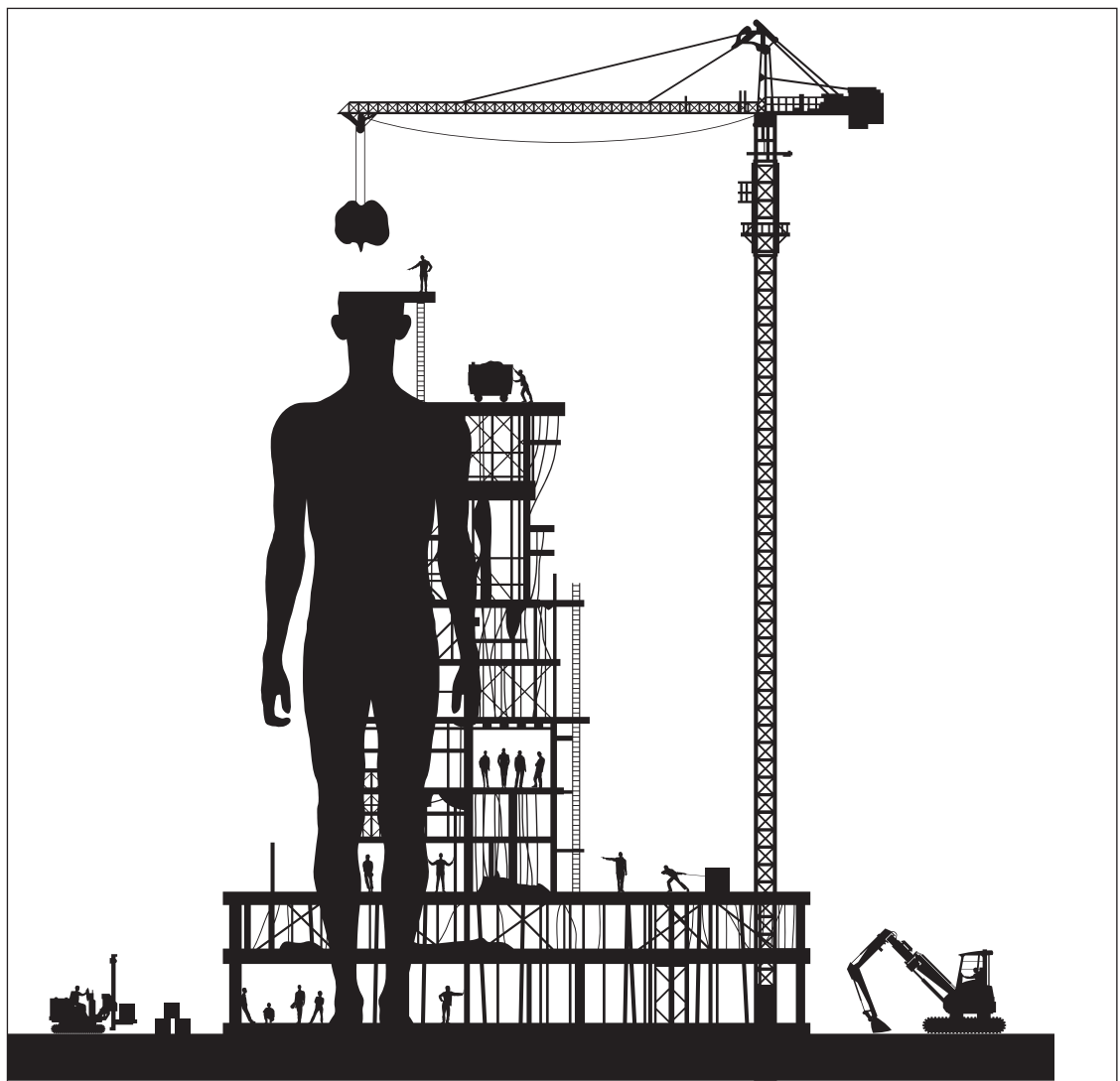
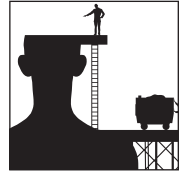


Sustained growth through operational excellence



An Economist Intelligence Unit report
sponsored by SAP





Preface

Sustained growth through operational excellence is an Economist Intelligence Unit report sponsored by SAP. The Economist Intelligence Unit bears sole responsibility for this report. The Economist Intelligence Unit's editorial team conducted the interviews and wrote the report. The findings and views expressed in this report do not necessarily reflect the views of the sponsor. Ken Waldie was the author of the report and Dan Armstrong was the editor. Richard Zoehrer was responsible for layout and design. Our thanks are due to all of the survey respondents and interviewees for their time and insights.

February 2008



The power of visibility

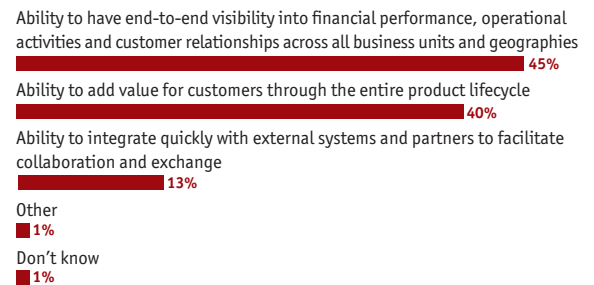
Operational excellence is a simple concept with complex implications. Consistently doing things well across every element of the value chain is clear enough in principle. But it is a moving target: To maintain their competitive advantage, successful enterprises must constantly adapt to new situations. Traditional competitors consolidate just as unfamiliar ones arrive on the scene. Customers discover new needs as they come to expect better quality and lower prices. New markets emerge in a shrinking world. These dynamics do not alter the fundamentals of operational excellence. But they do force companies to be excellent at doing different things.

The more experience executives have with operational excellence strategies, the more benefits they see

Regardless of where a company focuses its operational excellence strategy, successful execution requires connecting long-term goals with short-term management control. This means aligning and linking performance measures across the organisation and beyond. Ideally, senior executives would be able to monitor financial performance, operational activities and customer relationships in real time, from one end of the value chain to the other, across all business units and locations.

While operational transparency is a fundamental goal of operational excellence, the pay-off is much broader. As the connections between strategic objectives and day-to-day operations become more transparent, everyone in the organisation can see

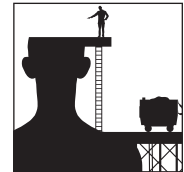
Which of the following do you consider the most important component of operational excellence?



how his or her efforts contribute to the big picture. And if visibility into operations can be translated into customised role-based dashboards, employees can be motivated to innovate within their own space. Moreover, the demonstration of links between operational performance and strategy encourages the building of collaborative solutions.

Transparency also benefits customers and external partners. Visibility into customer relationships empowers the business to develop a deeper understanding of customer needs, and to rapidly perceive and act on changing patterns of demand. Another key operational excellence benefit is the ability to collaborate more easily with external partners and systems (including regulators).

