



● **strategy** (strategies) N-COUNT

A **strategy** is a plan or set of plans intended to achieve something, especially over a long period.

What should our marketing strategy have achieved?

Community involvement is now integral to company strategy.

● **grow** (grows, growing, grew, grown) VERB

If someone **grows** a business, they take actions that will cause it to increase in wealth, size, or importance.

To grow the business, he needs to develop management expertise and innovation across his team.

A lot of smaller enterprises have problems raising capital to grow their business.

● **expansion strategy** (expansion strategies)

N-COUNT

An **expansion strategy** is a set of planned policies and actions intended to make a company bigger or more successful.

This confidence has enabled NWV to pursue an aggressive expansion strategy. Last year the firm tripled its business on the Continent.

● **acquisition** (acquisitions) N-VAR

If a company or business person makes an **acquisition**, they buy another company or part of a company.

...the acquisition of a profitable paper recycling company.

The high street bank beat six other bidders to make the acquisition.

● **takeover** (takeovers) N-COUNT

A **takeover** is the act of gaining control of a company by buying more of its shares than anyone else.

...the proposed £3.4 billion takeover of Midland Bank by the Hong Kong and Shanghai.

Now the French group is ready to launch a takeover bid for the whole company.

Common Collocations

a hostile takeover

a proposed takeover

a takeover offer

a takeover battle

a takeover bid

● **joint venture** (joint ventures) N-COUNT

A **joint venture** is a business or project in which two or more companies or individuals have invested, with the intention of working together.

Financial News Network announced today that it will be sold to a joint venture created by Dow Jones and Westinghouse Broadcasting.

Chiroscience recently signed a joint-venture agreement with Medeva, giving Medeva the rights to license some of its discoveries.

● **consortium** (consortia or consortiums) N-COUNT

A **consortium** is a group of people or firms who have agreed to co-operate with each other.

The consortium includes some of the biggest building contractors in Britain.

These teams will be asked to form consortia to take over the new health authorities being set up from next April.

Four consortiums are bidding for two contracts to modernise track, signalling, stations and trains.

● **join forces** (joins forces, joining forces, joined forces) PHRASE

If you **join forces** with someone, you work together in order to achieve a common aim.

Both groups joined forces to persuade voters to approve a tax break for the industry.

William joined forces with businessman Nicholas Court to launch the new vehicle.

● **merge** (merges, merging, merged) VERB
merger (mergers) N-COUNT

If one company **merges** with another, or **is merged** with another, they combine to form a single company. You can also say that two companies **merge**, or **are merged**. A **merger** is the joining together of two separate companies or organizations so that they become one.

The C&G has said it will pay the bonus only to widows and widowers when it merges with Lloyds in August.

He sees sense in merging the two agencies while both are new.

...a merger between two of Britain's biggest trades unions.

...the proposed merger of two Japanese banks.

● **global reach** N-UNCOUNT

When people talk about the **global reach** of a company or industry, they mean its ability to have customers in many different parts of the world.

The company does not yet have the global reach of its bigger competitors.

It would have to grow by acquisitions or joint ventures to achieve global reach.

● **local partner** (local partners) N-COUNT

A company's **local partners** are companies based in foreign countries with whom they form a partnership in order to help them to start doing business in that country.

On-line banking services were already popular in the USA and Microsoft would seek local partners to develop the service in Australia.

➔ **vertical integration:** Topic 1.1; **franchise:** Topic 2.4; **ailing:** Topic 7.4



PRACTISE YOUR VOCABULARY

1 Look at the terms in the box and find two terms that refer to:

- a two or more companies working together
- b an increase in the size of the business
- c gaining control of another company
- d coming together formally or informally

acquisition expansion join forces consortium grow the business merge joint venture takeover

2 Are the following statements true or false?

- | | True | False |
|---|--------------------------|--------------------------|
| a In a consortium, the companies concerned continue to exist independently of each other. | <input type="checkbox"/> | <input type="checkbox"/> |
| b Only one company invests in a joint venture. | <input type="checkbox"/> | <input type="checkbox"/> |
| c A merger is intended to be temporary. | <input type="checkbox"/> | <input type="checkbox"/> |
| d In a takeover, one of the companies may not like the idea of union. | <input type="checkbox"/> | <input type="checkbox"/> |
| e During an acquisition, one company may be taken over by another. | <input type="checkbox"/> | <input type="checkbox"/> |
| f Local partners are businesses which are based in a company's local area. | <input type="checkbox"/> | <input type="checkbox"/> |
| g If a company joins forces with another company, one company takes control of the other. | <input type="checkbox"/> | <input type="checkbox"/> |

3 Use the terms in the box to complete the paragraph.

local partner global reach business strategy expansion strategy

A common _____ designed to increase market share is selling into new markets. It can be quite difficult to break into an overseas market, and finding a _____ can be very helpful. Their knowledge of local conditions makes it easier for the company to establish itself. If a company pursues such an _____ aggressively they will eventually have an international presence or _____.

4 Match the business strategies with the situations below.

takeover joint venture local partner

- a Cool-Cola is a British company. They would like to launch their product in Japan, and would like a Japanese company to help them to do this. They need a _____.
- b Supersavers is an ailing supermarket chain. BigFood plans to buy enough shares to take control of the company. It is planning a _____.
- c Max and Sarah have put their money together to develop a new computer game for the British market. This is a _____.