international newsbrief

Discover what's new in the world of Stevens & Bolton LLP

Summer 2015

International Newsbrief contains reports and commentary on a selection of recent topical developments in England and Wales and is specifically targeted at lawyers and other business professionals outside the jurisdiction. We also include some news of recent developments at S&B.

If you or your clients would like any advice on the issues raised then please do not hesitate to contact the author of the relevant article or your usual S&B contact.

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BREXIT?

Keep everything crossed, David

The prospect of Britain exiting the EU, or "Brexit" as it has been infelicitously named, looms as a serious possibility as early as next year. Ever since Brentry, Britain's entry into the EEC (as it was then) in 1973, there have been plenty of Britons thinking Britain would be better off in splendid isolation, as it was in its pomp in the late nineteenth century. Now Britain is flirting with the idea again, although it may not be so splendid this time round. David Cameron, re-elected with a narrow absolute majority in May (to everyone's surprise including his), is embarking on a "charm offensive" to persuade European heads that they should support Britain's case for a renegotiated European deal. The plan is that Cameron will secure concessions in Britain's favour, and will then organise a referendum – the question will be simple: 'Should Britain remain a member of the European Union?'. Cameron has promised that the referendum will take place before the end of 2017 but it now seems it will be sooner – perhaps May 2016.

Cameron has been trying to persuade EU heads of state to back his plans to withhold state benefits from migrants for up to four years. His efforts have been overshadowed by events in Greece and the migrant crisis in the South of Europe. At the time of writing his proposal has apparently been flatly rejected by various EU leaders including those from Belgium, Spain, Finland, Romania and Poland. Since the Treaty requires unanimity for such a change his chances at the moment of getting what he wants appear slim. Cameron has admitted he aims to achieve maximum focus during EU negotiations by denying himself comfort breaks, intentionally remaining "desperate for a pee" for most of the time.

Opponents might observe that Cameron risks a lot more than an embarrassing miscalculation of his bladder control, but ever since he announced his plans for a referendum in 2013, his plan seems to have been:

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- Weaken the attraction of UKIP – now Britain's third most popular party whose flagship policy is withdrawal from the EU and who won nearly 4 million votes in the recent election (13%) – though under Britain's strange "first past the post" electoral system this secured them only 1 seat out of 650. This stage of the plan has worked – UKIP did more damage to the Labour vote than the Conservative one.
- Frighten other EU states with the threat of Brexit – this stage is not going well, although Cameron's meeting with Angela Merkel was positive – she said her "clear-cut" view was that the UK should stay in the EU and that Germany would be a "constructive partner" to the UK in getting reforms.
- Secure concessions with which he can return to Britain in triumph and recommend to the country that Britons should vote "yes". Even if these amount to little more than a slightly higher halibut quota we can have little doubt that a great diplomatic victory will be declared.
- Britain votes "yes", and the twin threats of UKIP and the Eurosceptics in his own party will dissolve.

But if the UK votes to stay in the EU, the last stage may not be the end of the story. After Scotland voted to stay as part of the UK last year, it was hoped that a line would be drawn under the issue. In fact, the reverse has happened. Now a majority of Scots want independence and in the general election the pro-independence Scottish National Party won 56 of the 59 seats they contested (though winning a mere 4.7% of the national vote). A campaign for another referendum is gathering pace, especially as Scotland is (on the whole) strongly pro-EU. If Britain were to vote to exit the EU then according to current polls Scotland would want to stay in the EU but leave the UK. That would be messy.

Is Britain as a whole pro-EU? Which way are we likely to jump in the referendum? A recent poll conducted over April and May showed 55% in favour of staying in (5% more than last year) and only 36% opposed. Support is strongest in the 18-29 age group and over-50s are the most sceptical. Britain remains more lukewarm than most about the EU, but not by much. 51% of Britons view the EU favourably, compared with 55% of French, 58% of Germans, 63% of Spanish, 64% of Italians and 72% of Poles.

But polls (and sometimes Poles) can be very wrong – in the British election every single poll conducted up to election day predicted a hung Parliament, but every single poll was wrong. It seems that many of us British are either untruthful or indecisive, at least when it comes to voting intentions – and Cameron will soon be entrusting us with a decision that could have dramatic consequences for the UK and in particular its business and economy.

As a post script, our Managing Partner, Ken Woffenden on a roll since he correctly predicted a 55% "no" vote in the British referendum, is confidently predicting a pro-EU vote in the referendum of at least 65%. Rumours that he is setting up a rival polling organisation following the humiliation of all the current pollsters are - so far - unconfirmed.