In practice, operational excellence may serve as

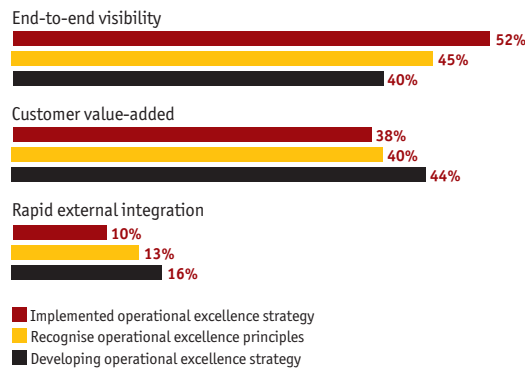


a company’s principal strategy driver, encompassing other tools such as total quality management and Six Sigma. Or it may be part of an even broader game plan. For example, Arjan Kaaks, CFO of the Dutch brewing company Grolsch, says that his company includes various aspects of excellence in its business strategy and planning processes. “In particular” he says, “we use the balanced scorecard to ensure that we consider every aspect of excellence in our operations including both financial and non-financial elements. The balanced scorecard provides the framework to implement operational excellence principles.”

Regardless of how operational excellence is implemented, visibility into operations is its most fundamental contribution to business results. In a survey of 946 executives in mid-sized companies around the world conducted by the Economist Intelligence Unit, the “ability to have end-to-end visibility into financial performance, operational activities and customer relationships across all busi-

ness units and geographies” was the top-ranked component of operational excellence.

Most important component of an operational strategy
(by stage of development)



What is operational excellence?

In its simplest terms, operational excellence means consistently doing things well across the value chain as a way of gaining competitive advantage. In its broadest terms, it is a discipline that drives corporate strategy. In their book *The Discipline of Market Leadership*, Michael Treacy and Fred Wiersema suggest that operational excellence is one of three “value disciplines” that a successful organisation must choose from as its underlying operational model.

In practice, operational excellence is a means to achieving the other value disciplines: product leadership and customer

intimacy. Doing things well across the organisation is fundamental, but most successful companies do one thing exceedingly well and identifying and reinforcing core competitive strengths is part of operational excellence.

The definition in this paper has three elements:

- superior performance and visibility across the value chain
- value-added delivered to customers
- effective integration with external partners.

While the concept of operational excel-

lence is simple enough, execution is another matter. A drive for efficiency is implicit, but this must be achieved in a coordinated way by building links across the organisation so that all functions share a harmonised set of performance metrics. The ultimate goal is a “single source of truth” where senior executives have shared visibility into all parts of the organisation, enabling management by facts. The ideal result is a high-level dashboard for senior executives with the ability to drill down into different business functions, including operations, finance, IT, and sales and marketing. ■



Experience matters

Operational excellence strategies are delivering competitive advantage for a growing number of mid-sized companies around the world. Nearly 90% of survey respondents say their companies recognise operational excellence as a strategy and planning tool. More than half say they have implemented a formal operational excellence strategy or are in the process of developing one. Another third say they have integrated the principles of operational excellence into other strategy and planning instruments.

These different levels of experience with operational excellence shape executive opinions about its most important components and benefits. The more operational excellence experience they have, the more likely respondents are to rate end-to-end visibility as its most important element. Respondents with less experience tend to give the top ranking to the ability to add value for customers.

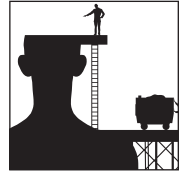
This is not to suggest that experience with operational excellence diverts focus from customer value. On the contrary, it indicates that within an established operational excellence strategy, customer value is likely to be addressed by improving visibility into customer relationships, as part of a broad and systematic effort to achieve excellence across the entire value chain.

The more experience executives have with operational excellence strategies, the more benefits they see. Over three-quarters of survey respondents with operational excellence experience cited lower costs or improved efficiency as among the top three benefits, and half of them cited increased revenues. About 22% of companies with formal operational excellence strategies had both reduced costs and improved customer service, compared with 20% of companies that had recognised operational excellence principles and only 16% of those still the process of developing an operational excellence strategy.

Agility is another important operational excellence benefit. About one-third of respondents with operational excellence experience said that their companies were able to respond faster to customer demands, competitor actions or both. Other agility-related benefits included improved customer insights to facilitate development of new products and services and improved ability to expand into new markets.

About the survey

Between November 2007 and January 2008, the Economist Intelligence Unit conducted a large survey of operational, financial, sales and marketing, and IT executives throughout the world. The survey yielded 946 responses from senior executives of mid-sized companies with annual global revenues between \$20 million and \$500 million, with 81% over \$50 million. (Sub-\$50 million companies were permitted in some countries where smaller firm sizes are the norm.) Nearly one-third of respondents were based in Asia-Pacific, followed by about 28% in Western Europe and 26% in North America. The rest were situated in the Middle East/Africa, Eastern Europe and Latin America.



The challenge of execution

Every executive wants his or her company to do things well. Systematically achieving this in every corner of the organisation is another matter, and few executives claim to have reached this goal. Responses to the EIU 2007 operational excellence survey and in-depth interviews with business leaders provided insights about the tools companies are using to implement operational excellence strategies.

Visibility in the real world

Senior executives generally agree that they are aiming for real-time end-to-end visibility into operations across the entire value chain. But this is often infeasible and is rarely achieved. Innovations like RFID chips and wireless technology would appear to make real-time product tracking and record entry effortless. However, it is often difficult to extend the reach of corporate IT systems to end users, especially where personalised services are involved. While this limits the scope of real-time performance monitoring, it does not preclude it.

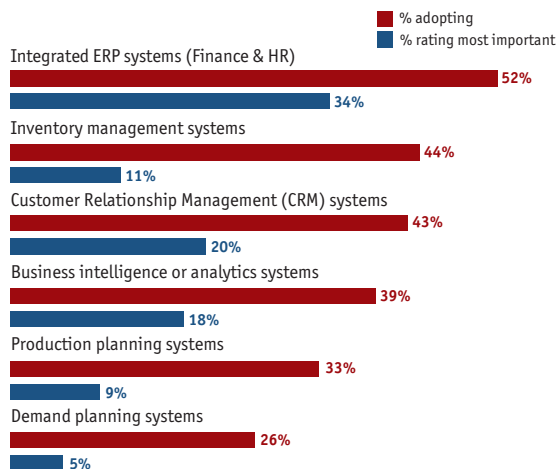
Morrison Healthcare Food Services, for example, provides meals to thousands of hospital patients and residents of seniors' homes across the US every day, and it also operates retail dining facilities in many of those institutions. CEO Scott MacLellan says the first step in the journey towards real-time visibility was to standardise point-of-sale systems. "That is giving us literally real time information," he says. "We're seeing what's selling, what it's selling for, what's not selling, and so on. We can spot trends as they happen."

