

# Employee ownership case studies Architects, designers and planners

EO Day 2018



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## Fieldfisher advises Allford Hall Monaghan Morris ("AHMM") on becoming employee-owned

28 Sept 2017



Employee ownership is becoming increasingly popular as a business model for businesses seeking to unlock the potential of their staff, especially among businesses in the creative sectors such as architects and designers. Advised by a Fieldfisher team led by Graeme Nuttall OBE, AHMM is the latest firm of architects to embrace the employee trust model of ownership. Neil Palmer, Bethany Walters, Janice Houghton, Mark Gearing, Nick Currie and Ryan Hughes all worked with Graeme on this project.

This award winning international practice, whose recent projects include the remodelling of New Scotland Yard for the Metropolitan Police, was founded by four partners 28 years ago. For AHMM and its 380 employees, the move to employee ownership is the natural next step in the development of the practice. This change does not affect its existing leadership or management of the business and the directors will remain firmly at the helm for the foreseeable future as the firm meets the exciting challenges ahead.

Graeme Nuttall OBE has agreed to take on the role of independent Chairman of the AHMM Employee Ownership Board of Trustees.

**Peter Morris, Managing Director of AHMM** said: "[The move to employee ownership] does enable us to plan for the long term, ensuring the practice's spirit and its ambition to deliver the most creative and intelligent architecture for its clients is sustained, while allowing future leadership to emerge alongside us, over time".

# BB Partnership Limited moves to employee trust ownership: "how most architects practices will one day be owned"

13 Feb 2017



The trustee of the BB Partnership Employee Ownership Trust has purchased every BBP share from the founders and directors, allowing staff to now benefit from the company's success.

Forward-thinking architect BB Partnership Limited ("BBP") has celebrated its 25th birthday by moving to 100 per cent employee ownership, predicting that most UK practices will one day be owned this way.

The trustee of the BB Partnership Employee Ownership Trust has purchased every BBP share from the founders and directors, all of whom will remain active in the firm but with all staff now benefitting from the company's success.

This model underpins the long-term stability of the practice and strengthens existing teamwork, generating promotion based on merit rather than a willingness to invest.

Founded in 1991, BBP specialises in mid to high-end residential projects, incorporating new-build, conversion/refurbishment and extension/alteration projects both as one-off schemes for private end users and as speculative developments for commercial clients.

International law firm Fieldfisher advised BBP. Fieldfisher's team was led by employee ownership experts Graeme Nuttall OBE, partner and Neil Palmer, partner. The team also included senior associate Jennifer Martin and associate Janice Houghton.

**Julian Williams, Director of BB Partnership Limited**, said:

"Employee trust ownership is the way that most architects practices will one day be owned. This was our clear conclusion after reviewing how best to plan for management and ownership succession in the practice"

**Graeme Nuttall OBE**, Partner at Fieldfisher, said:

"Employee ownership is very popular among architects' practices. There are numerous successful examples of practices that have adopted this improved way of working since the 1990s. But BB Partnership is the first firm to assert that employee trust ownership will become the norm for architects. Architectural schools need to teach this method of owning and running a practice alongside other business models, and firms built around the reputation of a named architect should consider employee ownership as the way to sustain that practice."

**Deb Oxley, Chief Executive of the Employee Ownership Association**, said:

"We congratulate BB Partnership on its 25 years in business and its move to becoming 100% employee owned through an Employee Ownership Trust. The professional services sector is one of the Employee Ownership sector's key growth areas and architects in particular seem to find this model suits their business.

"In most professional services companies the main assets of the business go home at the end of each day, so it makes real sense that those assets, the people, have a real stake in the business and a vested interest in seeing it perform well."

# Employee Ownership and Sustainability in the Built Environment: A conversation with Simon Charrington, Company Secretary

## 14 July 2015

1st July 2016 marks the annual Employee Ownership Day: a national celebration of the benefits of employee ownership, now in its third year. Employee Ownership is, simply put, where a company is directly or indirectly owned by its own employees. According to the Employee Ownership Association, co-owned companies tend to be more successful, competitive, profitable and sustainable. Donald Insall Associates is celebrating 25 years since the beginning of Employee Ownership at our practice. Our Communications Manager Renee O'Drobinak speaks to Company Secretary and Director Simon Charrington about Employee Ownership, sustainability, and the culture here at the practice.

**Donald Insall Associates started to become employee owned 25 years ago by the newly formed DIA Employee Benefit Trust beginning to purchase shares from Sir Donald Insall, who was sole shareholder until then. How is the EBT structured, and what is the role of the EBT board of trustees?**

Firstly, Renee, thank you for arranging this interview. It's great to be given the opportunity to tell our colleagues a bit more about our story, or our DIA Employee Ownership story, remembering that the practice was first founded some 30 years earlier in 1957/8. A good deal of thought, consultation, conversation and planning went into forming, 25 years ago, what is now our Employee Ownership (EO) structure. It's easy for me to lose sight of the fact that with so many more colleagues with us now, the founding principles and logic are less directly familiar to many of our colleagues than for those who were with us and involved in the thinking and conversations when the plans were first drawn up and put into action and reality.