ARBITRATION

ARBITRATION CLIMBS UP THE DISPUTE RESOLUTION LADDER

International arbitration as a means of resolving a dispute is on the rise. Sarah Murray and Hannah Lunn of our dispute resolution team look at its advantages over the English court system.

Parties involved in international commercial disputes will often look for ways of resolving their differences that avoid the need to go to court. The courts of England and Wales are effective and have a reputation for fairness and consistency, but that comes at a price. Court fees (payable on starting a claim) have recently increased by up to 600% and the process of litigation can be drawn out and expensive.

So what are the alternatives? Despite some innovative new ideas (think online dispute resolution eBay style) arbitration remains one of the most popular ways to resolve cross-border disputes. Some advantages are as follows:

- Neutrality: in international disputes there is sometimes reluctance to use the home courts of the other party because of a perceived concern in relation to neutrality. This can be swept away by arbitration – parties can choose to arbitrate wherever they like applying whatever law they chose and appointing an arbitrator or arbitrators of whatever nationality they fancy.
- Confidentiality: The English courts believe in open justice which means that as soon as a claim is made the names of the parties are public knowledge and people who have no interest in the proceedings can obtain copies of the claim documents from the court. Further, once a document or witness statement is referred to in court it is considered to be in the public domain. This can mean that parties are effectively doing their dirty laundry in public and it can give one party a significant advantage over the other if there are secrets to hide. In contrast, arbitration proceedings are confidential meaning that the parties can let loose on each other without worrying about who might be watching or listening.
- Flexibility: the English courts, like most other courts around the world, have no choice but to impose a fairly rigid procedure on parties who litigate and that has to be followed through. If the parties cannot agree about something then one or the other has to apply to the court to resolve the problem. The courts are busy and therefore this can take

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some time. In arbitration, the arbitrator has a wide discretion to impose whatever procedure he considers to be most appropriate in all the circumstances. Further, if the parties fall out over procedure it can usually be resolved quickly and more cheaply than going through the formal court process.

- Progressiveness: Although the courts are starting to embrace technology (with some mixed results) arranging telephone hearings and filing documents electronically and communicating with the judge by email is, at best, not entirely straightforward. In contrast, arbitrators and arbitral institutions, all competing with each other for work, are keen to communicate efficiently. With the usual exception of the final hearing most arbitrations can be conducted entirely through email and telephone conferences.
- Enforcement: there is no point in going through the pain and expense of litigation to obtain a judgment if you are then going to be unable to enforce it. This is a particular problem in cross-border disputes where other jurisdictions may take positive delight in refusing to enforce an award of another country's courts. In contrast arbitral awards are seen as more neutral and are easier to enforce in most jurisdictions across the globe.

With the above recognised as general advantages of arbitration, it is also worth noting there is a benefit to arbitrating in London. This is because the English courts are great supporters of arbitration and will generally do whatever they can (within reason) to support the arbitration process and the awards made. This is not true of all jurisdictions.

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No-one told them about arbitration

If your clients decide that they want to include an arbitration clause in their contracts, there are some key things to include which make life easier for everyone if a dispute does arise. Although it is possible to hold ad hoc arbitrations, it is good practice for parties to appoint an arbitral institution such as the LCIA or ICC to oversee the arbitration process. Careful thought should also be given to the "seat of the arbitration" (i.e. where the arbitration will take place). Although choosing a nice sunny holiday destination might seem like a good idea there is a consequence – the procedural law of the seat will apply to the conduct of the arbitration. It may also be worth specifying the language of the arbitration.

Finally, it is also worth bearing in mind that despite all the advantages of arbitration, there are some situations where it is simply not an appropriate process; for example where urgent injunctive relief is required. In these circumstances it is almost always more effective to revert to the English courts for relief, with any follow up proceedings dealt with by the arbitrator.

CYBER RISK

CYBER ATTACK – A GLOBAL THREAT

Dispute resolution partner Michael Frisby and associate James Evison highlight the risks businesses face from cyber-crime and measures they can take to protect themselves.

Cyber crime presents a threat to businesses across the world. Cyber criminals are not constrained by national borders and can attack businesses from almost anywhere. With the ever-increasing internationalisation of commerce, businesses may find that their clients, suppliers, IT service providers, computer servers and countless other functions are based in multiple jurisdictions. Different considerations will inevitably apply depending on the jurisdiction, however, there are basic protective measures which all businesses can take and Stevens & Bolton recently hosted a seminar examining these issues.

