BUS 10a (section 1)

FUNCTIONS OF THE CAPITALIST ENTERPRISE

COURSE SYLLABUS

fall 2015 - dated 8/14/15

Class Hours: Monday and Wednesday, 2:00 – 3:20 p.m.

Location: Sachar, International Hall

Office: Lemberg 259

Office hours: Tuesdays, 2-3:30 pm, Thursdays 11 am- noon, or by appointment

EDWARD BAYONE
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BRANDEIS UNIVERSITY
Course Description

Course description and learning outcomes

This course, which is an integral part of the Business major, uses case examples and practical concepts to build a framework for addressing key management issues. The first half of the course reviews the key functions of managers through cases and lectures on marketing, operations, finance, strategy, and organizational behavior. The second half applies this knowledge to two broad themes: real estate (the largest asset class in the world) and business in the global economy.

There are five primary learning outcomes for students:

1. to understand the fundamental concepts and functions in business management
2. to recognize the interrelationships among these functions
3. to learn how to apply the language and tools of the course to analyze a variety of business issues in the US and abroad
4. to learn how to read, analyze, and discuss business school case studies
5. to develop oral presentation skills for business

Prerequisite: BUS 6a, which may be taken concurrently with BUS 10a.

Materials

The course uses a custom book, available at the bookstore. It consists of business school cases, notes, and articles, along with six chapters from the 10th edition of Business Essentials by Ronald J. Ebert and Ricky W. Griffin (Prentice Hall, 2015). Do not use prior editions of Business Essentials, as the 10th is a significant update. Please follow the syllabus closely to guide your reading and preparation.

Teaching Methods

This course uses assigned readings, case studies, class discussions, an EXCEL tutorial, and lectures to address key issues in management. Because this course is based on the case method, class participation by all students is essential. In order for this method to work, everyone must prepare the case and readings thoroughly. This allows us to conduct analytical, rather than descriptive, discussions. I will expect three P’s from you in every class:

1. Presence: attendance is required.
2. Preparation: reading and assignments are to be done on time.
3. Participation: share your views and questions in class. Use name cards to facilitate discussion (and grading) and please sit in the same seat each class.

If you are unprepared for the discussion on any day, please let me know before the start of class.

Workload Expectation

As BUS 10a is a four-credit course, you are expected to spend a minimum of 9 hours of study time per week in preparation for class (readings, papers, discussion sections, preparation for exams, research, etc.).
EXCEL “Custom Guide” tutorial

Most important business decisions rely on both quantitative and qualitative analysis, and Excel is a “go to” tool for analyzing financial and other quantitative data. As part of BUS10a, you’ll acquire a core set of skills – including the confidence and ability to continue your own learning of a standard software tool.

To create the foundation, we have acquired access to a suite of self-paced tutorials covering a variety of popular software products. As a registered student, you are free to explore any of these, but for this course you are required to complete two modules designed specifically for BUS 10a. Through this on-line tutorial, in combination with several homework assignments, you should leave our class with a working knowledge of Excel and with the ability to put it to work for you in later Business courses.

Instructions, including your password, are posted to LATTE. Also, see “Grading” section below.

Grading

You will be graded on a combination of the following (55% individual/45% team):

Contributions to class discussions (25%) I keep a record of class performance for each student and determine a grade based on the quality and frequency of in-class comments. Midway through the course, we should meet so I can offer feedback and suggestions for improvement. NOTE: you are permitted two absences for any reason (e.g., illness, family celebration, job interview, unfavorable airline schedule, you forgot to set your alarm); for each additional absence, your participation grade will be reduced by a half-grade, e.g., A- becomes A-/B+, and so on. If you have perfect or near-perfect attendance but rarely participate in class discussions, your participation grade will be C-.

Two-page memo and attachments on “The Fashion Channel” (5%) to be prepared in teams of 2 students (to be selected by the professor). See p.9 and LATTE for details. The memo is due at the start of class on Monday, September 21.

