Common ownership and competition

Where does the debate stand?

January 2020

kpmg.com/uk

Index-trackers or 'passive funds' are low-cost funds which replicate the performance of a market or benchmark. These funds are popular, with those managed by Blackrock, Vanguard, State Street and Fidelity now amongst the largest shareholders of many publicly traded companies worldwide.

A recent OECD study found that institutional investors own 41% of global market capitalisation, with far higher figures for the US (72%) and the UK (63%). However, the success of index-trackers, as well as large active funds, has prompted a question: does their ownership of such a substantial share of multiple companies, often in the same industry, create market power and undermine competition? The answer is not settled and the transatlantic debate is hot.

A nascent academic economics literature has attracted significant attention for suggesting that funds owning stakes in competing companies (termed 'common ownership') could raise competition concerns. Specifically, the concerns centre on the idea that common ownership of companies in concentrated industries might soften incentives for those companies to compete, thereby raising prices. Some studies claim to have found evidence of this happening in practice in industries such as airlines and banking.

This has prompted a debate about whether further investigation and intervention by antitrust enforcers is required. We have analysed the recent academic literature that underpins the concerns, and while the simple intuition behind the issue is sound, in practice, given the real-world features of the asset management sector, in our view we are a long way from establishing that common ownership is in fact a competition problem.

Properly evaluating the evidence is important because some influential commentators are proposing major policy responses. These include far-reaching restrictions on permissible equity holdings, such as calls to limit institutional investors to owning stock in only one company within an oligopolistic industry, and calls to change merger control such that acquisitions of even small levels of stock are reviewed. Even if it is deemed that there is a competition issue, whether these proposals are on balance likely to do more good than harm is not clear, since the downsides could be significant. Indeed, our view is that there are a wide range of problems with the key current proposals. For example, they could have a severe impact on the ability of passive (and potentially other) investment products to operate and deliver the benefits that they are designed for. Ultimately the current proposals could threaten the existence of index-trackers, which could have a substantial effect on end investors.

1. De La Cruz, A., A. Medina and Y. Tang (2019), "Owners of the World's Listed Companies", OECD Capital Market Series, Paris, www.oecd.org/corporate/Owners-of-the-Worlds-Listed-Companies.htm

© 2020 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

Given the potential downsides of certain policy interventions that are being considered, we think it is important that policymakers evaluate carefully the evidence before taking any measures forward. Market participants also have an important role to play in considering the concerns raised carefully and engaging constructively with regulators. It is not clear what forums will exist for responding to actual regulatory proposals. Firms should therefore be vigilant to see how the debate evolves, and should consider being proactive to help shape the debate, and ensure that any regulatory intervention is proportionate to the harm (if any).

In the rest of this article we set out the origins of the concerns around common ownership, evaluate what in our view are the key gaps in the evidence, and finally consider the major regulatory interventions that commentators have proposed to date.

What is the common ownership concern?

The concern underlying the current debate on common ownership is that when institutional investors own shares in multiple companies in a market, their interests might be best served if competition is less intense, causing the companies in which they are invested to compete less aggressively.

The current interest in the topic of common ownership has been prompted by two empirical papers that found a statistical relationship between common ownership and higher consumer prices:

- Azar, Schmalz, Tecu[2] (AST henceforth) examined common institutional ownership of US airlines, and found that domestic ticket prices are approximately 3% to 7% higher on the average U.S. airline route than would have been the case with separate ownership (i.e. not common ownership) of airlines.
- Azar, Raina and Schmalz[3] (ARS henceforth) have found comparable results in the US banking industry using a similar approach as AST.

Other empirical common ownership studies have found mixed or no relationship between prices and common ownership[4].