Speakers at the event were: Michael Frisby, dispute resolution partner, Beverley Flynn, partner and head of data protection, DS Rob Bryant, a police officer heading up a team dedicated to tackling cyber-crime, Simon Kendall a UK Government cyber-crime expert and Andrew Rogoyski of IT and business services company, CGI UK.

The nature of the threat

Cyber-attacks come from a range of sources. You only have to look at the recent and well publicised examples coming from the

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United States to see the scope of the problem - the Sony emails, Edward Snowden, eBay passwords, denial of service (DDoS) attacks on Visa, MasterCard and PayPal, huge data breaches at JP Morgan Chase, Home Depot and many others.

For every publicised attack there are many more that do not make it into the public domain. The threat might come from hacktivists with particular agendas, from organised criminals using freely available malicious software to steal and extort money, from nation states using cyber-espionage to give their countries a competitive advantage, or from employees with access to sensitive internal data of great value to competitors acting maliciously or carelessly.

There are more effective ways to protect yourself from cyber crime

Legal implications

If businesses do not take appropriate steps to protect themselves from these threats, then not only might they have to deal with the immediate fall-out from an attack, they may find themselves faced with a host of secondary difficulties in the form of legal proceedings or investigations from regulators.

At the seminar Michael Frisby examined the different areas in which liability might arise. Contractual claims might flow from a loss of data or from an inability to perform a contract in the aftermath of an attack. Tortious liability might arise where a duty of care to protect sensitive data has been breached. Directors of companies may also face personal liability for breach of fiduciary duties or derivative claims from shareholders. Regulators across different jurisdictions may also investigate and take enforcement action.

Beverley Flynn examined this last area in more detail focusing in particular on the protection of personal data. The EU Data Protection Directive, implemented in the UK through the Data Protection Act 1998, places duties on data controllers to take measures against unauthorised processing or accidental loss of personal data. The data controller's responsibility goes beyond internal business processes and also extends to outsourced third party data processors in the supply chain.

A failure to comply with data protection duties can have serious implications and lead to unwelcome investigations, fines or even prosecution. Claims from data subjects, for breach of contract and breach of confidentiality may also follow.

Protective steps

So what measures should businesses take from a legal perspective to protect themselves?

Implementing a response plan should be one of the first steps. The plan must be a living document and not gather dust on a shelf. It must be tested to ensure that key staff understand what to do and who to call in the event of an attack. If the plan provides for lawyers to be involved at an early stage, then investigations can be conducted under legal privilege, thus protecting the business from having to disclose potentially damaging material in later litigation.

Businesses should also put in place appropriate policies and standards, procedures and training. Consideration must be given to ascertain which are the most appropriate standards to adopt. National governments are developing frameworks to assist businesses in this process and Simon Kendall detailed the UK Government Cyber Essentials Scheme and highlighted the work underway to align the UK approach with the US Cyber Security Framework.

Reviewing contractual arrangements and insurance policies should also form part of the preparation process. One practical step might be to insist on contractual provisions dealing with the consequences of a data breach and requiring suppliers to adhere to the Cyber Essentials Scheme or other appropriate standard. Michael Frisby also examined what protection might be given from existing insurance policies and highlighted new developments in the market designed to deal specifically with the risks posed by cyber-attack.

Adapt or face the consequences

A key message from the seminar was that cyber-crime will continue to evolve and businesses must continually adapt to ensure they are properly protected. Having a plan is part of the solution but is not an end in itself. Changes in the regulatory and legal frameworks and new insurance products coming onto the market make it more important than ever to keep the plan fresh and up to date.

If you would like to see videos of some of the seminar presentations, please email daisy.hulke@stevens-bolton.com to request access.

REGULATORY ROULETTE?

Our head of regulatory, Gustaf Duhs, reviews the rate rigging investigations and fines which reveals potential discrepancies in global regulatory enforcement.

Avid readers of International Newsbrief will remember a previous article entitled 'Krugcifix and Redemption', which began by discussing the various scandals that have hit the UK banking industry in recent time, and finished with some of the worst bankers jokes of all time. Nonetheless, that article's stated hope that new regulations and sanctions will target individual bankers and hit them hard is apparently being fulfilled. Over recent weeks newspaper headlines in the UK have reported on payments to US and UK regulators by JPMorgan, Barclays, Citigroup, UBS and RBS totalling $5.7bn, in respect of alleged manipulation of Forex markets. There is also much media interest in the ongoing trial of alleged LIBOR manipulator Tom Hayes, the first such trial in the UK.