The EBT is formed by a deed of trust made on 28 March 1991 between Donald W Insall & Associates Limited (now Donald Insall Associates Limited - DIA) and the original trustees, i.e Sir Donald and Libby Insall and me. New trustees were soon added to our number, and all were replaced on 30 September 1996 by a newly formed trustee company, Donald Insall Associates (Trustees) Limited (DIAT). Those individuals —now known colloquially as trustees (Mark, Tony, Donald, Caroline, Deborah, Neil and me) — are, in fact, directors of the trustee company. DIAT is the legal owner of the assets held subject to the trust, in our case shares in Donald Insall Associates Limited and some money reserves. DIAT, via its directors, is obliged by the terms of the trust to hold trust assets for the beneficiaries, i.e. our colleague employees. The EBT is a discretionary trust giving DIAT, the trustee, considerable flexibility and possibility to take account of new circumstances acting fairly and reasonably as well as considering the interests of all the beneficiaries or potential beneficiaries.

**How does having a trust differ to direct employee ownership, eg individual employees owning shares?**

When we set out on the ED journey we didn't know whether we would tend to indirect EO via the EBT or to individual employees owning shares. Starting off with both gave flexibility to let it work itself out. At the time, UK Government income tax incentives favoured individual ownership. However, with DIA colleagues naturally being inquisitive, curious, cautious, creative, and intelligent beings, over time and with increasing experience they favoured the indirect 'group' ED via the EBT. It felt safer, more secure and more 'correct', if you like, to keep the shares together. It is also simpler to administer and, overall, more economic. In fact, it is very much like when Sir Donald, as founder, owned 100%; but enhanced by removing uncertainty about business succession. So now the majority of shares in DIA are held for the benefit of the beneficiaries of the EBT: past, present and future DIA employees.

**What do you think it means to be 'employee owned', and how do you think it contributes to the culture of the practice?**

I think it means as the EBT Deed states: "DIA's employees shall have an interest in the Company's business, a share in its profits and a voice in the direction of its affairs". This, I believe and hope, is by and large what happens. We have a core common purpose, and continue to improve.

The most enlightening feedback I've received is, interestingly, from colleagues who have left us (and some who return): one who said our approach and the way we do things is "visionary" and another who said, when comparing with his new employment, he "definitely felt more involved at DIA, and with various aspects of the office and business, not just doing a job".

While the EO ethos doesn't necessarily suit everyone all the time, it does seem to be able to adapt and respond to most situations, being both flexible and firm as needed. A key belief we had starting out was that the practice has a particular approach, quality and track record of success to offer which we sought to keep, nurture, allowing it to grow, develop and continue. I think our indirect ED has come from our culture; these are mutually supportive, sustaining, simpatico. These are natural ways for specialist conservation architects.

## How does our employee-owned structure correlate with our ethos in sustainability, both in business and the built environment?

That's a very good question. Firstly, I'd say, read Sir Donald's book *Living Buildings*. It ought to be compulsory reading for all colleagues! Maybe we should introduce a test on it, for all new employees at the end of their first three months' induction!

I believe our E0 structure correlates very closely in fact with our business and built-environment sustainability. I think it's fair to say that, when we set out on this E0 journey, we were doing the best to ensure that not only the principles, philosophy and practice of *Living Buildings*

are kept but also keeping the group of people, experts in architecture and conservation, doing it; keeping the Team together, alive, developing, growing, thriving, serving, together as a Team.

To quote Sir Donald, "Buildings are alive!". Buildings and people are both living organisms, and so it is with the business, with DIA its simple E0 structure built-in. It's much better, in my view, to think of it and see it that way, rather than as an organisation which sounds like a passive immovable thing. At DIA it's the people and the buildings living buildings —that are at the heart, the passion. The 'organisation' is incidental, it's there to serve; but the organism, the whole ship, is Alive! (creaky boards and all!). Another way of viewing the formal structure is that the EBT board is like 'the Upper House'; the DIA board is the Executive; and all colleagues 'the House', with various roles, and strength and diversity together.

## Our shared EBT profit we receive at the end of the year has been exempt from income tax since 2014. Could you explain the background of how this was made possible?

Yes, that's right. After many years of lobbying Government and MPs by the Employee Ownership Association and others with track records of success with ED, a central impetus to making the new legislation possible was in 2012 when our solicitor, Graeme Nuttall of Field Fisher, wrote an independent review on ED for the Department for Business, Innovation & Skills, explaining obstacles to promoting EO companies and setting out a framework for knocking them down, and making recommendations.

The great thing about it all is that by this time the EO ideas, concepts and models had gained support across all political parties, There was then a consultation process for the drafting of the legislation, and DIA took part in this. So, within a couple of years of Graeme's report, the recommendations became enshrined in law and we, along with all employees in similar indirect EO organisations, are benefitting as a result. Essentially the income tax exemption is made possible from two angles: 1) indirect EO is proving to be a successful and long-term viable business/structure model; and 2) it levels up the playing field with UK Government income tax incentives which favour individual share ownership, but in practical terms are only available to employees in the largest of companies. So now the indirect EO model is on more level terms tax-wise, commercially,

with these larger organisations.

