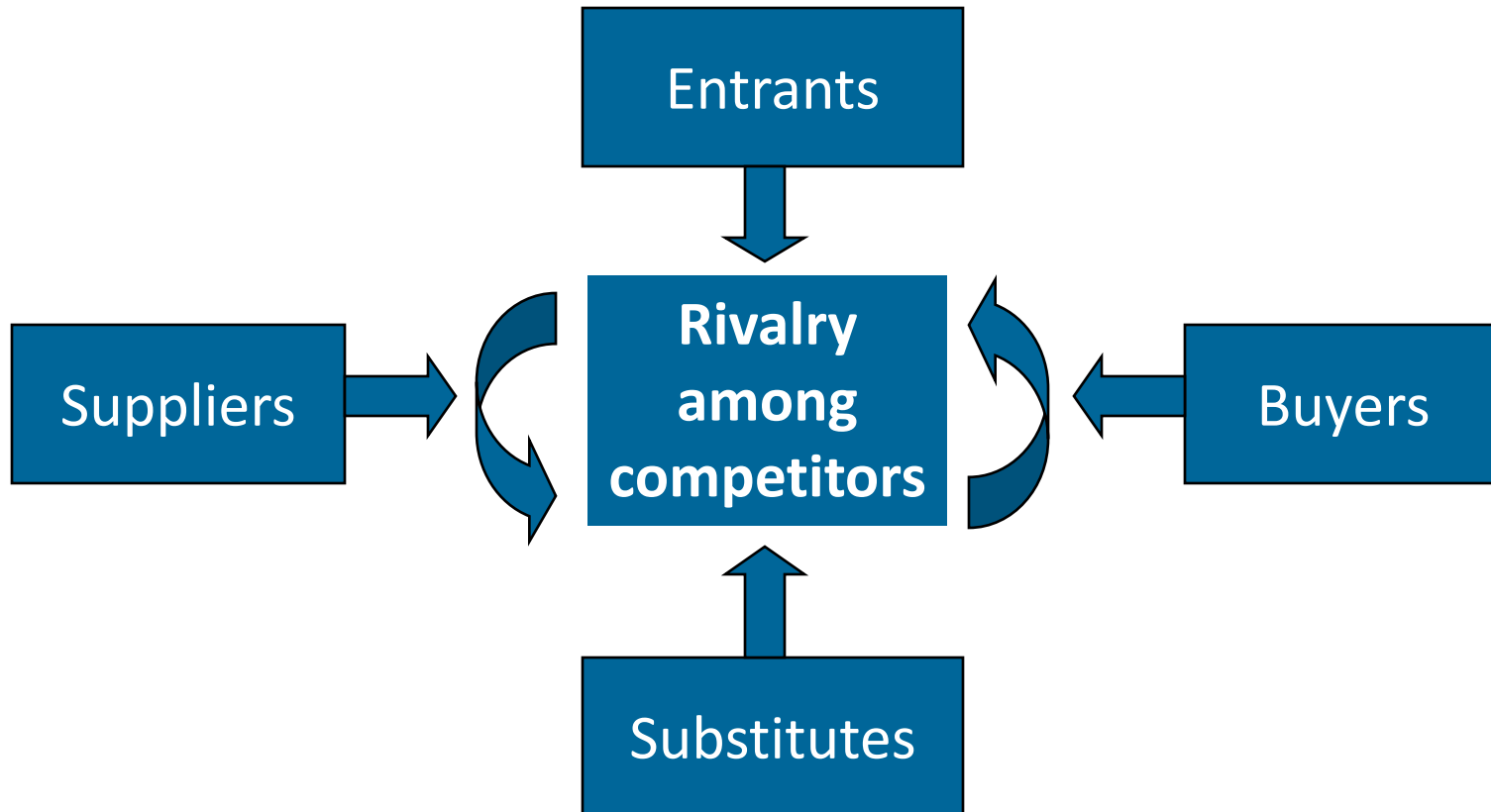


# Market Infrastructure and Investor Rights

John Kay

London School of Economics, 24<sup>th</sup> March 2014

# The five forces



## Rights of ownership

<b>Right</b>	<b>Me over my umbrella</b>	<b>Shareholder of company</b>	<b>Shareholder over shares</b>	<b>Company directors over company</b>
Possession	Yes	No	No	Yes
Use	Yes	No	Some	No
Management	Yes	Some	Some	Yes
Income	Yes	Some	Yes	No
Capital	Yes	Some	Yes	No
Security	Yes	Some	No	Some
Transmission	Yes	No	No	Yes
No limit of term	Yes	Yes	Yes	No
Duty not to do harm	Yes	No	Some	Yes
Judgment liability	Yes	No	Some	No
Residual control	Yes	Yes	Some	Yes

## ICI 1987

“ICI aims to be the world’s leading chemical company, serving customers internationally through the innovative and responsible application of chemistry and related science.

