The walt disney company report example

Business, Company

Every child in the world from all generations can recognize the most popular mice in the world that is Mickey Mouse whenever they can him. He is the product of one of the most diversified entertainment company Walt Disney. The company and its subsidiaries have five major business segments namely Parks and Resorts, Media Networks, Studio Entertainment, Interactive Media and Consumer Products. The company also shares effective ownership in its major business ventures in major cities around the world ranging from 15 to 51% (Google Finance). The Walt Disney Company is currently headquartered on South Burbank Street in California USA with Robert A. Iger heading the company as Chairman and CEO. The company's annual financial report for 2011 indicates a 7% increase in net revenue bringing it up to $40. 9 billion as compared from 2010 (Sweney).

The positive gains in net revenue also constitute a positive effect on the company's shareholders. The Walt Disney Company has several major and minor shareholders, which consists of Fidelity Contrafund holding a total of 39, 496, 319 shares or 2. 20% of the majority. Fidelity is followed by Vanguard Total Stock Mkt Idx with 20, 867, 774 shares or 1. 15%, SPDR S&P 500 with 15, 573, 196 among others. Institutions also hold major shares in the company led by Steven P. Jobs Trust with 137, 294, 503 in total shares or 7. 47%. Basically, the Walt Disney company is composed of shareholders of trust companies and institutions (Investors. morningstar. com). Another portion of the shares is being held by independent investors and smaller funding institutions.

However, despite the positive gains on the revenue side, the company faces criticism when it comes to management decisions particularly in the manner of serving the interests of the shareholders. The Walt Disney Company has been criticized by the Institutional Shareholder Services or I. S. S because of the appointment of Robert A. Iger as the new Executive Chairman of the Board apart from his current position as CEO. It can be recalled that back in 2004, the company announced that they would not be appointing a Chairman and a CEO in one person. But, the company negated that statement according to I. S. S when they announced the Chairmanship of Iger on October 6th the following year. The Walt Disney Company defended the decision stating that they never made such commitment (MacKenzie). It is also apparent that not all the shareholders with voting rights were consulted before the decision was made, which is an indication of a failure to serve the best interest of the shareholders.

In terms of corporate social responsibility, the Walt Disney Company was able to live up to the expectation of its shareholders by establishing the Corporate responsibility Team that will develop coherent strategies for the company. Part of the initiative is to incorporate safety union, environmental, outreach and labor programs to ensure a promising business that will create better shareholder value (Iger). In the letter to the shareholders included in the 2011 annual report, Iger addressed the loss of one of its profound corporate leader Steve Jobs. Apart from the highly acclaimed success of Apple Inc, Steve is also holding stewardship of Disney's Pixar. After he sold Pixar to Disney in 2006, Steve became one of the most valued shareholders of Walt Disney Company until after his passing. The letter to the shareholders also accentuates the success of the company in investing to improve its them parts and resorts. The letter also stipulates future plans in producing more films and TV programmings, merchandise and increasing network viewership. The company is will also unveil its two new Disneyland parks soon and one of which is the Shanghai Disney Resort, that will feature Disney's more interactive and immersive castle yet (Edgar 2).

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