the Financial Conduct Authority](#) and the London Stock Exchange to blocklist 2,000,000 common shares of no par value.

The shares from the blocklisting will be issued to satisfy employee share awards, including those needed for the long term incentive plan and SAYE.

USA: Corporations are using savings from the 2017 tax law to buy back billions in stock after trumpeting employee bonuses and benefits.

Despite much talk about employee participation, Goldman Sachs reveals that companies poured a hefty portion of the [tax windfall](#) into buying back shares, a move designed to boost stock prices, which benefits executives and other large stockholders, rather than the average employee. Goldman Sachs estimates corporations spent a record [\\$770 billion in 2018 on repurchasing stock](#) with their increasing piles of after-tax profits and will increase that to \$940 billion this year. Other chunks of the cuts went to dividends or reducing debt. Companies pay for their ongoing stock buybacks primarily through the after-tax profits that got a boost with the corporate tax cuts."

ABOUT NEWSBRIEF

newsbrief is the Employee Share Ownership Centre's members-only mid-month publication.

To submit a story for the next issue of *newsbrief*, sponsor the publication, or to propose someone for a member profile, contact Juliet Wigzell:

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