But he goes on to say that understanding the

Senior executives generally agree that they are aiming for real-time end-to-end visibility into operations across the entire value chain. But this is rarely achieved.

needs and satisfaction of the client is much more difficult. "We can't be surveying our patients and our residents every day," MacLellan points out, adding that "also, for those metrics to be credible, they need to be third-party sourced." While this makes real-time end-to-end visibility impractical, it doesn't stop Morrison from keeping a sharp focus on the customer experience. "We visit our patients every day,

Has your company invested in the following technologies to achieve its operational excellence goals? (Select all that apply)





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and in that respect we're getting real time information," MacLellan says. "Every single person in our company, me included, is required to visit patients or residents when they go into one of our units. So I will go up and say, 'how's your food? Is there anything we can get you?' And we get immediate feedback: 'it was great; it was not great; I need this; I need that'. And we'll fix that on the spot."

Companies with a formal operational excellence strategy are the heaviest investors in all of these technologies.

The survey revealed that companies are advancing the quest for visibility into operations by investing in a variety of information technologies. At the top of the list is integrated enterprise resource planning (ERP) systems. More than half of respondents said their companies had invested in this technology, and one-third rated it as most important.

Other companies have focused on smaller-scale systems that provide visibility into segments of the value chain or that provide integrated business analytics. The most important investments are those designed to increase visibility into customer relationships. Although slightly more companies have invested in inventory management systems than in customer relationship management (CRM) systems, the latter was rated as most important by nearly twice as many respondents. More than one-quarter of respondents' companies have also invested in production planning and demand planning systems.

Companies with a formal operational excellence strategy are the heaviest investors in all of these technologies. More than 30% of companies with a formal operational excellence strategy reported

investing in four or more of them, compared with 20% of those with some operational excellence experience and less than 10% of those with no operational excellence experience.

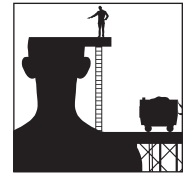
Moreover, substantial majorities said that their

What is your company doing to improve efficiency? (Select all that apply)



top-priority technology had been successful or very successful in promoting revenue growth, wider margins, improved customer satisfaction and greater customer retention. Success in new product development was not as robust, with a majority reporting success only for investments in demand planning systems.

More than 75% of respondents who reported demand planning, production planning and business intelligence or analytic systems as their most important investment said the investment had promoted revenue growth. CRM was the most effective in promoting consumer satisfaction and in increasing customer retention, while inventory management systems were rated best for increasing margins.



The drive for efficiency

Companies with a formal operational excellence strategy are distinguished by their broad-based approaches to efficiency improvements. Of course, firms that fail to adopt an operational excellence strategy want to improve efficiency as well. But they tend to take less systematic approach. More than 40% of survey respondents whose companies had formal operational excellence strategies reported that they had adopted at least five of the seven efficiency-improving strategies shown in the chart

on page 10. This compares with about one-quarter of firms with some operational excellence experience and only 8% of companies with no experience.

By far, the top-ranked approach is to carry out systematic efficiency evaluations and improvements at the business process level, encompassing functions such as finance, IT, operations and marketing/sales. More than two thirds of respondents said that all seven efficiency-improving strategies had proved successful.

Economic downturns as an opportunity

Companies with formal operational excellence strategies are more likely than other businesses to confront economic slowdowns with by simultaneously controlling costs and gaining market share. Operational excellence helps them build the agility that is crucial for success in both areas. But in practice operational excellence tends to be more powerful for leveraging strengths than for controlling costs. Companies that recognise this are often able to seize market share from competitors who are pre-occupied with cost-cutting during periods of slow growth.

Respondents who said their firms are pursuing a formal operational excellence strategy were more likely than others to report downturn strategies that included increasing customer share of wallet and aggressive pursuit of market share from competitors. Moreover, companies that had or were developing an operational excellence strategy were the only groups

where a majority reported innovating to create new products or services during downturns.

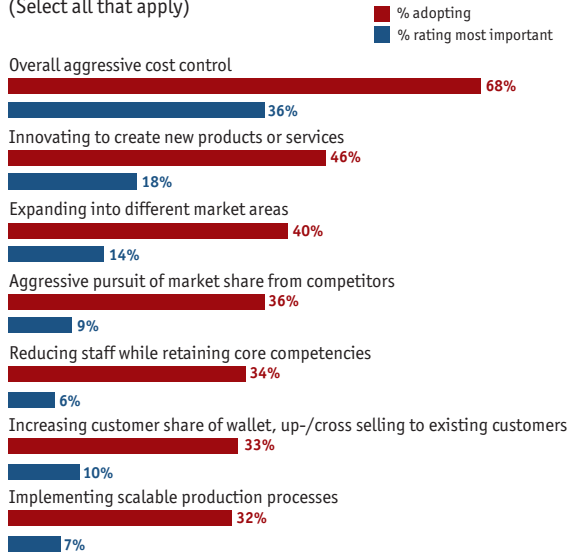
The degree of experience with operational excellence also correlates strongly with the probability that a company includes five or more of the seven strategies shown in the chart on page 10 in its game plan for managing periods of slow economic growth.

This broadly-based approach also applies to cost reduction. More than three-quarters of respondents from companies with formal operational excellence strategies reported that their downturn management plans included overall aggressive cost control, and 38% said this included reducing staff while retaining core competencies. Companies with no operational excellence experience, on the other hand, were almost as likely to say they would reduce staff (35% of those respondents), while they were significantly less likely to engage in aggressive cost control (just 54% of those respondents).



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What strategies has your company established to maintain profitability during periods of slow economic growth? (Select all that apply)



Respondents were asked to rate the success of their most important strategy for managing economic downturns. Overall, initiatives that leverage competitive advantage are considered more effective than those focused on cost control. Aggressive pursuit of market share from competitors received the highest overall success ranking (91%) for increasing revenue. Close behind was innovating to create new products or services, which outperformed all of the other strategies for successfully widening margins (74%), increasing product launches (84%) and improving customer satisfaction (75%).

Cost-focused strategies were much less successful. Overall aggressive cost control was rated highly (72%) only for increasing margins, which was also the only category where a bare majority reported success from cutting staff.

The growth imperative

Operational excellence has traditionally been associated most strongly with efficiency and competitive advantage. Increasingly, however, agility and visibility into operations have also been recognised as drivers of sustained growth. In particular, end-to-end visibility is a critical tool for recognising core competitive strengths and aligning all business functions to strengthen them.

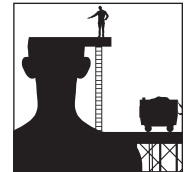
The survey shows clearly that mid-sized companies see growth as imperative. More than half of respondents said their firms planned to grow organically, and more than 29% planned to grow both organically and through mergers and acquisitions.

Another 8% planned to grow through M&A alone. Another 8% —a minority which tended to have little interest in operational excellence—said that growth was not a priority for their company.

Senior executives with operational excellence experience strongly agree that it can support both organic and acquisition-led growth. The obstacles to growth—as well as the solutions provided by an operational excellence strategy—differ depending on whether the growth is organic or comes from acquisitions.

