

# About Hoover's Handbook of World Business 2009

This 16th edition of *Hoover's Handbook of World Business* is focused on its mission of providing you with premier coverage of the global business scene. Featuring 300 of the world's most influential companies based outside of the United States, this book is one of the most complete sources of in-depth information on large, non-US-based business enterprises available anywhere.

*Hoover's Handbook of World Business* is one of our four-title series of handbooks that covers, literally, the world of business. The series is available as an indexed set, and also includes *Hoover's Handbook of American Business*, *Hoover's Handbook of Private Companies*, and *Hoover's Handbook of Emerging Companies*. This series brings you information on the biggest, fastest-growing, and most influential enterprises in the world.

## HOOVER'S ONLINE FOR BUSINESS NEEDS

In addition to Hoover's widely used MasterList and Handbooks series, comprehensive coverage of more than 40,000 business enterprises is available in electronic format on our Web site at [www.hoovers.com](http://www.hoovers.com). Our goal is to provide our customers the fastest path to business with insight and actionable information about companies, industries, and key decision makers, along with the powerful tools to find and connect to the right people to get business done. Hoover's has partnered with other prestigious business information and service providers to bring you all the right business information, services, and links in one place.

We welcome the recognition we have received as the premier provider of high-quality company information — online, electronically, and in print — and continue to look for ways to make our products more available and more useful to you.

We believe that anyone who buys from, sells to, invests in, lends to, competes with, interviews with, or works for a company should know all there is to know about that enterprise. Taken together, this book and the other Hoover's products and resources represent the most complete source of basic corporate information readily available to the general public.

## HOW TO USE THIS BOOK

This book has four sections:

1. "Using Hoover's Handbooks" describes the contents of our profiles and explains the ways in which we gather and compile our data.
2. "A List-Lover's Compendium" contains lists of the largest, fastest-growing, and most valuable companies of global importance.
3. The company profiles section makes up the largest and most important part of the book — 300 profiles of major business enterprises, arranged alphabetically.
4. Three indexes complete the book. The first sorts companies by industry groups, the second by headquarters location. The third index is a list of all the executives found in the Executives section of each company profile.

As always, we hope you find our books useful. We invite your comments via phone (512-374-4500), fax (512-374-4538), mail (5800 Airport Boulevard, Austin, Texas 78752), or e-mail ([custsupport@hoovers.com](mailto:custsupport@hoovers.com)).

The Editors,  
Austin, Texas,  
January 2009

# Compass Group

Look in almost any direction and you'll likely see a food service operation run by this company. Compass Group is the world's largest food service company with operations in more than 60 countries. It provides hospitality and food service for a variety of businesses and such public sector clients as cultural institutions, hospitals, and schools. It also offers vending services, as well as catering and concessions services for a number of events and sports venues. Its food service brands include Chartwells, Crothall, and Levy Restaurants. In addition, Compass is a franchisee of such well-known chains as Burger King and Starbucks.

Having become the leader in its industry through aggressive expansion and numerous acquisitions, the company is focused now primarily on maintaining its leadership position while streamlining operations and maximizing profits. It sees continued growth coming through efforts to extend additional services to existing clients, particularly in the corporate hospitality segment. Compass is also working to expand its facilities management business.

In order to increase margins, the company has been aggressive about cutting costs and strengthening financial controls throughout its expansive network of worldwide subsidiaries. It has also been trimming away underperforming operations and other businesses not in line with its core mission. In 2007 the company sold its Selecta European vending business to German financial firm Allianz for about \$1.5 billion. Compass plans to use the proceeds to pay down debt.

The company has also gone through a transformation in its executive ranks as chairman Francis Mackay departed in 2006 and was replaced by Centrica CEO Roy Gardner. Compass CEO Michael Bailey also stepped down; he was replaced by Richard Cousins, formerly chief executive of building materials manufacturer BPB.

## HISTORY

Compass Group was formed in 1987 when management bought out the catering business of London-based food and spirits giant Grand Metropolitan (now Diageo) for \$260 million. The company went public the next year, listing on the London Stock Exchange. Gerry Robinson, CEO at the time, left in 1991 to take a position with British TV programming giant Granada Group (renamed ITV plc in 2004), where he helped that company diversify into food service operations. Finance director Francis Mackay took over as CEO.

Believing that real growth in the catering industry could come from size and economies of scale, Mackay orchestrated a \$2.5 billion acquisition plan over the next five years. In 1992 Compass bought Traveller's Fare (now Upper Crust), a railway caterer, from British Rail. The company expanded into airports the following year with the acquisition of Scandinavian Airlines System's catering operations. Then in 1994 Compass bought Canteen Corporation, the US's third-largest vending and food service company.