The ARS and AST papers set out to test a relatively straightforward economic intuition, based on a paper by O'Brien and Salop (2000)[5] (OS henceforth), linking common ownership to anticompetitive incentives. Normally, when a company considers reducing its price

2. Azar, J., M. C. Schmalz, and I. Tecu (2016): "Anti-competitive effects of common ownership", subsequently published in the Journal of Finance in 2018.
3. Azar, J., S. Raina, and M. C. Schmalz (2016): "Ultimate Ownership and Bank Competition," Available at SSRN 2710252.
4. For example, Dennis, P., K. Gerardi, and C. Schenone (2017): "Common Ownership Does Not Have Anti-Competitive Effects in the Airline Industry", and Gramlich, J., and S. Grundl (2017): "Estimating the Competitive Effects of Common Ownership".
5. O'Brien, D., and Salop, S. "Competitive Effects of Partial Ownership: Financial Interest and Corporate Control, Antitrust Law Journal, 67 (3).

© 2020 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

it effectively evaluates a trade-off:

- on the one hand they gain new customers who are attracted by the lower price; and
- on the other hand, profit margins are reduced when prices are cut.

Prices are set at the level where the trade-off balances, since otherwise firms could increase profits by raising or lowering prices until it does. However, in the presence of common ownership, investors with stakes in several competing companies in an industry may have different incentives. In particular, the first part of that trade-off – gaining customers at the expense of rivals – is of less benefit to investors if some of those customers are from rivals in which they are also invested. Overall, in this scenario, investors' returns would be best served by companies setting prices at a higher level than would be the case if there were no common ownership. This intuition is at the heart of the common ownership concern.

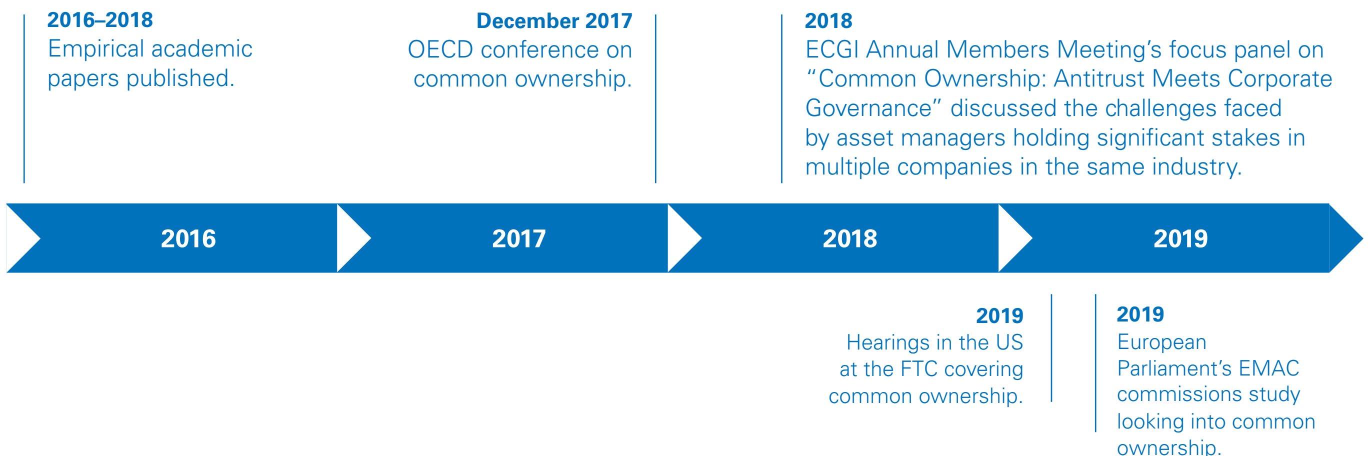
The current policy debate

The empirical findings of the ARS and AST papers have led to regulators in both the US and Europe taking an interest in common ownership. For example, earlier this year the FTC in the US held hearings with asset management firms on the topic of common ownership. Most recently, the European Parliament's Economic and Monetary Affairs Committee commissioned a research report into common ownership, with findings expected imminently.