Organic growth

Companies pursuing organic growth say the most important obstacle is the inability to move suffi-



ciently quickly to exploit market opportunities and to challenge competitors. Many see operational excellence as an effective strategy for overcoming this challenge, because it provides the visibility into operations needed to become more agile. In particular, operational excellence supports the two most important organic growth strategies named by

sitions into existing operations is seen the biggest obstacle. Key solutions are identifying gaps that can be filled by acquisitions and more efficient processes of integrating acquired companies, both of which can be achieved through operational excellence strategies.

“If you’re looking at organic growth, you’re

working off of a platform,” says Marsulex CEO Laurie Tugman. “You’ve established a standard within the company, and you’re leveraging off of that. You can sometimes do that with acquisitions, especially if they’re ‘tuck ins’,” he adds, “but in the end you’re acquiring a group of employees with a different culture.” He

Function	Corporate Focus	Departmental Focus
Operations	Improving visibility into customer demand, including what, where and why	Increasing operational flexibility and agility
IT	Supporting other functions and overall business	Enhancing end user support
Finance	Better integration of financial planning with all departmental and control systems	Tighter control of financial assets, liabilities and cash flow
Marketing and Sales	Enhancing CRM systems	Stronger collaboration with customers and partners

respondents: anticipating customer needs as they emerge and identifying core people assets that contribute to competitive advantage.

Senior executives stress that keeping existing customers satisfied can also be a growth driver. Scott MacLellan, CEO of Morrison Healthcare Food Services sees this in terms of differentiation: “Operational excellence helps us to differentiate ourselves from our competition. We need to make our existing clients thrilled with us, to the point where we have a reference list that can’t be matched in the industry. We can also refer happy customers to associated companies for some of their other needs. As a result, operational excellence becomes a primary driver of growth.”

Growth through acquisitions

When it comes to growing through mergers and acquisitions, an inability to quickly integrate acqui-

goes on to say that while there’s no question that an operational excellence strategy will help in this setting, it is more difficult than organic growth: “You’ve still got to make sure that the people understand and believe why it is that we’re going to approach things differently and with an operational excellence point of view.”

Aligning business functions to support growth

Different functions drive growth in different ways. Each brings its own expertise to bear in a shared effort that spans every part of the business. How they do so is the subject of a series of forthcoming short papers focussed on four functional areas: operations, IT, finance, and marketing and sales. The most common actions they take to support growth are briefly summarised in an accompanying table.



Good is the enemy of great

Implementing an effective operational excellence strategy requires strong senior management support combined with the right resources and tools at every level. Few companies claim to have achieved complete success. Real-time end-to-end visibility across the value chain is widely seen as the ultimate goal. Yet most respondents say this goal remains elusive.

The single most important obstacle is the lack of people skills in critical operational roles and across the enterprise. While many companies have succeeded in establishing operational excellence as a guiding force in parts of their organisations, close to one-third of survey respondents cited inadequate linkages among internal departmental systems as a principal hurdle.

Operational excellence and shareholder value

Does the pursuit of operational excellence improve financial performance? Both interviewees and survey respondents associated operational improvements with a range of financial benefits, from wider operating margins to faster revenue growth. But a better test may be what investors think: As independent third parties putting their money on the line, equity investors have a big incentive to scrutinize companies carefully in order to pick those that will yield higher-than-average returns.

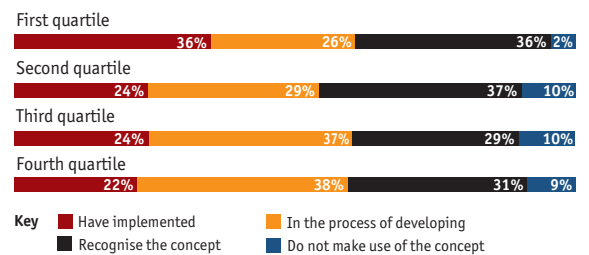
To find out whether a focus on operational excellence leads investors to evaluate firms more favorably, we looked at the one-year total return on equity among public companies in the survey. Because the survey focused on small- to medium-sized firms—no companies with more than US\$500m in revenues were accepted—most were privately held. The 170 public companies in the sample were ranked by

return on equity and divided into quartiles. Then the companies in each quartile were grouped by their progress in implementing operational excellence strategies.

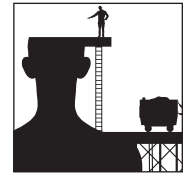
The results, while not definitive, suggest that there is a link between operational excellence and stock price returns, at least in the short term. The companies with the highest stock price returns—those in the first quartile—are also most likely to have implemented an operational excellence program. About 36% of the first quartile companies have already implemented an operational excellence strategy, versus 24% of second and third quartile companies and only 22% of fourth quartile firms. Meanwhile, only 2% of first quartile companies say that they do not recognise the concept, versus 9% of fourth-quartile firms.

For companies in the middle quartiles in terms of equity returns, and who fall between the two extremes of embracing and ignoring operational excellence, the picture

One-year total equity return and operational excellence progress



is less clear. Perhaps equity investors are only willing to invest in companies that have already implemented a program, rather than simply expressing their intent to do so. If so, companies in the process of developing an operational excellence program may offer investors an opportunity to buy before the market recognises their value. ■



Corporate culture also plays an important role. Marsulex CEO Laurie Tugman puts it this way: “It’s always easier to strive for operational excellence when people can see the immediate benefit and need—because the customer values it or it’s essential to getting the next contract.” It’s more difficult, he says, in situations where “you’ve got an operation that has been moving along and by their definition they’ve been successful, but they aren’t necessarily excellent in their operations.” Those people, he says, are inclined to ask “‘why do we need to become world class’, and I think resistance to change is often the biggest factor.”

Morrison CEO Scott MacLellan agrees: “Good is

the enemy of great. We have done a very good job for a long time. So to get people to go from what has already been successful to challenge and in some cases to completely deconstruct and rebuild some of our standards and our systems has been difficult for all of us. Because if you’ve got a formula that works, it’s hard to break it and rebuild it. That cultural success has been the obstacle of getting ourselves to the next level.”

Conclusion: Putting operational excellence in action

Embarking on an operational excellence strategy should not be undertaken lightly. As with most fundamental, organisation-wide initiatives, success requires planning, commitment, measurement and continuous follow-up. The key questions to ask are:

- **Do we really need to be great?** An operational excellence strategy begins with a commitment to excellence and continuous improvement across the organisation. This thinking must be embedded in the corporate culture. In many cases this requires breaking with past thinking—especially if performance is already good.
- **What do we need to excel at doing?** Vision from the top is required to identify areas of core competitive strength where the organisation has the potential

to become truly outstanding and build market-disrupting strengths.