## The UK government's guide on Employee Ownership suggests that employee ownership is defined by a 'meaningful stake in a business', but is not limited to financial participation. How do you think each one of us can feel more involved with how the organisation is run?

Again, that's a good question. It's always a challenge to achieve the right balance and make sure everyone feels involved. Ultimately, the source of our income (i.e. happy clients from providing excellent service and services) has to be where our main day-to-day attention is focussed, and this comes from bringing forth the best from each of us, our colleague employees, and from buildings entrusted to us. Sometimes, one or all three have to be protected from certain extremes and other external forces, but we always try and keep a balanced and objective perspective, and the more that individuals are involved in meaningful ways and at appropriate times, the better the balance and objectivity.

I think that individuals' priorities, focus, experience, interests, and personal circumstances change and evolve over time and throughout their career here, and how this translates to involvement with DIA EO; beyond financial participation is very much an individual matter, but to answer your question I'd say:

- look at the Chairman's monthly blog to see the headline view of DIA Board's current focus of attention and information - ask your local director for fuller information on any item where it would be helpful to know;
- put yourself forward on aspects that are of particular interest to you, or where you have particular experience and skill, i.e. whether or not they're in the blog;
- when putting forward ideas, consider the management and time aspects, i.e. 'who will do what?' and 'who will pay for what?' and note whether it is a modification/development of an existing practice/policy or something new;
- speak up at office meetings and Chairman's forums, and at other times when/if you feel that what you can contribute is being missed;
- look at the news on the DIAlog welcome page;
- talk to an EBT director trustee or members of particular office working groups: Sustainability; Social; ICT; CAD/BIM; Corporate Social Responsibility; Office Management (-1- use suggestions box); Quality Assurance; Associates; Board; and any other set up for particular purposes;
- consider putting yourself forward for EBT trustee director role (three year term; one new each year).

## Fieldfisher supports Formation Architects move to employee trust ownership

26 May 2016



Graeme Nuttall OBE leads Fieldfisher team in supporting architects' practice in move to employee ownership

Formation Architects' move to employee ownership today officially launched by RIBA President Jane Duncan.

European law firm Fieldfisher has supported Formation Architects, a London-based practice focused on residential, commercial offices, hotels and master planning, on its sale to Formation Trustee Limited, the trustee of an employee-ownership trust.

Formation Architects is a 65-strong practice based in a new purpose-designed studio in Kennington. The firm has work in almost all of the 32 London boroughs, and is repeatedly hired by clients due to its reputation for consistent, high quality work.

The Fieldfisher team was led by Graeme Nuttall OBE, partner, who as the government's independent adviser on employee ownership authored *Sharing Success: The Nuttall Review of Employee Ownership* (BIS, 2012). Nuttall was supported by Neil Palmer, partner and Jennifer Martin, senior associate in the firm's Employee Ownership and Mutuals team.

Formation Trustee Limited bought 100% of Formation Architects' shares from sole shareholder and former managing director Gordon Thomson and these are now held on behalf of all the employees of the business. The sale completed on 21 December 2015.

Formation Architect's move to employee ownership was today officially launched by RIBA President Jane Duncan.

**Tim Quick, director of Formation Architects, said:**

"The move to an employee-ownership trust is great news for everyone at the business, and for our clients, who can rest assured that everyone is committed to achieving success, and that means delivering great work for each and every client of the practice."

Introducing the Formation Architects Trust Launch event, **Graeme Nuttall OBE**, partner at Fieldfisher, said:

"The reasons for businesses to move to an employee-owned model are clear: improved business outcomes and greater employee engagement. What the trust model particularly helps maintain is a company's independence and its ethos. Formation Architects has moved from the traditional model of a single individual owning and running a practice to one where the practice is held by a trustee on behalf of, and run in the interests of, all employees. This model is set to become the main way architects' practices are owned in the UK."

**Deb Oxley, CEO of the Employee Ownership Association, said:**

"Employee ownership delivers a sustainable business model and, therefore, it is no surprise that Formation Architects has chosen this as part of its long-term plans for growth. The firm joins a growing number of professional service-based businesses that have adopted employee ownership as the sector grows at 10% per annum."

# Fieldfisher advises Hayes Davidson on transition to employee ownership

## 23 Feb 2015

A team from Fieldfisher has advised architectural visualisation studio Hayes Davidson on its transition from a limited liability partnership to a 100% employee trust owned company.

A team from Fieldfisher led by partner Graeme Nuttall OBE has advised architectural visualisation studio Hayes Davidson on its transition from a limited liability partnership to a 100% employee trust owned company.

Hayes Davidson, founded in 1989, pioneered the use of computer graphics to visualise architecture in the early 1990s. The company works with some of the UK's largest architecture and design practices including Foster + Partners, RSHP, Allies and Morrison, AHMM and Zaha Hadid.