Before these latest developments, Gustaf Duhs, wrote an article for the June 2015 edition of the International Financial Law Review, on potential discrepancies in global regulatory enforcement of benchmark rate manipulation. Although the article is too long (and boring?) for International Newsbrief, the article does raise some issues that might be of interest to our readership, and that are summarised here.

The facts will be familiar to most, but very briefly, Ibor and forex benchmark rates determine the price at which specified transactions by financial firms are carried out. This means that firms stand to gain from a higher benchmark rate (if selling at the fix rate) or a lower benchmark rate (if buying at the fix rate). In fact, such gains can be considerable, as is clear from the size of the markets involved. Approximately $350 trillion of notional swaps and $10 trillion of loans are indexed to London Ibor, and there are over $5 trillion dollars traded per day in the case of forex. For those of us not dealing in those amounts on a daily basis, one trillion is one thousand billion.

To date fines are close to **$20** billion, nearly half from the US

At least **14** different institutions are or have been the subject of investigation

The allegations regarding Ibor involve the false reporting of lending rates by certain firms to the institutions setting the rates. In respect of forex, this involves the collusion between firms in transactions just before the fix, in order to artificially move the forex fix rates.

Undoubtedly, the scope and scale of the investigations into rate rigging are unprecedented. At least 14 different institutions are, or have been, the subject of investigation. Globally there are more than 10 regulators involved, taking action on more than 10 different statutory bases, and with total fines even before the latest fines of somewhere in the region of £12.6 billion (meaning as at today's date fines are close to £20 billion). There are also at least 30 separate criminal investigations. Questions raised are as follows:

- *Is it appropriate that US regulators have collected over half the money paid out by firms to settle investigations?*

  The US regulators have received the most income from the enforcement of rate rigging. Regulators are clearly separately empowered to impose fines in their jurisdictions, but there is a sense of regulatory roulette in how these investigations proceed. This is particularly the case in the US where multiple federal and local enforcers have sought to take action in respect of the same conduct; reportedly the reason why Barclays abandoned settlement proceedings last November. As an aside, as at today's date, the vast majority of fines levied have been on non-US headquartered banks.

- *Are settlements an appropriate outcome for rate rigging?*

  Settlements have, of course, developed as regulators' favourite way to dispose of cases, and it has been their preferred method in almost all rate rigging investigations to date. Settlements can be of great benefit to the regulators, the parties and consumers. They also have the potential to significantly reduce the size of penalties collected, or at the other extreme, punish behaviour that is not in fact unlawful. Equally at issue is transparency, with little detailed analysis in the settlement decisions of the boundaries between legitimate and illegitimate conduct. There is also a question as to whether justice is being seen to be done given the tension between settlement decisions which state that there is no acceptance of misconduct by the firms involved; and the huge payments out, the slew of criminal investigations and private litigation cases.

- *Is it correct that criminal enforcement should generally be against individuals in firms that paid out the lowest settlement amounts?*

  There may be perfectly good reasons for this, but this seems somewhat at odds with where one might assume the most significant culpability (if any) lies.

- *Why are there such significant discrepancies between the average payments out per month of infringing conduct for Ibor and Forex fixing?*

  The average amount paid out per firm per month of infringing conduct was around £6.5 million for Ibor infringements,

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as against £3.4 million for forex rigging. This might suggest that the Ibor infringements were more serious and required greater levels of deterrence than forex, but it is difficult for outside observers to reach any conclusions in this regard.

- ***Why are there such discrepancies in the fines levied by regulators?***

  Fines by US regulators are typically at least twice as large per month of infringing conduct as compared to their national counterparts in Europe. Having said that the European Commission's fines for Ibor related infringements are the highest per month at £9.68 million.

- ***How appropriate are discounts for cooperation?***

  There are significant differences between regulators on the amount of discounts companies receive for settling early. It is also interesting to note that a £6 million discount for cooperating with an investigation was granted to a firm when being penalised for providing false, inaccurate and/or misleading information to the UK's FCA.

There are at least 30 separate criminal investigations

Of course there are plenty of potential reasons for the discrepancies noted above, and the last thing we would wish to suggest is that any discrepancies are the result of incompetence or some form of conspiracy. Nonetheless these potential discrepancies raise some big issues. Selfishly, they emphasise the challenges of advising on regulatory risk. However they also raise other questions, for example whether justice is being seen to be done, and what more can or should be done to regulate financial markets on a global basis.