- **How can barriers to execution be overcome?**

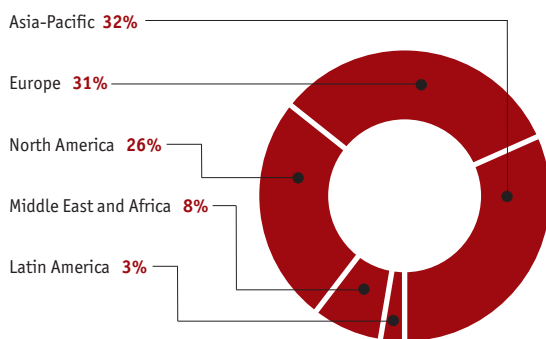
Execution requires the systematic function-by-function assessment of visibility, efficiency, competitive strengths, and the contribution of every corporate component towards creating customer value. There must be a relentless effort to link strategic objectives with day-to-day operational decisions.

- **How should results be measured?** Above all, operational excellence must be focussed on achieving measurable results. This means harmonising performance metrics across the organisation, and integrating operational excellence with other business strategy and planning instruments either as an umbrella strategy or a component of a broader game plan.

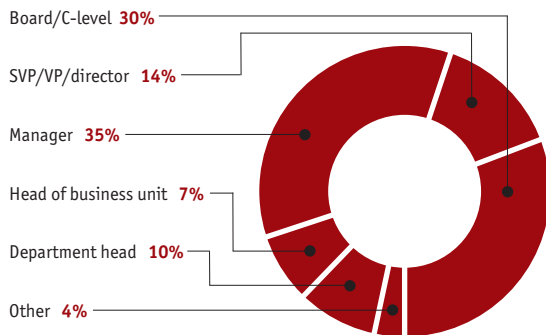
Appendix: Survey results

Between November 2007 and January 2008, the Economist Intelligence Unit conducted a global online survey of 946 senior executives from various industries. Please note that not all answers add up to 100% because of rounding or because respondents were able to provide multiple answers to some questions.

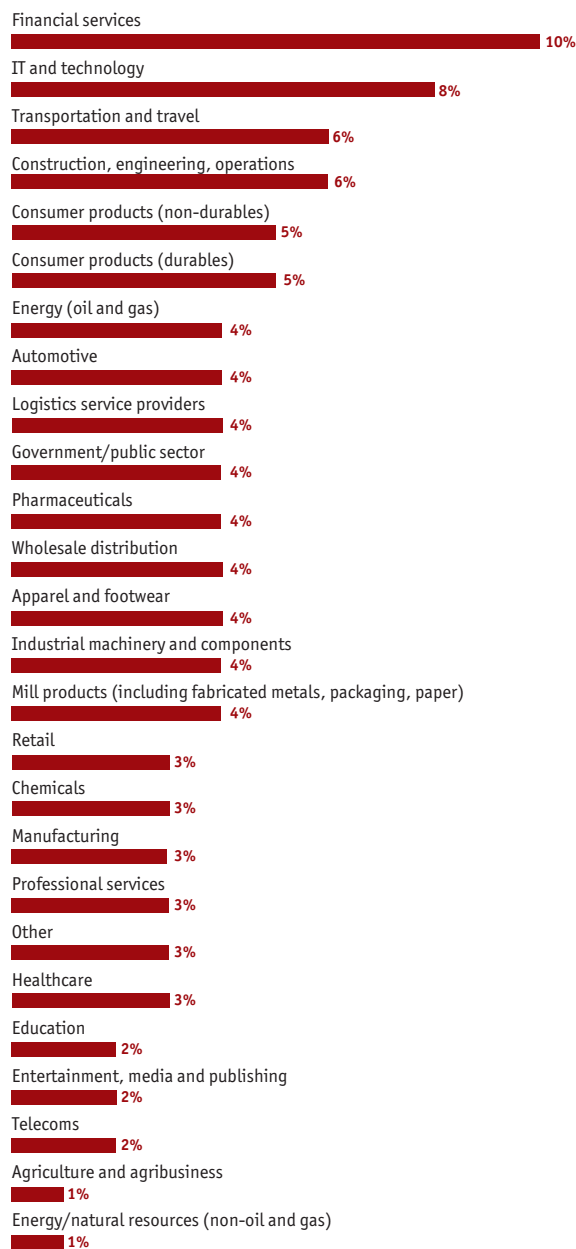
In which region are you personally based?



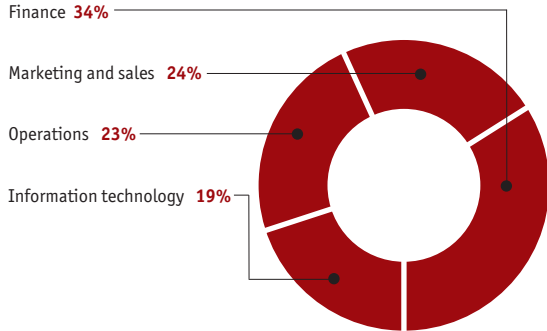
What is your title?



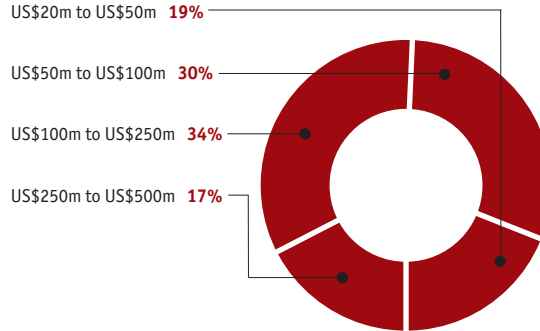
What is your primary industry?



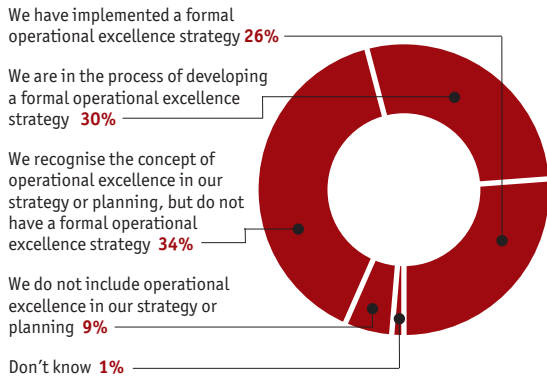
1. What is your principal functional role in your organisation?



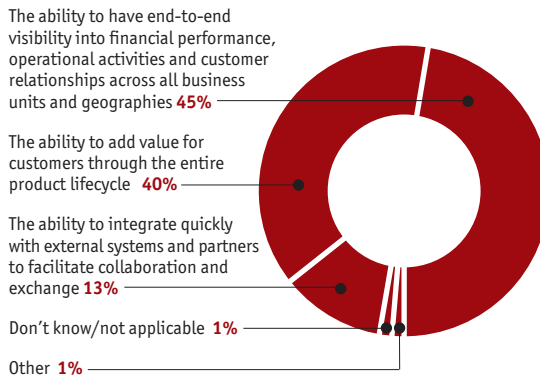
2. What are your company's annual global revenues in US dollars?



