Tesco and Carrefour to create long-term strategic alliance

Tesco and Carrefour are announcing their intention to enter into a long-term, strategic alliance.

The alliance will cover the strategic relationship with global suppliers, the joint purchasing of own brand products and goods not for resale. It will be governed by a three-year operational framework.

The alliance will enable both companies to improve the quality and choice of products available to their customers, at even lower prices thereby enhancing their competitiveness. This agreement will also allow both companies to strengthen their relationships with their suppliers and create significant opportunities for those suppliers. Each company will continue to work with supplier partners at a local and national level.

It is anticipated that the alliance will be formally agreed within the next two months. Following formal agreement, both parties will start to work towards realising the benefits outlined above.

Dave Lewis, Tesco Group Chief Executive, said:

"I'm delighted to be entering into a strategic alliance with Carrefour. By working together and making the most of our collective product expertise and sourcing capability, we will be able to serve our customers even better, further improving choice, quality and value."

Alexandre Bompard, Chairman and CEO of Carrefour Group, said:

"This strategic alliance between Carrefour and Tesco is a major agreement as it combines the purchasing expertise of two world leaders, complementary in their geographies, with common strategies. This agreement is a great opportunity to develop our two brands at the service of our customers. This international alliance further strengthens Carrefour allowing it to reach a key milestone in the implementation of its strategy."

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