

newsletter

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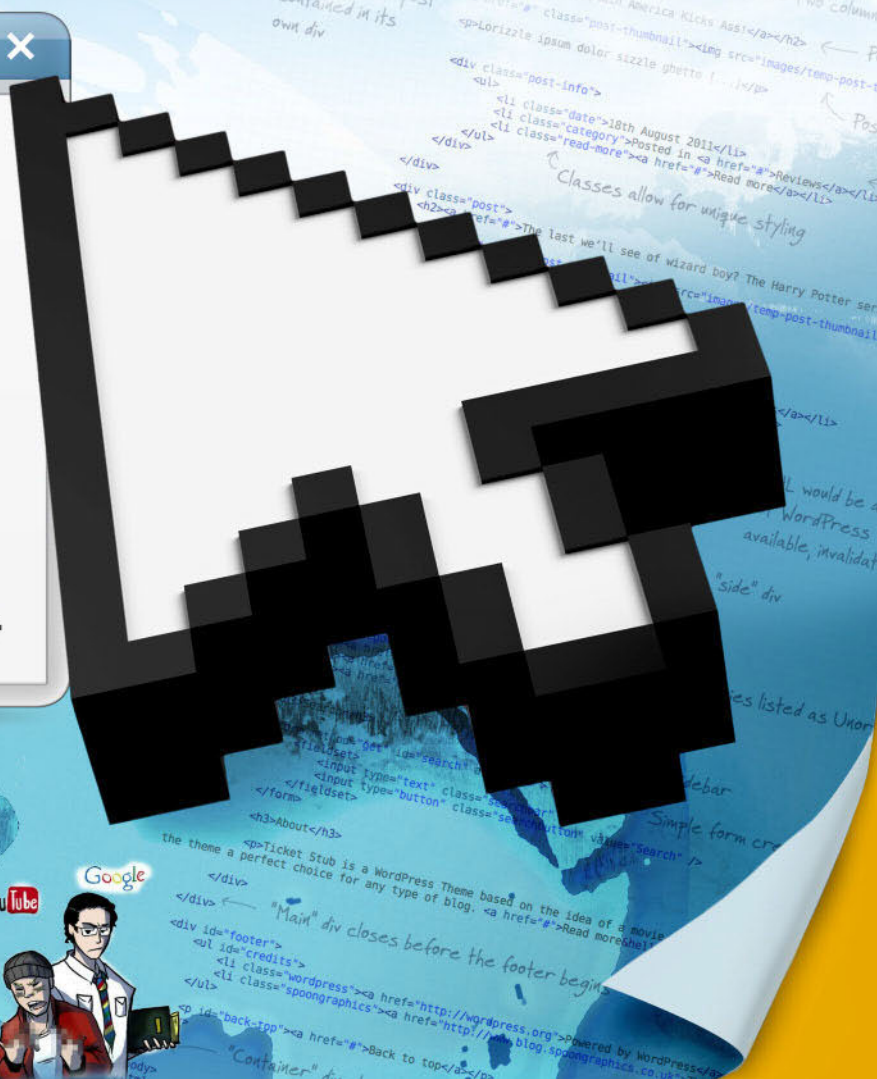
ONLINE MARKETING

WHAT ARE WE DOING WRONG?

The web is now accepted as the first point of reference for most business to business organisations as part of the validation process which determines if they are going to engage with and hopefully develop a business relationship with your company.

Over the past 10 years the web has fundamentally changed the way we communicate with one another on a global scale and how we choose and buy the services we require.

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In order to compete in today's highly competitive business arena it is now a given that all business have a relevant online presence which matches and compliments their offline marketing message.

The first step in developing an online presence is not a website. Before you build a website you need to decide what content it should have. The fundamentals involved in formulating of an online marketing strategy are Research, Analysis and Understanding of: the customer, your business and the competition. To quote a well worn marketing mantra

"Strategy before Structure".