Completion on your own of a two-part self-teaching EXCEL software program, “Custom Guide” (2%). Part 1 must be completed by Friday, September 25 (1%) and Part 2 by Friday, October 9 (1%). See LATTE for specifics. You will receive no credit on a section if you miss the due date. Allow 1-2 hours for each section. The software works best in a PC (not MAC) environment; you may use the computers in the cluster at IBS. These chapters will provide you with an advanced beginner (or, some argue, intermediate) knowledge of EXCEL, and prepare you for further coursework in the Business Program. You are expected to include graphing (preferably in EXCEL) in your globalization presentation and in your final paper; failure to do so will result in a grade deduction.

A PowerPoint presentation on “Cafeteria Day” (5%) given in teams of 5 students on Wednesday, October 7, on one of the cafeterias or food stores on campus. See p.10 for details, including deliverables due on October 1 and October 7. Business attire is required.

A homework assignment on “Clarkson Lumber” using EXCEL (1.5%) to be done individually with no assistance from anyone, due at the start of class on Monday, October 19.

A homework assignment on “Pinckney Street” using EXCEL (1.5%) to be done individually with no assistance from anyone, due at the start of class on Wednesday, November 4.
**A midterm exam (25%)** This is a written open-book exam that will take place during normal class hours, but in a different location, on **Wednesday, October 28**. You will be asked essay questions about the materials covered and issues discussed in class.

**A PowerPoint presentation on globalization (10%)**, given in teams of 5 students on **Monday, November 16, and Wednesday, November 18**. Each presentation (on a topic you will select from a list I will provide) should last 8-10 minutes, plus time for Q+A. Please inform me by email by 11 p.m. on **Wednesday, November 11**, who is on your team and what your proposed topic will be; only one email per team (or you get a deduction). I will let you know the following day if that topic has already been selected by another team. Every team must email me their PPT deck by 9 am on **Monday, November 16**, regardless of the day you present. Business attire is required for both days.

**A final paper analyzing a business problem facing a real company (25%)** The final paper must be done in teams of 2-3 students. Please email me your outline by 8pm on **Thursday, October 22**. Only one email per team (or you get a deduction). The paper is due at the start of class on **December 9**.

**NOTE**: Grades on team projects are assigned to all members of the team, though I reserve the right to alter individual grades when it is clear that an individual did not contribute to the assignment in a consistent and meaningful way.

**Final Paper**

The final paper is an opportunity to examine in depth a topic of your choice. The paper **must**:

- deal with a problem a real company is facing today,
- incorporate specific learnings, EXCEL, and/or paradigms from the course,
- offer a clear set of recommendations that are carefully analyzed.

**Failure to adhere to these requirements will result in a grade no better than C+**. The paper should be based on empirical evidence and apply the concepts in the course.

*At a simple level, the paper sets out to answer the following six questions: What’s the company? What’s the problem? How did it happen? What is management doing to fix it? Why isn’t it working? What should management do? This last question is the most important one!*  

Typically, the paper will contain the following elements:

*Factual description of a company or aspect of a company's business.* This portion of the paper should be built on data and case histories selected from the business press, annual reports, and other sources.

*Identification and analysis of a business problem the company is facing.* Please state the analytical purpose of the paper up front, i.e., the "question" you are addressing. (For example, you might fashion an appropriate subtitle for the paper that captures your theme.) Use the topics in the course or in the custom book as a guide to focus on a specific aspect of the business that you will analyze. It is essential for you to get perspectives from sources other than the company itself — newspapers, competitors, industry reports, etc. These will help you take a critical stance toward the company information. I will expect you to refer to information from “Bloomberg”, a world-class resource that many of you will be trained to use.
**Conclusions and recommendations.** Based on your research and analysis, you must suggest what the company should do about the problem you studied. Be specific. There is no need to solve more than one problem; in fact, the best papers dig deep, not wide.