3. Which of the following statements best describes your company's approach to operational excellence?



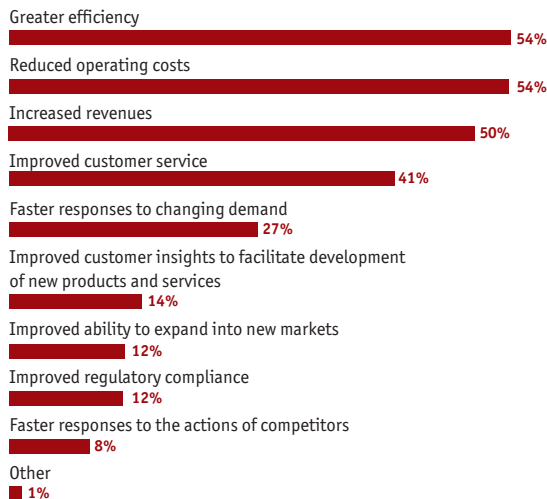
4. Which of the following do you consider the most important component of operational excellence?



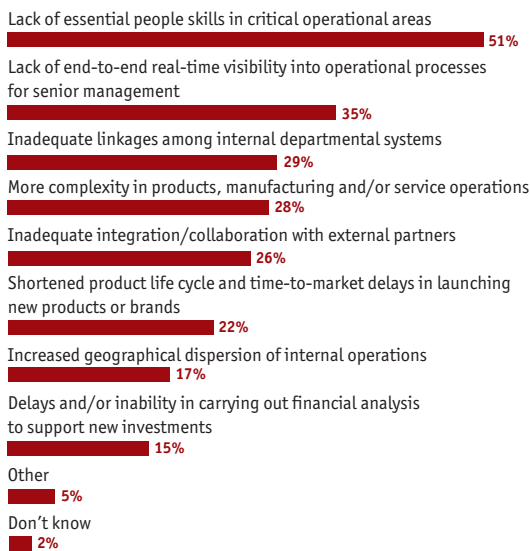
Appendix: survey results

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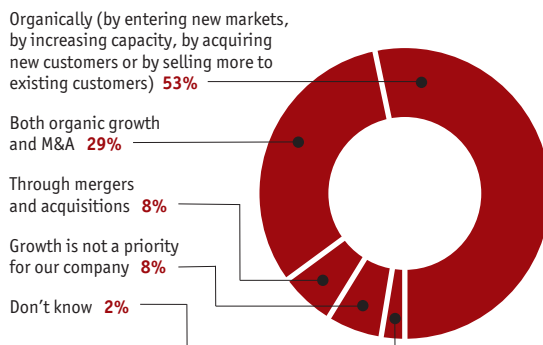
5. Which of the following statements best describes your company's view of the perceived benefits of operational excellence? (Select up to three)



7. What are the biggest obstacles to your company in achieving operational excellence, in your view? (Select up to three)



6. How does your company plan to grow during the next two to three years?



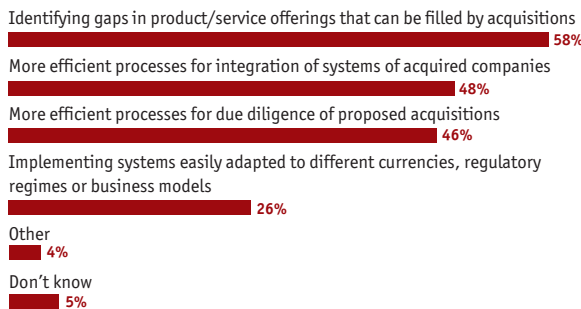
8. What are the biggest obstacles to your company's ability to grow organically, in your view? (Select up to two)



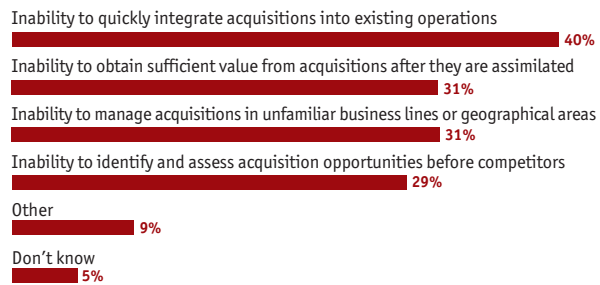
9. How is your company enabling future organic growth? (Select all that apply)



11. How is your company enabling future growth through acquisitions? (Select all that apply)

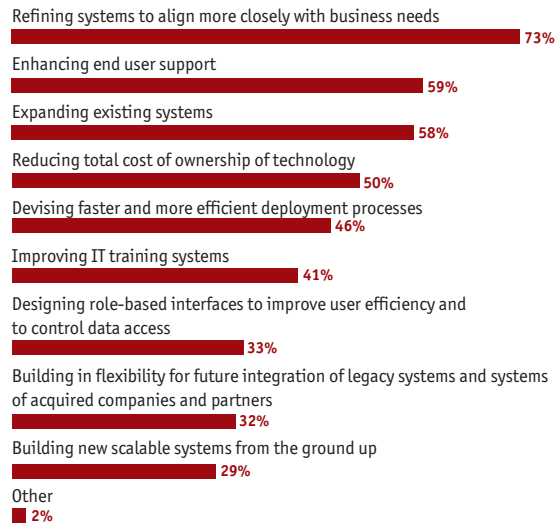


10. What are the biggest obstacles to your company's ability to grow through acquisitions, in your view? (Select up to two)



Questions for IT respondents only

What is your IT department doing to support your organisation's strategy for growth? (Select all that apply)



Appendix: survey results

Sustained growth through operational excellence

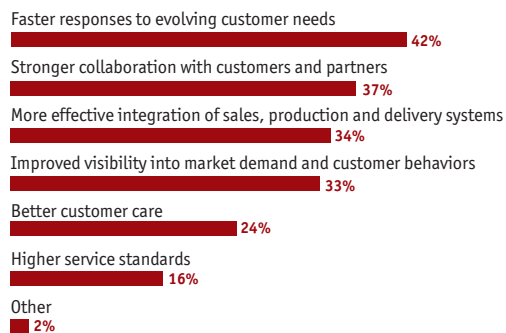
Questions for IT respondents only

In the previous question, you checked the following actions your organisation is taking to ensure that its IT systems can support its growth strategy. Which one of the actions you chose is the most important?



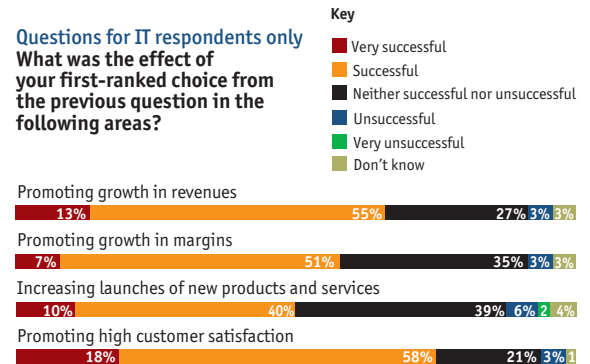
Questions for sales and marketing respondents only

How are your marketing and sales departments aligning to support the organisation's strategy for growth? (Select up to two)



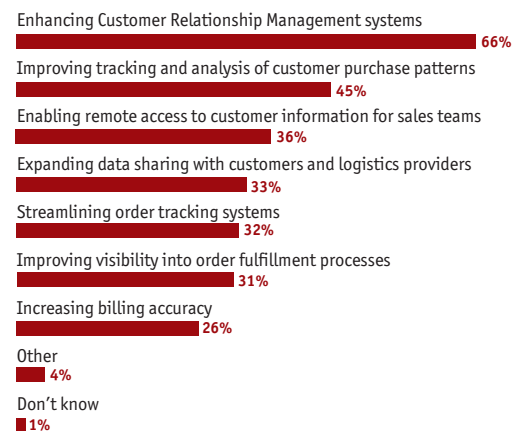
Questions for IT respondents only

What was the effect of your first-ranked choice from the previous question in the following areas?

