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SAGEM : THE MYSTERIES OF ITS SHAREHOLDING WORKFORCE

by

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Overview

Sagem is a company unlike any other. Numerous traditional tenets of Anglo-Saxon management methods go unheeded, a fact which surprises financial analysts. Despite the current economic depression, Sagem manages to make the best of it. The company is keen on diversification and demonstrates its mastery of high-tech electronics with its innovations and unusual approaches. These include successfully continuing the production of fax machines at a time when the Internet is booming, while at the same time specialising in missile guidance and becoming the leader in inertial centres for nuclear submarines. Sagem is a moderate-sized company compared to its competitors which are huge. It stands out as a result of the energy generated by its employees who defend it come hell or high water. Their trump card is that they have been the majority shareholder for nearly twenty-five years.

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TALK : Grégoire OLIVIER

In 2002, Sagem employed twelve thousand people, and with a turnover of 2,7 billion Euros, it had a 4 % growth rate. Its operating profit was also on the increase. This electronic group is continuing profitable growth despite the current economic depression.

Such a success might seem paradoxical in an economic world which is dominated by tenets of Anglo-Saxon management. In many cases, Sagem goes against the norm in various ways :

- It is present in varied markets, whereas companies in general are encouraged to concentrate on just one activity ;
- It has large funds, in a world which is dominated by debt and leverage ;
- Its activity covers all the processes of R&D and manufacture, contrary to the current trend of companies which do not have their own factories and consequently subcontract out as much as possible ;
- Finally, its most unusual feature is that its employees control the capital of the company.

I will return to each of these points and discuss others, in order to emphasise our unique features and to show to what extent they contribute to the success of our company.

The employees control the capital

More than 50 % of the capital of the company has been controlled by its employees for the last twenty-five years. Even if this unusual feature does not have, on the face of it, any immediate impact on the daily running of the company, it nevertheless makes for an original situation in a world which is heavily influenced by the values of international capitalism. The twelve thousand employees therefore constitute the majority shareholder. These salaried shareholders who underline the culture or *raison d'être* of the company are the justification for a number of unusual features.

Sagem was created in 1925 by a young engineering graduate from the *Arts et Métiers* engineering school, who was president of the company until his death. The husband of his eldest daughter succeeded him for the next twenty years, following which Pierre Faure took over. He, in turn, was president of Sagem for nearly fifteen years until his sudden death in February 2001. It was then that the current structure of the company was put in place, with a supervisory board presided by Mario Colaiacovo who had been managing director until that time, and I was appointed president of the board of directors.

The take-over

In 1978, three companies, Sagem, the *SAT (Société Anonyme de Télécommunications)* and the *Compagnie des signaux* each controlled the capital of one of the other two, according to a ternary system. The *Compagnie des signaux* had some of the capital of Sagem, which in turn controlled the *SAT*, which also had some of the capital of the *Compagnie des signaux*. An important client of one of the three companies suggested that it should take control, and in order to do so made the proposal that there should be a bill forbidding ternary control. To avoid becoming prey to a predator, each of the three hundred executives at Sagem invested one to two years' salary in order to buy shares in the company from the *Compagnie des signaux*. Seven years later, the *RES* law in 1985 concerning the leveraged management buyout enabled all the staff at Sagem to increase their capital holding in the company.

Today, the capital of Sagem has increased from hundreds of millions of Francs to more than two billion Euros. The employees have been able to contribute towards this growth by regularly reinvesting in the company. Additionally, as time has passed, some important shareholder partners such as the *BNP*, the *CIC* and the *COGEMA* have entered into the Sagem holding company, *Coficem*, which today is still two-thirds controlled by its employees.

There is relative equality in the way in which the capital is held by the employees. Of course, the most senior executives have more capital than the machine operators who have just been taken on in the factories, but each employee has a significant share at his particular level. Since the employees' concerns align with those of the shareholders, resulting from the fact that they are, to a large extent, one and the same, Sagem allots, on average, half the number of stock options compared to other *CAC 40* (Paris Stock Exchange) companies.

A company project

By taking control of the capital, the employees' aim was not to make an instant profit by buying and selling shares, but to safeguard the strategic independence of the company. Therefore, the concept of salaried shareholders appeared to create initially a defensive act, which enabled us to continue our activities in a world full of competitors who could have become dangerous predators. The employees' shareholding stake therefore corresponds to a company project rather than a means of payment linked to profit gains.

