

The Model Code for Trade Associations

Expert knowledge means success

Contents

1. Introduction
1. Learning from others
1. Key Characteristics of a Model Trade Association
2. Working effectively to represent the sector's interests at all levels of the legislative regulatory process
2. Working proactively to improve the sector's competitiveness
2. Supplying sound information and advice for members
3. Promoting good public relations and communications
3. Promoting exports and other market opportunities
3. Promoting training and education
3. Promoting standards and product/service quality
3. Promoting innovation and technology transfer
4. Further Information

Note: This publication has not been updated since it was last published. Some of the hyperlinks may have changed and may need updating. In addition, some of the information in this publication may be out of date.

Introduction

The Model Trade Association has been developed by BIS¹ in consultation with a wide range of representative bodies in industry and commerce. It sets out the key characteristics that a modern best practice Trade Association should display and the services it should provide. It was launched in February 1996.

The 'Model' sought to outline the essential features of a modern, best practice trade association. It has been widely circulated and used by trade associations.

The Model was prepared against a background in which the UK finds itself in a most highly competitive business environment. Government has a role to play in improving our competitiveness, but prime responsibility must lie with industry itself. Industry's representatives therefore also have a vital role to play in helping it to meet the challenges from increasing world-wide competition and in ensuring that its voice is heard and understood at all levels in the legislative process.

Learning from others

In this area, like so many others, we can learn from our competitors overseas. In the DTI² printed brochure at the time, they have included some examples of what foreign Trade Associations are doing to help their industries prosper. For details of how to obtain your copy, see the contact details at the end of this Information Sheet.

Trade Association Executive Councils and their equivalents may wish to consider whether their Association meets the Model criteria and whether their sector is represented as well as it should be.

Of course, the circumstances of each sector of industry may vary, and the Model Rules may not be appropriate for some Trade Associations to perform the full range of services listed here. Nevertheless, members of such associations might question whether they are best served by continuing with their current arrangements.

Key Characteristics of a Model Trade Association

Check out how you shape up. Are you sure that in the case of your Trade Association:

- It represents the whole of a commercial or industrial sector and seeks to cover all products, services and processes;
- Your members represent a substantial proportion of sector (both in terms of output and numbers);
- The governing council includes representatives from the largest companies in the sector and a good cross-section of other members. Meets sufficiently regularly to direct action/strategy;
- It has a broadly-based membership with both large and small businesses and the key players;
- It enjoys active participation of a representative cross-section of its members. Is responsive to their views;
- It is properly resourced and is successful both in generating income from members' subscriptions and from sales of services to members, and to others;
- It is professional in its approach. It attracts and retains high calibre staff. It pulls in services of high-level people from member companies for representation and policy development purposes when necessary;
- It has a business plan (annual/3 year) which sets out its mission, a clear strategy and priority areas. This was developed in consultation with members. It monitors progress rigorously against it;
- It makes full use of information technology to minimise costs and improve quality of its services to members;
- It promotes cooperation within the sector, and between the sector, its customers and suppliers, to enhance international competitiveness;
- It forms appropriate links with other representative bodies, to ensure that services are supplied to its members with the minimum of duplication, and in the most effective manner;
- It adopts best management practices in quality assurance, financial management and control, and training and development of staff;
- It is prepared to work with non-members and cooperates with other associations in allied sectors on matters of joint concern.

Working effectively to represent the sector's interests at all levels of the legislative regulatory process

Essential

- It has an effective mechanism for consulting members and understanding their views;
- It monitors and anticipates the legislative and regulatory process; ensures that its views on matters which significantly effects its members are taken into account at the earliest opportunity;
- It is proactive in shaping policies and initiatives which will benefit the sector;
- It puts forward to Government well-researched, cogently argued cases, and is respected as a credible and authoritative advocate for its sector;
- It is able to form and present a view on issues where there may be conflicting interests among members;
- It represent the sector's interests effectively in Europe:
 - liaises with counterparts in EU at both national and European level and takes joint action with them;
 - understands the workings of the institutions of the EU including the Commission and Parliament.

Working proactively to improve the sector's competitiveness

Essential

- It analyses the sector's competitiveness requirements;
- It takes action where necessary with the sector and others (including Government) to address weaknesses and build on strengths;
- It organises competitiveness improvement programmes, e.g. benchmarking clubs to spread best practices, supply chain initiatives;
- It supports international trade and investment.

