

NEWSBRIEF

Members' national and international news

Estera celebrates at the Gherkin

With a warm welcome and a brief speech Farah Ballands marked Estera's new name and status at the Gherkin in the City of London on Thursday May 13. A hundred guests enjoyed the occasion, the view, the champagne, Searcys' snacks and some appropriately modern magic. Farah, Brendan Dowling and colleagues spread the jubilation (other than to Jersey where the legendary fog halted Patrick Jones).

New practitioner member: Postlethwaite Solicitors Limited

The Esop Centre is delighted to welcome back into membership employee ownership and share scheme lawyers Postlethwaite Solicitors. Postlethwaite has recently developed a range of [animated guides](#) to demystify employee share ownership.

John Lewis business model 'could save' Port Talbot jobs

[Writing for The Conversation website](#), Scott Taylor—Reader in Leadership & Organization Studies at the University of Birmingham—has argued that a John Lewis style co-op could save the jobs of the 4,000 steelworkers at Port Talbot. Under Excalibur Steel's bid for the embattled steel plant in south Wales, employees would be offered the chance to purchase around 10 percent in shares. Dr Taylor, however, suggests that employee share ownership plans are “a mediated form of ownership, with the stock market and share dealers in between you and your workplace”, and proposes a co-operative structure as the best alternative to the “dysfunctions of contemporary shareholder-owned companies”. This view ignores the direct link created between the wages of capital and labour when employees hold shares or share options in their own hands. The Esop Centre supports proposals which involve Port Talbot's employees owning a significant stake through share schemes.

Weighty intervention as shareholders criticise 'indefensibly high' executive pay

The level of executive pay at top Stock Exchange companies has come under fire from shareholders as over forty executives receive packages worth more than £1m. Rakesh Kapoor, chief executive of Reckitt Benckiser, received particular criticism for his £23.19m packages in 2015, an 81.5 percent increase on the previous year. Representing individual shareholder group ShareSoc, Cliff Weight of Centre member MM&K described Kapoor's pay as "indefensibly high". He said a reasonable level would be "less than half this amount" to the applause of other shareholders: "It is difficult to have a conscious culture when you are paid excessively yourself."

Gavin St Pier elected Guernsey States' president

Friend of the Centre Gavin St Pier has been elected president of the Policy and Resources Committee of the Guernsey States, making him the most senior politician in the bailiwick. Reforms that came into force on May 1 have seen Guernsey's government transformed from a ministerial to committee system. It follows the recent general election on April 27, during which Deputy St Pier was re-elected to the St Sampson's district. As a former member of the steering committee of the Centre, Gavin gave the keynote speech at last year's Centre /STEP event.

Gannons offers new share awards return filing service

Centre member Gannons has introduced a flat fee [service](#) for the preparation and filing of share award tax returns. The deadline for reporting for the 2015–16 tax year is July 6 2016.

IEA study on meaningful EU reform

Friend of the Centre Prof. Len Shackleton has reviewed the Institute of Economic Affairs study [Breaking Up Is Hard to Do: Britain and Europe's Dysfunctional Relationship](#) in EA magazine. The study suggests that 'ever-closer union' is no longer an appropriate economic aim for the EU. While co-operation is beneficial in some areas, in others there needs to be greater competition between member states. Prof. Shackleton commented that the "book provides a benchmark for such reform" and David Cameron's limited reform package may help move the EU in the right direction.

Conferences and events

Employee equity: what does the near future hold? European conference: June 1–3

In just two weeks' time on Wednesday–Friday June 1–3, the five-star Steigenberger Herrenhof Hotel in central Vienna will host the European Centre's 28th annual international employee equity conference.

Programme

Vienna will feature presentations from Austrian and German companies, together with those from the UK and USA, including Willis Towers Watson, Lewis Silkin, Pett Franklin, Solium, Strategic Remuneration, SunPower Corporation, Tapestry Compliance, Voestalpine, White & Case, Lewis Silkin and ButcherJoseph.