The company project which aims to increase capital is still a dominant factor, accompanied by the conviction that it is the price which has to be paid to be independent. As a result, it is rare for an employee to sell his *Coficem* shares before retirement. There are even many retired people who never sell them, preferring to pass their shares on to their children and even sometimes recommending their children not to sell them.

Identification with the company

Naturally, this does not prevent variations in share price on the Stock Exchange : the Sagem share price at its peak during the Internet boom rose to 400 Euros, before dropping to 60 Euros. Nevertheless, in the long term, according to today's stock prices, the performance of *Coficem* shares is more than twice that of equivalent Stock Exchange indices.

Today, all the employees, as well as the trade unions, are concerned with keeping control of the company. This shared aim mobilises everyone and induces energy and exceptional enthusiasm, since it is based on an extremely strong identification with the company.

Is this because the employees are shareholders ? Whatever the reason, at Sagem they work hard as the following story shows : shortly after my appointment, as I was leaving the office one Saturday around noon in order to go home, I met a financial director in the lift who was also leaving. Jokingly, I said to him, “ *So, you're taking your Saturday afternoon off ?* “ “ *I'm sorry, I really have no alternative today !* “, he replied, very embarrassed.

Strong identification with the company has its consequences. After twenty-five years of group capitalism, the personnel is aware of the constraints of management, and the important decisions taken by the company, such as acquisitions and investments. These constraints and decisions seem to be better understood at Sagem than elsewhere. In the same way, management has a different attitude to its employees, since they are also shareholders and should be treated as such. For example, eighteen months ago, in order to survive the crisis in the telecommunications industry, we decided to sell a vehicle electronics activity. We chose a buyer who agreed in writing to keep the jobs and the factories and to make our site its European base. Why ? Because the personnel of these factories are still *Coficem* shareholders, and it seemed essential to make sure that their future was taken into account with regard to the way in which the decision to sell was implemented.

The culture of the company is therefore an unusual mixture of energy, capitalist reactions (summed up by the idea that if one puts one's money into it, it has to work) and egalitarianism. A few months ago, we were able to say to a communist minister that we were the only true communists in France, because we are the owners of our own production tools. We are also able to say that we are the only true capitalists because it is our money which is being invested.

Several market sectors

For the defence and telecommunications industries, we develop a wide range of electronic-based products such as fax machines, mobile telephones, network equipment, television decoders, and so on. The financial community does not understand this strategy as these products appear to be too varied : “ *Look at Nokia. They used to exploit forests and make cables. They sold everything in order to make mobile telephones. Now they are the market leaders* ”. This was how in 1999 analysts advised Pierre Faure to concentrate on mobile telephones, a sector which was experiencing rapid growth, and to sell the defence and security activities, which they did not consider attractive. The same analysts are now advising us to sell our mobile telephone activity, since everyone is losing money in this sector, and to buy our competitors in defence and security which they see as real professions with real growth. Our strategy, contrary to this changing advice, is to be present in markets where our talent in high technology electronics can be put to use, and by observing that the more varied the market, the greater stability it brings to growth.

The risk associated with diversifying

Once the largest part of our employees' capital is placed in the company, we cannot allow ourselves to stake everything on just one sector in an uncertain environment. Anglo-Saxon investment funds are present in many sectors simultaneously. Some may make losses, but others make profits, and generally speaking the risk is small. Capital structure suggests that we should do as they do, in other words, be present in several markets in order to reduce our risks by keeping to the sector of high-technology electronics where the company's expertise is concentrated. Indeed, the main part of the valuation of the company three years ago depended on mobile telephones. Today, defence and security have replaced them.

Success in an uncertain environment

In high technology, it is difficult to predict whether a product will be successful before its launch. This is well known in the world of cinema : a big Hollywood film company brings out about twenty films each year. One of them makes all the profits, three break even and all the others lose money. That is why it is difficult to be a small company in the cinema world : if one only brings out one film which does not make any profit, then the company crashes.

In our business which consists of developing and selling high technology, we are confronted with the same uncertainty. This can be illustrated by a well-known example : two or three years ago, the mobile telephone operators brought out the WAP, a means of Internet access using a mobile telephone. At the same time, the SMS, which enables the direct transmission of short text messages from one mobile to another, was launched. Everyone thought that one would be able to access the Internet everywhere with the WAP, and very few people believed in the SMS. When an expert said that the SMS already represented, at that time, 10 % of the Japanese mobile telephone market, people replied : “ *Hang on a minute ! The SMS is just a case of the Japanese teenager sending messages every night to twenty friends to say good night ! It will never work over here, there's no point in it !* ”. Ten years later, the results speak for themselves : the WAP never got off the ground and the SMS accounts for between 15 % and 20 % of profits of telecommunications companies, and has essentially saved several operators from going out of business.