So far, no regulator or antitrust authority has put forward suggestions for legal or regulatory change. In our view, while policymakers are for now waiting to see how the debate evolves, more regulatory investigation of the issue and potential remedies are likely. This is evidenced by the recent OECD report which found that institutional owners such as Blackrock and Vanguard hold 41% of "global market capitalization", which is likely to increase regulators' focus on the topic. The box below sets out a timeline of key events in the common ownership debate.

> **"Even though the debate has not been resolved, several influential academics have voiced concerns about common ownership, and proposed significant remedies to deal with the issue."**

Timeline of key events



© 2020 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

Proposals to address common ownership

Even though the debate has not been resolved, several influential academics have voiced concerns about common ownership, and proposed significant remedies to deal with the issue.

These proposals revolve around regulating the ability of funds to hold multiple shareholdings in certain industries, and/ or preventing institutional investors with multiple shareholdings from using their voting rights. In the interests of brevity we have focused on proposals made by two high profile parties.

Einer Elhauge, a well-known commentator and Professor of Law at Harvard Law School, has proposed using the US Clayton Act's Section 7 to regulate common ownership. Elhauge's approach would require institutional investors to monitor their company holdings so that they do not contravene strict ownership share thresholds set by a regulator. Our understanding of Elhauge's proposals is that an investigation would be launched if and when thresholds were crossed. In such investigations, a competition authority would likely have to conduct relatively in-depth economic analysis to determine whether the common institutional ownership[6] had caused, or was likely to cause, a substantial lessening of competition in the market in question.

Eric Posner[7] and two other academics, have proposed a policy in which institutional owners of stock in 'oligopolistic industries' would benefit from a safe harbour from government enforcement of the Clayton Act if they either limit their holdings in that industry to a small stake (no more than 1% of the total size of the industry) or hold the shares of only a single firm per industry:

"No institutional investor or individual holding shares of more than a single effective [company] in an oligopoly may ultimately own more than 1% of the market share unless the entity holding shares is a free-standing index fund that commits to being purely passive"[8].

Under the proposed policy, the enforcement agencies would compile annual lists of industries deemed oligopolistic. The agencies would then direct their enforcement resources against institutional owners that:

- at the entity level (as opposed to the fund level) owned at least 1% of the outstanding equity in one of those industries;
- held shares of multiple companies within the industry; and
- if the entity holding shares is an index fund that did not commit to being "purely passive".

Under such a policy, therefore, an institutional investor could avoid liability by either owning stock in only one company within an oligopolistic industry, or, where they hold stock in multiple companies in that industry, holding less than 1% of the outstanding equity in the industry. If the entity is "a free-standing index fund" that commits to being "purely passive" they may exceed the 1% threshold[9].

In the next section we consider the evidence on anticompetitive effects from common ownership, to understand where the evidence stands on whether there is a problem to be remedied. We subsequently assess the proposals themselves to understand whether there could be unintended consequences from their implementation.

The evidence on anticompetitive effects of common ownership

In our view, there are significant gaps in the economic evidence base underpinning the current debate on common ownership. We first discuss issues with the application of the economic principles and theory to real-life market complexities, and then discuss the limitations and flaws in the existing empirical measurements that claim to have found an anticompetitive effect.

6. Einer Elhauge, Horizontal Shareholding, 129 Harv. L. Rev. 1267, 1291-1292 (2016).
7. Eric A. Posner, Fiona Scott Morton, & E. Glen Weyl, A Proposal to Limit the Anticompetitive Power of Institutional Investors
8. The authors suggest that an oligopoly could be defined primarily as one with an HHI exceeding 2500, but also when considering several other factors.
9. It is not clear to us how this exception could be implemented. In practice, the large and well-known entities that provide index-tracking funds also provide active funds. Since the Posner et al. proposals apply at the entity level rather than the fund level, this presumably precludes such entities from the exception as they are not "free-standing index funds". Clarity on this issue would be required if it were ever to be implemented in some form.

