

Business Seminar And Future Workshops

On the 18th September Neves teamed up with accountancy firm Hillier Hopkins to provide a free breakfast seminar at DoubleTree by Hilton. The seminar – Strategies To Grow The Value Of Your Business - helped give an insight into the key points to consider when buying or selling a business. Stewart Matthews and Simeon Clipstone, both Partners at Neves helped provide an overview of how best to prepare for sale or purchase. With Colin Howe, Partner at Hillier Hopkins reviewing the ways to secure value based on real life situations. By bringing together the expertise of both Neves and Hillier Hopkins the seminar helped provide a useful understanding into those considering selling a purchasing or business. The topics covered thought-out the morning were well received by the attendees with some great feedback for future workshops/seminar topics.



We now plan to run a range of Employment Law workshops in coming months you can find more details about them www.neves-solicitors.co.uk/about/seminars

Our Milton Keynes Office Relocates

Neves are pleased to announce that as of **Monday 10th November 2014** our Milton Keynes Office will have relocated from South Seventh Street to Luminar House in Rooksley.

Caroline Hume, Partner and Head of Residential Property adds 'This is the third time we have expanded our Milton Keynes office since opening here in 2005. This move will be key to moving the business forward and catering for our growing client numbers and additional staff members. A key factor for relocating to Luminar House is to improve the ease of access. We have listened to our clients needs and as a result they will now be able to park outside our office without the cost of inner city parking. The new office is also conveniently located close to both the A5 and Central Milton Keynes train station.'



Neves takes on New Trainees



Neves are pleased to welcome two new trainee solicitors to the firm. Olivia Ridout and Mark Chiverton joined our Milton Keynes office this October as Paralegals the pair will work in various departments throughout our offices to help improve their knowledge and gain valuable experience over the coming years with the aim of becoming a qualified solicitor by 2017. We would like to wish them both the best of luck.

Harpenden Seniors Forum

On 2nd October Neves attended the annual Seniors Fair in Harpenden's Public Hall to inform local residents about the services we offer in our Private Client department. Over 300 local seniors attended. Gail Donaldson (Head of Private Client at Neves) had chance to speak to many of the attendees many who are already clients of the firm and pleased to see Neves supporting a local event. This is the second year the fair has been running and also the second time Neves have attended, thank you to all involved in organising another success event.



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Greek Yoghurt Not So Greek After All

The Court of Appeal has concluded that a product description which contains a geographical term can constitute 'passing off' if the product does not in fact come from the place named.

The description of a product as 'Greek' (in this case Greek yoghurt) would give most consumers the impression that it was made in Greece. However, the manufacturer argued that 'Greek' in this context referred to a style of yoghurt, not its place of manufacture. The yoghurt referred to is actually made in the USA.



It claimed it owned a share in that goodwill which was being damaged by the importation and sale as 'Greek yoghurt' of the yoghurt from the USA.

In the High Court, the judge posed the question 'whether a substantial part of the yoghurt eating public understood the expression "Greek yoghurt" in the same way as the way in which that expression was used in the labelling convention' and concluded that it did. The case went to the Court of Appeal, which found that the lower court had asked the correct question and concurred with its conclusion.

In the UK, labelling convention has been that yoghurt made in Greece is labelled 'Greek yoghurt'. If it is the same style of yoghurt, but made in the UK, it is labelled 'Greek style yoghurt'.

The Court also agreed that the goodwill of the existing sellers of Greek yoghurt had been infringed. The injunction against use of the term Greek yoghurt to describe the US-made yoghurt was upheld.

The case was brought by a company which sells Greek yoghurt, made in Greece, in the UK. It argued that 'a valuable reputation of goodwill had been generated under and by reference to the phrase Greek yoghurt in the UK as denoting a product made in Greece and having particular qualities of thickness, creaminess, taste and satisfaction...'

This case does not mean that Welsh rarebit need come from Wales or that KFC must fry its chicken in Louisville, but it is clear that where the effect of the use of a geographical label is such that consumers may be misled as to the provenance of the item and this could affect their economic behaviour, problems may arise.

A Banks Duty To Investigate Borrowers Default Payment

A recent decision of the Supreme Court will come as a relief to anyone concerned that they may be left with an adverse credit rating if they terminate a credit agreement because of a breach of contract by the supplier of goods.

The case appeared straightforward. A man bought a laptop computer from PC World using a hire purchase (HP) agreement. However, the modem the laptop was meant to contain had been omitted when it was built, so he returned it on the basis that the product did not conform with the contract as it did not match the description given. After some argument, he obtained a refund of his deposit from the supplier.



He sued the bank and the laptop supplier for damages for the losses he had suffered as a result of his inability to obtain credit. The Supreme Court ruled that when he terminated the contract with the laptop supplier, he had also terminated the HP agreement. The bank was therefore under a duty to him to investigate the circumstances surrounding his failure to make the payments as it could reasonably assume that informing the credit agencies of his default would damage his credit rating and lead to potential adverse consequences for him.

