### The Board of Directors at Market Basket

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### A Family Affair...







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- Market Basket was originally opened in 1916 by a Greek Immigrants Arthur and Efrosini Demoulas. The first grocery store was named Demoulas and was open in Lowell, Massachusetts.
- In 1954 Athanasios sold his store to two of his sons. Mike and George. Over a 15 year span the two sons turned their parent's small family store into today's modern supermarket chain.
- In 1994 Mike was charged with defrauding George's family out of \$500 million and transferred 51% of Demoulas' stock to George's family.



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- On June 23, 2014 Arthur T. Demoulas and two others are
- outside company headquarters in support for the reinstatement of Arthur T.

- Mike resigned as president in 1999 and died in 2003 at the age of 82. In March 2008 the board of directors elected Arthur T. Demoulas president of the corporation.
- ousted by the board to directors.
- After threat of being fired, over 2,000 employees rallied
- One month later, on July 23, 2014 Arthur T. Demoulas lets the public know he and his family are interested in buying out the 50.5 percent of the company controlled by Arthur S.

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Employees would rather work for a people-oriented leader than a

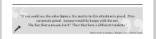
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What additional points could you also make for the task-oriented side? What other questions or comments would you like to share with us?

What is the difference between a company that is being run by a people-oriented leader, or a task-





task-oriented leader.

### Numerically Speaking...

	\$1,850,000,000,000 \$1,900,000,000,000,000 \$1,900,000,000,000 \$1,930,000,000,00 \$1,930,000,000,00
Year	Historical Revenue (Sales)
2000	\$1,850,000,000.00
2001	\$1,900,000,000,000
2002	
2003	
2001	\$1,950,000,000,00
2005	\$1,940,000,000,000

#### What Can Be Determined From The Analysis?

cause of this, the hypothesis that employees prefer working for people-oriented leaders tead of task oriented leaders, is proven to be

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### **Arthur S. Demoulas**

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The cousin of ousted CEO Arthur T. Demoulas, Arthur S. has always had a feud with his cousin's side of the family over assumed inheritance money that they thought they were going to receive after George Demoulas died.

(also acting as his second board member)



#### Gerard J. Levins

A Boston based, tax law attorney that has his own practice, known as Levins Tax Law LLC. He has experience representing clients that need help resolving tax controversies and tax disputes from the IRS.



### A TONING

### **Independent Board**

#### Keith O. Cowan:

 On the board of directors in 2013, after serving as the president of strategic planning and corporate initiatives at Sprint Nextel Corp. from 2007-2013.
 Before that, he spent 10 years at Bellsouth Corporation, eventually peaking as the CEO of the company.

#### Eric F. Gebaide:

 The managing director of a boutique investment-banking firm in New York known as Innovation Advisors that advises technology companies. He has served on the Demoulas board of directors since November 2013.

#### Ronald G. Weiner:

 The chairman and president of Perelson Weiner LLP, an accounting and consulting firm located within New York City.

#### **Arthur T. Demoulas**

Loved amongst the people he employed because he provided great pay and benefits in addition to implementing worker-friendly policies to help entice his employees to work hard and stay with the company.



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#### William J. Shea

William Shea is the chairman of Lucid Inc., a company that specializes in selling medical devices, most notably cellular imaging systems He has had 35 years of experience within the financial industry, spending 19 years with his accounting firm Coopers & Lybrand.



#### J. Terence Carleton

A financial adviser at UBS financial Services and has been holding that position since 2009.



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