69 The business world

A Business takeovers

Warburg **takeover imminent**

The battle for Warburg Glass may soon be over. Under the **leadership** of the **former** chairman Matthew Cavendish and with the **backing** of **corporate finance**, a new group is now **mounting** a fresh takeover **bid**. An initial bid has already been rejected, but an improved offer is on the **agenda** for the next meeting of **shareholders**, and this time the **outcome** could be different. City analysts believe Cavendish could **strike a deal** within weeks, **setting off** a new round of **mergers** and **acquisitions**.

SPOTLIGHT *takeover, acquisition, merger*

In a **takeover**, one company takes control of another company by buying most of its shares. In an **acquisition**, one company buys another company which cannot offer its shares for sale to the public. In a **merger**, two companies agree to join and form a single company.

GLOSSARY

imminent	likely to happen soon
leadership	the state or position of being a leader: ***under sb's leadership***
former	having a particular position in the past: ***the former president/boss***
backing	help SYN **support**; **back** *v*
corporate	connected with a corporation: ***corporate finance/strategy***
mount	organize and begin sth: ***mount a challenge/campaign***
bid	an offer to pay a particular price for sth **bid** *v*
agenda	a list of items to be discussed at a meeting
shareholder	sb who owns shares in a business or company
outcome	the result or effect of an action or event
deal	an agreement, especially in business, for the conditions of buying or doing sth: ***strike/make/conclude a deal***
set sth off	start a process or series of events

1 Complete the definitions with a single word.

1 *Imminent* means something will happen _____.
2 The *outcome* of something is the _____.
3 If you *set something off*, you _____ it.
4 A *shareholder* _____ shares in a company.
5 In a *takeover*, you take _____ of another company.
6 A *former* boss was the boss in the _____.
7 If you have *backing*, you have _____.
8 If you *make a deal*, you have an _____.

2 Complete the sentences.

1 If we're lucky, we could _____ a deal next week.
2 He wants to buy the company and has already made one _____.
3 If there is more uncertainty, it could _____ off another wave of selling.
4 John Emery is preparing to _____ a challenge for the leadership.
5 The takeover hasn't happened yet, but it's _____.
6 Wainwrights have already bought one company; this could be their second _____.
7 The sale price is the main item on the _____ for the next meeting.
8 It is likely to be a very large business deal which relies on _____ finance.

3 Rewrite the sentences without using the underlined words. Keep the same meaning.

1 She <u>used to be</u> my boss. — She's my _____.
2 <u>He</u> will be <u>leader of</u> the group. — The group will be under _____.
3 I need <u>them to support me</u>. — I need their _____.
4 We could <u>reach an agreement</u>. — We could strike _____.
5 Will the <u>people who hold shares</u> be happy? — Will the _____ be happy?
6 Are you expecting a different <u>result</u>? — Are you expecting a different _____?
7 Will they <u>offer more money</u>? — Will they make _____?
8 The two companies have agreed <u>to join</u>. — The two companies have agreed a _____.

TEST YOURSELF

LIVEWORKSHEETS

B Describing business activity



GLOSSARY

climb	(of prices, temperature, etc.) increase in value or amount	**hostile**	(of a takeover) not wanted by the company that is to be bought
soar	rise very quickly SYN **rocket**	**peak**	the point when sth/sb is at its highest, its best, etc: ***reach a peak***
collapse	decrease suddenly in value or amount	**plunge**	(of prices, temperature, etc.) decrease suddenly in value and amount SYN **plummet**
in the wake of sth/sb	coming after or following sth/sb	**issue**	make sth known formally
coup	a sudden change of government that is illegal and often violent	**fresh**	new
pursue	continue to discuss sth, find out about or be involved in sth	**float**	suggest an idea or plan for others to consider

4 **Is the pronunciation of the underlined letters the same or different? Write *S* or *D*. Use the APP to help you.**

1 s<u>oa</u>r fl<u>oa</u>t .....
2 cl<u>i</u>mb host<u>i</u>le .....
3 pl<u>u</u>nge pl<u>u</u>mmet .....
4 c<u>o</u>llapse p<u>u</u>rsue .....
5 c<u>ou</u>p f<u>ou</u>nd .....
6 c<u>ou</u>p climb .....

5 **Replace the underlined word(s) with a word or phrase that keeps the same meaning.**

1 The price has <u>gone up very quickly</u>. .....
2 Sales have <u>fallen very quickly</u>. .....
3 The value has reached its <u>highest point</u>. .....
4 We could do with some <u>new</u> ideas. .....
5 There has been a <u>sudden and violent change of government</u>. .....
6 The share price has started to <u>increase in value</u>. .....
7 Problems started <u>following</u> the resignation of the chairman. .....
8 The company is still <u>continuing to discuss and find out about</u> a possible deal. .....

6 **Complete the dialogues in a suitable way.**

1 It's been a great year for sales. ~ Yes, they have ..... this year.
2 Why has it been so disastrous? ~ The market ..... after the rise in oil prices.
3 Have the profits definitely fallen? ~ Yes, the chairman has ..... a statement.
4 The shareholders don't want this to happen. ~ No, it's a ..... takeover.
5 Are tax rises definite? ~ No, but the minister has ..... the idea several times.
6 Prices fell in the summer. ~ True, but they are starting ..... again now.
7 It's a rich country. ~ Yes, but since the ....., the economy has been very unstable.
8 Are sales at their highest point now? ~ Yes, I would say they've ..... .
9 Are they still involved in discussions about a merger? ~ No, they've decided not to ..... .

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