

Joint ventures could leave you carrying risk

Dear editor,

My husband is one of the unfortunate "new subset of overwrought vets" involved in corporate joint-venture partnerships described so well in a letter in the March 2 issue.

Because of the nature of the business structure involved, my husband has been forced to take action against his own business. He is one of three directors of the company, but effectively has no voice. He can be sacked as a director at any time, for any reason, and can be outvoted over any matter – even the sacking of his most-valued and productive veterinary assistant in his absence, without his knowledge or consent. To support his own employee, he attended a dismissal appeal hearing as an accompanying support person – against himself. This matter is now expected to proceed to the Employment Tribunal, where a judgement could be made for significant financial compensation against the company, of which he is the only asset-owning shareholder.

Anyone interested in being involved as an employee or joint-venture partner of a group with this kind of corporate structure needs to be aware of this sort of possibility, where the joint-venture partner cannot protect those working under him, and he himself carries all the financial risk for the entire business. In addition, he carries the financial risk for the behaviour of the other directors, while having no influence over them.

NAME AND ADDRESS WITHHELD BY REQUEST.

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