Employee ownership is being seen as an increasingly attractive proposition in the architecture and design industry. Hayes Davidson's announcement closely follows the decision of architecture practice Stride Treglown to adopt an employee ownership model, in relation to which Fieldfisher also acted. The rest of the Fieldfisher team comprised partner Nicholas Thompsell, director Guy Burman and associate Janice Houghton. On this transaction, Fieldfisher worked with Andrew Broome - a partner at accountants and tax advisers haysmacintyre - and Ben Walmsley of Spring Law.

### **Business Minister, Jo Swinson said:**

"Greater employee engagement leads to better business and a stronger economy. That is why Government has raised awareness of employee ownership with our industry partners and made changes to company law to help those hoping to move in this direction. Hayes Davidson is the most recent UK company to take this step, providing their employees with a stake in their own company and I wish them every success."

**Graeme Nuttall OBE**, partner at Fieldfisher, and the Government's independent adviser on employee ownership, author of the influential Nuttall Review of Employee Ownership, commented:

"Employee ownership allows Hayes Davidson's employees to focus on using their technical skills and artistry for the benefit of the business, its clients and themselves. The employee-ownership trust provides a long-term, secure way of owning the business: one that underpins genuine employee engagement."

### **Hayes Davidson Founder, Alan Davidson, said:**

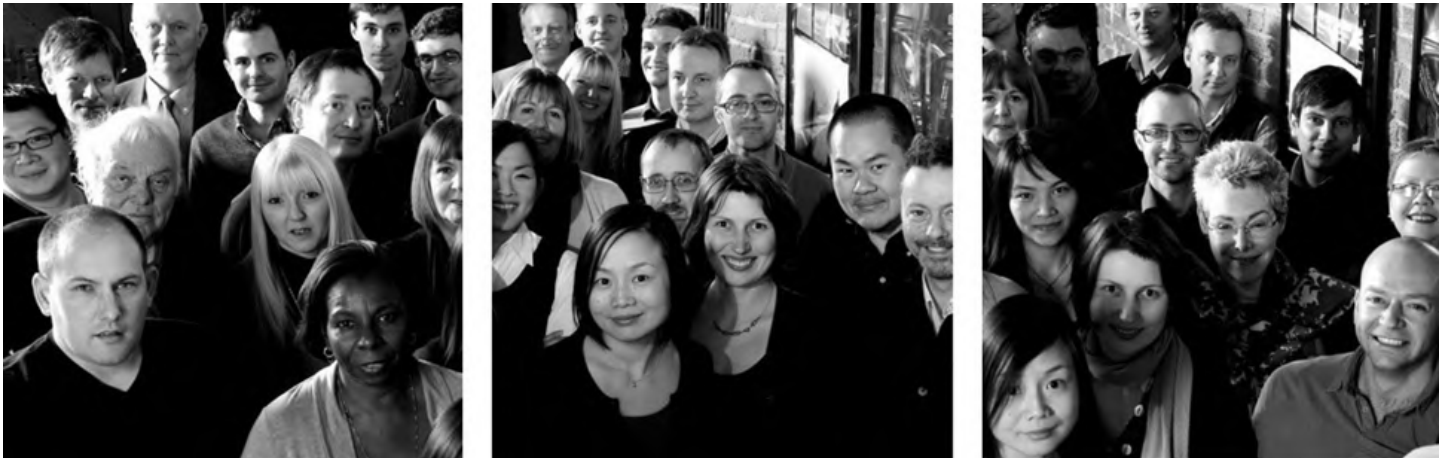
"I am delighted for everyone at Hayes Davidson. This change reinforces the truly collaborative nature of a professional architectural visualisation studio. Employee ownership reflects many of the important values already held at Hayes Davidson; of partnership, transparency and mutual support. A plan over a year in the making, we are indebted to friends and advisors in the EO and architecture sectors who have helped us make this transition."

### **Ken Shuttleworth of Make architects added:**

"I am very happy to hear that Hayes Davidson has become employee-owned. As pioneers in their field, this is a very positive and progressive change that Hayes Davidson is making. At Make we are committed to employee-ownership, and have found significant benefits from the greater engagement, transparency and collaboration that shared ownership brings."



## MJP Architects Employee Benefit Trust 29 Aug 2017



### Employee Benefit Trust

MJP Architects Ltd has been owned and ultimately controlled by its employees through an Employee Benefit Trust since October 2007. The main aims of transferring ownership were:

1. To help attract, retain, and motivate high quality staff by allowing them to have a stake in the company and benefit from its success.
2. To foster a collective team spirit throughout the practice.
3. To enable senior staff to be appointed to positions of responsibility entirely on merit, and without regard to their financial means.

All MJP's Directors serve three year terms and are elected or re-elected onto the Board by members of staff that have been employees for more than two consecutive years.

Employee ownership helps share the reward and direction of our practice with its employees. This business model is now being promoted by government and is growing in popularity across the UK.

# Fieldfisher advises on PB Design employee buy-out

## 11 Aug 2015



Graeme Nuttall OBE leads Fieldfisher team on advising PB Design and Development's move to 100% employee ownership

A team from Fieldfisher led by partner Graeme Nuttall OBE advised PB Design and Developments Limited and its holding company (together, "**PB Design**") on introducing 100% employee ownership to the business. Recognised as leaders in standby power solutions, PB Design is an engineering firm which has, since 1979, developed and brought to market a full range of innovative and cost effective power solutions.