Patrick Jones of Estera (formerly Appleby Fiduciaries) and Claire Drummond of Bedell Group will lead the trustee issues panel session. Mark Higgins share plan manager at Vodafone, Robert Head, former share schemes director at Pearson, and Claudia Yanez of SunPower, will lead an employee plan issuers panel which will discuss plan launch and operational issues with advisers. In addition, Dr Barbara Kolm, director of the Austrian Economics Center, will moderate a panel discussion on prospects for employee share ownership in Austria and Germany.

Delegates will rally informally for dinner at Café Central on Wednesday June 1, the night before the conference begins.

The 100-year-old Herrenhof is on Herrengasse, near the Kohlmarkt and Golden Quarter in the old city centre – a few minutes' walk away from historic landmarks, such as the Hofburg Palace, Café Central, the Spanish Riding School, the Sisi Museum, the state opera house, Burgtheater (Imperial Court Theatre) and the gothic St Stephen's Cathedral.

Attendance qualifies delegates for 11 hours CPD credits with the Law Society.

Conference package

The Vienna conference package comprises:

- two nights (June 1 and 2) half-board accommodation in the Herrenhof
- entry to all conference sessions
- invitation to the cocktail party on Thursday evening (partners welcome)
- lunch and coffee/tea break refreshments
- bound delegate handbook.

Bookings

Delegate offer:

A number of delegate places are available for trainees or junior staff from the employee equity teams of practitioner member firms at a special price of £875. The same offer is open to more senior practitioners from firms who have not attended a Centre international conference recently.

If two member practitioners from the same company register as delegates, their package fees are reduced to £750 each.

Plan issuer delegates from Centre members pay £625 and non-members £745.

Note that no VAT is chargeable on overseas events.

If you plan to attend, email Fred Hackworth at fhackworth@esopcentre.com with a copy to esop@esopcentre.com.

The Centre thanks Bedell Trust and Estera, sponsors of the Vienna 2016 e-brochure.

High table dinner with Peter Kenyon: Wednesday June 29

Our guest at the Centre's next high table dinner will be Peter Kenyon, who chairs the City of London Labour Party and is a former member of the party's national executive committee.

What does the new 'people's' Labour Party have in store for our sector?

Previous recent guests have included Margaret Hodge, Lord McFall, Daniel Godfrey, David Pitt-Watson, Stephen Haddrill, John Whiting and Otto Thoresen. Guests enjoy the lively discussion and intimate atmosphere for a dozen people.

The event will start with a welcome glass at 18.30, followed by dinner in the Mezzanine Suite of the RAF Club, 128 Piccadilly London W1J 7PY.

Tickets are £140 + VAT each.

We are limited to just 11 places at the table so early booking is recommended. Please contact Juliet Wigzell at jwigzell@esopcentre.com.

Employee share schemes for SMEs conference: Friday September 16

This year's employee share schemes for SMEs conference, jointly organised by the Esop Centre and the Institute of Directors, will be held in London at the IoD's Pall Mall headquarters on Friday September 16.

The one-day event is designed for owners, company directors, finance managers and HR managers who are considering implementing an employee scheme in their business, or who want to develop existing employee share ownership.

Speakers include David Pett of Pett Franklin, Mark Gearing of Fieldfisher, Robert Postlethwaite of Postlethwaite Solicitors, David Craddock of David Craddock Consultancy Services, Colin Kendon of Bird & Bird, Nigel Mason of the RM2 Partnership, and Graham Muir of Nabarro.

Tickets for Centre and IoD members are £385 + VAT each, non-members £485 + VAT. Note that bookings have not yet opened.

For more information, get in touch with Daniel Helen at dhelen@esopcentre.com or call 020 7239 4971.

Guernsey share schemes and trustees conference: Friday October 7

The annual Guernsey share schemes and trustees conference, organised by the Esop Centre and STEP Guernsey, will be held at the St Pierre Park Hotel in St Peter Port on the morning of Friday October 7 2016.

