

Conglomerates, Holding and Operating Companies

A Kliyant Explainer

Type	Conglomerates	Holding Company	Operating Company
Business Model	A large corporation with diverse businesses across different industries, focusing on risk diversification.	A company that owns controlling interests in other companies but does not engage in their operations, focusing on investment management.	A business that actively produces goods or services and manages its operations, focusing on generating revenue.
Operating Structure	Owns various subsidiaries, both wholly owned and joint ventures.	Can own businesses in related or unrelated industries.	Can be standalone entities or part of a larger corporate structure.
Corporate Purpose	Diversify business interests to reduce risk and stabilize revenue streams.	Manage investments and provide a structure for ownership.	Conduct business activities, generate profits, and create value through its products or services.
Examples	<ul style="list-style-type: none"> • General Electric (GE): Historically involved in various sectors, including aviation, healthcare, power, and energy. • 3M Company: Operates in multiple industries, including healthcare, consumer, electronics, and industrial products. • United Technologies Corporation (UTC): Engaged in aerospace, building systems, and industrial products (Note: UTC merged with Raytheon to form Raytheon Technologies). • Siemens AG: A global conglomerate with operations in sectors such as automation, digitalization, healthcare, and energy. • Honeywell International: Operates in aerospace, building technologies, performance materials, and safety and productivity solutions. 	<ul style="list-style-type: none"> • Berkshire Hathaway: Owns a diverse range of businesses, including insurance, utilities, and consumer goods, as well as significant stakes in publicly traded companies. • Alphabet Inc.: The parent company of Google and other subsidiaries involved in technology, advertising, etc. • SoftBank Group Corp.: A holding company with investments in technology, telecom, and various startups. • Liberty Media Corp: A holding company with interests in media, communications, and entertainment, including stakes in companies like SiriusXM and Formula 1. • Exor N.V.: The holding company of the Agnelli family, with investments in companies like Fiat Chrysler (now part of Stellantis), Ferrari, and The Economist Group. 	<ul style="list-style-type: none"> • Danaher Corporation: Designs and manufactures products in life sciences, diagnostics, dental, and environmental sectors. • Apple Inc.: Engages in the design, manufacture, and sale of consumer electronics, software, and services. • Coca-Cola Company: Produces and sells non-alcoholic beverages, including its flagship Coca-Cola soft drink and various other brands. • Procter & Gamble Co.: A consumer goods company that manufactures and sells a wide range of personal care, hygiene, and household products. • Ford Motor Company: An automotive manufacturer that designs, produces, and sells vehicles and automotive parts.