Through achievement of our aim, we will enhance the wealth and well-being of our shareholders, our employees, our customers and the communities which we serve and in which we operate”.

## ICI 1994

“Our objective is to maximise value for our shareholders by focusing on businesses where we have market leadership, a technological edge and a world competitive cost base”.

## Mode 1

Operations primary,  
finance secondary

Stakeholder orientation

Find new business to  
deploy capabilities for  
competitive advantage

## Mode 2

Finance primary,  
operations secondary

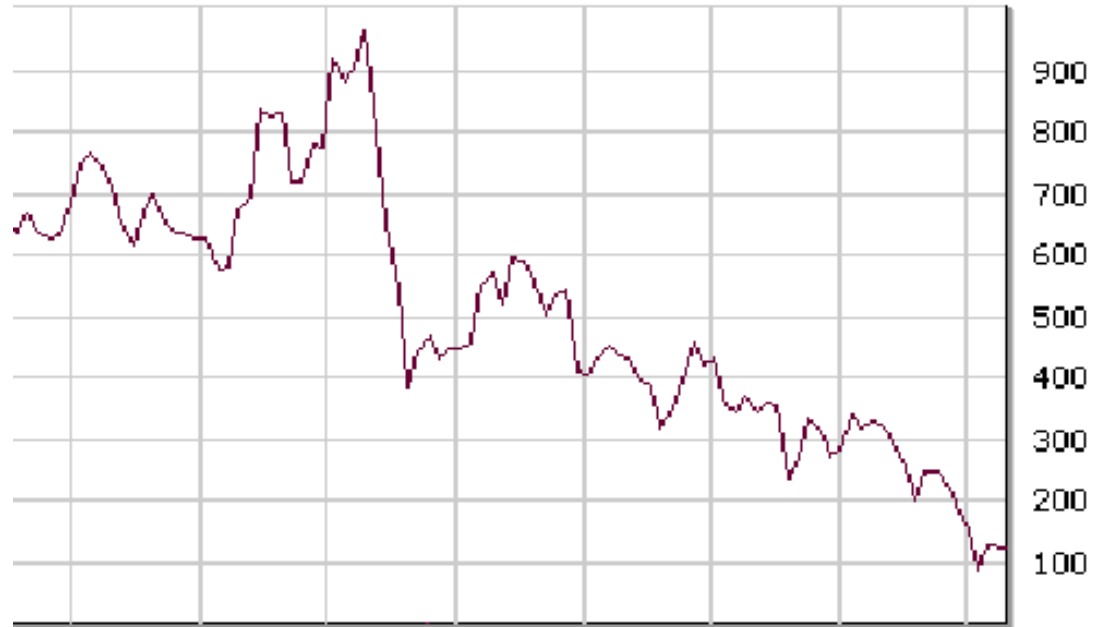
Shareholder orientation

Focus on exploitation of  
businesses with  
established competitive  
advantage

# ICI Share Price since 1996



8/05/03



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