This fundamental uncertainty can also be applied to hardware products. Each year Nokia launches dozens of mobile telephone models. One or two succeed spectacularly and acquire a significant world-wide market share. Some break even, and many are discretely withdrawn from the market without having made any visible success. Clearly we are also subject to this uncertainty : we regularly have to conceive and launch new products in the knowledge that only some of them will account for the main part of the company's profit in the end. Being present in the market with a wide range of terminals (fax machines, cordless telephones, mobiles, and so on), allows one to judge the likelihood of success for a greater number of

launches of new products, and therefore strongly increases one's chances of achieving regular growth.

A long-lasting diversification

For the reasons outlined above, we offer numerous products in market segments which are closely linked. This means that in each market segment where we are present, we are up to ten times smaller than our biggest competitors. These include Nokia for mobile telephones, Pirelli for cables, Alcatel for telecommunications and Thales for defence. This situation, which has existed for decades, is long-lasting since we sustain profitable growth even after a downturn in the market as sudden as the downturn at the end of 2000.

Cash in the bank

We have a conservative financial policy. We have nearly five hundred million Euros net in cash, without having an urgent need to spend them. Some analysts say that this is “ *Bad use of funds and you should spend them, buy a competitor, distribute them among your shareholders, pay out super dividends, but certainly not let them earn interest at the Treasury rate !* ” Certain analysts even value the assets of the company without taking into account the cash reserves.

We have a totally different point of view. Industrial activity presents a series of crisis situations and opportunities which are more or less random. Having at one's disposal an available cash reserve is a better way to overcome crises, while at the same time allowing internal and external growth opportunities, which in either case necessitate the mobilisation of capital. Measures to be taken in times of crisis should be rapid and decisive. Looking for the support of a banker during the most difficult period may take a long time. In the case of growth opportunities, the capacity to mobilise large sums of money without the need for any agreement other than that of a board of directors or a supervisory board may also prove to be decisive.

An engineering culture

At Sagem, we like to develop, make, sell, and sustain products. This means we have factories, fourteen in France. This is contrary to the current trend for a company to exist without owning a factory. Of course, we are told to entrust the development, manufacture and obviously the maintenance to specialists, and that we cannot survive if we do it all ourselves. Nevertheless, we do this by ourselves, and successfully too, as well as further developing manufacture outside France, in China, Romania, Hungary or the Czech Republic.

In this engineering culture, development has a dominant place. Thirty-four per cent of the Sagem workforce is taken up by R&D. By way of comparison, this ratio does not exceed 15 % among our main competitors. With four thousand engineers assigned to R&D, Sagem is above all a company which develops new products, a fact which also explains its capacity to take unconventional risks. About ten years ago, Pierre Faure noted that the fax machine sector was exclusively Asian, and decided to launch into this sector at a time when all the European companies were withdrawing from it. The situation supported this decision as today Sagem is the leader in fax machines with 25 % of the European market and excellent results.

Research is also the function of a large number of senior executives of the company. Before becoming president, Pierre Faure went to the United States to study signal treatment, and the all-new Kalman filter. He was appointed general secretary of Sagem on his return, and he was the first to discover that one could improve considerably the performance of inertial positioning systems by using this filter. As a result, aeroplanes taking off from aircraft carriers could be prepared in five minutes on a rough sea, whereas before, the same operation needed more than twenty minutes on the deck. In two to three years, Pierre Faure converted the entire scientific and aeronautical community to the fact that, in order to position an aeroplane, statistical filtering could be more efficient than the determinist methods used up until then.

Finally, the Kalman filter became a standard throughout the industry, and Sagem became the European leader in the field, ten years ahead of its competitors. Following these extraordinary developments, Pierre Faurre became president of the company.

There are no limits to what a person capable of developing a new product or a new technology can do at Sagem. Most of the technical managers have themselves developed a product which has subsequently opened up new markets for the company.

