



BUSINESS LEADER: **WHITEY BASSON**

# Taking Shoprite on the up and up

**W**HEN Whitey Basson presents results to Shoprite investors, he dresses casually and jokes about business and anything else that tickles his fancy.

But underneath the light-hearted appearance is unflinching dedication and seriousness about the business he's been running for 30 years.

Basson, the Top 100 Business Leader of the Year, manages both the details and the grand objectives like a hawk.

"I have to give as much attention to the guys who make the bread as I do to the guys who make the decisions as to where it's made," says Basson. "I manage by trying to sleep on weekends. I sleep with one eye open."

Shoprite has dominated the retail industry in the past five years, and Basson, a colourful character who speaks his mind, has become synonymous with the successful retailer.

He has been a trailblazer on several fronts. Shoprite was the first South African retailer to go into Africa, long before it was fashionable to do so, giving it first-mover advantage on a continent said to be the biggest untapped consumer market in the world.

He was first to invest millions in centralised distribution, making the group more efficient than competitors early on.

Despite the group's size, Basson focuses on detail each time the group goes into a new country or region.

With effective systems, he can instantly determine the gross profit margins of a tin of food in Nigeria, market share in Ghana or provide the right products for the right target market in any region.

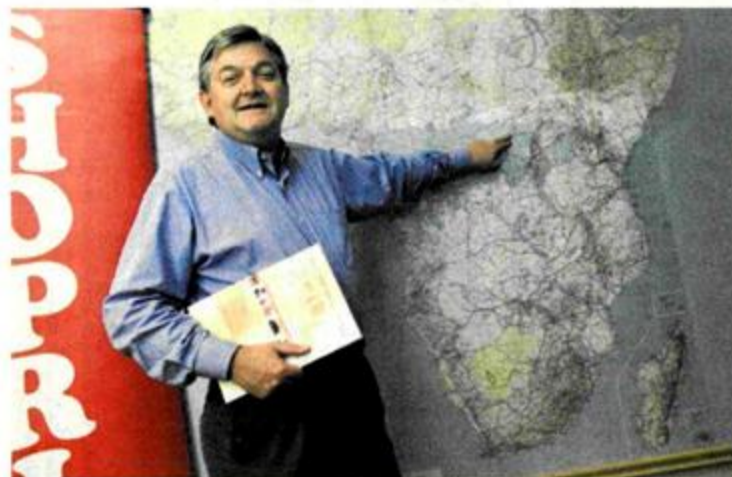
"There was always a saying that retailers can't cross borders. Today it's possible to manage a retail business across the globe," says Basson.

It has been a long hard slog, particularly in Africa, where nearly every aspect of doing business has unanticipated challenges. Getting food to stores is difficult, products can languish at ports for weeks and it is hard to determine who owns the right to land goods earmarked for a store.

"At the end of the day it was his drive and vision that achieved that," says Shoprite's chairman, its biggest single shareholder and Basson's longtime friend, Christo Wiese.

Wiese says Basson's success is partly due to his down-to-earth

*The Business Leader of the Year is chosen by his peers, CEOs of South Africa's Top 100 companies. Shoprite CEO Whitey Basson is credited with taking his group to the forefront of the retail sector in South Africa and on the continent, writes Adele Shevel*



**ROAD MAP:** In this 2002 photo, Whitey Basson, then MD of the Shoprite Checkers group, points out Shoprite's planned expansion into Africa

style and the fact that he really enjoys people.

"His leadership style is that he is one of the men. He's happy to get his hands dirty, he's very detail conscious."

Wiese says Basson is a strong personality who holds strong views and is not afraid to engage in robust debate.

"He's not an easy baby. But we're very close friends and over the years we've learned to live with each other's eccentricities."

Wiese defends Basson's excessive share options, saying it is his

employs 95 000 people.

Basson qualified as a chartered accountant in 1970. Pep Stores, owned by Wiese, was one of his clients. He became the group's financial manager and in 1979 was appointed managing director of Shoprite.

"It wasn't a very glamorous job. My wife's friends used to think I worked in a fruit and vegetable store."

He prides himself on having a loyal staff. The group has more than 2 000 graduates from store managers to senior executives in

keting department. "I think I have reasonable insight into consumer behaviour and how to get it into a form I feel comfortable with. You can't screw that up."

Basson is legendary for his cost-cutting, although Shoprite pays its executives well.

"We took a view we should let our people share in the wealth creation of the company," says Basson.

"It's probably the company in South Africa that's made the most wealth for shareholders and employees."

He expects senior management to know their hourly cost to the company, and to make sure they make more for the group than they cost.

He shifted a weekly management meeting from seven on a Monday morning to 4pm after working out that having the executives at the meeting cost the group R23 000 an hour.

By shifting it, he can eat into their private time at no cost to the group — "and the only people who get cross are the wives".

Meeting rooms have large egg timers to ensure they use time efficiently.

Basson loves the business. "I have very few friends outside my business. I'm with them at a party 12 hours a day."

Brought up in Porterville next to Tulbagh in the Western Cape, Basson acquired his nickname at school when boys found it difficult to say his given name, "Wellwood". His nickname referred to his blond hair.

Basson's father was a farmer, a businessman and a politician. "My dad was an exceptionally intelligent man. I spent most of my young life with a man with an unbelievable brain and an unbelievable way of analysing problems. I was very close to him. I was fortunate I could live in a small town and live with a father who was way out — he wasn't a good farmer, he was too clever to work."

Basson, however, has been working flat-out for decades and has no plans to slow down.

"He drives and steers this boat," a colleague says of him, "and we all row with him."



**Retailers can't cross borders? 'It's possible to manage a retail business across the globe'**

leadership that helped grow the company so successfully.

Along with a huge amount of hard work, Basson says, a lot of luck has been involved.

"I was fortunate that Marinus Darling offered Checkers to Shoprite and not anyone else. I was fortunate that the chairman [Wiese] thought it a good idea to buy OK Bazaars before Pick n Pay did."

Shoprite bought Checkers in 1979 for R55-million and Basson was made managing director.

Today the Shoprite Group's market cap is R60-billion and it

training to become senior executives 10 to 15 years from now.

"We have at least 20 people who could take on the top role," says Basson.

Graduates are brought in and after two or three years are given special projects. They work under pressure. Every year the group opens close to 100 stores, the equivalent of an entire JSE-listed company.

All senior executives have duties at the coalface and need to be involved in stores — Basson is still directly involved in advertising and looks after the mar-