



THE MARKET

Quanjudé is the name most Chinese associate with one of the great national dishes, Peking Duck. The Quanjudé Restaurant was established in 1864, in the third year of the reign of Emperor Tongzhi of the Qing Dynasty.

China Beijing Quanjudé Group was formed in May 1993 at the start of the boom decade of China's economic reforms. From 1997 it began following the modern system of enterprise – capitalising on its brand name and developing the strategy of scaling, modernisation and franchises. Through its unique gastronomic culture, Quanjudé has built its brand image both at home and abroad.

In the past 10 years Quanjudé group has ranked among the largest food service enterprises in China with 600 million yuan of total assets and 700 million yuan of intangible assets. Currently, the group boasts more than 50 company-owned and franchised restaurants in China. Annual sales volume has reached 700 million yuan, driven by the sale each year of more than three million roast ducks to more than five million people.

ACHIEVEMENTS

Since its founding, Quanjudé group has inculcated the enterprise spirit promoted by the late Premier Zhou Enlai: *quan* means without flaw; *ju* means gathering without deviation; and *de* means supreme virtue. The company's corporate aim is: "Continuing and developing the excellence of national culinary culture; taking responsibility for promoting Chinese gastronomy." The group has set a further goal to "be rooted in Beijing, facing the country and the world, and building Quanjudé into a modern food service group".

Quanjudé has many achievements to its credit, including more than 200 honourable mentions by leading government departments and the nation's trade associations.

Awards have come from the Central Civilization Bureau, the State General Administration of Quality Supervision, Inspection and Quarantine, the China Restaurant Association and the China Commercial Association, among others. Titles conferred on the group include National Civilization Example Unit, Advanced Enterprise of Quality Management, Famous International Restaurant, Gold Prize of International Foods, Third Prize, Top 100 Chinese Restaurants, Top Chinese Restaurant Among the



World's Top 500 Restaurants, and Most Competitive Conglomerate in China.

The Quanjudé brand has been hailed as a Famous Brand of Beijing for three consecutive years. In January 1999, it was given the title of Famous Chinese Brand by the State Administration of Industry and Commerce.

HISTORY

The Quanjudé Roast Duck Restaurant opened for business on July 9, 1864 (6 June by the Chinese calendar, which was an auspicious date). More than a century later – a tumultuous century in the nation's history – the company seized the

opportunity for business and brand development presented by the economic reforms. The China Beijing Quanjudé Group was formed on May 20, 1993, and the next month saw the formation of Beijing Quanjudé Roast Duck Co Ltd as a share offering company.

But the new entrepreneurial climate also encouraged staff to persist in the traditional spirit of hard work and innovation. By maintaining the advantages of its brand and quality of management, the company has enhanced its core competence, and now ranks as an outstanding food service company in China.

THE PRODUCT

The Quanjudé style of roast duck has evolved over time as its leading dish – among 400 other dishes – and has also become the favourite of foreign leaders, government officials and other dignitaries. In a sense, it has come to represent Chinese culinary culture.

In the case of Quanjudé Roast Duck, the careful selection of materials, the processing, roasting, slicing etc, have been improved both through traditional cultural practices as well as modern technical methods. As a result of careful evolution and combination of the old and the new, the company has developed standards for the

staple Quanjude Roast Duck and registered them with Beijing Technology Supervision Administration. The range of roast duck dishes has been enriched by the innovation of "eating in three ways" – which refers to garlic, white sugar and duck meat.

While the duck that is hung in the oven to roast is the core dish, other duck-derived dishes have been added to enrich the Quanjude menu. Today, an entire duck-dish banquet is possible.

Quanjude has also been introducing special dishes from other provinces such as Sichuan, Shandong, Jiangsu, Zhejiang, Anhui, Hunan, Fujian and Guangdong. In its own way, Quanjude has telescoped the entire national gastronomic culture.



RECENT DEVELOPMENTS

In the past 11 years Quanjude has broken away from the plan-oriented economy and endeavoured to set up its system to swim in the market economy. The staff has changed with the times and transformed its ways of work. The enterprise system has been instituted and reforms have been made in the employment of managers and workers. Moreover, management has been improved with modern information technology. The franchising business has also been explored. Further, innovations have been made in food preservation technology; computer-controlled technology and web information technology have been put to use in management. Taking into account the different learning backgrounds, age and abilities of staff members, team learning has been boosted. The enterprise culture is aimed at "profit, reform, development, stability, union and image", so that everyone strives to achieve this goal.

As a consequence, business by volume has doubled and income, profit and total assets are five times those at the time of the establishment of the company. Quanjude Group has become the biggest Chinese restaurant chain in China.

PROMOTION

The history of Quanjude spans nearly a century and a half, and in recent years the company has set out to publicise its legacy via a series of books. Published titles so far include *Quanjude Today*, *The Story of Quanjude*, *Tasting Quanjude* and *Quanjude in the Media*.

The story of Quanjude has also been made into a dialogue drama titled *The First Mansion in the World* and into a film called *Old Restaurant*. Both of these productions have won prizes. The group has also invested in a TV series of *The First Mansion in the World*.

The Central Nationality Music Team was invited to compose the song for the Quanjude

Group – *An Oven that has Burned for a Hundred Years* – which won the Gold Prize at the National Enterprise Song Competition in 1999.

These marketing initiatives have played an important role in building enterprise spirit.

BRAND VALUES

Quanjude is a restaurant with a long history and its brand is an icon of pluralistic and intricate culinary culture. As a legacy of this history, Quanjude seeks to identify and embrace diverse cultures, and absorb that which is refined and exquisite.

The brand value of Quanjude has been increased through scientific development. In January 1994 the intangible assets of Quanjude totaled 270 million yuan – five years later the figure was 709 million yuan. On June 28 2004, the Global Brand Laboratory along with the Global Economic Forum held a global brand conference at which Quanjude was named the most valuable brand in China, and ranked 56th among global brands with appraised assets of 8.46 billion yuan, 31 times greater than in 1994.



THINGS YOU DIDN'T KNOW ABOUT QUANJUDE

- The first Quanjude Restaurant opened in 1864, in the third year of the reign of the Qing Dynasty's Emperor Tongzhi
- More than five million people visit Quanjude restaurants each year, and they consume more than three million roast ducks
- The Gold Prize at China's National Enterprise Song Competition in 1999 was won by a song about the Quanjude Group called *An Oven that has Burned for a Hundred Years*