

Sodexo: A Miscellaneous Account

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Once Upon a Time in France...

It was in 1966 when Pierre Bellon founded Sodexo. The major service offered by Sodexo was catering services to luxury liners and cruise ships.¹ In 1968 Sodexo became an active company in France.² Between the years of 1971 and 1978 Sodexo grew and ended up expanding internationally into Belgium, Africa, and the Middle East.³ Many viewed this as an act of colonialism. In 1963 Sodexo went public by allowing the purchase of public shares.⁴ It was between the years of 1985 to 1993 that Sodexo started to initiate “activities in the Americas, Japan, South Africa, and Russia, and reinforced its presence in the rest of Central Europe.”⁵ In 1995 “Sodexo became the world market leader in food service thanks to alliances with Gardner Merchant in the UK and Partena in Sweden.”⁶ It was then in 1997 that “the groups holding company changed its name to Sodexo Alliance.”⁷ This group paired up with Universal Ogden Services, which provides services in the United States.⁸ Then, in 1998; Sodexo was accepted into the Paris stock exchange called the Paris Bourse.⁹ At this same time the food management service in North America came to be known at Sodexo Marriott Services.¹⁰ Then, in 2000, Sodexo Alliance merged with Universal Services to become what is

cleverly titled Universal Sodexo.¹¹ 2001 marked the year when “Sodexo acquired 53 percent of the share capitol of Sodexo Marriott Services, which changed its name to Sodexo Inc.”¹² Finally, it was in 2002 that Sodexo was accepted into the New York Stock exchange.¹³

Political Contributions

Between the years 2003 to 2006 Sodexo was a campaign contributor to several U.S. politicians with approximately \$60,150.00 in contributions.¹⁴ It is noteworthy that Sodexo’s political contributions from 1990-2002, prior to the current war in Iraq, were \$25,632.00.¹⁵

It Pays to Be Politically Connected!

Reginald E. Gilliam Jr., otherwise known as Sodexo’s senior vice president of government affairs, was formerly the “senior managing director and senior vice president of Washington based Hill & Knowlton Public Affairs Worldwide Company.”¹⁶ In the years 1980 to 1983 “he was commissioner of the U.S. Interstate Commerce Commission.”¹⁷ Another major player is J.W. Marriott Jr. who is the CEO of Marriott International. He is also a member of President Bush’s Export Council,¹⁸ “a group that, through the Commerce Secretary, advises Bush on matters relating to export trade.”¹⁹ In addition to this he is also a board member for the Naval Academy Endowment Trust.²⁰

1-13. Sodexo (No Date) Sodexo's History <http://www.sodexopass.co.uk/uk/en/about-us/history/sodexo-history.asp> (Retrieved 11-24-06)

14. The Nation (2006) The Nation -- FEC Contributions

<http://capwiz.com/thenation/bio/fec/?commid=C00361014&page=campaigns&order=TOTAL&cycle=2005-2006> & <http://capwiz.com/thenation/bio/fec/?commid=C00361014&page=campaigns&order=TOTAL&cycle=2003-2004>

(Retrieved 11-24-06) 15. The Center for Public Integrity (2004) Windfalls of War - The Center for Public Integrity

<http://www.publicintegrity.org/wow/resources.aspx?act=contrib#55> (Retrieved 11-24-06) 16-20. The Center for

Public Integrity (2004) Windfalls of War - The Center for Public Integrity

<http://www.publicintegrity.org/wow/bio.aspx?act=pro&ddlC=55> (Retrieved 11-24-06)

Other Political Ties...

The consulting firm, which caters to Sodexo, goes by the name “D&P Creative Strategies.”¹ The talents of this firm are enlisted by several corporations which seek an image of “philanthropy, outreach to communities of color, etc.”² Their clients include, but are not limited to Wal-Mart, Comcast, and of course Sodexo. Ingrid Duran and Catherine Pino who run D&P Creative Strategies have both held high ranking positions within the Washington D.C. political realm.³ The Wal-Mart website boasts that D&P is dedicated to “empowering the communities it represents – Latino, women, and GLBT.”⁴ However, D&P represents few companies, which offer benefits to same sex partners. Both Duran and Pino have served as board members of the Congressional Hispanic Institute. Duran also served on “Clinton’s advisory Committee on HIV/AIDS.”⁵ Pino worked for various foundations as well as a Democratic senator.⁶



Who is watching?