S&B NEWS

PARTNER APPOINTMENTS

Stevens & Bolton LLP has announced the appointment of three new partners to the partnership. The firm now totals 36 partners and nearly 200 staff overall, representing 15% growth over the last 12 months.


Gary

Gary Parnell joins the firm's leading commercial practice from Clyde & Co as a partner. An IT specialist, Gary has over nineteen years' experience in business and law and brings with him a wealth of knowledge in outsourcing, IT, data protection and insurance. While at Clyde & Co he advised clients on a range of non-contentious issues spanning IT, intellectual property, data protection, procurement, financial regulation, advertising and e-commerce. Gary began his career in the IT sector working as a project manager for BT, where he gained valuable industry knowledge handling major outsourcing arrangements for clients in the IT and defence sectors.


Stephen

Partner **Stephen Rockhill** recently joined the firm's highly regarded construction and engineering group from Charles Russell Speechlys. Stephen began his career as a chartered engineer running his own consultancy before qualifying as a lawyer and joining the legacy City firm Charles Russell. Stephen's practice covers both contentious and non-contentious construction work across high value procurement and contractual construction matters. He represents clients on a range of issues, from project rescues for corporate clients to representing ultra-high net worth private clients on property acquisitions and high-end fit-outs.


Lloyd

The firm has also promoted senior associate **Lloyd Davey** to partner in the employment, immigration and pensions practice. Lloyd joined Stevens & Bolton in September 2013, after thirteen years at Osborne Clarke, and has a substantial international client portfolio predominantly within the technology and media sectors.

Commenting on the appointments **Ken Woffenden**, Managing Partner said: *"It is rare to find two leading practitioners who have significant experience in commerce and industry as well as law. They both understand the wider business context in which their legal advice sits and this ensures they can add real value to the clients.*

Gary's arrival helps to strengthen further our strong profile in the IT sector. His first-hand industry experience sets him apart from most of his peers.

Stephen is a highly respected construction lawyer and his experience, both during his time in the law and as an engineer, is a significant addition to our construction and engineering practice.

We are also delighted to promote Lloyd to partnership. Lloyd has developed an extensive client portfolio in the technology sector and has played a critical role in developing our fast-growing employment, immigration and pensions practice. As a firm, our preference has always been to grow both organically and through high quality lateral hires and we remain committed to this approach as the firm continues to expand."

CSR NEWS - SOCIAL MOBILITY THROUGH PRIME

Beverley Flynn
Partner

Stevens & Bolton LLP was recently accepted as a member of PRIME, an alliance of law firms and legal departments across the UK committed to broadening access to the legal profession.

Beverley Flynn, head of the CSR group at Stevens & Bolton comments, *"There has been much focus on social mobility in the legal profession. Stevens & Bolton is committed to providing e-mentoring and work experience placements for students from less privileged backgrounds to find out how the legal profession works and, by using the firm's resources and expertise, help them gain important insight to the profession."*

E-mentoring of students has already begun and the first work placements will take place during the Summer 2015.

DATA PROTECTION

WIDENING THE DATA PROTECTION NET: THE NEW EU REGULATION WITH GLOBAL IMPACT

Head of data protection Beverley Flynn considers the impact of the European Data Protection Directive on businesses outside the EU.

The Background

The European Data Protection Directive (EU Directive 95/46/EC) (the "Directive") came into effect in the mid-nineties primarily to protect individuals against unfair use of their personal data information by organisations. Since then, the technological age and big data have moved on apace and the legislation has had difficulty in keeping up with these changes and advances.

Each European country implemented the Directive in its own way and the UK implemented it using the Data Protection Act (DPA) 1998. It is an open secret that England is considered to be one of the more benign regimes when compared with some of its European member state counterparts. There has also been dissatisfaction at many EU, local and Government levels with the Directive, including the lack of harmonisation with which it has been implemented across the EU.

A new European Regulation is on the horizon. As an EU Regulation, it will be directly effective throughout the EU member states without the need for local implementing legislation so hopefully leading to greater harmonisation across Europe.

For our non EU colleagues however, it is also expected to have a wider reach. The new EU Regulation will apply to both data controllers and processors and will also have an extended territorial impact, affecting businesses globally including those based outside the EU and not subject to the current regime.

The Current Position

The current Directive applies to 28 EU Member States and members of the European Economic Area which have implemented the Directive via domestic laws.