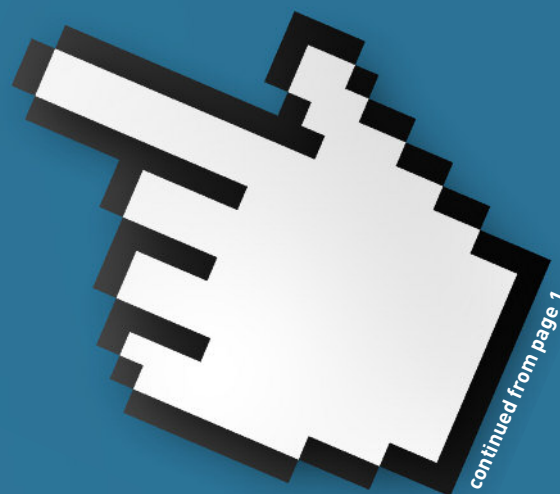
To determine the appropriate content and structure you need to answer some key questions:

- Who is your target customer?
- What are they looking for?
- Can I meet their needs?
- What is your value proposition (why would anyone engage with or buy from you)?
- Who are you competing with for this business?
- How do your competitors rank and represent themselves online?
- How do you compare to your competitors?
- Can you equal or better your competitor?

The reason most websites fail to achieve any traction in the market place is because the answers to the above questions have been ignored in the rush to launch a shiny new site. Armed with the right information you can develop a customer centric online presence which offers goods and services that your customers want and trust.

Budget permitting, you should consider engaging an external online marketing agency to assist you in developing your company's digital marketing strategy. The output of the strategy will give you the framework for the site build and the subsequent post launch marketing implementation tactics and should consider the following:-

- Too many companies treat a website as a project that they revisit every three years as an opportunity to revamp the site. A website is like a member of your marketing team and should be treated accordingly. You wouldn't send your sales team in to the market with out of date information that is not relevant or doesn't represent your organisation as it currently operates. Keeping your website up to date and measuring its performance using tools like Google analytics or Stat Counter is a critical part of understanding and managing this very important asset.



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- Understanding the traffic to your site is an invaluable marketing tool - how did they get there, what search terms brought them, how long did they stay, what parts of the site did they visit, are they new or returning visitors, what geography did they come from etc. Use this knowledge to improve the site and stay ahead of the competition.
- Another important consideration when targeting export markets is the localisation aspect of your web content for the geographic market. Translating the content is not good enough - the text and messaging must be localised/customised both for the customer and the search engines.

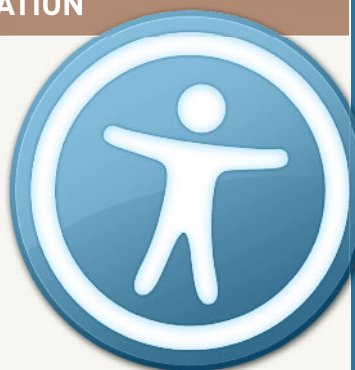
The web is not all about having a Facebook, Twitter, LinkedIn, Google + and YouTube accounts – it's about selecting the appropriate online marketing tactics that will help you engage with your customers through the most appropriate channels in a manner which is beneficial to all parties.

The role of the Internet Marketing Unit within Enterprise Ireland is to help export-focused clients across all industry sectors to exploit the Internet as a route to market and to assist them in developing a strategy that will shape how they do business online. We provide independent guidance and support to our clients in the initial phase of their online marketing journey.

Eoin O Siochru
Manager Internet Marketing Unit
ENTERPRISE IRELAND

DISABILITY INFORMATION

Anyone who is permanently incapacitated either physically or mentally such that he/she is unable to maintain himself/herself, may be entitled to claim additional tax benefits as follows:



Tax credits:

- **Incapacitated Child Tax Credit €3,300** – can be claimed by a parent for a child who is permanently incapacitated either physically or mentally from maintaining himself/herself and has become so before reaching 21 years of age or finishing full time education.
- **One Parent Family Tax Credit €1,650** – can be claimed by a single parent with an incapacitated child.
- **Blind Persons Tax Credit €1,650.** (Guide Dog Allowance €165 (max) – can be claimed towards the cost of maintaining a guide dog).
- **Dependant Relative Tax Credit €70** – can be claimed by a person who maintains an incapacitated or elderly relative.