Apart from R&D, why do we also cover the sectors of manufacture and sales ? It is clear that as well as having talented engineers capable of overseeing manufacture and maintenance, the capital structure plays a role in our desire to maintain our position as manufacturer while remaining as competitive as other companies established elsewhere. On the one hand, individual motivation of the employee-shareholder is strong and delivers manufacturing performances worthy of the best. On the other hand, we have an engineering culture which leads us to consider that in order to launch a new product, it is best to make it ourselves rather than entrust the manufacture of the product to a competitor. We are also best placed to repair or maintain these new products.

Avoiding outside dependence

A few years ago, we launched into television. This was an atypical choice which did not go any further since we finally restructured the production in favour of vehicle electronics. All the same, all the conditions were favourable for success, except that one of our suppliers, Thomson, was a competitor. Thomson supplied one of the main components, the cathode-ray tube. They sharply increased its price to force us to back down and abandon the project. This unhappy experience taught us to avoid depending on sub-contractors who are not always friendly.

On the other hand, the desire to master the entire value chain has resulted in great successes. Sagem is the world leader in fingerprint detection with 40 % of the global market. We supply important systems to a number of police forces throughout the World, in particular the FBI, as well as civil bodies for example for electoral or identity cards. In the near future we will be equipping airport with systems to control access.

When the first important civil market developed, we did not want to depend on our competitors. Therefore we bought a small factory of forty people to manufacture the silicon chips, and another to manufacture and print the plastic card. With this operational device at our disposal, we have just reached an agreement with Nigeria worth two hundred million Euros to install a complete identity card fingerprint system including cards, stamps, scanners and so on.

Being able to control the whole process was an essential element in Nigeria's decision to sign an agreement with us. If we had to make agreements with other partners, this would have meant months of negotiations.

DISCUSSION

Question : *You do not have a R&D background and yet you were appointed chairman of the Sagem board of directors. Why this break with tradition ?*

Grégoire Olivier : My appointment came about following a crisis, namely the sudden death of Pierre Faurre. Mario Colaiacovo, whom the board of directors had originally appointed chairman and managing director, thought it essential to entrust the operational management to an engineer who was likely to understand both the products and the technologies. That is why an engineer who had the same training as Pierre Faurre was chosen. This was a strong sign of continuity, even if the circumstances did not allow me to be put to the test before.

A success impossible to transpose

Q. : *Sagem is a sort of icon for graduates of the École Polytechnique (Grande École of Engineering) : not only is it managed permanently by the best students graduating in any one year from the École Polytechnique, of which you are one, but also it serves as a dream for graduates of the École Polytechnique, in other words, it offers very sophisticated mathematics. It is nevertheless a very unlikely success story. The principles which you have shown us today are non-interchangeable because they are underwritten by faith, something which I have never seen described anywhere in management classes. There is an entity here which emanates more from ethnology than from logic, which seems very interesting and unusual to me.*

Even though the École polytechnique is not well known in the United States, nevertheless I saw a letter from Professor Kalman to the Director of the École des mines (another Grande École of Engineering), which read : “ Even if I only ever had one pupil like Pierre Faurre, my professional career would be justified. ”

The honour of being a shareholder

Q. : *How does one enter or leave the system ?*

G. O. : To be part of *Coficem* is an honour. To obtain shares after my appointment, I had to ask in writing, and then wait until someone agreed to sell. Even though I was put at the top of the waiting list, I still had to wait nearly three months for my turn.

There are two ways to enter into the capital of *Coficem*. Every year, contributions and the profit sharing scheme (and on a voluntary basis) are reinvested. Each year this may account for dozens of millions of Euros, and every three or four years about one hundred managers are invited to invest in *Coficem*, which they see as an honour and an opportunity. The chosen happy few invest, the others ask when it will be their turn. Since being part of *Coficem* is an honour, one does not sell one's shares unless one has a good reason to do so. In practice, very few people sell before their retirement.

A system under threat ?

Q. : *It is likely that the average age of shareholders is increasing considerably, and without any measures for reform, your system runs the risk of collapsing.*

G. O. : We are in a similar situation to that of a family-run business faced with the problem of change in successive generations. In 1978, Sagem had more than twenty thousand employees, and the market capitalisation was less than three hundred million Francs. By using one or two years' salary, the executives were able to buy their company. Today, there are twelve thousand employees and the company is worth two billion Euros. In these conditions, it would be clearly more difficult for the two hundred senior executives to do what their elders did ! Of course, we should always be evolving and it is not necessary to hold more than 50 % of the capital of the company in order to control it. Considering the fact that we are above all a company of engineers who sell their expertise, Sagem could undoubtedly be controlled with less than 50 %. Of course, there is the question of successive generations. Today this problem has been resolved by allowing in important shareholding partners.

