

Knowledge

A guide to doing business in the UK

OLSWANG



Introduction

Against a backdrop of uncertainty across world markets, 2014/15 has been reported as a record year for UK investment from overseas. Through new investment opportunities, expansion projects and M&A activity, international investors have engaged in a wide range of UK sectors, from software, computer services and media through to biotechnology and financial services.¹

There have been a number of recent developments in the UK which are reflected in the latest edition of this guide. As part of the Government's plan to make the UK corporate tax system more competitive, 2015 saw a cut in the main rate of corporation tax to 20%, to be followed by further reductions to 19% in April 2017 and 18% in April 2020. This marks a substantial reduction from the 2010 level of 28%. On a pan European level, agreement has now been reached on the adoption of a new unitary patent system and a unified patent court, with the expectation that the system will be operational by the end of this year. The unitary patent and unified patent court could have significant implications for companies owning patent rights, or at risk of infringing them, particularly pharmaceutical and high tech companies. Important changes in European data protection regulation are also planned to take effect in 2018. With the introduction of fines of up to 4% of global turnover, businesses need to prepare for a gear change in data protection compliance.

The UK is a member of the European Union (EU), although a referendum is expected in the coming months on whether its membership should continue. EU initiatives can affect businesses in the UK and throughout the Union, so a broad outlook is needed to navigate trends and developments. With its headquarters in London, Olswang has a network of offices in Belgium, France, Germany, Spain, the UK and Singapore. The firm's international reach is strengthened through its long-established best friends' network of leading independent law firms throughout the world.

This guide outlines some of the principal issues which will affect an overseas business organisation carrying on business in the UK. It discusses methods for establishing a business presence and goes on to review the issues that can affect a business as it grows. The guide finishes with a review of exit strategies for the overseas investor: a sale or float.

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The expression UK is used in the following sections of this guide to mean England and Wales only and an English company is one incorporated in England and Wales. This guide states the legal position in England and Wales. Similar, but not identical, provisions apply in Scotland, Northern Ireland and the other jurisdictions making up the UK.

Although we endeavour to ensure that the content is accurate and up to date as at the date of the guide, the information contained in it is intended as a general review of the subjects featured and detailed specialist advice should always be taken before taking or refraining from taking any action. The contents of this guide should not be construed as legal advice and we disclaim any liability in relation to its use.

¹ Source : UKTI Inward Investment Report 2014 to 2015. This introduction contains public sector information licensed under the Open Government Licence v3.0.

About Olswang

Olswang is a pioneering firm with a distinctive approach to business law and a progressive culture. Thanks to our connected, committed and commercial people, we have become the law firm of choice for leading entrepreneurs and innovators and have established a commanding reputation for truly changing the face of business. Headquartered in London, Olswang has an international presence spanning Belgium, France, Germany, Spain, the UK and Singapore.

We break the mould in legal services. As a leading relationship management firm, we constantly strive to initiate improvements, for our clients and the industries they work in. We align our services to the way our clients think about the future. Above all, we help our clients stay connected, stay informed and stay sharp within their fields. Our people are our business. Working with the very best companies calls for ingenuity, verve and sharp judgment. Our clients rely on our capability, but they value our distinctive personality and culture. We know that if our people reach their potential, then our clients can too.

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