Allowances:

- **Incapacitated Persons Allowance for Employing a Carer** – can be claimed where an individual employs a person to take care of a family member who is permanently incapacitated.
- **Covenants** – relief is available in respect of a legally drafted Deed of Covenant in favour of a permanently incapacitated individual.
- **Revenue Job Assist** – provides tax relief to encourage the long-term unemployed to take up employment and also gives incentives to employers to employ such individuals.
- **Medical Expenses** – available for unreimbursed nursing home, doctors', hospital and other medical expenses.

Exempt Income

- **Repayment of Deposit Interest Retention Tax (DIRT)** – if you are permanently incapacitated or over 65 you may be entitled to a refund of DIRT if your gross income is under the tax exemption limit or marginally over same.
- **Leasing of Farmland** – rent from farmland may be exempt if you are incapacitated or over 55 years.

Don't lose out...talk to us today.

TAXING SHARE OPTIONS

When an individual exercises a share option and acquires shares for less than market value, they are liable to income tax and USC on the difference between the market value of the shares and the price paid for the shares on the exercise date. From 1 July 2012, PRSI is also chargeable on the difference between market value of the shares and the price paid for the shares. Income tax, USC and PRSI must be returned and paid to the Revenue not later than 30 days after the date on which the share option is exercised.

www.revenue.ie

TAXABLE ILLNESS BENEFIT

Revenue has released a notice for employers advising that from 1 January 2012 all employees' taxable illness benefit should be included in earnings. Some employers have decreased tax credits and cut-off points to account for the benefit rather than including the benefit as taxable pay. Revenue has advised that they will allow this treatment to continue only for 2012.

CREDIT CARD PAYMENTS

Tax liabilities can now be paid via ROS by credit card. Only VISA and Mastercard credit cards are acceptable. A transaction charge of 1.49% of the value of the tax payment will apply.

PAY AND FILE SUMMARY

The following is a summary of upcoming pay and file dates:

Income Tax

Filing date of 2011 return of income (self-assessed individuals)	31 October 2012
Pay preliminary income tax for 2012 (self-assessed individuals)	31 October 2012
On-Line pay and file date for 2011 return of income	15 November 2012

Capital Gains Tax

Payment of Capital Gains Tax for the disposal of assets made from 01 January 2012 to 30 November 2012	15 December 2012
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Corporation Tax

Filing date for Corporation Tax returns for accounting periods ending in January 2012	21 October 2012
Payment of Corporation Tax balance for accounting periods ending in January 2012	21 October 2012

EMPLOYERS LIABILITY FOR BULLYING

Numerous claims may be brought against an employer arising from the same circumstances of alleged bullying, such as for constructive dismissal, breach of equality law and personal injury, amongst others. Claims can lead to significant cost and time for employers.

Bullying is 'repeated inappropriate behaviour, direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment, which could reasonably be regarded as undermining the individual's right to dignity at work.'¹

PERSONAL INJURY CASE LAW

One of the most common types of claim which results from workplace bullying is a personal injury action in respect of psychological injury. Two recent cases are:

(i) *Sweeney v Ballinteer Community School*

The plaintiff claimed she suffered depression as a result of the failure of her employer to deal with bullying and harassment. Her complaint of bullying had not been upheld by an internal investigation. However, she continued to have issues with the school principal upon her return from a period of sick leave, due to work-related stress. The court held that the school knew or ought to have known that this "rendered the Plaintiff very vulnerable to some form of mental illness such as nervous breakdown".

Herbert J. imposed liability for breach of duty on the school as it owed the plaintiff a direct duty of care; "to take reasonable care to prevent her suffering mental injury in the workplace as a result of being harassed or bullied by other employees if they knew or ought to have known that such was occurring."