Tim Broomfield, PB Design's MD, bought PB Design from its founder Paul Britton in a conventional management buy-out in 2007. Tim and the management team have always recognised the vital role of all staff in the company's success. PB Design is a Gold Standard Investors in People Organisation. The company has made use of tax advantaged profit-sharing and share option plans as add-ons to the usual corporate model but decided the employee-ownership trust, introduced in 2014, offered a new better business model. Recent research published by the Chartered Management Institute highlights the benefit of this business model.

On 14 July 2015, PB Design Employee Trustee Limited (the "**Trustee**"), as trustee of the PB Design Employee Ownership Trust ("**PB Design EOT**") bought 100% of the shares in PB Design from Tim Broomfield, Andy Hooper and Steve Smith to give the PB Design EOT complete control of PB Design. Other members of the Fieldfisher team included partner Neil Palmer and senior associate, Jennifer Martin.

**Graeme Nuttall OBE** partner Fieldfisher and chair of the Trustee board of directors said of the buy-out:

*"100% employee trust ownership provides a practical and*

*comprehensive way forward for PB Design. This is a move from the traditional model of a few managers owning and governing, to all employees having a stake in their business. This sustains and reinforces the existing good employee engagement. The new structure means employees via the PB Design EOT have a permanent financial interest in the profits of PB Design and there is no need ever again to plan for who will succeed to the ownership of the company."*

**Tim Broomfield**, MD of PB Design and former majority shareholder said:

*"This is an important event which secures the future independence of PB Design. It also creates a clear link between employee engagement, performance, and reward. Success continues to be measured by the satisfaction of our customers, but is now permanently aligned with that of our Employee Owners. It is a win-win-win situation – existing shareholders get fair value; employees own their business; and customers have a highly motivated supplier. Add in the tax benefits to shareholders and employees and it becomes an even more attractive option for any ownership succession plans. We thank Fieldfisher for their technical expertise in guiding us through this area of recent and complex legislation."*

**Ann Francke**, Chief Executive of the Chartered Management Institute, said:

*"Employee ownership goes hand in hand with more democratic management styles. Our research shows the benefits are clear, with high levels of employee commitment, more caring ethical mindsets and a more long-term approach to business decisions. The economy would benefit from having more employee owned companies and we can all learn from their example."*

## PriestmanGoode becomes an employee owned company

1 April 2016



**PriestmanGoode, the leading aviation and transport design studio, has just become an employee-owned company. The design studio is now majority owned by an Employee Ownership Trust.**

PriestmanGoode made the transition under the guidance of Graeme Nuttall OBE, partner at Fieldfisher, expert and advisor to the government on Employee Ownership Trusts. Paul Priestman explains Over the last three decades, we have steadily grown from a small product design consultancy into one of the world's leading aviation and transport design companies. Whilst the other directors and myself are remaining at the helm of the studio, we wanted to put things in place to ensure the legacy of the company we have built.

Employee ownership trusts provide a great alternative to more traditional mergers and acquisitions. For us, it's a commitment to our team, a great number of whom have been with us for many years and have been instrumental to our success. We wanted to empower them, share in the success that we've built and make our employees feel invested in our continued growth.

Traditional mergers and acquisitions always carry with them an uncertainty about what will happen to your company culture and your employees. Becoming an EO company enables us to retain our character and company values and ensure that our employees feel valued and safe. The trust model also provides a particularly good set up, as it enables the company to be employee owned without individual employees having to personally invest in shares."

Employee Ownership Trusts remain a little-known model for

company succession, despite offering clear benefits to both staff and senior management. The Nuttall Review — the definitive guide on Employee Ownership authored by Graeme Nuttall in 2012 — found that 'employee-owned companies outperform conventionally structured firms on a range of metrics including productivity, sustainability, innovation, customer satisfaction and employee wellbeing.' They also provide continuity for customers, suppliers and employees, and crucially, can be an important tool for attracting and retaining talent in today's highly competitive market. Priestman continues: "Many founding directors leave their plans for succession until it's too late, selling shares as their business is on a downward curve. We've done the opposite. We've been consistently growing and continue to do so. This is simply the next phase in our development as a business."

Nigel Goode adds "As designers, our work is about innovation, about being progressive, about future proofing, helping our clients devise long-term strategies for success. Transitioning into an employee-owned company is us applying those same principles to our own company. It's a collaborative and long-term approach to business decisions and will ensure that we keep growing in a sustained manner".

Paul Priestman, Nigel Goode and Luke Hawes remain at the helm of the company and welcome Kirsty Dias, Chris Parker and Ben Rowan as newly appointed directors. Senior Project Heads Daniel MacInnes and Son Tran have been promoted to Associate Directors. The trust is chaired by Graeme Nuttall OBE, with Nigel Goode, Luke Hawes, Kirsty Dias and Daniel MacInnes as trustees.

Graeme Nuttall OBE, Partner, Fieldfisher "The Employee

Ownership Trust has the potential to become the standard UK ownership model for established professional consultancies. Employee ownership means the contribution of all employees in maintaining and growing a business is recognised, as well as the roles of key individuals.

