

## Change at the top

Sir Terry Leahy, the CEO of Tesco, has announced his retirement. It's all change at the top for Britain's largest supermarket chain.

1 Do you prefer shopping at a supermarket or at smaller, local shops? Compare and discuss your answer with a partner.

2 Put the events (a-f) in the life of Sir Terry Leahy into the correct chronological order (1-6). Then, scan paragraph one of the article in order to check your answer.

(a) announced he will retire next year	(b) became CEO	(c) joined the company
(d) chosen as 'Business Leader of the year'	(e) was knighted	(f) grew up in Liverpool

### All change at Tesco

The announcement earlier this month that Sir Terry Leahy will leave his multi-million pound position as CEO of Tesco came as a surprise. He is widely praised as one of Britain's most successful businessmen, the most outstanding figure in retail of his generation. During his 14-year period in charge, he made Tesco into the biggest supermarket chain in the country, overtaking all its rivals. Leahy, who grew up in Liverpool, joined the company in 1979 as a marketing executive. Since becoming chief executive in 1997, he has enjoyed spectacular success; in 2001, Tesco made more than £1 billion profit for the first time. Leahy was knighted in 2002, becoming Sir Terry. In 2003, he was named as Britain's 'Business Leader of the Year'. He will always be remembered for creating the Tesco Clubcard loyalty program which has become so important in monitoring shopping habits. Under his guidance, the company has moved into 13 other countries, making Tesco a truly global name.

However, many people are unhappy at Sir Terry's legacy. Some object to Tesco's market dominance, which they blame for the closing down of hundreds of small shops. The construction of supermarkets by Tesco and its competitors

has moved business out of town centres, leaving some high streets deserted. In order to drive down prices, supermarket companies dictate the terms of trade with suppliers and are seen as bullies. Especially bitter are farmers, who dislike the supermarkets' aggressive pricing tactics. It is estimated that two thirds of British farmers can no longer make a living. Tesco itself has also been accused of not paying fruit-pickers in the developing world a decent, living wage. Tescopoly is a website created by those who dislike the power of supermarkets. Its homepage states: 'Every little hurts', a parody of Tesco's original slogan: 'Every little helps'.

What about the future? Sir Terry Leahy's successor, Philip Clarke, has already been appointed. Tesco is famous for appointing senior positions internally, so it's no surprise that Clarke has worked in a range of departments, starting as a schoolboy stacking shelves, and working as a store manager and a buyer. Sir Terry himself may well move into politics. Will he be remembered as the most outstanding businessman of his generation, or as the boss of a company which became powerful at the expense of smaller firms and that changed the structure of British society forever?

3 Read the complete article. What are Sir Terry Leahy's achievements? Why do some people criticise Tesco?

4 Identify words in the article from their definitions.

- |   |                    |
|---|--------------------|
| (a) extremely good or impressive  | (paragraphs 1 / 3) |
| (b) something that someone achieved that continues to exist after they stop working | (paragraph 2)      |
| (c) a situation in which one thing has more influence or power than any other       | (paragraph 2)      |
| (d) particular methods for achieving something                                      | (paragraph 2)      |
| (e) something that copies a serious work in a humorous way                          | (paragraph 2)      |
| (f) a short phrase that is easy to remember and is used to advertise something      | (paragraph 2)      |

5 Work in small groups to discuss the questions. Be ready to report back to the class.

- (a) Describe the effects of supermarket growth in your own country. Does one company dominate the market?
- (b) Do you think it is a good idea to appoint senior jobs 'from within'? Why / why not?
- (c) Which business leader do you particularly admire? Why? What has (s) he achieved?