© 2020 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

Issues with the economic principles underlying the concerns

As noted above, concerns about common ownership stem from the OS paper. In our view, while the fundamental intuition from the OS paper is sound, these economic principles have not yet been developed to take account of the complexities outside of their simple, stylised example, and as such currently it is not clear that economic theory can make a prediction about whether common ownership, in practice, should be a concern. We discuss these limitations in the following paragraphs.

First, the OS paper involves a model where a company directly acquires stock in a rival, and therefore has partial ownership of that rival. This model therefore describes a different situation from that of common ownership, where third party investors have stakes in two or more companies. While the incentives described in the OS model can be seen (notwithstanding the rest of the discussion in the following paragraphs) to translate to the common ownership setting, the ability in the OS model for a company to act on these incentives and soften competition is more direct than in common ownership. Specifically, in the OS model the company has direct control over its own prices and can at the least decide to change its own prices to soften competition in order to generate higher profits at the firm in which it has acquired a stake. For common ownership to lead to a softening of competition, on the other hand, it requires company managers to internalise the objectives of their common institutional shareholders, and for these objectives to dominate those of other shareholders. Even in cases where the incentives of all shareholders are aligned or a single institutional investor has a majority, there may be other mechanisms that provide incentives for company managers to seek to maximise profits at their own company by competing fiercely with rivals, even despite shareholder incentives. For example, corporate managers may have incentive mechanisms or a fiduciary duty which cause them to do so. These mechanisms could act as a guard against common ownership giving rise to a reduction in competition, and again are not relevant in the OS model where a company has the direct ability to alter its own pricing behaviour.

> **“For common ownership to lead to a softening of competition, it requires company managers to internalise the objectives of their common institutional shareholders, and for these objectives to dominate those of other shareholders.”**

Second, institutional owners often hold stock in other, complementary industries. Such ‘inter-industry’ holdings on top of ‘within-industry’ common ownership make the incentives of institutional owners more complex. For example, an attempt by an institutional common owner to reduce competition in one industry may lead to a reduction in profits in a related industry, such as a downstream industry[10]. Therefore, the preference among institutional owners for company management to reduce competition in a particular industry would be reduced, and in some cases may be removed. Given the range of holdings of funds as large as those managed by Blackrock, Fidelity, State Street and Vanguard, inter-industry combined with within-industry holdings are a likely prospect.

Third, where companies compete in R&D and Innovation, knowledge spillovers (i.e. positive externalities) might be internalised by common ownership, leading to greater incentives to invest. This benefit from common ownership would need to be assessed against possible anti-competitive incentives.

Fourth, the structure of the relevant market matters for predictions of harm to competition. For example, the anti-competitive effects of common ownership in a market with low barriers to entry would likely be lower than in a market with high barriers to entry; with or without common ownership, the threat of new entry may prevent companies from setting prices much above the competitive level. In addition, the anti-competitive effects of common ownership in a market will differ depending on whether the products made by the companies are more or less differentiated. If two companies that are commonly-owned are in practice poor alternatives for one another then the anti-competitive effects of common ownership would likely be far less than in a less differentiated market.

10. For example, companies in the downstream industry might receive higher input costs which they are unable to fully pass-on to their customers, leading to lower profit margins.

© 2020 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved.

Finally, many institutional investors such as Blackrock, Vanguard, Fidelity, and State Street use proxy advisors when making voting decisions[11]. The wide range of holdings held by these fund managers would make it extremely costly to be actively involved in voting on all proposals, for each and every company invested in by funds operated by these investment managers. Surveys indicate that 60% of institutional investors use proxy advisors to advise them on voting decisions[12].

To establish a credible mechanism linking institutional ownership to control, the role of proxy voting needs to be explored further, including the extent to which:

- proxy advisors' recommendations differ depending on whether an investment management firm has single or multiple company holdings in an industry; and
- institutional investors act on the recommendations of proxy advisors[13].