Q. : *One should not lose sight of the fact that the friendship of a banker may prove to be fragile. Yet you have allowed the capital of Coficem to be placed in BNP, CIC and COGEMA. Isn't this a case of letting the fox mind the geese ? What percentage of the capital do they hold ?*

G. O. : *BNP and CIC have been our privileged partners for a long time. Currently, CIC holds about 40 %, COGEMA a little less than 20 %, and BNP 9 %.*

Convincing the analysts

Q. : *Why do you attach so much importance to what analysts tell you especially with regards to diversification ? Jack Welch who made this his speciality was nevertheless famous in the United States for being the best manager of the century !*

G. O. : It is true that a company which does not need money does not need to take any notice of analysts' advice. Our model, however, does not exempt us from listening to the financial community. Independently of this, we should make sure that the analysts are convinced that we are a solid company which continues to progress. Why ? In the defence industry, when one signs a contract, one undertakes to keep the product which one has sold in operational condition for twenty years. Therefore the person who buys a product from us has to consider whether we will still be there in twenty years' time. In the telecommunications industry, the stability of a supplier is also a dominant criterion in one's decision. It is therefore in our interest to convince the analysts that we are a long-lasting company. If they spend their time saying the opposite to whoever wants to listen to them, our life would be more difficult.

The sale of a sector

Q. : *Since you use your knowledge of top of the range electronics in several sectors, why did you sell your vehicle activity ?*

G. O. : When an important manufacturer asks us to develop products for his company in close collaboration with his own engineers, we have the best possible conditions to make an efficient innovation. This is what happened when Peugeot asked for our help about ten years ago. Why did we sell this service ? The future prospects of the telecommunications' crisis were certainly one of the reasons, but we had also reached a limit. Seventy per cent of our electronic sales were to Peugeot and Renault, and the buyers of these companies thought it was a shame that we did not have contacts with other car firms which, according to them, deprived us of good ideas and therefore risked causing a problem for us in the long term. To establish contacts with other constructors, we would have had to invest a great deal, whereas the circumstances did not allow us to do so. We preferred to sell the service to a buyer who was approved by our major clients .

Factory closures

Q. : *If your factories had to close, what would be the consequences ?*

G. O. : Whatever the reason, the closure of a factory is a tragedy. For example, we have sites in Brittany at Dinan, Lannion, and Fougères. The local economic fabric of each of these towns would be incapable of absorbing the loss of several hundred jobs at once. In the past we have had to close factories but by taking the time, we renew production while gradually reducing the numbers of employees. This is how we have reduced the number of employees in France from twenty-four thousand to twelve thousand in twenty-five years.

R&D and cash cows

Q. : *In every company, there are three pillars : the manufacturers, the sales team and the bankers. Traditionally, one of these pillars dominates the other two. In your case, it is R&D. This does not seem to upset the accounts, in view of the amount of cash in the bank. This leaves the sales side. Do you feel there are difficulties in trying to make brilliant inventors cohabit with those who sell cash cows, in other words the products which are derived from obsolete technology but which enable the company to survive ?*

G. O. : When a company is driven by its R&D, it runs the risk of launching products which specialists find extraordinary but which nobody buys in the end. Sagem is not immune to this risk. As you say, we do have some cash cows, the oldest being the telex machine and numerous other products which no longer call for large sums of R&D expenditure. The teams

which work to maintain this commercial entity are very proud to be able to contribute to the longevity of the company in this way.

Limitations of the model

Q. : *How do you treat foreigners ?*

G. O. : It is difficult to integrate foreigners into the *Coficem* shareholding system. Acquiring shares and not selling them before one's retirement is not so straightforward. This difficulty limits our recruitment of foreign executives. Having said that, things can change : for example, we recently bought a company including a sales network of eighty people in Europe (excluding France). In order to overcome this type of problem, we gave them a large number of stock options.

Q. : *In view of both the amount of cash you have and the state of the Stock market, could you not envisage buying Alcatel for example ?*

G. O. : Since our ability to restructure is well known, we are often called upon to buy competitors which are not doing well. We do so on the sole condition that their size allows us to manage them. This safe-guard has perhaps enabled us to avoid making decisions which are too adventurous or too wide-ranging.