The Employee Ownership Trust model's time has come. It meets the aspirations of those who work in collaborative creative businesses, particularly younger generations, more than, say, a traditional management buy-out.

Promotion to management in EOT owned companies is not dependent on affordability and an appetite for personal risk, it is decided by who has the best skills to manage and lead the business. EOT ownership supports team working and less hierarchical management structures.

Graeme added "I was very impressed by how quickly and decisively PriestmanGoode made the transition to employee ownership. The UK Government has shown similar quick and decisive support, approving the company's move in record time, This is testament to the momentum behind the growth of employee ownership in the UK, in all its forms and especially the Employee Ownership Trust model".

Deb Oxley, CEO of the Employee Ownership Association adds: "We are delighted that PriestmanGoode has made the transition to employee ownership, and the strength and breadth of their work echoes the diversity of the employee owned sector itself. Nationally, employee owned companies now account for over £30 billion of GDP annually, and the sector is growing at a rate of approximately 10% per annum. Evidence shows that employee owned companies are more productive, innovative and resilient; with successful governments lending support to the sector, as they recognise the benefits and opportunities that the model brings to the UK economy."

#### **About Graeme Nuttall OBE**

Graeme Nuttall OBE, Solicitor and Chartered Tax Adviser is a partner in Fieldfisher's tax and structuring practice. He received an OBE in the Queen's 2014 Birthday Honours for services to employee share schemes, public service mutual and employee ownership. As the UK Government's independent adviser on employee ownership, he produced Sharing Success: The Nuttall Review of Employee Ownership in the UK.

Graeme Nuttall is widely considered the leading lawyer on employee ownership in the UK and is particularly noted for his work on employee ownership trusts.

#### **About PriestmanGoode**

PriestmanGoode is a design consultancy that delivers exceptional brand experiences for a roster of leading

international companies.

From aircraft interiors, airports, public transport and high speed trains to hotels and consumer products, our diverse portfolio enables us to draw from our experience across different sectors to deliver new innovations. This unique way of thinking has led us to become brand and innovation partners with a number of leading companies around the world.

Using design as a strategic tool to transform businesses, we use our unique global viewpoint to deliver solutions that are tailored to place brands and cultures on the world stage, helping our clients achieve holistic brand experiences and customer loyalty.

Our designs are about people: from end users to maintenance staff, they are used by millions every year. We're interested in how things work and how to improve them. We believe great design should be simple, elegant, intuitive, easy to maintain and efficient to manufacture.

Our company is steeped in the tradition of great British design, but our experience over the years, our interest in the new and our ambition to redefine expectations of great design has led us to become leaders in our field. We define future trends and are at the forefront of global design today.

#### **About The Employee Ownership Association**

The Employee Ownership Association (EOA) is a not-for-profit and politically independent organisation that represents businesses which are employee owned or transitioning to employee ownership across the UK.

Supporting a diverse network of more than three hundred companies, the EOA works in close partnership with its members to champion, promote and provide insight into the business case for employee ownership, and advocate the place of employee ownership within the UK economy.

# Fieldfisher supports RPC Land & New Homes as it becomes first in sector to move to employee ownership model

## 10 June 2016

Fieldfisher was a member of the professional team that advised on the sale of 100% of RPC Land & New Homes Limited ("RPC") to RPC Employee Trustee Limited (the "Trustee"), the trustee of an employee-ownership trust ("EOT") in August 2015. RPC is believed to be the first real estate agency to move to employee ownership. Employee ownership has demonstrably secured the independence of the RPC Land & New Homes business and boosted the teamwork on which its success depends.

Founded 17 years ago RPC specialises in the sale of land and new homes throughout Kent, SE London and Sussex. All RPC's employees now have a stake in the ownership, governance and financial success of the business. The Trustee holds 100% of RPC's shares on behalf of all employees of RPC. Peter Randall and Mark Linington have transferred their shares to the EOT and a new management team has been put in place with Peter Bowden as Managing Director and Graeme Dowd and Kirstie Slaven being promoted to the Board of Directors. Peter Randall and Mark Linington continue to provide guidance and support as directors of the Trustee and the staff has full engagement in the business as employee owners.

The Fieldfisher team comprised partner Graeme Nuttall OBE and senior associate, Jennifer Martin. They worked alongside Stephen Berger, Consultant, Baker Tilly UK Group LLP and David Pollacchi of Commercial Contract Advisers (London) Limited.

Graeme Nuttall OBE partner Fieldfisher said of the employee buy-out:

"New employee-ownership trust tax exemptions, introduced as a result of the findings of the Nuttall Review of Employee Ownership, have raised awareness of this way of owning and governing a business. But it is the track record of employee-owned companies in delivering better business outcomes and happier staff that provides the compelling reason for considering this

business model. Everyone at RPC Land & New Homes immediately saw the benefits of the employee trust model of employee ownership. In comparison to a management buy-out, an employee buy-out is less divisive, avoids personal financial risk for managers and provides a business model that helps secure the long term independence of the business, in a way that supports and grows employee engagement. "

Mark Linington, Trustee director and former shareholder said:

"The employee ownership model has allowed us to maintain the integrity of the company which is continuing to operate as it always has done within the specialist land and new homes sector. This has allowed a smooth transition to hand the reins of managing the business over to the new management team with Peter Randall and I concentrating full time on fee earning work. The advice we have received has been first class and essential to ensure the whole process is carried out with the necessary diligence."