Compass achieved its goal of becoming the world's largest caterer in 1995 with the acquisition of France's Eurest International, putting it

ahead of Sodexo Alliance and Granada. Mackay calmed London investors nervous about the pace of Compass' acquisitions by selling off its hospital management operations and paying lip service to focusing on organic growth. Later that year Compass was awarded the world's largest food service contract, a \$250-million, five-year deal with IBM.

By 1996 the company seemed to have forgotten all about organic growth, buying Service America, and then Daka International and France's SHRM in 1997. French subsidiary Eurest later snatched a \$40 million contract from rival Sodexo (now Sodexo) to supply the staff restaurants at Euro Disney, one of France's top three catering contracts. The next year Compass solidified its position in the airport markets with a five-year licensing deal for use of the T.G.I. Fridays brand, joining Taco Bell, Pizza Hut, Burger King, and Harry Ramsden's fish and chip shops in Compass' quiver of branded airport outlets.

In 1999 CEO Mackay became group chairman, leaving the reins to Compass' chief of North American operations, Michael Bailey. The company's US acquisitions quickly paid off that year with a contract to serve 90% of the food venues at the 2002 Winter Olympics in Salt Lake City. In 2000 the company merged with UK hospitality giant Granada Group (the combined firm became Granada Compass), which then spun off its media operations as a separate company, Granada Media. Late that year it bought Boston-based bakery/café chain Au Bon Pain for about \$108 million.

The new company got a quick divorce in 2001 when Granada Compass decided to demerge and make Compass Group public again. Compass Group later sold the Le Meridien hotel operations it gained from the Granada merger to Nomura International for nearly \$3 billion. (The firm kept the Travelodge chain but sold it in 2003.) The company then began making purchases, including Morrison Management Specialists for \$563 million, the 66% it didn't already own in Selecta Group, UK vending machine company Vendepac, and health care services management company Crothall Services. Compass lost seven operating sites during the September 11 terrorist attacks on the World Trade Center. Late in 2001 Compass strengthened its presence in Japan with the \$277 million acquisition of Seiyo Food Systems, that country's #2 food services group.

In 2002 Compass signed arguably the industry's largest contract ever, a \$200 million a year deal to feed Chevron employees around the world. In 2003 the company sold its Travelodge motel business and Little Chef diners to private equity firm Permira for \$1.14 billion, a 5% discount to the asking price. Compass became the first non-Chinese company to provide food in stations and on trains operated by the Shanghai Railway Administration in 2004. In addition, the firm bought Creative Host Services in 2004.

In 2005 Compass sold a 75% stake in Au Bon Pain back to a management group, retaining a 25% interest in the quick-casual chain. The following year it sold its travel hospitality businesses, including Creative Host (now SSP America) and UK motorway operator Moto, to private investors for more than \$3 billion. Compass sold its European vending business, Selecta, to German financial giant Allianz for \$1.5 billion in 2007.

## EXECUTIVES

**Chairman:** Sir Roy A. Gardner, age 62

**Group CEO and Director:** Richard J. Cousins, age 48, \$313,000 pay (partial-year salary)

**Group Finance Director and Board Member:**

Andrew Martin, age 48, \$461,000 pay

**Group Managing Director, USA, Canada, and Latin America and Director:** Gary R. Green, age 50

**Group Managing Director, UK and Ireland:**

Ian El-Mokadem, age 38

**Group Managing Director, Europe, Turkey, and Russia:**

Miguel Ramis, age 45

**Group Managing Director, France and Asia/Pacific:**

Didier Coutte

**Group Human Resources Director:** Jane S. Kingston, age 47

**General Counsel and Company Secretary:** Mark J. White

**CEO New Zealand:** Charles Noville

**Auditors:** Deloitte & Touche LLP

## LOCATIONS

**HQ:** Compass Group PLC

Compass House, Guildford Street, Chertsey,

Surrey KT16 9BQ, United Kingdom

**Phone:** +44-1932-573-000

**Fax:** +44-1932-569-956

**US HQ:** 2400 Yorkmont Rd., Charlotte, NC 28217

**US Phone:** 704-329-4000 **US Fax:** 704-329-4160

**Web:** www.compass-group.com

## 2007 Sales

	% of total
Europe	
UK	19
Other countries	25
North America	40
Other regions	16
<b>Total</b>	<b>100</b>