Desirable

- It designs and implements support services;
- It monitors Government initiatives/support, e.g. Business Links, Sector and Local Challenges, and helps members take advantage of them;
- It adopts proactive approach to meeting other shortcomings identified by benchmarking activities.

Supplying sound information and advice for members

Essential

- It seeks out information relevant to members, e.g. market trends, intelligence on overseas competitors, parliamentary affairs, patents, standards, etc disseminates it on regular, say, weekly basis;
- It arranges briefings/conferences for members on key issues that affect them;
- It initiates and coordinates relevant action;
- It ensures provision of sound advice on legal, employment, health and safety, environmental issues relevant to its members, cooperating as appropriate with employer or other organisations to ensure effective delivery of these services;
- It ensures adequate statistical information on the sector from official or other sources; if necessary, collects and disseminates the information itself or commissions others to provide it;
- It disseminates information about Government science and technology policies and programmes to its members, e.g. Technology Foresight, Supernet.

Desirable

- It liaises with Central Statistical Office and other bodies to ensure high quality official statistics are available on the sector.

Promoting good public relations and communications

Essential

- It promotes a positive public image of the sector, its products and services;
- It acts as a focal point for public and media enquiries on the sector and represents the sector to the media.

Promoting exports and other market opportunities

Essential

- It has an exports strategy in support of member companies, developed in consultation with them, taking account of investment decisions;
- It mounts promotional events, seminars, overseas missions, trade fairs, exhibitions, etc as part of an export strategy;
- It takes full advantage of export services from Government and other providers to add value for member companies.

Desirable

- It provides information on sources of supply from its members, e.g. buyer's guides, electronic databases and deals effectively with bespoke enquiries;
- It represents the sector to major customers;
- It liaises with Government Regional Supply Offices and other agencies on UK sources of supply/import substitution.

Promoting training and education

Essential

- It determines skills requirements for the sector, both short- and long-term;
- It works with relevant Industry Training Organisations and other employer organisations, professional institutions and training bodies to ensure identified training requirements are met;
- It promotes training standards and qualifications for the sector.

Promoting standards and product/service quality

Essential

- It identifies what standards the sector needs;
- It cooperates effectively on standards development, quality and conformity assessment procedures with appropriate bodies in the UK, EU and elsewhere;
- It promotes agreed standards to the sector, suppliers and customers.

Desirable

- It proposes and polices standards or codes of behaviour for companies in the sector (may include customer guarantees);
- It liaises with the Office of Fair Trading, where appropriate, over the preparation of codes of practices for safeguarding and promoting the interests of consumers in the UK, and disseminates these to its members.

Promoting innovation and technology transfer

Desirable

- It identifies technology needs of the sector;
- It coordinates and commissions pre-competitive research and technology work on behalf of the sector;
- It promotes technology transfer;
- It ensures appropriate technical advice is available to companies.

Further Information

This guide is for general interest - it is always essential to take advice on specific issues.

We believe that the facts are correct as at the date of publication, but there may be certain errors and omissions for which we cannot be responsible.

References:

¹ The Department for Business, Innovation & Skills (BIS) was formerly known as the Department for Business, Enterprise and Regulatory Reform (BERR) and before that was called the Department for Trade & Industry (DTI).

² Now BIS, see above.

Important Notice

© Copyright 2019, Martin Pollins,
All Rights Reserved

This publication is published by **Bizezia Limited**. It is protected by copyright law and reproduction in whole or in part without the publisher's written permission is strictly prohibited. The publisher may be contacted at info@bizezia.com

Some images in this publication are taken from Creative Commons – such images may be subject to copyright. **Creative Commons** is a non-profit organisation that enables the sharing and use of creativity and knowledge through free legal tools.

Articles and information contained herein are published without responsibility by us, the publisher or any contributing author for any loss howsoever occurring as a consequence of any action which you take, or action which you choose not to take, as a result of this publication or any view expressed herein. Whilst it is believed that the information contained in this publication is correct at the time of publication, it is not a substitute for obtaining specific professional advice and no representation or warranty, expressed or implied, is made as to its accuracy or completeness.

The information is relevant within the United Kingdom. These disclaimers and exclusions are governed by and construed in accordance with English Law.

Publication issued or updated on:
30 July 2008

Ref: 243