# Fieldfisher advises Stride Treglown on switch to employee-ownership business model

## 18 Feb 2015

A team from Fieldfisher has advised architecture practice Stride Treglown on its adoption of the employee-ownership business model.

Stride Treglown is the 10th largest architectural practice in the UK with 280 staff in nine offices throughout the UK and the UAE, all of whom now own a part of the company. In the course of its 60 year history, Stride Treglown has worked on award-winning projects such as the regeneration of former Cornish mining area Heartlands, the transformation of the 1930s-built Wiltshire County Hall, and the design of Watergate Bay Hotel in Newquay.

The Fieldfisher team was led by Partner Graeme Nuttall OBE, who authored the 2012 "Nuttall Review of Employee Ownership". The rest of the team included Partner Neil Palmer and Senior Associate Jennifer Martin.

### **Graeme Nuttall OBE commented:**

"Stride Treglown was an interesting project. Working with an established organisation to help them with the transition to an employee-ownership model can present challenges. Culturally, Stride Treglown was perfect for this structure and their employee-ownership model will bring many benefits to both staff and clients for years to come."

### **Chairman David Hunter said:**

"The culture of our practice has always been collaborative, so employee ownership was a logical step for us to take. The transformation from a traditional architectural partnership into a 280-strong employee-owned company is momentous but exciting. 2015 is already looking like it's going to be busy for us - not least because Bristol, home city of our head office and historic base of the practice, is European Green Capital City this year. As well as this, with every member of our staff now having a commitment and share in the company's future, we are really looking forward to another 60 years of exceptional work for our clients."

### **Iain Hasdell, Chief Executive of the Employee Ownership Association added:**

"There is a definite move towards employee owned businesses. The facts speak for themselves, organisations adopting this model achieve greater productivity and innovation. In addition, we have seen that there is also the added advantage of greater resilience to economic turbulence. I am delighted that Stride Treglown has chosen to take this step. As I have been saying for a long time now, this really is the decade of employee ownership. Employee ownership is a movement for change. For a better way of doing business."

## Fieldfisher advises Team Consulting on move to broader employee ownership

### 20 Dec 2016

European law firm Fieldfisher has advised Team Consulting, the medical device design and development consultancy, on the transfer of control of the company to a new Employee Ownership Trust (EOT).

Team Consulting - or Team - was bought out by staff in 2014, but the transfer to an EOT broadens ownership to all staff and ensures the employee ownership model is sustainable in the long term. The model encourages staff engagement, rewards teamwork and sees all employees become beneficiaries of the trust and stakeholders in the business. The model is sustainable, benefiting not just Team's staff but also its clients.

The Fieldfisher team was led by partner **Graeme Nuttall OBE**, who was supported by Janice Houghton. Nuttall said: "Team Consulting is already part of the UK's successful £30bn employee-owned sector. Its move to permanent ownership by an employee-ownership trust secures the long term independence of the group. Employee ownership has already helped Team expand into a leading medical device consultancy. 80% of staff were shareholders after the 2014 buy-out and a share incentive plan has increased the number of employee shareholders."

"The recent introduction of the EOT by the UK Government prompted the move to a mix of EOT and direct employee ownership, so that through the EOT all staff now have a stake in the business and a say in how it is run."

**Dan Flicos, CEO** of Team Consulting, said: "Team is 100% employee owned and will now remain so in perpetuity. This is a great fit with Team's culture and values. Significantly, it enables future generations of talented staff to take the company forwards without the pressure of repeated buy-outs and refinancing. We can now build and share value together."

**Deb Oxley, chief executive of the Employee Ownership Association**, said: "We're delighted to hear that Team Consulting has broadened its commitment to employee ownership by moving into an EOT with 100% of its staff able to benefit. At a time when we are hearing the Prime Minister's call for better governance with more employee representation and businesses that benefit all, it's heartening to hear how much of this is being demonstrated in the employee ownership sector by companies like Team, where they feel the model not only supports the company's values but also the future sustainability of its business and one of its key assets - its people."

# Fieldfisher advises on Tibbalds employee buy-out

## 8 Jun 2015



A team from Fieldfisher led by partner Graeme Nuttall OBE advised Tibbalds Planning and Urban Design Limited ("Tibbalds") on introducing majority employee ownership.

A team from Fieldfisher led by partner Graeme Nuttall OBE advised Tibbalds Planning and Urban Design Limited ("Tibbalds") on introducing majority employee ownership. Champions of good urban design, Tibbalds is an independent consultancy whose multi-disciplinary team works across planning, urban design and architecture to help create award-winning places and spaces throughout the UK.