All of the factors set out above should be testable, and should be considered before regulators come to a view on whether there is a robust economic mechanism by which common ownership might give rise to reduced competition.

Issues with the empirical measurement of the impact

The previous section has shown that there are significant limitations to the current evidence on the mechanism by which common ownership can lead to reduced competition. However, the two key academic papers that have prompted the current common ownership debate are empirical pieces of research that deliberately do not concern themselves with this mechanism and instead seek to test empirically whether there is any evidence that common ownership leads to reduced competition. This therefore turns the focus of the debate also to the empirical validity of the ARS and AST findings.

It is worth noting that the ARS and AST papers use data for just one country, and cover in total just two industries. The limited quantity and geographical range of empirical evidence in our view falls well short of the threshold required for policymakers to justify regulatory intervention, especially for regulators based outside of the US where none of the research has focused.

11. Joseph A. McCahery, Zacharias Sautner, and Laura T. Starks, "Behind the Scenes: The Corporate Governance Preferences of Institutional Investors," Journal of Finance, 2016.
12. Ibid.
13. There are a host of other relevant areas, which include whether institutional investors that use proxy advisors become less or more interventionist in their corporate governance role; whether investors use proxy advisors who have an objective to maximise industry rather than a single firm's profits; whether proxy advisor usage differs between investment managers of 'passive' and 'active' funds; and whether proxy advisors' recommendations differ between investment managers of 'passively managed' and 'actively managed' funds.

© 2020 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The evidence presented in the ARS and AST papers has been subjected to several noteworthy criticisms. Many of these criticisms can be found elsewhere[14]; we focus here on two key points.

1. **Issues surrounding the data set.** The AST paper examines the US airline industry over a time period in which several companies entered bankruptcy. The authors assume that, when companies file for bankruptcy protection, the pre-bankruptcy shareholders retain ownership and control rights. Consequently, their analysis assumes that institutional owners have corporate control during bankruptcy periods. In reality, the fiduciary responsibility of company management switches to debt holders in that circumstance and so that assumption would not appear to be valid[15]. Several papers have found that when this is corrected for, the results showing a statistical relationship between prices and common ownership in the AST paper disappear[16].
2. **Issues concerning the methodology.** The AST and ARS papers examine the statistical relationship between changes in consumer prices and a concentration measure that reflects common ownership. A problem with this approach is that the concentration measure used is itself affected by factors that independently affect market prices. This is referred to as 'endogeneity' in econometrics. A statistical analysis looking at the correlation between these two variables needs to account for this, otherwise the results can be unreliable (this is known as 'endogeneity bias')[17]. Whilst the authors recognise this issue in their analysis, in our view their attempts to deal with the problem are incomplete. Indeed, an academic paper produced in response to the AST paper, and using the same data, showed that after taking other steps to control for endogeneity they find no meaningful link between consumer prices and common ownership concentration in the airlines industry[18].

Problems with the current proposals to address the issue

Above, we outlined the proposals of Einer Elhauge, and Posner et al to deal with the purported common ownership problem. Here, we consider whether these proposals could give rise to other unintended consequences.

The core elements of the two sets of proposals can be categorised as follows:

- Forms of restriction on shareholdings to reduce the degree of common ownership (versions of this are contained in both the Elhauge and the Posner et al proposals).
- Restrictions on the ability of institutional investors to exercise voting rights (contained in the Posner et al proposals).

We discuss each of these elements of the proposals in turn.

Restrictions on shareholdings

The Elhauge and Posner et al proposals suggest different forms of restriction on the levels of stock investors can hold in multiple companies within certain industries. These proposals all focus on analysing shareholdings in a given, single industry. As such, none of these proposals currently take into account the impact of shareholdings in other, potentially complementary industries which, as discussed above, could reduce or remove the incentives for institutional investors to soften competition. As a result, the proposals in their current form risk intervening against patterns of common ownership that in practice do not even give rise to the incentives among investors that they are concerned about.