How is it that Sodexo has become so successful on college campuses around the United States? Generally, Sodexo uses a process called “Segmentation,” the “process of identifying and defining distinct groups or clusters within a

population,” however; they have found this to be not so successful on college campuses.⁸ As a result, Sodexo now uses a process called “LifeSTYLING segmentation.”⁹ This process divides the student body into six segments where food preferences are divided into categories from “traditional foods” to “global foods.”¹⁰

Military Contracts

Sodexo serves more than just college campuses. Sodexo’s website states “The people of Sodexo are very proud of our partnership with the Marine Corps and the fact that our efforts have enabled the Marines to redeploy their troops towards the international fight against terrorism.”¹⁰ Additionally, the website states that they have “been called into action to support U.S. troops since 1993, Sodexo has provided means and logistical support to American soldiers, sailors, airmen and Marines serving their country and abroad.”¹¹ In 2003 Sodexo Management was able to win a \$123,830,000 defense contract along with its subsidiary which won a \$10,000,000 contract.¹² Although this does not put them at the top of the list for war profiteers, it remains questionable at best that they choose to profit off if war.

1-3. Corpwatch (8/24/2006) US: The Top 10 Corporate Democrats-For-Hire <http://www.corpwatch.org/article.php?id=14064> (Retrieved 11/20/06) 4. Wal-Mart (2006) Wal-Mart Stores—D&P Creative Strategies <http://www.walmartstores.com/GlobalWMStoresWeb/navigate.do?catg=635> (Retrieved 12/2/2006). 5-6. Corpwatch (8/24/2006) US: The Top 10 Corporate Democrats-For-Hire 7. Dream of The Scarab: A Beetle Bagatelle (No Date) http://www.rosincoven.com/Gallery/gallery_photos_Opera.htm 8-9. Claritas (2006) Case Study - Sodexo Marriott Services - Catering to the Student Market http://www.claritas.com/claritas/Default.jsp?ci=2&pn=cs_sodexo 10-11. Sodexo (2006) Sodexo USA -- Military Services-- Food and Facilities Management <http://www.sodexhousa.com/military.asp> (Retrieved 12/1/06) 12. The Center for Public Integrity (2006) Outsourcing the Pentagon <http://publicintegrity.org/pns/db.aspx?act=cinfo&coid=261190003> (retrieved 12/1/06)

The Private Prison Industry



Sodexo- Marriott has its hands in not only political affairs, but prison affairs as well. In 1994, Sodexo became the largest investor in the U.S. private prison industry with a 17 percent share in the largest private prison company, the Corrections Corporation of America (CCA). With the rise of incarcerated individuals jumping from about 1.1 million in 1991 to almost 2 million in 2000, private prisons have become an appealing business for some.¹

These private prisons may seem like a moneymaker, but at what cost? Wackernut and CCA are the two largest management companies, and yet their track record of services is already a negative one. Safety, guard salaries, and educational programs for inmates all seem to be lacking from these prisons.² Despite the notion that these prisons provide a better environment than public facilities, investigations of such have proved otherwise. In January 2001, the Chief Inspector Sir David Ramsbotham investigated United Kingdom Detention Service (UKDS)-Blakenhurst in which he found treatment of and conditions for prisoners had become worse since the first inspection in 1998. Along with many recommendations not being put into effect, Ramsbotham found many problems with healthcare, race relations, overcrowding, and limited access to

educational programs.³ Such companies may save money, but they also violate basic human rights and endanger public safety.

Sodexo's Involvement

In 1994, Sodexo entered into an alliance with the CCA, yet over the next few years, Sodexo became not only CCA's largest shareholder, but also the private prison company's partner in efforts to expand the corporation. Sodexo is a joint owner of private prisons in the U.K. as well as Australia. Furthermore, Sodexo was given the only contractually guaranteed seat on CCA's board of directors. In return, top CCA executives served not only on Sodexo Alliance's board of directors, but also on the board of Sodexo's U.S. subsidiary, Sodexo-Marriott Services. Lastly, Sodexo and CCA have mutual membership in, and financial sponsorship of, the American Legislative Exchange Council state lobby group that pushes prison privatization and "tough-on-crime" legislation.