(ii) *Quigley v Complex Tooling and Moulding*

In this case Mr Quigley claimed he was subjected to bullying by a new plant manager which consisted of persistent watching, constant criticism and failure to respond or communicate. The High Court held in his favour, but the decision was appealed to the Supreme Court.

The Supreme Court, confirmed the finding that Mr Quigley had suffered workplace bullying but the medical evidence in this case was that Mr Quigley's psychiatric injury was caused by the termination of his employment and the subsequent stress of legal proceedings and there in fact was no evidence of a causal link between his injury and the bullying. The Supreme Court therefore overturned the decision of the High Court.

WHAT TO DO

Where a complaint of bullying is made informal resolution of the complaint may be explored as a first step. Where this is inappropriate or unsuccessful, a formal process should be implemented.

A formal investigation must be carried out in a fair manner. Key factors are that:

- the parties are clearly informed of the matters under investigation;
- the investigator is impartial;
- both parties are given adequate opportunity to put forward their side of events; and
- any relevant documentation is furnished to both parties for comment.

If a basis to the allegation of bullying is found to exist, it is vital that the matter be referred to a separate disciplinary panel for a thorough and fair disciplinary hearing, prior to any sanction being imposed on the alleged perpetrator. Even where the investigation concludes that the allegation of bullying has no basis, it is imperative that the employer monitors and keeps the situation under review.

LEGAL LIABILITY

Employer's liability arises where the employer knew or ought to have known that bullying was taking place and failed to take appropriate action to address it. Policies and procedures properly drafted and effectively communicated to all staff, in addition to taking appropriate action, such as an investigation and subsequent disciplinary action if necessary, will limit an employer's liability.

Triona Sugrue
EUGENE F. COLLINS

¹ Health & Safety Authority Code of Practice (2007) on the Prevention and Resolution of Bullying at Work.

SMALL COMPANY AND AUDIT EXEMPTIONS THRESHOLDS RAISED.

On 7 August 2012 The Minister for Jobs, Enterprise and Innovation signed Regulations increasing the audit exemption criteria. Under the new legislation a company can now avail of the audit exemption provided it meets all of the following criteria: (unless it is the company's first financial year)

1. The turnover of the company does not exceed €8,800,000
2. The balance sheet total does not exceed €4,400,000
3. Average number of employees does not exceed 50
4. The company must be up to date with its filing requirements at the Companies Registration Office
5. The company should satisfy all the conditions in respect of the financial year in which the company is to avail of the exemption and the previous financial year.

The increases in the audit exemption are unquestionably favourable to SME businesses and their accountants alike.

FINTRAX FOUNDER SELLS UP FOR €170M

Galway businessman Gerry Barry has agreed a €170m deal to sell Fintrax, the global VAT – BACK and DYNAMIC CURRENCY CONVERSION company he first set up almost three decades ago, to a UK based private equity firm.

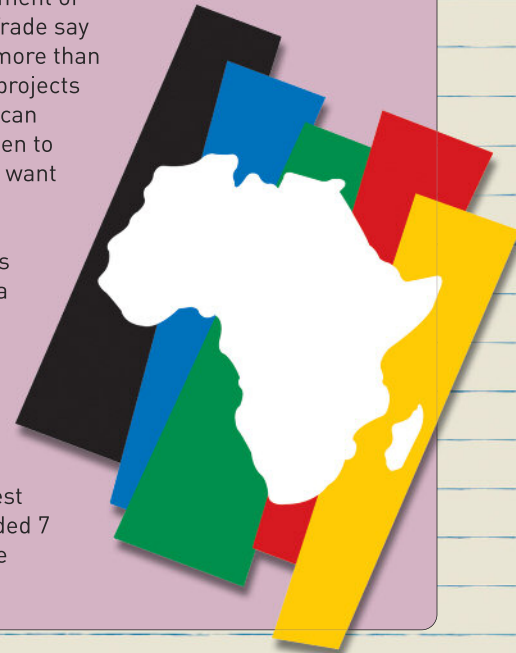
With Fintrax headquartered in Ballinahown, Co Galway, it's suggested to be the biggest deal in Gaeltacht history.