It applies to data controllers, i.e. those who determine the purpose for which personal data is to be processed, but currently not to data processors, i.e. those acting on behalf of controllers. The Information Commissioner's Office (ICO) is the regulator in the UK. A simple example would be an employer outsourcing its pay roll to a pay roll processor. The employer would be the data controller in respect of the employee's personal data, and the pay roll processing organisation would simply be acting as a data processor on behalf of the employer. The employer would be subject to the legislation, but not the payroll processor in the context of these activities, as it is simply processing on behalf of the employer. Other examples of processors can include a hosting provider for data or a cloud provider.

In order to comply with the DPA, data controllers must notify/register with the ICO and broadly abide by eight data protection principles, which include not transferring data to a country or territory outside the EEA which does not have an adequate level of protection. Interestingly, the European Commission only designates nine countries and territories as adequate for this purpose (Andorra, Argentina, Canada (on certain conditions), Switzerland, the Faroe Islands and Israel (to a limited extent), Guernsey, the Isle of Man and Jersey). It is for this reason that before transferring to the US, organisations in the

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US sign up to the safe harbour regime or sign up to approved EU Commission clauses to seek to demonstrate adequate levels of protection.

Sanctions for non-compliance include fines of up to £500,000, in addition to the reputational damage and adverse publicity arising from infringement or censure by the ICO as regulator. In terms of individual claims for damages for breach of the DPA, the law has recently changed in the UK to allow damages claims for emotional distress; not just for financial loss.

Changes Underway and Global Impact outside of the EU

The draft EU Regulation is anticipated to come into force in 2017, with shockwaves expected to reach our non-EU counterparts shortly afterwards.

Unlike the Directive, the Regulation will have direct effect on all member states and so there will be no need for individual EU member states to implement through domestic laws, thus reducing variations and inconsistencies and increasing harmonisation.

Perhaps of more relevance to those outside the EU are the significant changes to the existing regime which will take place in relation to its territorial scope and which will apply to both data processors as well as data controllers.

The current Directive applies only to **data controllers** if they are either (i) ***established*** in the UK/relevant member state and the personal data is processed in the context of that establishment or (ii) if **not established** in the EEA but ***use equipment in the member state for processing the personal data*** (other than simply to allow it to transit through the member state).

So for a US data controller operating a website, if not established in the EU, the current regime would only apply if it used equipment in the EU e.g. a server in an EU country to host the website operated by the US data controller.

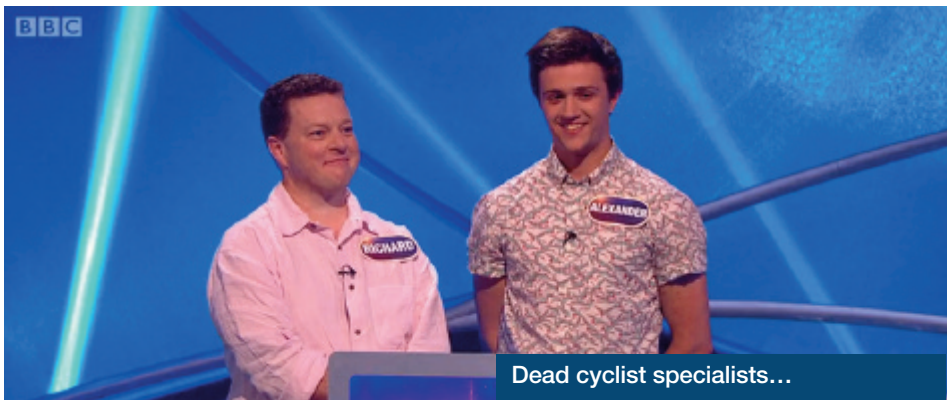
Article 3 of the proposed Regulation will widen further the territorial application. It will apply to a data controller established outside the EU even if it does not use equipment in the member state, if it processes personal data relating to offering goods or services to data subjects in the EU or for monitoring behaviour in the EU.

In addition, the Regulation will require data controllers outside the EU using equipment in the EU to nominate an EU based representative.

The new Regulation is still under negotiation but was recently approved by the EU Council. Those non EU businesses should be aware it may well have a further impact on the business for the future.

POINTLESS VICTORY

You may remember an article in IN last year about Richard Mumford cycling from London to Cornwall in 24 hours. This year, Richard pressed his cycling knowledge into service for a very different purpose.



Dead cyclist specialists…

It is not often that the spirit of a long dead cyclist can truly impact your life. However, Fausto Coppi has done just that for me. Way back in the distant past he won the Tour de France (1949 and 1952), and last week he won a new and equally prestigious prize on the BBC as he provided the winning answer on a totally pointless game show called…Pointless. The purpose of the show is to provide an answer to each question that nobody else on a panel of 100 people could think of. So here, the question was: "Name an Italian winner of the Tour de France".