Q. : *Is your model really that attractive in a world where we have progressed from being faithful to one's company to considerable flexibility ?*

G. O. : It is simultaneously both true and false that our model is attractive to new entrants. Today when we recruit a young engineer, he discusses the thirty-five hour week as much as he talks about entering into the capital of *Coficem*. The world changes, and patriotism for one's company is perhaps a value which is in decline. This may be a good argument for recruiting good engineers, but not everyone appreciates this.

Total dependence

Q. : *It is out of concern for strategic independence for the company that the activities became diversified and the employees were strongly encouraged to place their savings in the company. From that moment on, they were totally dependent on the company, both as employees and as shareholders. How do you see these two positions ?*

G. O. : Investing in the company in which one works presents a certain risk. If things go wrong, one's patrimony and revenues suffer. It is with a certain sort of political activism that we take on this risk. We are convinced that investing in *Coficem* is the price to pay in order to continue to exist. In fact, investing in *Coficem* has always proven to be very profitable.

A philosophical anomaly

Q. : *When you say to a government minister that you are a communist company, I agree with you if you also mention that you are rich communists. On the other hand, when you say that you are a capitalist company, I do not agree at all. The fundamental axiom of liberalism is that man is his own master, even if he alienates himself in a mercantile relationship.*

You spoke about psychiatric phenomena which I think are a bit curious and which I think show that the employees in the company are no longer their own masters. One can ask oneself if the employee does not become schizophrenic : as the defender of his salary, he is an employee and as defender of his patrimony he becomes a shareholder. In reality, he has a split personality.

So he puts himself in a sort of mental trap and undoubtedly experiences conflicts of interests which he cannot resolve. As a result, this sect-like effect is intensified. Finally you play off the identity of the company against the identity of the people who have split personalities.

You also do not know what to do with outsiders. Foreigners, in other words people whom you buy or who are sub-contractors, are obviously not part of the “common humanity”. There are knights of the Temple and ‘the rest’, and this is why you have particularly solid barriers, probably the result of your decision not to be liberal. You are an island of resistance in a world bathed in liberalism.

It seems to me that the salaried shareholding structure is only legitimate if it shows signs of belonging to a sect, or a scientist religion, or a cult of mathematics pushed to the edge, or even a brotherhood which brings to mind medieval corporations. You are not only an anomaly in terms of economic strategy, but also in philosophical terms. In the end, it may be difficult to survive which may be a threat in the long term or, on the contrary, a strength : I am not sure which.

G. O. : The schizophrenia which you describe is inherent in the capitalist model. In most companies, you have people who represent the shareholders, and others who represent the employees. The interests of each differ and are arbitrated differently, including by conflict. At Sagem, since everyone internalises this conflict, arbitration is easier.

It is true that our barriers let less through than other companies’ barriers. But the fact of having a well defined barrier and being able to mobilise all the personnel against the outside world proves very useful in the strongly competitive context in which we evolve.

Sagem and Europe

Q. : *Will Sagem survive the European concept of defence ?*

G. O. : Not only are we going to survive, but we are also going to increase and become more attractive. Take the following example : when *Aérospatiale* decided to merge with *Matra*, there was only one French missile-maker – let alone one European missile-maker – left. At the same time, the *DGA* (*Délégation générale pour l’armement* : the French arms delegation) invited tenders for the manufacture of the future missile equipped with metric precision. To everyone’s surprise, we suggested our own missile. We were capable of mastering the self-guidance, the avionics, the propulsion and so on. Furthermore, our price was very competitive. In the end, the *DGA* chose us, so that they did not depend on just one supplier of missiles which would create a monopoly. In the future, European buyers will need more and more competitors. The more our competitors merge together, the more we can offer an alternative solution.

Proud to be different

Q. : *Sagem is an unusual company for more than one reason, but that should not prevent it from promoting its originality. For example, there is nothing amazing about the fact that in the role of shareholders, you have chosen to diversify your products : in the United States, it is indeed the shareholders who diversify the risk, and nobody finds that shocking. When all’s said and done, you have good reason to be proud of your uniqueness : your long-lasting success is the proof of it.*

Presentation of the speaker :

Grégoire Olivier : graduate of *École polytechnique* and *École des mines de Paris*. Chairman of the Sagem board of directors following an industrial career with Pechiney and American National Can, and then Alcatel.

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