The final price of €170m is double Fintrax current turnover of €85m and more than 12 times its earnings of €14m

'€12BN OPPORTUNITY' IN AFRICA FOR IRISH FIRMS

IBEC and the Department of Foreign Affairs and Trade say they have identified more than 100 publicly funded projects worth €12bn. in African countries that are open to Irish companies who want to tender.

Irish exports of goods and services to Africa were valued at more than €2.7bn in 2011, according to the latest trade figures. Trade between Ireland and the worlds poorest continent has expanded 7 % during the first five months of 2012.



49% OF SME CREDIT REQUESTS REJECTED

Half of all requests for bank credit from SMEs are being refused, according to the latest ISME Quarterly report which is in direct contrast to AIB's claims that it sanctioned nine out of every ten loan applications made by SME businesses during the first half of 2012.

ISME's poll of SME owners found that the bank refusal rate stands at 49%. The survey found that more than one third of SMEs included in the study had applied for credit in the three months to the start of September.

However given the above contrast between AIB and ISME there are still relatively low numbers of SME's availing of the Credit Review Office. The Credit Review Office overturned 17 bank refusals between March and May out of 44 applications.

Please refer to the Credit Review Office for their criteria for assessing a failed loan application at www.creditreview.ie



KID GLOVES FOR IRISH BANKERS

The decision by the UK Financial Services Authority (FSA) to banish Peter Cummings, the former head of corporate banking at HBOS from the City for life and fining him £500,000 is in stark contrast to the kid gloves treatment we have meted out to our bankers.

Mr Cummings was not the only fallen banker to be run out of the town by the FSA. In May 2010 his counterpart at RBS, Johnny Cameron, agreed not to work in a full time job in the city. Meanwhile, Mr Cameron's former boss at RBS, Fred Goodwin, was stripped of his Knighthood earlier this year.

Most of the bankers who bankrupted Ireland were allowed to retire with handsome lump sums and pensions, some have even managed to keep their jobs !!!

SHAVING

Shaving costs off your tax bill or even getting a tax refund: some personal tax ideas

In these troubled times, a cash windfall is very welcome. Many people still overlook their personal taxes and are paying too much.

A number of tax reliefs have been restricted recently but some ideas to look at are:

- What tax credits are you entitled to? PAYE taxpayers receive a "Certificate of Tax Credits and Standard Rate Cut-Off Point" every year showing the tax credits you receive and the income level where you become liable at 41% (marginal rate) instead of 20% (standard rate). You may not be receiving all credits you are entitled to so check it and research further if necessary.
- Making a claim to Revenue is not as daunting as you might think. You can now look up your tax entitlements and make a claim if you register online for the "PAYE Anytime" or "ROS" self-service Revenue facilities. Log on to www.revenue.ie for more information.
- Do you claim medical expenses relief? At every local GP visit, you should get a receipt - money back under your health insurance policy is possible but, even if not, Revenue will refund you 20% on making a claim to them. If you haven't claimed in a while, you can go back four years. That is well worth doing now as tax relief in 2008 was at the 41% rate, which it still is for nursing home costs. What qualifies may surprise and you also can claim for expenses paid for others. Consult Revenue Form IT6.

YOUR TAX BILL

- Have you children in third level education? You can claim tax relief on certain college fees if you do. Revenue Form IT31 is worth a look.
- Spouses/civil partners not working outside home and caring for a dependent person (typically a child living with the couple) may claim a tax credit of up to €810. Revenue Form IT66 has more information.
- In addition, consider the tax benefits of making a deed of covenant to an elderly parent, or film relief, or BES/EII relief, or a one-off pension contribution, or offsetting trading losses against other income. These are not for everyone but they might be for you.
- At the end of the tax year, it is possible to claim tax relief if you are a cross-border worker or qualify for the new Foreign Earnings Deduction or SARP reliefs.
- Top slicing relief can also usually be claimed the year after the tax year in which someone is made redundant; it is an additional relief on top of any tax relief received when made redundant.

