



The Quoted
Companies Alliance

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The importance of smaller quoted companies to the European economy

At the annual dinner of the Quoted Companies Alliance (QCA), sponsored by Ernst & Young, Commissioner Charlie McCreevy, European Commissioner for the Internal Market and Services, spoke to an audience of 700 comprising small and mid cap company directors, and their advisers, and highlighted how valuable smaller quoted companies are to the European economy and the important role the QCA plays in bringing these companies together to nurture growth in this vital sector. He told those present that “Smaller quoted companies are vital to the European economy. SMEs generate most jobs and develop the most innovative products and services in the European economy. And yet they very often face unnecessary and insurmountable bureaucratic hurdles. It is only if we take care of smaller quoted companies that they will thrive and become “large caps”. So we need to cut red tape and “think small” when we legislate to create an environment which is favourable to smaller companies.”

Donald Stewart, QCA Chairman and Partner at Faegre & Benson LLP, remarked that “The last year had seen the introduction of a further rash of significant regulatory changes affecting smaller quoted companies and their advisers including the coming into effect of MiFID and significant changes in the Capital Gains Tax and VCT regime.” He continued by saying “The markets may have slowed down but all of our committees have remained hard at work fighting for the interests of smaller quoted companies.”

Scott K Halliday, UK Country Managing Partner & London sub-Area Managing Partner, Ernst & Young LLP said “Recent events have brought home how critical a sound financial reputation can be for all companies - from the largest giants to the smallest operators. And as we see time and time again, a company's market success or failure depends on it. Ernst & Young is committed to helping any organisation - whether a large or small quoted company - on their journey to achieving their potential and securing a sound financial base.”

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Notes to editors

The Quoted Companies Alliance (QCA) represents UK's Smaller Quoted Companies (SQC). The SQC sector is defined as those 2,000 companies that are listed on the London Stock Exchange outside the FTSE 350, plus those quoted on AIM and PLUS.

The QCA was founded in 1992 and has been consistently successful in campaigning among City, UK Government and EU circles on a range of issues affecting the sector, including corporate governance, taxation and market regulations.

The QCA was instrumental in the establishment of AIM and continues to fight for a regime of lighter touch regulation to assist growing companies and to represent them to Westminster, Whitehall and Brussels.

The QCA represents smaller quoted companies and is their advocate in all issues that affect them.