COMMISSION
OWNERSHIP

13 January 2011

Adam Gray
Long-term Focus Consultation
Corporate Law and Governance
Department for Business, Innovation and Skills
1 Victoria Street
London
SW1H 0ET

Dear Mr Gray,

A LONG-TERM FOCUS FOR CORPORATE BRITAIN

I am writing as Secretary of the Commission on Ownership, concerning the BIS Consultation,' A Long Term Focus for Corporate Britain.'

The Commission has considered this Consultation and I enclose a copy of its submission.

The Commission believes that companies should be more than networks of contracts from which owners derive profits. At their best, they can be living, breathing human institutions held together by trust and a sense of common purpose. At the same time, the private sector is the wealth creator and engine of our economy, and we rely on this wealth for our livelihoods, our well-being and our place in the world.

The Commission welcomes the investigation into ways to encourage greater long termism in listed companies. But it believes that considering amendments to the rules and incentives in the main corporate model will only go so far. It believes that more long term thinking also requires a greater plurality of ownership models, incentivising those that naturally take a longer term view.

In examining the rules governing listed companies, the Commission is seeking to facilitate practice that promotes good ownership and governance. Its comments are submitted in that spirit.

About the Commission

The Commission on Ownership has been established to examine the nature of corporate ownership and to assess the strengths and weaknesses of various ownership types within the wider economy and society.

Our membership is drawn from across the business world and includes the following individuals:

- Will Hutton, Commission Chairman
- Glyn Barker, Vice-Chairman of PricewaterhouseCoopers
- Kate Barker, Economist
- Roger Carr, Chairman of Centrica plc
- Rita Donaghy, former Chair of the Advisory, Conciliation and Arbitration Service
- Lady Sylvia Jay, Vice Chairman of L'Oréal UK
- Peter Marks, Group Chief Executive, The Co-operative Group
- Charlie Mayfield, Chairman of John Lewis Partnership
- Colin Melvin, Chief Executive of Hermes Equity Ownership Services Ltd
- Jonathan Michie, Professor of Innovation & Knowledge Exchange at the University of Oxford
- Paul Mullins, Chief Executive – Europe, DC Advisory Partners
- Oliver Nyumbu, Chief Executive of Caret
- Ruth Sunderland, The Daily Mail

Yours faithfully

Peter Hunt
Secretary

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