It is always worth checking your personal tax affairs as autumn turns to winter. On a dark dreary winter night, a small bit of research into finding a few bob due back from the taxman tends to lift the mood...



IS BANKRUPTCY TOURISM A THING OF THE PAST?

We have seen, in recent years, a string of prominent Irish business-persons being declared bankrupt in the UK, remaining so for as little as 12 months from the date of the Bankruptcy Order and exiting the procedure debt free. It appeared a tactical move to avoid the rigors of the penal Irish Bankruptcy laws; is all that about to change with the recent publication of the Personal Insolvency Bill?

It is widely acknowledged that current Bankruptcy laws in Ireland do not provide a modern insolvency process which addresses the obligations of the debtors and the rights of the creditors. The function of Bankruptcy law is to assist creditors and protect debtors. The essence of bankruptcy is that the debtor's assets are transferred to an official who administers them for the benefit of the creditors.

The purpose is to treat all creditors equally although certain types of creditors enjoy priority.

The main reform to the current Bankruptcy legislation is the reduction of the automatic discharge period from 12 years to 3 years, subject to certain conditions. Further the Bill provides for the introduction of three debt settlement systems, which will not be determined in a courtroom:

- Personal Insolvency Arrangements
- Debt Settlement Arrangements
- Debt Relief Notices

It is clear the above reforms will go some way to stemming the tide of bankruptcy tourists to the UK, just how far remains to be seen.

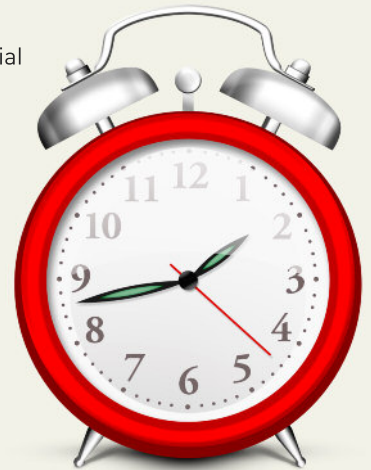
IS NOW THE TIME TO TRANSFER?

Consanguinity relief is a relief available to certain related parties in the case of either a sale or a gift of non-residential property. If qualifying criteria are met stamp duty can be reduced by 50%. This relief is set to be abolished with effect from the 1st January 2015.

Since the 8th December 2010 Consanguinity relief no longer applies to residential property. Further it does not apply to the granting of leases or the transfer of shares.

In order to avail of the relief, each of the persons to whom the property is transferred must be related to each of the transferors to the required degree. The degree of relationship is mainly based on direct ancestry and extends to nephews and nieces but does not include cousins or in-laws.

If you are considering transferring non-residential property to a related party, now may be the time to do so. When assessing the above relief, one must also establish whether other reliefs, such as Agricultural Relief or Business Relief, can be applied and this coupled with favourable property prices may make now the time to transfer.



RETENTION OF TITLE

By incorporating a Retention of Title (ROT) Clause into their Terms and Conditions of Sale, suppliers purport to retain ownership in the goods they have supplied to the buyers until they have been paid for in full. Subsequently should a buyer default in payment or enter an insolvency procedure, the supplier will seek to rely upon his Retention of Title Clause and either repossess the goods supplied or attempt to seize the proceeds from the sale of the said goods.

Section 19(1) of the Sale of Goods Act 1893 gave the ROT clause its statutory effect in Ireland and over the last 120 years or so many different types of ROT clauses have been drafted and advanced.

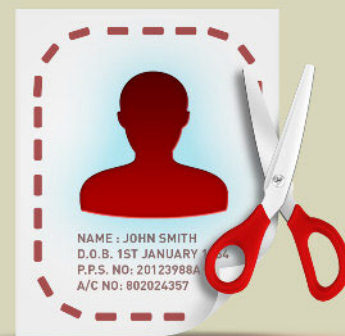
Essentially a ROT clause is used by a supplier of goods to retain legal ownership in goods supplied by him to a buyer. It is important to note that these clauses cease to have effect on goods which totally lose their identity after they are delivered, for example in some manufacturing process. The leading Irish case on the topic involved the delivery of a consignment of leather which was held to have lost its identifiable form when manufactured into leather handbags.