Even setting aside this concern, any such restrictions in principle could create a number of costs or unintended consequences:

- **Reduced ability to diversify:** precluding institutional investors from freely engaging in diversification (or index-trackers simply becoming less diversified) could be damaging to end investors. Modern Portfolio Theory suggests that a portfolio containing a wide range of investments will on average yield higher long-term returns and lower the risk of any individual holding. Therefore, constraints on the ability of investors to diversify a portfolio could affect the risk and return of investors' portfolios.
- **Reduced liquidity and higher transaction costs:** if restrictions on investments lead to less trading, this could reduce liquidity and in turn create higher transaction costs. We would expect this to result in lower net returns to investors.

14. See Dennis, Patrick J. and Gerardi, Kristopher S. and Schenone, Carola, Common Ownership Does Not Have Anti-Competitive Effects in the Airline Industry (February 5, 2018). Available at SSRN: https://ssrn.com/abstract=3063465, and Blackrock's submission to the FTC in January 2019: https://www.blackrock.com/corporate/literature/publication/ftc-hearing-8-competition-consumer-protection-21st-century-011419.pdf.
15. Chapter 11 of the U.S. Bankruptcy Code.
16. See for example Dennis, Patrick J. and Gerardi, Kristopher S. and Schenone, Carola, Common Ownership Does Not Have Anti-Competitive Effects in the Airline Industry (February 5, 2018).
17. There are two key sources of endogeneity. First, the concentration metric used includes market shares, and factors that affect market shares could also affect market prices separately from a common ownership effect. Second, the common ownership concentration measure increases in line with the number of companies competing in a market; this can cause problems because the number of companies in a market is affected by demand, which also influences prices. For example, if market demand increased and a new company entered a market while prices increased we would see a higher price correlated with a higher common ownership concentration measure. This correlation would be caused by an increase in demand.
18. Dennis, Patrick J. and Gerardi, Kristopher S. and Schenone, Carola, Common Ownership Does Not Have Anti-Competitive Effects in the Airline Industry (February 5, 2018).

© 2020 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

– **Potential anticompetitive effects:** if regulatory intervention leads to a single institutional investor investing in each company in an oligopolistic industry, this could convey market power to each of those institutional investors, and ultimately lead to higher fund charges.

These potential downsides may be particularly severe for the Posner et al proposals which involve limiting any investors in certain oligopolistic industries to either holding stock in only one company or only a 1% market share. The burden on enforcement agencies tasked with compiling an annual list of oligopolistic industries could also be substantial. In particular, while the authors recommend that this oligopoly list is solely for enforcing investor ownership of competitors and "has no legal force in other settings such as merger analysis", for the list to be useful we expect it would logically need to follow a similar (i.e. narrow) approach to that used by authorities when defining antitrust markets in merger control. Many large firms operate in hundreds of such (product and geographic) markets, which suggests this could be a large task, and one that could be appealed by affected parties.

The Elhauge proposals, on the other hand, potentially give institutional investors more flexibility, and may as a result ease some of the costs set out in the bullet points above. Specifically, this proposal involves regulator-set thresholds (which could be higher than 1%), with any breaches of these thresholds triggering an investigation by competition authorities akin to a merger investigation. The most likely means of identifying patterns of ownership that contravene the regulator-set limits proposed by Elhauge would be through the use of a common ownership concentration measure, of the type used by competition authorities to assess mergers more broadly. Elhauge has proposed one threshold for public enforcement, suggesting that the federal antitrust agencies "should investigate any horizontal stock acquisitions that have created, or would create, a 'ΔMHHI' of over 200 in a market with an MHHI over 2500"[19]. The MHHI and ΔMHHI measures are technical and, unlike the HHI measure used normally in merger control (essentially a weighted average market share), have no easy intuition.

