Arcadia Group

In 2000, the firm undertook a strategy known internally as 'BrandMAX' under which underperforming brands were closed or scaled down. In some cases stores which were closed were replaced by other Arcadia properties.

In 2002, Arcadia Group PLC was bought by Taveta Investments, owned by Taveta Ltd based in Jersey. Taveta Ltd is owned by Philip Green's Family, the only director is [Tina Green](https://en.wikipedia.org/wiki/Cristina_Green) the wife of billionaire [Philip Green](https://en.wikipedia.org/wiki/Philip_Green) accordingly Arcadia Group became a private company and was **delisted from the**[**London Stock Exchange**](https://en.wikipedia.org/wiki/London_Stock_Exchange)**.**

By the middle of October 2002, the company had sold some of its chains, including Warehouse and Principles , to [Rubicon Retail](https://en.wikipedia.org/wiki/Rubicon_Retail) for £35m. Those Outfit stores which were already retailing Principles and Warehouse clothing continued to do so by arrangement with the new owners. Arcadia also entered into discussions regarding the sale of the Wade Smith brand back to its previous owners.

In 2005, [Sir Philip Green](https://en.wikipedia.org/wiki/Sir_Philip_Green) bought the UK retail stores of [Etam](https://en.wikipedia.org/wiki/Etam_UK%22%20%5Co%20%22Etam%20UK) and [Tammy](https://en.wikipedia.org/wiki/Tammy_retail); these stores were converted into other Arcadia retail outlets, with Tammy clothing subsequently being retailed through [BHS](https://en.wikipedia.org/wiki/British_Home_Stores) and [Outfit](https://en.wikipedia.org/wiki/Outfit_%28retailer%29) stores. Some of the stores not retained by Arcadia were taken up by other fashion retail groups, with Monsoon acquiring a large number of the outlets.

In February 2009 it was announced that the BHS department store chain, also owned by the Greens, will be integrated into Arcadia. As part of the changes, some administrative functions previously run separately will be consolidated to improve efficiency, and some BHS retail stores will begin to carry Arcadia brands as concessions; this enables Arcadia to expand the presence of its brands without having to lease large numbers of new stores, and allows the firm to cut store costs by moving some operations from stand-alone stores into BHS locations. For example, in [The Mall Bexleyheath](https://en.wikipedia.org/wiki/The_Mall_Bexleyheath), the firm was able to introduce Wallis to the retail portfolio without having to lease a separate new store to do so, and was also able to close the existing Evans store and relocate its operations into BHS. Meanwhile, at [Lakeside Shopping Centre](https://en.wikipedia.org/wiki/Lakeside_Shopping_Centre) in Thurrock, Essex, the existing two-floor BHS was re-planned to a reformatted single-level store to allow Topshop/Topman to relocate from their prior site (itself earlier expanded into the neighbouring ex-Etam premises) to take up what was previously the upper level of BHS. (The previous Topshop/Topman space was itself used to introduce [Forever 21](https://en.wikipedia.org/wiki/Forever_21) to the centre).

In late 2010 it emerged Arcadia was considering a review of its property portfolio, similar to those undertaken under the "Townprint" and "BrandMAX" schemes, to look at the firm's store distribution; this was sparked by the fact that several hundred of the firm's existing store leases expire over the coming three to five years. Analysts estimated that between 150 and 300 stores could be shut and replaced with new locations or integrated/combined stores.[[25]](https://en.wikipedia.org/wiki/Arcadia_Group#cite_note-25) After Phillip Green confirmed that the number of stores under lease was to fall,[[26]](https://en.wikipedia.org/wiki/Arcadia_Group#cite_note-26) in 2013-14 Arcadia began shutting stores in a number of locations, mostly in small-to-medium sized towns and cities. Arcadia cited the rise in online shopping and 'destination' centres as a reason for moving away from high street locations. In March 2015, following continued losses BHS was sold to Retail Acquisitions Ltd.

Questions:

1. Arcadia group was delisted from the London Stock Exchange in 2002. What type of ownership is Arcadia now? (1 mark)
2. With reference to its US expansion and ‘Brandmax’ scheme, analyse the benefits to Arcadia of being an Ltd rather than a Plc. (9 marks)
3. Considering Arcadia is looking to expand worldwide and some of their UK businesses are posting continuing losses, evaluate whether being a Plc would have been a better ownership type. (16 marks)