

# IKEA

IKEA was founded in 1943 by 17-year-old Ingvar Kamprad in Sweden and it is owned by a Dutch-registered foundation controlled by the Kamprad family. The company which was originated in Småland, Sweden, distributes its products through its retail outlets. As of August 2009, the chain has 301 stores in 37 countries, most of them in Europe, North America, Asia and Australia.

## Corporate Structure

Despite its Swedish roots, IKEA is owned and operated by a complicated array of not-for-profit and for-profit corporations. The IKEA corporate structure is divided into two main parts: **operations and franchising**. Most of IKEA's operations, including the management of the majority of its stores, the design and manufacture of its furniture, and purchasing and supply functions are overseen by INGKA Holding, a private, for-profit Dutch company. Of the IKEA stores in 36 countries, 235 are run by the **INGKA Holding**. The remaining 30 stores are run by franchisees outside of the INGKA Holding.

INGKA Holding is not an independent company, but is wholly owned by the Stichting Ingka Foundation, which Kamprad established in 1982 in the Netherlands as a tax-exempt, not-for-profit foundation. The Ingka Foundation is controlled by a five-member executive committee that is chaired by Kamprad and includes his wife and attorney.

While most IKEA stores operate under the direct purview of Ingka Holding and the Ingka Foundation, the IKEA trademark and concept is owned by an entirely separate Dutch company, Inter IKEA Systems. Every IKEA store, including those run by Ingka Holding, pays a franchise fee of 3% of the revenue to Inter IKEA Systems. The ownership of Inter IKEA Systems is exceedingly complicated and, ultimately, uncertain. Inter IKEA Systems is owned by Inter IKEA Holding, a company registered in Luxembourg. Inter IKEA Holding, in turn, belongs to an identically named company in the Netherlands Antilles that is run by a trust company based in Curaçao. The owners of this trust company are unknown (IKEA refuses to identify them) but are assumed to be members of the Kamprad family.