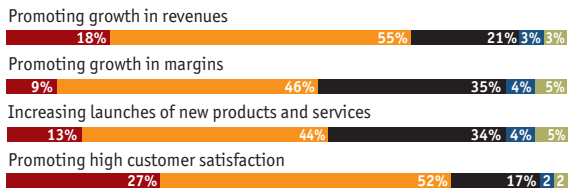
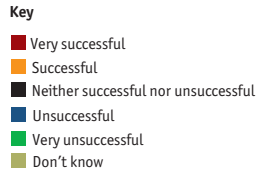


Questions for sales and marketing respondents only

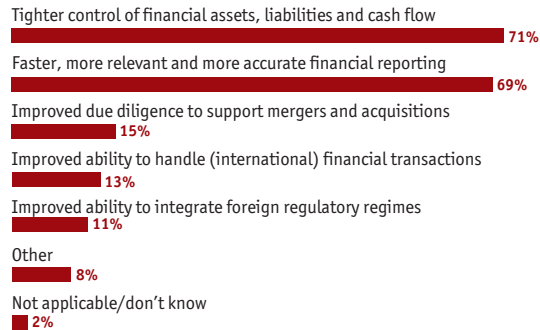
What is your company doing to ensure that your marketing and sales systems can support your organisation's growth strategy? (Select all that apply)



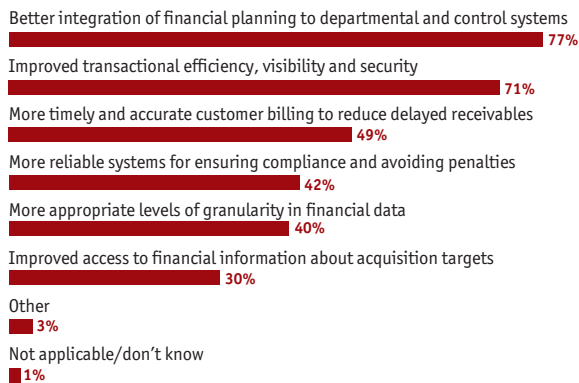
Questions for sales and marketing respondents only
What was the effect of your first-ranked choice from the previous question in the following areas?



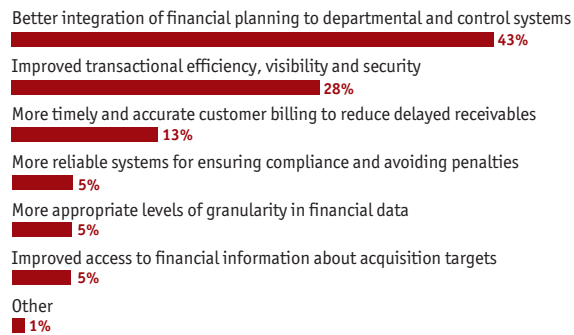
Questions for finance respondents only
How is your finance department aligning to support the organisation's strategy for growth? (Select all that apply)



Questions for finance respondents only
What is your company doing to ensure that your financial systems can support your organisation's growth strategy? (Select all that apply)



Questions for finance respondents only
In the previous question, you checked the following actions your organisation is taking to ensure that its financial systems can support its growth strategy. Which one of the actions you chose is the most important?

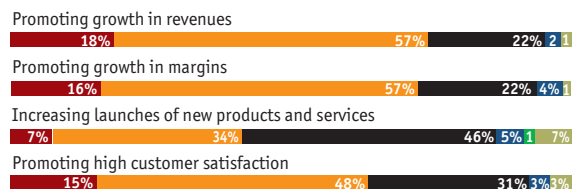
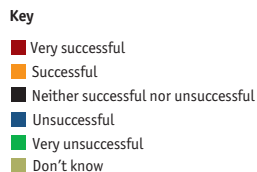


Appendix: survey results

Sustained growth through operational excellence

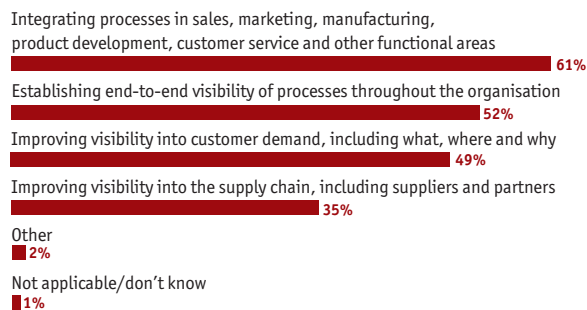
Questions for finance respondents only

What was the effect of your first-ranked choice from the previous question in the following areas?



Questions for operations respondents only

What is your company doing to ensure that your operational systems can support your organisation's growth strategy? (Select all that apply)



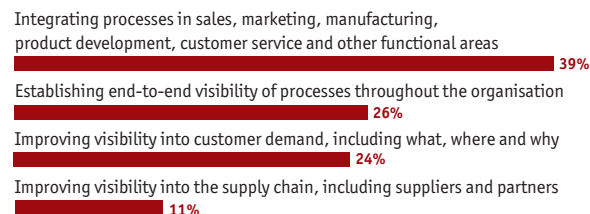
Questions for operations respondents only

How is your operational function aligning to support the organisation's strategy for growth? (Select up to two)



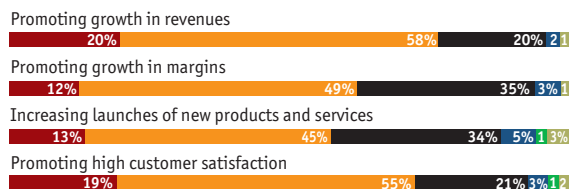
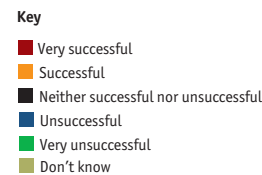
Questions for operations respondents only

In the previous question, you checked the following actions your organisation is taking to ensure that its operational systems can support its growth strategy. Which one of the actions you chose is the most important?

