



# CORPORATE IMAGE

*It's all about the brand...*



Image percolates through every aspect of our lives and this is as true for the corporate world as it is for individuals. However, this will not be a piece about art or fashion, dear reader, but rather about our image as a jurisdiction in which to do business and especially the financial services sector, which has to compete on a global basis.

A large part of my role involves marketing – by which I mean the communications side rather than direct advertising. I am passionate about getting messages out to my target audience, be that the readership of *The Gibraltar Magazine*, our clients or even just generally in my life. There is, of course, a gap between how I go about presenting Sovereign in a formal setting as opposed to just ensuring that my shoes are polished and hair combed. But of course, they are not, in fact, that far apart.

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For me, corporate image is all about the brand. What a firm – or even the jurisdiction as a whole – stands for and how it is perceived in the wider world can on occasion mean the difference between a sale and a lost opportunity. In these days of relentless advertising, a purchase decision might be based on several factors and not at all just related to price. “You get what you pay for” is probably more valid today than at any time in the past.

Regular readers will know that I am proud to promote Gibraltar at every opportunity. I hope my small contribution has helped over the years but what image does for our territory transmit abroad and, indeed, how does it wish to be presented in the future?

**Industry “surveys” should always be taken with a pinch of salt...**

When comparing jurisdictions, I always advise caution. The much-vaunted statistic about Gibraltar's GDP per capita being the third highest out of 187 countries on the International Monetary Fund's World Economic Outlook Database is a case in point. It may not always seem to be reflected in life as we know it on the Rock but without doubt, it enhances our international credibility.

In the finance services arena, Gibraltar competes with a number of other jurisdictions worldwide not just for corporate and trust services but also for pensions, insurance and funds – to name just three. Those of us working in the sector, supported of course by Gibraltar Finance, expend a great deal of time and effort in fine tuning what we have to say about ourselves – in other words, refining our image.

In the context of competition from other countries, the image Gibraltar presents is





vitality important. Few of our competitors are as well run or as well regulated – and some fall a long way short. In an era of enhanced transparency, Gibraltar has gone to great lengths to ensure that it is well ahead of the curve in respect of compliance with international standards and that our regulation is considered first rate. It is therefore essential that we back this considerable effort up by making certain that it is transmitted on the international stage as positively as possible.

Industry “surveys” should always be taken with a pinch (or maybe a larger quantity) of salt because it often turns out that the “independent study” isn’t that impartial after all. But by all measures, Gibraltar stands up to the competition. Let me take just one example – the simple Gibraltar company. Our corporate entity enjoys a decent – and improving – reputation within the industry. It is based on English Legislation and has been amended to include relevant EU Directives, but it has also been given the flexibility and utility that is needed to compete internationally. When combined with the low headline corporate tax rate of 10%, which can reduce to zero if a company’s profits are not derived from nor accrued in Gibraltar, it is highly attractive vehicle.

But that is not all. There are many countries worldwide that offer companies with tax neutrality. To our version, we can add an English law-style system, which offers

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increased certainty and familiarity, as well as the unique feature that Gibraltar is part of the EU (alongside the UK) but there is no VAT. The image is further enhanced by the range and depth of our service providers (of which Sovereign is, of course, one!), more lawyers than you’d think possible in such a small place, hugely experienced accountants and all the rest. It’s a good news story – and it doesn’t end there.

The corporate service and trust providers are complemented by robust insurance and fund sectors combined with a wide range of ancillary services. Of course, firms are only as good as the people who work in them and, again, we are blessed in this jurisdiction with good, well-trained bilingual Gibraltarian staff. Moreover, there is a willingness among finance firms here – and our government – to attract highly qualified staff from around the world. People want to come. And on the whole, they like it and want to stay.

All this helps create an image that is something of which we can all be proud. Image can even be protected. A trademark is a good way to start – those with good eyesight should look for the “TM logo” in one of our ads. You can protect almost anything within reason – it’s called intellectual property or IP for short. Since 2012, it has even been possible to register your “image rights” on a bespoke register in Guernsey. These extend from a natural or legal person, to a joint personality (Brangelina anyone?), a group or even a fictional character.

But it is no good creating a positive image

if you don’t look after it and, indeed, adapt it as times change. Social media is an important new image projector for many people and brands. Blogging and tweeting means that it has never been easier or quicker to disseminate a message to the world. But that is only part of the story. It can also be a time-consuming and costly exercise to maintain that image and can result in a range of legal liabilities and other unforeseen consequences. In the corporate world, all sorts of issues must be considered and any one aspect can do enormous good – or harm.

I will conclude with one of the most spectacular examples from the not-too-distant past – the luckless Gerald Ratner. The chief executive of an extremely successful chain of jewellers during the 1980s, Ratner was speaking at an Institute of Directors event in 1991, but when what he said – in what was meant to be a tongue in cheek aside – was reported in the press, it wiped around £500 million off value of the Ratner group and very nearly resulted in the firm’s collapse. What word did he use to describe one of his firm’s products? I can’t say. I am too well brought up to utter the word – and it would not be good for my image!

*Gerald Ratner said his stores’ earrings were “cheaper than an M&S prawn sandwich but probably wouldn’t last as long”.*



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