Such an approach could, therefore, require institutional investors to continually monitor their holdings so that they do not contravene the proposed thresholds, even in cases where the change in these concentration metrics was beyond the investor's control (such as the market shares of the competing companies or the stock ownership shares of other investors). This could impose a significant burden on investment management firms, which could increase costs and reduce the ability to operate efficiently. Furthermore, each time the threshold was breached, an authority would face the difficult task of determining whether the institutional ownership had or was likely to cause a substantial lessening of competition. The administrative costs of the Elhauge proposal could in our view add significant burden on institutional investors and competition authorities.

Restrictions on investors exercising voting rights

The Posner et al proposals suggest that the proposed restrictions on levels of shareholding could be exceeded by those institutional investors that are a free-standing index fund and commit to being purely passive. Pure passivity means committing to:

– engage in no communication with top managers or directors;

– vote its shares in proportion to existing votes so that it has no influence in any corporate governance decision; and

– own and trade stocks only in accordance with clear and non-discretionary public rules, such as matching an index as closely as possible.

As such, this proposal would remove the benefits of common shareholder ownership in terms of increased innovation and R&D, as well as the significant benefits of activist shareholders [20].

> **"Precluding institutional investors from freely engaging in diversification (or index-trackers simply becoming less diversified) could be damaging to end investors."**

19. O'Brien and Salop proposed a modified version of HHI, the MHHI, to capture the effect of common ownership. Specifically, the MHHI measures this indirect form of market concentration through common ownership plus the market concentration measured by HHI. The term MHHIΔ refers to the difference between MHHI and HHI, or in other words the portion of market concentration that is due to common ownership.
20. See for example Eckstein, Asaf, The Virtue of Common Ownership in an Era of Corporate Compliance (June 12, 2018). Iowa Law Review, Vol. 105, 2019, and "Do Long-Term Investors Improve Corporate Decision Making?" by Jarrad Harford, Ambrus Kecskés, and Sattar Mansi. Working paper, November 2017.

© 2020 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

Conclusion

Recent concerns over the potential anticompetitive effects of common ownership have led to calls for major policy responses such as far-reaching regulation on permissible equity holdings, and changes to merger control. In our view these suggestions are premature. The available evidence has significant gaps, and the proposed solutions may be substantially more harmful than the assumed anticompetitive problem.

For any policy response to be justified, a lot more work is needed to test the arguments and evidence around whether there is likely to be any anticompetitive effect from common ownership, as well as, crucially, the economic costs of attempting to remedy the alleged problem. In our view this evidence gap should be filled not just by the academic community, but also by investment management firms and institutional investors who are in a unique position to assemble evidence and engage with policymakers.

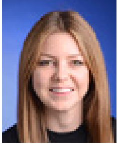
Regulators in the US and Europe are exploring the issue and as such will need to understand whether common ownership is a problem, by engaging with the economic theory and evidence. The opportunity is now, therefore, for investment management firms to step up their presence in the debate and help the authorities and regulators to understand better the complex realities of investment management, as well as the harm that would arise from implementing some of the high profile policy responses that have been advocated.

© 2019 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

“The opportunity is now for investment management firms to step up their presence in the debate and help the authorities and regulators to understand better the complex realities of investment management.”

© 2019 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity. All rights reserved.

Contacts



Caitlin Wilkinson
Partner
Economics, KPMG
T: +44 (0) 20 7311 2779
M: +44 (0) 7899 654654
E: caitlin.wilkinson@kpmg.co.uk

Gordon Cookson
Associate Director
Economics, KPMG
M: +44 (0) 7775 019 100
T: +44 (0) 20 7311 2448
E: gordon.cookson@kpmg.co.uk

kpmg.com/socialmedia

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2020 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

The KPMG name and logo are registered trademarks or trademarks of KPMG International. **CREATE.** | CRT121215 | January 2020