

Editorial

Changes in Business Leaders' Attitudes to Stakeholding?

According to a Mori Poll conducted for the Centre for Tomorrow's Company seven out of ten business leaders questioned agreed that a successful business will better serve the needs of its shareholders by focusing on the needs of its customers, employees, suppliers and the wider community. Four out of ten have even gone further by identifying themselves with the statement "business cannot succeed with recognising that it is *accountable* to other stakeholders as well as shareholders".

According to the short report released by the Centre for Tomorrow's Company, the focus on the shareholder has not dimmed, but what has changed is the growing acceptance that shareholder value is not created in a sealed compartment.

As our readers will know, we reported on the TOMORROW'S COMPANY Inquiry in July 1995. We had a full article on corporate governance and directors' social responsibilities in the August/September issue last year; and in this issue we have a shorter piece on the need for company directors to consider the community in which they operate. It is clear that company directors in today's business world are being compelled to consider the greater good. This is perhaps best seen in the current negotiations in the United States where two of the biggest tobacco companies are considering a plan for compensating smokers who are suffering from smoking related illnesses.

Local Authorities and Charitable Trusts

The increasing problems of maintaining many popular and costly public services (from sports centres, art collections, museums, galleries and tourist centres to residential homes for the elderly) can be solved by the skilful transferral of such operations to the status of charitable trusts according to Simon Randall and Philip Health of Solicitors Lawrence Graham. They have issued a report identifying all those organisations eligible for such action and outlining the many financial and administrative benefits to be gained from establishing a charitable trust. The firm has been actively involved in the status changes of a number of such organisations.

The report explains how charitable trusts or "non-profit making bodies" can be formed and the many financial benefits that can be gained from such transferrals. It points out how services and amenities can be maintained, safeguarded and possibly improved by such a change. The list of advantages includes various tax benefits and funding opportunities as well as scope for acquiring finance from the National Lottery.

The report also touches on such important issues as community involvement and the advantages of better management, but does not avoid the possible

disadvantages and they are discussed.

For further information readers should contact Simond Randall CBE at Lawrence Graham on 0171 379 0000.

Sports Law and Business

Two New York lawyers, Aaron N Wise and Bruce S Meyer have produced a three volume work *International Sports Law and Business* covering sports law and business in the US and other selected jurisdictions.

In the light of world-wide interest in sports and the massive media coverage, this would seem to be a winner. The work covers US law including relevant antitrust laws and analysis, intra-league restraints and player restraints, labor law in professional sports and the building and running of stadiums and arenas. It also covers the international aspects of player and athlete flow, TV and sports marketing and so on. The foreign jurisdictions include Canada, Eastern European countries, Scandinavian countries, United Kingdom, Australia, Italy, Netherlands and others.

For anyone interested in this area, this would seem to be a most important new work and for further information please contact the publishers, Kluwer Law International at the address in this journal.

Exhibition on Risk Management

An exhibition on risk management will be held at the Royal Horticultural Halls in London from 28-30 January 1998. The organisers, Resources Exhibitions in association with the Association of Insurance and Risk Managers, say this is a unique exhibition which will demonstrate all the products and services linked to professional risk management under one roof and is designed to inform and teach.

Subtitled "Planning for Uncertainty", the exhibition will "show how the products and services affect the three sectors common to almost every form of business - people, property and profit - and help companies to become more risk aware". There will be a range of seminars organised by AIRMIC in which top speakers will cover every aspect of risk management.

For further information contact the organisers at:

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