However, that was the beginning of a new problem. Because he had not made the payments due under the HP agreement, the HP provider (a bank) informed two credit reference agencies that he had defaulted on payments under the contract. As a result, when he later applied for credit, he was turned down because of his 'poor credit history'.

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Good Behaviour Holds Tenant in Good Stead



Sometimes, the fact that legal issues can take a long time to reach court means that the circumstances which gave rise to the proceedings have changed significantly

by the time the dispute is heard.

That was the case when a city council sought repossession of a council flat, which it had let under an introductory tenancy to a tenant who then exhibited anti-social behaviour.

An introductory tenant has fewer legal rights than a secure tenant. This type of tenancy agreement is designed to give the tenant time to show that they are a suitable person to occupy the premises under a secure tenancy.

In the case in point, early in the tenancy the tenant had sworn at and threatened neighbours. The complaints

about his behaviour led the council to seek repossession of the property. However, as soon as the tenant was served with the notice that the council intended to evict him, the anti-social behaviour stopped.

The tenant opposed the notice of eviction and it was nearly a year before the case came to court. The judge considered that the period of time that had elapsed showed that the tenant was capable of complying with the requirement not to be a nuisance to his neighbours and refused the council's application for possession of the flat. In the judge's view, whilst the council's action was a 'proportionate' action to take when the proceedings for repossession were started, it was no longer proportionate by the time the case was heard.

The matter then went to the Court of Appeal, which had to consider whether the decision made by the original judge was one that was 'open to her' in the circumstances. Even though the Court of Appeal judge may have taken a different view, the Court held that the decision made by the lower court was not unreasonable on the facts and the council's application for possession therefore failed.

Maternity Leave and Surrogacy

The purpose of EU Directive 92/85EC – the Pregnant Workers Directive – is 'to encourage improvements in the safety and health at work of pregnant workers and workers who have recently given birth or are breastfeeding'.

In the UK, surrogacy is permitted subject to certain provisions but, as yet, there are no specific rules governing the maternity leave entitlement of the intended mother.

A recent case on this topic (CD v ST), in which an employee of the NHS claimed that she was entitled to maternity leave under the Directive so that she could care for and breastfeed a baby born as a result of a surrogacy arrangement, was referred to the Court of Justice of the European Union (CJEU) for clarification on the rights of the intended mother in such cases.

The CJEU declined to follow the opinion put forward by the Advocate General and ruled that the objective of

the Directive as regards protecting the special relationship between a woman and her child over the period which follows pregnancy and childbirth only applies to a child's biological mother, not to the intended mother of a child born as a result of a surrogacy arrangement.



Furthermore, where the employer of the intended mother under a surrogacy arrangement denies her the right to maternity leave, the refusal does not amount to discrimination on the grounds of sex or pregnancy under EU Directive 2006/54/EC – the Equal Treatment Directive.

The Children and Families Act 2014 gives the Secretary of State the power to introduce regulations giving prospective parents in the fostering-to-adopt system, and parents in a surrogacy arrangement who are eligible and intend to apply for a parental order, entitlement to leave and pay on the same basis as adoptive parents. The new rights are expected to be introduced in 2015.

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Liquidators tracing down £500,000

In a classic case of 'following the money', determined liquidators have succeeded in tracing £500,000 which was paid out of a company's bank account shortly before it became insolvent, owing more than £1.4 million to the tax authorities.

The company was in dire financial straits when the money was wrongfully paid by one of its directors into a bank account in Latvia. That payment had immediately rendered the company insolvent and it went into creditors' voluntary liquidation shortly thereafter.



could be traced to the associate. The latter was also found to have been 'unjustly enriched' by his indirect receipt of the misappropriated money and was ordered to reimburse the liquidators in full.

In appealing against that decision, the associate argued that the liquidators had failed to establish an unbroken chain of transactions leading to him or that the sum that he had received in fact had its origin in the misappropriated money. It was said that the \$100,000 he had paid the director and his wife was consideration for a business transaction and that a tracing claim had not been made out.

On the same day, the dollar equivalent of £500,000, less bank commission, was transferred by another financial institution to the account of one of the director's close business associates in Singapore. A few days later, the associate paid \$100,000 to the director and his wife. The liquidators launched proceedings and persuaded the High Court that the money paid by the director

In dismissing the associate's challenge, however, the Court of Appeal noted the close links between him and the director and his family. The money transfers had been completed in swift succession and there was sufficient evidence that the transactions were causally linked. The associate had been unjustly enriched in that he had received a 'gratuitous benefit by a circuitous route'.

Business Start Ups



Neves Small Business team can assist your business by helping draft your terms and conditions of trading, partnership/shareholder agreement or agency agreement, or by providing you with a contract of employment for any staff you may engage, or by collecting unpaid debts. Perhaps you maybe considering renting business premises in which case we will review the terms of the lease and advise you accordingly.

If you offer services over the Internet, Neves can guide you in the legal techniques needed to make contracts electronically. It can also ensure that your website complies with the law.

If you purchase goods or services over the internet, our experts can advise you on your contractual rights and obligations.

Business start ups, make sure you are getting the right legal advice from the very start contact: business@nevesllp.co.uk

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