It is not an intellectually challenging show, and to be fair, Fausto was something of a cultural peak. It was lucky my 18 year old nephew was there. I have never seen or heard Sbtrkt, but gather he is some sort of DJ that wears strange masks. It took a team effort to unscramble an anagram of the word "jellybeans". However, it is all good family fun.

I was cajoled into applying for the show by my wife and nephew, who are both fully paid-up members of the Pointless-obsessive club. The show is innocuous enough and took 14 months to air after being recorded. However, the impact has been quite astonishing. In the week that has passed since it has been shown, I have been contacted, prodded and cajoled by all manner of people, from complete strangers, to clients and contacts, to colleagues and old and largely forgotten friends. I had clients emailing me and texting me in real time as the show aired, asking me about answers. I was surprised they were watching and even more surprised that they would admit that! I was approached at the tennis club by someone who had been called by their grandfather in Wales asking whether they knew the bloke from Oxted who had just won Pointless. I may have to appoint an agent…

It all serves as a reminder of the power of the media and the depth of impact it has upon the lives of all of us. Thankfully, my 15 minutes of fame are now over (I am resisting calls from my wife to apply to all manner of other shows), and I hope that the spirit of Fausto Coppi can return to its more peaceful resting place among the cycling elite, albeit perhaps with a profile that has been a tiny bit raised by his exposure to 2015 BBC TV audiences.

UK TRADE & INVESTMENT

We regularly work with UKTI to assist international businesses looking to invest in the UK. Here, UKTI sets out in their own words what they can offer.

Working together to support overseas clients

The UK has consistently attracted more foreign investments with HQ operations than any other location in Europe; a clear endorsement of our business-friendly regulations and thriving environment for innovation and growth.

UK Trade & Investment (UKTI) recorded 1,773 foreign direct investment (FDI) projects landing in the UK in 2013/14, up from 1,559 in 2012/13, which supported over 111,000 jobs. UKTI and its partners supported 1,462 of those projects.

UKTI works to provide the best services and advice to you and your clients to ensure investors have the best support on their journey to growing their business in the UK.

UKTI's services

- **Accessing market opportunities**
  Help to assess and quantify market opportunities in the UK and target the right channels for growth
- **Relationship building**
  Introduction to the people and organisations that can take businesses forward, including industry leaders, service suppliers and centres of research and development (R&D) excellence
- **Finding/expanding a UK base**
  Access to detailed regional and local information, helping to identify the right location, and even organise visits to compare different options
- **Recruiting skilled staff**
  Advice on the most effective recruitment routes, using knowledge of recruitment agencies and contacts with top universities. Direction to government programmes and funding that support workforce training and can help maintain long-term competitiveness
- **Accessing finance**
  Guidance through the many options for raising finance in the UK, including banks, business angels (high net worth individuals who provide capital for businesses), private equity and venture capital and stock exchange listing

UKTI's Investment Services: a UK platform to support businesses going global

High Growth Potential / SME

Services
- Global Entrepreneur Programme

Products
- Sirius Programme: graduate talent scheme
- Seed Enterprise
- Investment Scheme
- Enterprise Investment Scheme

Medium / Mid-Cap

Services
- Account management for national or local government
- International trade (export) adviser

Products
- International trade (export) adviser
- Enterprise Investment Scheme

Corporate

Services
- Account management across government
- International trade (export) adviser

Products
- Enterprise Investment Scheme

Institutional investment

Services
- Account management across government

Products
- UK Infrastructure Guarantee
- National Infrastructure Plan
- Regeneration Investment Plan

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Case study – Gamma Solutions

UKTI helped smoothed the way for Spanish engineering innovation company Gamma Solutions to set up in the UK and invest £400 million between 2014 and 2017. The company now has an office in Exeter and new premises in London to support its growing local business.

In 2013, Gamma Solutions began operations in Latin America and Europe, selling different telecom and energy solutions and services into 14 countries.

With an aim of £400 million turnover in three years in the UK and choosing where to focus its new international efforts, Gamma considered Europe (UK, Germany, France and Switzerland), America (the US and Latin America), South Africa and Japan.

Gamma's support from UKTI at the British Embassy in Madrid included looking for advice about the UK and how to get started there. Over the course of several meetings both in Spain and with its teams in the UK, UKTI gave the company an overview of the UK market including details of large scale projects, the Department of Energy & Climate Change's planning database, market incentives for overseas businesses investing in the UK.

