

A woman with dark hair, wearing a bright yellow raincoat, is looking back over her shoulder. She is standing on a city street with palm trees and buildings in the background. The magazine title 'pasadena' is written in a large, red, cursive font at the top. The word 'MAGAZINE' is written in small, white, capital letters, with each letter spaced out across the top of the cover.

# *pasadena*

M A G A Z I N E

## Women's Survival Guide

# 67

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### LADIES WHO LAUNCH

AN INSIDER'S LOOK AT LOCAL BIZ OWNERS (See page 133)

(money)





# The Woman Behind the Business

One of the restaurant industry's few female execs, Peggy Cherng and her husband expanded a single Pasadena eatery into giant national food chain Panda Restaurant Group.

// STORY BY **BRENDA REES**

✦ **SHE'S DEALT WITH BRILLIANT SCIENTIFIC MINDS, HIGH-PROFILE CORPORATE TYPES,** AND INDUSTRY LEADERS, BUT PEGGY TSIANG CHERNG, CO-CHAIR OF THE ROSEMEAD-BASED PANDA RESTAURANT GROUP (PRG), HAS HER OWN IDEAS ON WHO TOPS HER "PEOPLE I MOST ADMIRE" LIST. // "STAY-AT-HOME MOMS," SAYS THE CHINESE IMMIGRANT FROM HER ROSEMEAD OFFICE. "THESE MOTHERS DEVOTE 100 PERCENT OF THEIR TIME TO THEIR **DREAM** OF FAMILY. THEY ARE FOLLOWING THEIR PASSION AND IT IS HARD WORK, BUT IT'S THEIR DREAM." HIGH PRAISE FROM A WOMAN—AND **MOTHER**—WHO KNOWS A THING OR TWO ABOUT **PASSION** AND DREAMS. // AS ONE OF THE FEW FEMALE CHIEF EXECUTIVES IN THE RESTAURANT BIZ, PEGGY HAS SHEPHERDED PRG FROM A SMALL **FAMILY** BUSINESS TO THE NATION'S LARGEST CHAIN OF CHINESE FAST-FOOD RESTAURANTS. TOGETHER WITH HUSBAND ANDREW, THE COUPLE GUIDE THE DIRECTION OF 1,111 RESTAURANTS IN 37 STATES, PUERTO RICO, AND JAPAN (THAT INCLUDES SIX PANDA INNS, 27 HIBACHI-SANS, AND 1,078 PANDA EXPRESS LOCATIONS). AND MORE ARE COMING; ABOUT THREE NEW PRG STORES ARE BUILT EVERY WEEK.

(continued on page 130)





Industry insiders are at a loss as to how PRG has thrived in a highly competitive market where new restaurants are often given a 5 percent chance of survival. Plus, Chinese food doesn't easily translate to the fast-food model of burgers and fries. Ever try eating orange chicken while driving in the car?

Much of the company's success rests in the complementary personalities of wife and husband. An outspoken visionary, Andrew usually charts new courses for the company while Peggy is the administrative whiz who turns good ideas into workable systems.

The couple are on the same page when it comes to the company's current goals: Double the company's revenues to \$2 billion by 2010 and continue to provide a stimulating working environment for employees.

"People can excel by their own designs if you give them encouragement and respect," she says. "We give our employees many opportunities to exceed and do well."

Indeed, that humanistic philosophy has fostered longevity in PRG employees. Peggy rattles off associates who have been with the company for 10, 20, and even 30 years.

Incentives to stay at PRG are plenty: The company pays \$1 to \$2 more an hour than most fast-food chains, all 18,000 employees (which includes part-timers) can participate in bonus programs, and promotion from within is strongly encouraged. In fact, PRG's current senior vice president of field operations, Eugene Lam, started out as a busboy.

"This is a place for people who want a career, not just a job," sums up Peggy.

And for Peggy, the company also represents more than just steady employment with a nice office view. It's part of her journey, which began years ago across the Pacific Ocean.

Raised in Burma and later Hong Kong, Peggy studied mathematics at a small university in Kansas where, by fate and/or chance, she met Andrew, who was born in China's Jiangsu province. Against a Midwestern backdrop, the couple's connection was born.

Later, the two transferred to Oregon State University, where Peggy graduated with a science degree in applied mathematics. She later received a master's in computer science and a doctorate in electrical engineering from the University of Missouri.

Fresh from college in 1966, Peggy and Andrew married and settled in Pasadena, where Peggy put her binary brain to work at McDonnell Douglas and later Comtal-3M. While she climbed the defense systems ladder Andrew was noodling a new idea with his father, a master chef back in China.

The two wondered if Westerners would embrace exotic gourmet cuisine. In 1972, father and son purchased the old Pie King coffee shop on Foothill Boulevard in Pasadena and opened the first Panda Inn.

For 10 years the duo happily grew their business—while Peggy found the demands of her job overwhelming. "I was doing systems development and I didn't know when it was time

to go home," she says. "I have the personality that wants to stay until everything was done and done right."

Soon, the Cherng clan was expanding. Peggy straddled a hectic working mom's life when her first two daughters—Andrea and Nicole—were born. But with Michelle's birth, she "found a replacement and stayed at home. Permanently."

Knowing her organizational nature, Peggy needed a challenge in between diaper changes. As if on cue, Andrew was opening the first Panda Express in the Glendale Galleria—and he needed help.

At first, Peggy handled paperwork and later payroll duties. The balance between home and work life improved, and she officially joined the family business in 1982. Her technological expertise and organizational skills proved invaluable. She oversaw the installation of computerized wait-staff terminals and inventory tracking systems in the growing restaurant chain.

On the home front, Peggy encouraged her daughters to "follow their hearts and to find their own passion." Even though the girls went through PRG's management training program, none decided to work at the stores growing up, or to pursue a career in the family business.

Currently, Andrea is an attorney, Nicole studies family counseling at Fuller Theological Seminary, and Michelle is a third-grade public school teacher.

Over the years, Peggy held numerous titles, including executive vice president, president, and CEO. In 2004, she assumed co-chair responsibilities and today concentrates on PRG's philanthropic arm, Panda Cares, an organization she established in 1999. Charitable giving is important because "we are giving something back to the communities who supported us for so many years. And it inspires our associates to give."

Last year, Panda Cares gave away nearly \$3 million to nonprofit organizations worldwide. Recipients are such children's health and educational organizations as the Children's Miracle Network and the City of Hope.

In the end, Peggy's memorable duties of the day take place when she's out of the office making restaurant visits. Here, over a plate of her favorite tofu and eggplant entree, she witnesses the impact her company has had on so many lives.

"I have seen people grow so much since they started here," she says. "They tell me because of [their jobs] they have been able to support their families and make a comfortable living. That makes me very proud and truly happy." ☺

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