## PRODUCTS/OPERATIONS

### Selected Operating Units

Canteen (vending services)

Chartwells (education food services)

Crothall (health care facilities management)

ESS (offshore and remote food services)

Eurest (corporate food service)

FLIK (upscale food services)

Medirest (health care services)

Morrison Management Specialists (health care food service)

Restaurant Associates Managed Services (corporate dining and sporting and leisure events)

Scolarest (education food services)

## COMPETITORS

ARAMARK

Centerplate

Delaware North

Elior

Sodexo

## HISTORICAL FINANCIALS

Company Type: Public

### Income Statement

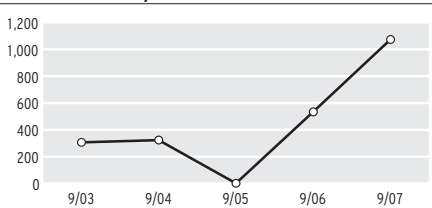
FYE: September 30

	REVENUE (\$ mil.)	NET INCOME (\$ mil.)	NET PROFIT MARGIN	EMPLOYEES
<b>9/07</b>	21,016	1,073	5.1%	360,000
<b>9/06</b>	20,248	534	2.6%	406,924
<b>9/05</b>	22,391	2	0.0%	410,074
<b>9/04</b>	21,176	324	1.5%	402,375
<b>9/03</b>	18,806	307	1.6%	412,574
<b>Annual Growth</b>	2.8%	36.8%	—	(3.4%)

## 2007 Year-End Financials

Debt ratio: 70.9%      Current ratio: —  
 Return on equity: —      Long-term debt (\$ mil.): 2,972  
 Cash (\$ mil.): —

## Net Income History



London: CPG

# Creative Technology

Creative Technology wants PC audiophiles to be entertained and plugging in to the latest gear. The firm is a leading manufacturer of digital entertainment products, including portable audio players (Zen), PC sound cards (Sound Blaster), speakers, and digital cameras. Creative also makes modems and CD and DVD drives for PCs. The company's subsidiaries include Cambridge SoundWorks (PC speakers), 3Dlabs, Creative Labs, and CLCS, among others. Creative's top customers include the likes of computer manufacturers Dell, Gateway, and Hewlett-Packard. Co-founder and CEO Sim Wong Hoo owns about 29% of Creative.

Competitive pricing is key to Creative's marketing strategy, particularly in the portable audio market where it runs into the dominant presence of Apple's iPod. In recent years, though, Creative competes in several sectors, including webcams, graphics, communications, headphones, speakers, semiconductors, and cell phones, which feature music and entertainment functions. The company uses low-cost manufacturing at its own facilities in China and Malaysia and through subcontractors in those countries and Singapore.

Creative has been shifting its focus in recent years. Sales of personal entertainment products represented a third of Creative's sales in 2004. However, by 2007, sales of the same products generated 63% of its overall revenue. During the same period, Creative's speakers and audio operations decreased to 16% and 13% of 2007 revenue, respectively, while the firm ramped up its operations in Europe, surpassing sales in the Americas.

To cater to customers' needs in the fickle personal niche of the digital entertainment products market, Creative has beefed up product offerings and shuttered underperforming units. In late 2005 Creative released a high-end addition to its Zen line; with 30GB of storage the Zen Vision:M features music, video, and photo capabilities. Also, Creative announced in 2006 that its 3Dlabs unit would refocus its smaller graphics operation on the portable handheld device market rather than the professional workstation graphics market. To that end, the company purged staff.

## HISTORY

In 1981 Sim Wong Hoo (chairman and CEO) and Ng Kai Wa (later joined by Chay Kwong Soon) used a \$6,000 stake to found Creative Technology as an engineering services company. It began making Apple II clones for the Chinese market in 1984; two years later it started producing PC clones. From 1983 to 1988 most of Creative's revenues came from PCs.

With stiff competition in the PC market, Sim shifted Creative's focus to sound cards and other PC enhancements. The company introduced its first Sound Blaster audio card in 1989; Sound Blaster soon became the industry standard. That year Creative launched PJS, an artificial intelligence-based Chinese-language operating system; and Views, a complementary word processor and desktop publisher with a more-than-70,000-character alphabet. Also in 1989 Tandy (now RadioShack) ordered a large supply of Game Blasters — a sound card targeted at gamers — for its 8,000 Radio Shack stores, giving Creative a strong foothold in the US.

In 1991 Creative launched the first of its market-dominating upgrade kits, the Sound Blaster Multimedia Upgrade Kit, a software package bundled with a high-performance CD-ROM drive and a set of software applications. The company went public in 1992.

