

An Update from Stanley Davis Group

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Review of the UK's Intellectual Property system

The government has commissioned a review, headed by Professor Ian Hargreaves, to examine a number of topics in an effort to help the Intellectual Property (IP) system 'drive growth and innovation'. The study aims to identify barriers to growth of the IP system (and how to overcome them), as well as how the IP system could better enable 'new business models appropriate to the digital age'.

The review will address the following topics:

- IP and barriers to new internet-based business models, including information access, costs of obtaining permissions from existing rights-holders, and investigating what are the benefits of 'fair use' exceptions to copyright and how these might be achieved in the UK;
- The cost and complexity of enforcing IP rights within the UK and internationally;
- The interaction of the IP and Competition frameworks;
- The cost and complexity of accessing IP services to help them to protect and exploit IP.

Directors' Duties

Before the Companies Act 2006, the duties of directors were derived from case law and common law but the current Act is a first attempt to codify the duties. The general duties are laid out in sections 170-177. They are not exhaustive but do attempt to set out general principles and every director must make themselves familiar with these duties. A director must:

- Act within powers – taking account of the company's articles and decisions taken by the company;
- Promote the success of the company – a director must act in the best interests of the company as a whole including taking account of the interests of shareholders and employees;
- Exercise independent judgment – a director should not subordinate their powers to the will of others;
- Exercise reasonable care, skill and diligence – a director will be judged according to what may reasonably be expected of a person in his position, e.g. a finance director will be expected to know about accounting matters;
- Avoid conflicts of interests – it is important that the company's articles are drafted carefully in this regard;
- Not accept benefits from third parties;
- Declare interest in transactions or arrangements.

There are of course many additional specific duties that a director must be aware of, e.g. the duty to file accounts and annual returns. As the main principles are now set out in statute, it is more important than ever that directors are fully aware of what is expected of them.

Companies House warning on bad weather

Companies House are at great pains to point out that bad weather is no excuse for late filing: "With adverse weather conditions affecting much of the country, paper documents may be delayed in the post. If your accounts are due in December, please send them now. We must advise that where documents are subject to statutory time limits, it is the legal responsibility of company directors to ensure that they are delivered to the Registrar on time. The fact that documents are in the post is not accepted as an excuse for late delivery. In view of this, we would advise customers to use alternative means to deliver documents to the Registrar of Companies."

Please note that all Companies House offices will be closed on 24th December, as well as 27th and 28th December, and 3rd January.

Christmas Opening

Our offices will be closing early on Christmas Eve and New Years Eve, and will be closed on the bank holidays – 27th and 28th December, and also 3rd January. We are open as usual on 29th and 30th December.

May we take this opportunity to wish all our clients a very Merry Christmas and a healthy, prosperous and Happy New Year.

Stanley Davis has specialised in company and property services for over 40 years. Details of our full range of services, can be viewed at www.stanleydavis.co.uk, or please email us at info@stanleydavis.co.uk.

We look forward to hearing from you.

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