"What we learned from UKTI reassured us that the UK would be an interesting place to do business, with plenty of support available to help us along the way," says Jairo Lombardia, Head of International Business Development at Gamma Solutions.

After deciding to set up in the UK, UKTI provided assistance with property viewings and key introductions to local councils in the preferred local area. This placed Gamma at the heart of local innovation, connecting with other like-minded companies. Today, Gamma is working on a new project and has also built up a pipeline of new business leads. It has also opened a second office in Tech City in London, providing access to other technology companies and the excellent transport links will make it easier for staff visiting the UK from Spain. Its business continues to grow.

"UKTI has been really helpful to us. Before we met them, we were looking to enter the UK on our own, but not in the right way. Thanks to the Embassy in Madrid and UKTI's teams both here and in the UK, we had reliable market research to inform our decisions. We understood how to set up a local company and find offices. Thanks to UKTI, we had a solid beginning which has allowed us to grow."

Jairo Lombardia, Head of International Business Development at Gamma Solutions

For UKTI questions, please contact **Jonathan Porteous** via jonathan.porteous@stevens-bolton.com or **Nick Atkins** via nicholas.atkins@stevens-bolton of Stevens & Bolton LLP who can help further.

TALKING HEADS

In this edition of International Newsbrief we interview *James Waddell, S&B's Head of Corporate & Commercial*

How are you finding your new role?

I took over as head of department on 1 May this year and am really enjoying the new challenges of a management role. Lawyers (particularly corporate ones) have a reputation for being pretty unmanageable, but we are lucky that we are a cohesive bunch with no (well, not many) big egos! Our Corporate and Commercial team has performed particularly strongly over the last few years so I am taking over a group in rude health. There is, of course, always room for improvement and we have a number of interesting initiatives which we are working on this year to help make the group perform even better. With three former department heads in the team, I am sure I won't be short of good advice!

What practice groups make up the Corporate and Commercial Department?

Well, the Corporate (which I lead) and Commercial (led by Beverley Whittaker) groups obviously, but also our Banking & Finance team (led by Jonathan Porteous) and our Corporate Tax team (led by Kate Schmit). We have been actively recruiting into all our practice groups recently and have welcomed some excellent new lawyers into the department, both at partner and more junior levels. Recruitment continues to be a really important issue for us as we look to keep growing.

What sort of work has the department been doing recently?

The department has been consistently busy across the board recently, which has been pleasing.

On the Corporate side we have been involved in a number deals across a variety of sectors, including utilities, natural resources, health clubs, renewable energy, insurance broking, casual dining and travel. We have also been supporting some of our best-friend firms around the world on their projects. Whilst much of our corporate work is for large international and household-name clients, we continue to focus on the entrepreneurial and high-growth side of our client base, including supporting businesses on the Surrey Research Park in Guildford and a new initiative focussing on entrepreneurs lead by our senior partner, Richard Baxter.

The Commercial team is regularly advising on complicated commercial contract negotiations relating to, amongst other things, international procurement arrangements, data sharing, IP licencing and equipment installation and maintenance. A number of our lawyers are also out on part-time or full-time secondments at the moment with clients like the AA, McLaren and Wincor Nixdorf.

Banking & Finance has been really busy providing support on our corporate deals, but is also advising both borrower clients and banks on stand-alone facilities.

The Corporate Tax team has recently been advising a number of our clients on Employee Shareholder Status schemes, which are Government sponsored schemes to encourage greater employee share ownership UK and which come with attractive tax breaks.

You mentioned some interesting initiatives – can you say a bit more about them?

Yes, as part of a firm-wide initiative we have been reviewing our pricing models to make sure that they reflect our clients' desire for choice and flexibility around pricing options - while still delivering profitable growth for the firm!

On the corporate side we are in the middle of an exercise to review all our processes, precedents and in-house training in relation to a typical M&A transaction. The objective is to find ways in which we can innovate around the transaction process with a view to adding value for clients and ensuring that we do work as efficiently as we can while maintaining our high quality standards. We also want constantly to challenge our lawyers to improve themselves and to take on new responsibilities.

What do you get up to in your spare time?

I have small kids who are all sports-mad so my weekends are spent watching them play cricket at the moment. We have also just taken on a new garden which is growing faster than I can hack it down! When I can, I love to play tennis and I am looking forward to watching Andy Murray and Roger Federer (my favourite) at Wimbledon in the next couple of weeks.

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