The growing popularity of multimedia products was music to Creative's ears. More computers were selling with sound cards and multimedia capabilities pre-installed, so the company signed deals to supply manufacturers including Compaq and Dell. Creative also diversified: In 1993 it acquired ShareVision Technology (videoconferencing products) and E-MU Systems (digital sound production systems).

The company also tried its hand at communication products. In 1994 it acquired modem maker Digicom (now Broadxent). The next year it released Phone Blaster, which combined voice mail, e-mail, and fax transmission functions.

Creative began to show in Creative's progress in 1995. The slowing of the sound board market caused a steep drop in profits and prompted the company to restructure and refocus on sound products. Ng resigned that year, and Chay left in 1996. Creative introduced Graphics Blaster add-on graphics accelerator cards and signed a deal for Samsung to build its CD-ROM drive products that year.

Opting to add new technology quickly through acquisitions, in 1997 Creative bought speaker maker Cambridge Soundworks; ENSONIQ, manufacturer of audio chips and electronic musical instruments (now part of E-MU/ENSONIQ); and the NetMedia Group of core logic chipset maker OPTi. In 1998 the company acquired Silicon Engineering, a maker of communications, multimedia, and storage integrated circuits. In 1999 Creative debuted the Nomad MP3 player, which played digitally encoded music downloaded from PCs.

Sharp declines in Creative's Internet investments and the broader electronics market led the company to restructure its operations in 2001. Creative closed a factory, cut its staff by 10%, wrote off substantial losses in its investment portfolio, and recentered its operations on its core lines of digital audio products.

In 2002 the company acquired graphics chip maker 3Dlabs in a deal worth about \$105 million. Years later, in 2006, Creative whittled away at 3Dlabs' operations and refocused the graphics unit on the portable handheld device market.

## EXECUTIVES

**Chairman and CEO:** Sim Wong Hoo, age 53  
**CFO:** Ng Keh Long, age 49  
**Director, Corporate Communications:** Phil O'Shaughnessy  
**Director Product Marketing:** Brad Anderson  
**Senior Brand Manager, Portable Media:** Lisa O'Malley  
**President, 3Dlabs:** C. Hock Leow  
**President, Creative Labs:** Craig McHugh  
**Auditors:** PricewaterhouseCoopers

## LOCATIONS

**HQ:** Creative Technology Ltd.  
 31 International Business Park, Creative Resource,  
 609921, Singapore  
**Phone:** +65-6895-4000      **Fax:** +65-6895-4999  
**US HQ:** 1901 McCarthy Blvd., Milpitas, CA 95035  
**US Phone:** 408-428-6600      **US Fax:** 408-428-6611  
**Web:** www.creative.com

## 2008 Sales

	\$ mil.	% of total
Europe	369.4	50
The Americas	200.3	27
Asia/Pacific	167.1	23
<b>Total</b>	<b>736.8</b>	<b>100</b>

## PRODUCTS/OPERATIONS

### 2008 Sales

	\$ mil.	% of total
Personal digital entertainment	386.9	52
Speakers	190.1	26
Audio	99.8	14
Other	60.0	8
<b>Total</b>	<b>736.8</b>	<b>100</b>

### Selected Products

**Audio**  
 Digital sampling systems  
 Electronic musical instruments  
 Sound cards and chipsets (Sound Blaster)

**Communications**  
 Bridging and routing devices  
 Modems (internal and external)  
 Wireless modems

**Graphics and video**  
 2-D/3-D graphic accelerator cards (3D Blaster line)  
 Desktop digital camera (Video Blaster WebCam)  
 PC digital video disk (DVD) players (Encore)

**Multimedia upgrade kits (sound card, drive, speakers, software)**

**Personal digital entertainment**  
 MP3 players (Zen)  
 Speakers (Cambridge Soundworks)

**Other**  
 Rewritable CD drives (Blaster CD-RW)

## COMPETITORS

Altec Lansing	Klipsch
A-Max Technology	Logitech
Analog Devices	M-Audio
Apple	Memorex
Archos	Microsoft
Bose	Motorola, Inc.
Boston Acoustics	NVIDIA
Canon	Panasonic
CASIO COMPUTER	Philips Electronics
Dell	Reigncom
D-Link	Samsung Electronics
Eastman Kodak	SanDisk
Epson America	Sennheiser
ESS Technology	Sony
Guillemot	Toshiba
Harman International	USRobotics
Intel Corp.	Yamaha
Omega	Zoom Technologies