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tracking supermarket progress towards a
fairer and greener food system

2003 company profile

TESCO

1.1 Engagement with Race to the Top

Despite some participation in the process leading up to the piloting of RTTT methods, Tesco has not engaged with Race to the Top, and did not supply data in the pilot year (2002) or 2003. On 2 June 2003, we received a letter from Sir Terry Leahy, chief executive of Tesco, stating that the company “would like to participate on a yearly basis providing our concerns are addressed.” These concerns—around confidentiality, benchmarking, and volume of information—had already been exhaustively thrashed out with six other supermarkets and project partners, and were discussed at a meeting at Tesco headquarters on 23 June. However, the company made no further efforts to supply information in 2003, other than to send a letter on 15 July including a request for the questionnaire to more strongly reflect ‘customer focus’, staff development and communities. We responded with a proposal that, because development of the RTTT questionnaire had been a lengthy and complex process, Tesco should at this very late stage work with existing methodologies and then take opportunities to influence and modify the methods for 2004.

The non-engagement of this company (along with non-participation of Asda) has had an overriding impact on the ability of the project to achieve a ‘critical mass’ of participating retailers.

1.2 Company overview

Since its founding in 1924, Tesco has grown into the nation's largest grocery retailer, with over 27% market share. It now operates superstores, supermarkets, neighbourhood stores, Express and Metro stores throughout the UK, as well as over 300 stores in ten countries in mainland Europe and Asia. Turnover and group operating profit have achieved substantial growth over the past five years. In the year ended February 2003 it reported worldwide group turnover of over £26 billion and profits of over £1.3 billion. It has around 300,000 full- and part-time staff worldwide. Tesco also has a profitable internet grocery business. Around half of the new UK sales space in the year to February 2003 was allocated to non-food.

1.3 2003 results: overview

No data were supplied.

A store shelf survey of local and locality foods stocked by retailers was conducted by Sustain and the NFWI. To find how Tesco performed in this survey, see http://www.racetothetop.org/documents/results/Mod4_results_2003.pdf

Comments from Tesco plc:

No comments were provided.