Fieldfisher worked with Tibbalds in 2013 to introduce a minority employee trust shareholding. On 2 June 2015, Tibbalds Employee Trustee Limited ("Tibbalds Trustee"), as trustee of the Tibbalds Employee Ownership Trust ("Tibbalds EOT") bought shares from each of the four founders, Hilary Satchwell, Jane Dann, Jennifer Ross and Sue Rowlands, to increase the Tibbalds EOT ownership stake to 60%. Tibbalds and the Tibbalds Trustee have adopted a new employee ownership constitution to give all employees a stake and voice in the business.

Other members of the Fieldfisher team included partner Neil Palmer and senior associate, Jennifer Martin.

**Graeme Nuttall OBE** partner Fieldfisher and chair of Tibbalds Trustee praised Tibbalds as "a great example of how to introduce employee ownership to retain a company's independence and ethos, as well as plan for the long term succession of ownership and management" adding "The move to EO was a natural progression for Tibbalds. The founders and employees worked enthusiastically towards achieving the move to majority employee ownership. As with so many successful creative companies, employee trust ownership fits perfectly with the Tibbalds culture: it harnesses individual and

team work towards achieving people friendly places."

**Jane Dann, one of Tibbalds' four Founding Directors** said:

"We value our independence, our individuality, and our role as specialists, working with clients in a way that's focussed squarely on what they need to make good places happen. So it's important to have a long-term plan in place and to attract and retain the right people, particularly at a time when many practices in our sector are consolidating or being absorbed into bigger names. We also want to make sure that everyone in the team benefits directly from our success."

**Darren Smith, Studio and Marketing Manager** and one of Tibbalds' four, new, elected Trustee Directors, said:

"We already have a shared vision and ethos, but putting in place the Employee Ownership Trust means that they are now underpinned by a more tangible, financial stake for everyone. Routes to a financial share in the practice are open to everyone, there is greater transparency about how things are run and we are more attractive to new team members. Fieldfisher helped us navigate the entire process very easily, providing sound advice and helping ensure that the whole team was involved in the decision making as it moved forward."

**Katja Stille, Associate Director**, who has been with Tibbalds for 12 years, said:

"The decision to move to an EOT means that everyone has a greater stake in the business, and we're really excited about the opportunity to become more involved. As employees, we're even more focussed on the same goals and how we all, individually, can help shape the practice's future and success."



## Fieldfisher advises first US business to adopt UK employee ownership model

14 Apr 2016



WATG becomes the first US business to adopt the UK employee ownership model, advised by Graeme Nuttall OBE.

Wimberly Allison Tong & Goo (WATG), the leading international design consultant to the hospitality, leisure and entertainment industries, has become the first US business to adopt the UK's Employee Ownership Trust model, supported by European law firm Fieldfisher.

WATG's decision to move to an Employee Ownership Trust was spurred by a desire to ensure the company's longevity, continued growth and success in the face of increasing consolidation in the architecture, engineering and design industries.

The employee owned business model in the UK is rapidly growing and operates in almost every sector of the economy including retail, manufacturing, creative media, engineering and architecture. The value of employee owned businesses in the UK is estimated at £30bn. According to the UK Employee Ownership Association, the number of UK employee owned companies is growing at an annual rate of just under 10%.

**Mike Seyle, WATG President + CEO** explained the firm's decision: "Employee owned companies have an excellent record of long-term sustainability, innovation and financial success because the employees are more engaged in doing great work, generating new ideas and delivering superior service. We're already seeing positive changes—our colleagues are more involved, more committed and recognize they have a valuable voice in the future of the company. It also helps that the employees know the company is here for the foreseeable future, they don't have to worry about the company being bought out from under them. As a professional services firm, retaining the world's best talent is our top priority and the Employee Ownership Trust model will help us achieve that goal while ensuring we remain a successful business for the long

term."

Referencing the impact of the new employee ownership model for WATG, **Krystal Solorzano, Senior Associate** in Singapore commented: "This is one of the most inspiring changes in our firm I've experienced during my tenure here. For me it's a clear signal that our senior leadership have created an inclusive environment where all of our voices are heard. It's extremely motivating for me to know I'm working for a firm that I have a vested interest in."

WATG was advised by **Graeme Nuttall** partner at European law firm Fieldfisher, and author of the UK government report into employee ownership, The Nuttall Review. Nuttall, who was awarded the OBE for services to employee ownership, said: "More and more UK businesses and their staff now benefit from employee ownership and we're delighted that many are attracted, in particular, to the employee ownership trust model. WATG's acceptance of this model shows that it works internationally. The WATG Employee Ownership Trust holds shares in WATG in perpetuity, on behalf of all employees from time to time. This works well as a business model because this form of ownership avoids the complexities of "direct" ownership models. There's no need for regular share valuations and having to get employees to buy and sell shares as they join and leave. In addition, instead of requiring senior staff to buy significant personal stakes in the company, employees can achieve promotion without incurring personal financial cost and risk."

**Loren Rodgers, Executive Director, National Centre for Employee Ownership (NCEO)** applauded WATG's move to employee ownership: "The decision by WATG to implement employee ownership through the perpetual trust model pioneered by the John Lewis Partnership is a wonderful signal of the vitality of employee ownership, especially among global firms."



# Notes

## Notes

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