Some of the more common ROT clauses include the following:

- Simple ROT Clause – that the purchase price for goods must be paid in full;
- All Sums Due Clause – that the buyer must discharge all indebtedness to the supplier, which is not just confined to the goods in question; and
- Proceeds of Sales Clauses – that the supplier retains a right of ownership over funds received by the buyer on the resale of the goods in question.

Much case law has centered around the validity of ROT clauses which often occurs due to uncertainty and ambiguous drafting. The best way of avoiding such litigation is to ensure a well drafted clause is in effect and subsequently to write to the buyers informing them of the introduction of the ROT clause and obtain a written acknowledgment and acceptance from them.

PERSONAL IDENTITY THEFT



Personal Identity theft is on the rise. Identity fraud occurs when someone uses your personal identifying information, such as your name, address, PPS number, or credit card number, without your permission, to commit fraud or other crimes. As well as immediate personal financial loss identity theft can result in you having future difficulty securing a credit line, a mortgage or other loans.

Skilled identity thieves may use a variety of methods to get hold of your information, including:

- Stealing credit, debit, and bank card numbers by using a special skimming device when processing your card.
- Pretending to be financial institutions or companies and sending spam or pop-up messages to get you to reveal your personal information.
- Diverting your billing statements to another location by completing a change of address form.
- Stealing wallets and purses to get access to cash and cards (of course) as well as mail, including bank and credit card statements.
- Rummaging through refuse looking for bills or other paper with your personal information on it.

Once they have your personal information, identity thieves use it in a variety of ways.

- Credit card fraud by using your credit card details or by obtaining new credit cards in your name or diverting your credit card bills to a bogus address while using a fraudulent card.
- Opening new credit accounts
- Opening bank accounts or obtaining loans
- Getting a driver's license or official ID card issued in your name but with their picture
- Using your name and PPS number to get government benefits.
- Getting a job using your PPS number.

PROTECTING YOUR IDENTITY

By managing your personal information carefully, you can substantially reduce the likelihood of becoming a victim of identity fraud.

- Be wary of anybody who contacts you unexpectedly and asks for personal information.
- Keep a note of the emergency contact number for your credit card company. If your bank or credit card is stolen, contact the credit card company immediately and report the loss or theft.

- Watch cashiers when you give them your card for a purchase and make sure you can see your credit card at all times. If you receive a new card, sign it in permanent ink and activate it immediately.
- Shred all documents and receipts containing personal or financial information that are no longer required before binning or recycling them.
- Lock away your personal documents. These would include cheque books, passport, bank statements and utility bills. Limit the number of documents you carry around with you that contain your personal details and never leave personal documents in your vehicle or in a hotel room or office.
- If you use a central or communal postal delivery point, such as in a block of flats, make sure your mail is secured until you can collect it.
- If you move house, tell your bank, credit card issuer and all other organisations that you deal with immediately. Consider using An Post's Mailminder service to secure your mail.

PROTECTING YOUR IDENTITY ONLINE

- You can avoid the risks and enjoy social networking sites by following a few sensible guidelines:
- Limit what you post. Avoid disclosing personal information such as your mobile phone number or birthday.
- Be wary of publishing any identifying information about yourself.
- Pick user names that do not include any personal information.
- For credit card purchases consider setting up a separate email account that doesn't use your real name and that you can use to register and receive mail and notifications.
- Design passwords that are difficult to break down and identify you, change your passwords frequently, and use different passwords for different accounts.
- On social networking sites use the privacy features of the site to restrict strangers access to your profile. Only accept friend requests from people you know and always be guarded about who you let join your network.
- Make sure you have the latest security patches and up-to-date anti-virus software installed on your PC.
- When shopping online check that the web address changes from "http:" to the more secure "https:" at the checkout.