

Mark Prisk MP

Minister of State for Business and
Enterprise

Mr Grant Gordon
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Dear Mr. Gordon

Thank you for your letter of 6 December 2011, in relation to the mid-sized business review. As you note, officials at BIS have been in discussion with the Institute for Family Business in relation to this piece of work and we are grateful for your input.

I would like to make clear that the Government is firmly on the side of enterprising family businesses; and recognises their economic importance. With regards to the article you reference, I accept that this was not particularly helpful. However, the research report to which the article refers is just one part of the evidence base the Department published as part of the mid-sized businesses Growth Review and the family ownership results are only a small part of their study. BIS's main interest in this research is that it is one of the few studies that attempts to measure management capability in firms, which is frequently identified as an important issue for the performance of UK firms. When publishing independent research, however, it is important for transparency reasons that we make all the findings of the research publicly available and that we are not seen as being selective over which aspects of the research we publish. It is also very important to stress that the policy recommendations offered in the report are that of the report's authors at CEP and not automatically accepted by Government.

You are no doubt also aware that the Government has announced that it will work with a variety of campaign partners to launch a national campaign to improve the profile of services available to mid-sized businesses - promoting growth opportunities and showcasing good practice. Family businesses are an important strand of this work. It is this, along with issues pertinent to family business, which I look forward to discussing with you when we meet in the latter part of January.

Yours


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