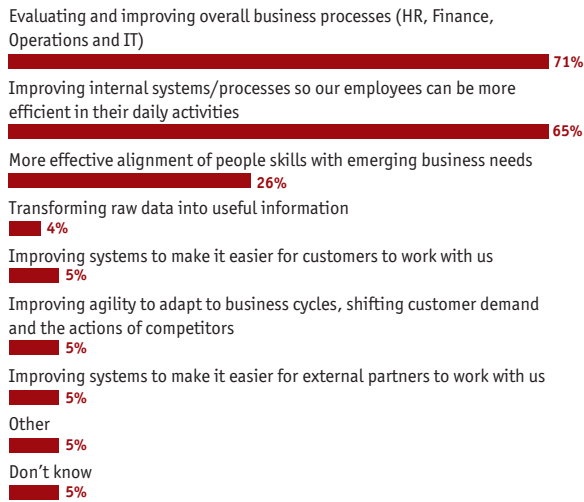


Questions for operations respondents only

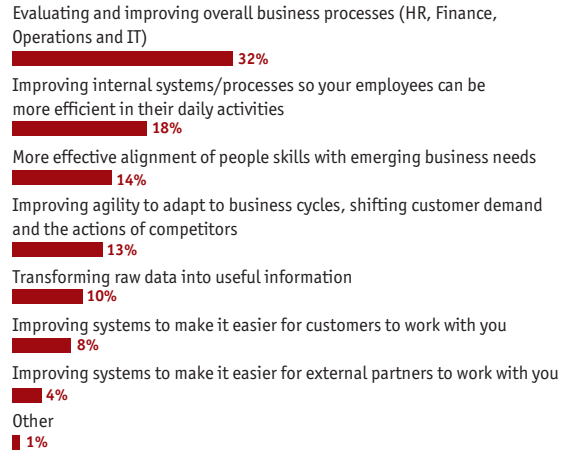
What was the effect of your first-ranked choice from the previous question in the following areas?



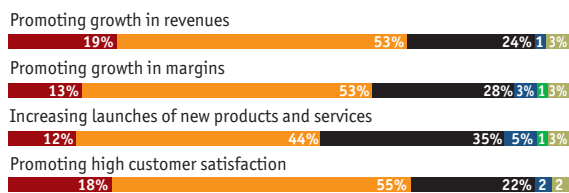
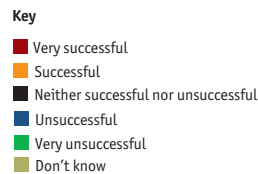
15. What is your company doing to improve efficiency?
(Select all that apply)



15a. In the previous question, you checked the following actions your organisation is taking to improve its efficiency. Which one of the actions you chose is the most important?



16. What was the effect of your first-ranked choice from the previous question in the following areas?



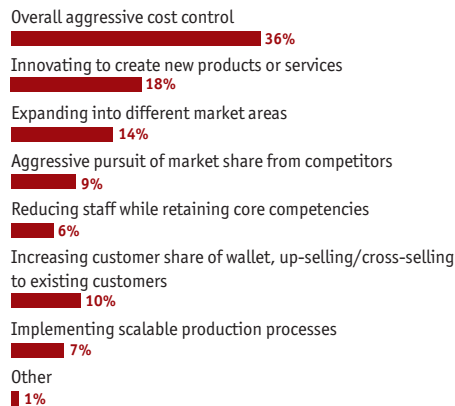
Appendix: survey results

Sustained growth through operational excellence

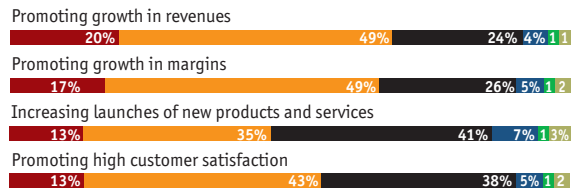
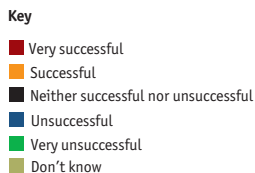
17. What strategies has your company established to maintain profitability during periods of slow economic growth? (Select all that apply)



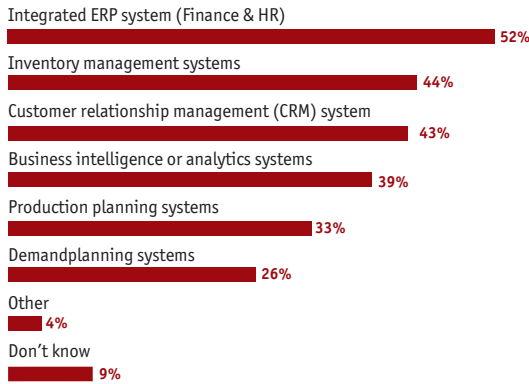
17a. In the previous question, you checked the following strategies your company established to maintain profitability during periods of slow economic growth. Which one of the strategies you chose is the most important?



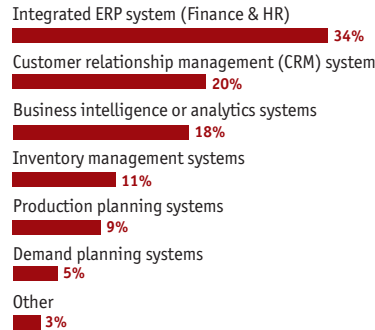
18. What was the effect of your first-ranked choice from the previous question in the following areas?



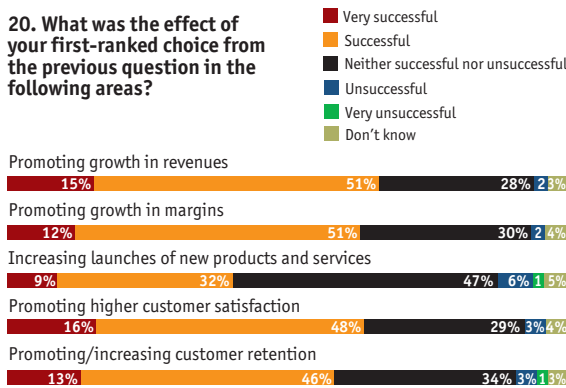
19. Has your company invested in the following technologies to achieve its operational excellence goals? (Select all that apply)



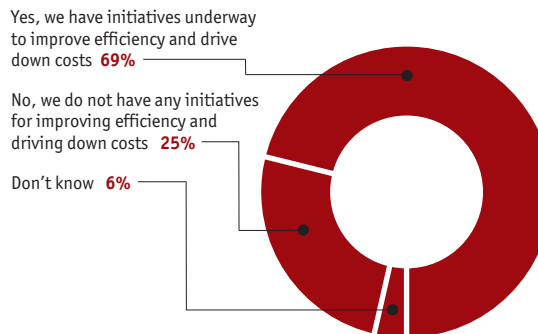
19a. In the previous question, you checked the following technologies in which your company has invested to achieve its operational excellence goals. Which one of the technologies you chose is the most important?



20. What was the effect of your first-ranked choice from the previous question in the following areas?



21. Does your company have initiatives underway to improve efficiency and drive down costs in your functional area?



While every effort has been taken to verify the accuracy of this information, neither The Economist Intelligence Unit Ltd. nor the sponsor of this report can accept any responsibility or liability for reliance by any person on this report or any of the information, opinions or conclusions set out in the report.

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