Save the date.

British Isles employee share schemes symposium: November 23–24

The Esop Centre will hold its inaugural British Isles symposium on employee share schemes and trusteeship in London later this year on Wednesday November 23 and Thursday November 24. The one-and-a-half-day conference will follow this year's Awards Dinner on the Tuesday evening. It is hosted by White and Case. Save the date.

Awards Dinner 2016: Tuesday November 22

The Esop Centre's fifteenth Awards Dinner will be held this year at the Reform Club on the evening of Tuesday November 22. The Awards Dinner brings together members and their influential guests – representing UK and international plan issuer companies and their expert advisers – to recognise the best in employee share ownership. This stylish enjoyable black-tie event is the perfect way to celebrate the year with clients, colleagues and peers.

Nominations

We are now calling for nominations for the Esop Centre Awards 2016.

The categories this year are:

- Best all-employee share plan
 - More than 1,500 employees
 - Fewer than 1,500 employees
- Best international all-employee share plan
- Best all-employee share plan communications
- Best use of video in share plan communications
- Best use of social media in share plan communications
- Best financial education of employees
- Best promotion of share plans as long-term investment
- Best innovation in share plan administration
- Best use of share plan voting rights to boost employee engagement

The new categories this year are highlighted in italics.

[Visit the Awards 2016 webpage for more details and to make your submissions.](#)

Member profile

Corey Rosen

Founder of the National Center for Employee Ownership

In what ways does employee share ownership serve a useful purpose?

Employee ownership provides a way to create a more equitable, effective economy. Returns to capital have dwarfed anaemic growth in wages for 40 years, creating a have/have not society.

Sharing ownership addresses this problem in a way that uses, rather than constrains, the free enterprise system. When combined with effective employee engagement programs, it also creates more productive companies.

How can we widen and deepen the adoption and use of employee share ownership?

Existing tax incentives in the U.S. are impressive; in the UK, great progress has been made, but more can be done. But many business owners and leaders do not proceed with employee ownership more because they do not understand it more because it won't add to their bottom line. More outreach can help address that.

What would you tell someone on the fence about introducing employee share ownership to their company?

Employee engagement has been shown repeatedly to be the most effective driver corporate performance, and broad-based employee ownership the most effective way to generate it. Most plans also generate substantial tax benefits. Everyone wins.

Sadly, too many company leaders only think "key" people matter. That's demonstrably wrong. Everyone matters. The more ideas you get from the more people, the better you do.

What do you think will change about employee share ownership over the next five years?

I see increasing growth, especially as baby boomers retire and look for ways to transition out.

What has been the most important development in employee share ownership during your career?

I am in the U.S. so the passage of legislation creating employee stock ownership plans (ESOPs) has been the seminal event.

Why do you think employee share ownership has enjoyed cross-party support in the UK?

Ownership creates more capitalists (great for conservatives), more fairness (great for liberals), and better economic performance (better for everyone).

Which aspect of the Esop Centre do you most value?

Information.

Which aspect of the Esop Centre would you most like to change?

Can't say from across the Atlantic.

What is your idea of perfect happiness?

A hike in a beautiful place.

What is your most marked characteristic?

Passion for employee ownership.

What do you consider your greatest achievement?

Founding the National Center for Employee Ownership.

What historical figure do you most identify with?

I don't really know.

Which living person do you most admire?

My wife.

Who are your heroes in real life?

My father and the leaders of great employee ownership companies.

Which word or phrases do you most overuse?

I can't think of any – people did not think of any either.

What is your most treasured possession?

My photos from trips.

If you would like to suggest a profile for newsbrief please **contact**
Daniel Helen dhelen@esopcentre.com; 020 7239 4971.

Sponsor the Centre's website

The Centre is offering three website sponsorship packages of various prominence, duration and price.

Please contact Daniel Helen to register your interest or to request more information, by emailing esop@esopcentre.com or by calling on 020 7239 4971.

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