Sodexo currently has some involvement with ninety-one prison facilities in the United Kingdom, Australia, France, Spain, Italy, Portugal and the Netherlands. Sodexo is also part of a consortium, which, in 2002, won two contracts to operate five prison facilities in Chile. Despite the fact that Sodexo claimed they provide only services such as food, housekeeping, and maintenance and would never own such a facility, in 2000 CCA sold its 50% stake in UKDS to Sodexo who already owned the other 50%, leaving them the sole owner.⁴

1. Not With Our Money: History. (2002). Not With Our Money. http://www.notwithourmoney.org/02_about/history.html. (Retrieved 11/17/2006). 2. Featherstone, Liza. (2000). A Common Enemy: Students Fight Private Prisons. *Dissent*, 47(4). 3. [Not With Out Money: Sodexo & Prisons - Myths & Facts](http://www.notwithourmoney.org/02_about/history.html). (2002). Colorado College Fair Labor Documents. http://studentwebs.coloradocollege.edu/~g_piescoputn/fairlabor/content/documents/kpranis_2-24-02d.html. (Retrieved 11/17/2006). 4. Sodexo: A Corporate Profile. (2004). Corporate Watch. <http://www.corporatewatch.org/?lid=834#pris>. (Retrieved 11/17/2006).

What does Sodexo have to do with the Environment?

Sodexo is not just a company offering food services to the military and around the United States. Sodexo also goes further than its connections with prisons around the world. Sodexo is also able to boast an impressive management service through Sodexo Universal.¹ This service offers “remote site management services, which [they] provide in a wide array of markets such as oil and gas, mining, construction, forestry, and major industrial research.”²

What Sodexo Universal is able to do is to go out to the selected site and set everything up with the physical structure, employees, all daily life services, and management for the company.³ Some of the Universal Sodexo clients include “BP Amoco, Chevron, Exxon Mobil, Occidental Petroleum, Shell, Texaco, Bechtel Daewoo, Hyundai, Caspian Drilling, Rio Tinto, and Halliburton.”⁴ Sodexo Universal has been accused of “the clearing of 35 hectares of mangrove forest with more mangrove destruction” in Nigeria in order to accommodate a “gas line project.”⁵ This project has been detrimental to the local people who count on these lands for their livelihood.⁶

Last But Very Important: Accusations of Racism

In 2005, the Associated Press reported on a lawsuit “brought by thousands of black employees who charged that they were routinely barred from promotions and segregated within the company.”⁷ The case was initiated in 2001 when “black midlevel managers realized

nearly all had been denied promotions into upper management”⁸ They also noted that there were only 18 African Americans in “700 upper management jobs” and none in any of the “188 top corporate positions.”⁹ In April of 2005, Sodexo agreed to pay \$80 million to the plaintiffs. Since the lawsuit Sodexo’s website boasts of the diversity within their ranks. However, African Americans in management have only increased by .12% since 2000.¹⁰

What is the Problem Here?

Like any corporation, Sodexo has a great deal of subsidiaries, which mask their overall size and influence. There is so much information that it is impossible to cover it all in this document. It is not that Sodexo is a corporation that strives to do things, which are unhealthy, unkind, and not respectful; it is that Sodexo has become too large for any resemblance of accountability. Upon making a decision to buy any goods or services it is important to understand where those goods and services came from and how purchasing almost anything can have a profound affect on your life as well as the lives of others.

For more information

Sodexo Corporate Profile:

<http://www.corporatewatch.org.uk/?lid=348>

Sodexo and Unions:

<http://www.corporatewatch.org.uk/?lid=834#uni>

Colorado College Fair Labor:

http://studentwebs.coloradocollege.edu/~g_piescoputn/fairlabor/content/

1-2. Sodexo (2006) Remote Sites Food and Management Services. Alliance http://www.sodexo.com/SodexoCorp/en/our_activities/food_management_services/remote_sites/home (Retrieved 12/3/06) 3. Sodexo (2003) Remote Sites <http://www.sodexo-uk.com/uk/en/services/facilities-management/our-markets/remote-sites-universal/> (Retrieved 12/3/06) 4. Corporate Watch (2004) Sodexo : Corporate Crimes <http://www.corporatewatch.org.uk/?lid=834> (Retrieved 12/3/06) 5-6. Earth Island Institute (3/18/06) Protect Mangrove Forests in the Niger Delta. 7. “Asylum in Deutschland” *Z Magazine*, December 2005, Vol. 8(12) <http://zmagazine.zmag.org/Dec2005/fischerpr1205.html> (Retrieved 12/3/06) http://www.earthisland.org/takeaction/new_action.cfm?aalD=150 (Retrieved 12/3/06) 8-9. Corpwatch (2005) US: Sodexo Settles Large Racial Bias Case <http://www.corpwatch.org/article.php?id=12160> (retrieved 12/3/06) Sodexo (2006) Diversity & Inclusion Report http://www.sodexohousa.com/images/diversity/div_subhea_report.gif. (Retrieved 12/3/06)