**Format of the paper.** You need to cover the three areas above. Use your best writing skills and editorial judgment to decide how to structure the paper. Having said that, I have found that good papers are driven by the analytical goals that are identified up front; these goals and the material itself should guide how you decide to present your argument. Be aware that this paper should not be just a "case study" like those we read in class; those cases are purely descriptive. Your paper should be more like a "case study plus analysis."

**Process of writing the paper.** Final papers must be written in teams of 2-3 students. Although the papers will be evaluated on quality, not quantity, their length must be 10 to 15 double-spaced pages, plus exhibits (including footnotes and “Works Cited”). Please number the pages and use Times New Roman, font size 11, 1” margins all around. You will receive a deduction if you don’t!

I will help you define an appropriate topic and give you guidance about the project. To do this, I will need to know early on what ideas you are considering. You must email me a one-page outline of the paper topic by 8 pm on Thursday, October 22, along with the name of the team members. (Only one email per team!) I will give written feedback within one week. After you have digested this feedback and worked more on the research, you should arrange to meet with me. If, at any point, you wish to change your topic, please consult with me so I can review the new topic and offer comments.

The paper is due at the start of our last class on Wednesday, December 9. This is the absolute latest date and time for handing in the paper. If you have a good reason for missing this deadline (e.g., illness), please let me know so we can determine if an Incomplete is the best path to follow. I do not accept email submissions, so be sure to print a copy of your paper for me.

Note: you may not use the same topic for both the globalization project and the final paper.

**Academic Integrity**

You are expected to be honest in all of your academic work. Please consult Rights and Responsibilities for all policies and procedures related to academic integrity. You may be required to submit work to TurnItIn.com software to verify originality. Allegations of alleged academic dishonesty will be forwarded to the Director of Academic Integrity. Sanctions for academic dishonesty can include failing grades and/or suspension from the university. Citation and research assistance can be found at LTS - Library guides.

**Special Accommodation**

If you are a student with a documented disability on record at Brandeis University and wish to have a reasonable accommodation made for you in this class, please see me by the end of the third class.
### Course Outline
(see further pages for details)

<table>
<thead>
<tr>
<th>Class</th>
<th>Date</th>
<th>Topics</th>
<th>Assignment</th>
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| 1     | Mon 8/31 | Introduction                     | Bring in your BIOCARD (see LATTE)  
For instructions, see p.8 of this syllabus |

### Managing the Business

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<th>Class</th>
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<th>Topics</th>
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<tbody>
<tr>
<td>2</td>
<td>Wed 9/2</td>
<td>The Management Process</td>
<td>BE: “Managing the Business”</td>
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### Filling Market Needs

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<th>Class</th>
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<th>Assignment</th>
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| 4     | Thurs 9/10 | Marketing Goods and Services | BE (2 chapters): Developing and Pricing Products”;  
“Distributing and Promoting Products” |

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<tr>
<th>Class</th>
<th>Date</th>
<th>Cases Analysis</th>
<th>Assignment</th>
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| 5     | Wed 9/16| Case Analysis                   | Reebok International Ltd.”  
“A Guide to Case Analysis” (see LATTE) |

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<tr>
<th>Class</th>
<th>Date</th>
<th>Cases Analysis</th>
<th>Assignment</th>
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| 6     | Mon 9/21 | Case Analysis + Assignment     | “The Fashion Channel” (see p.9 and LATTE for the team assignment due at the start of class.)  
Note: See p.10 for instructions and due dates for “Cafeteria Day” on Wednesday 10/7) |

### Creating and Delivering Value

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<th>Class</th>
<th>Date</th>
<th>Topics</th>
<th>Assignment</th>
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| 7     | Tues 9/29 | Guest lecturer: Anita Tucker  
Associate Prof. of Operations | BE, “Operations Management and Quality for Producing Goods and Services” |

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<th>Class</th>
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<tr>
<td>8</td>
<td>Wed 9/30</td>
<td>Case Analysis; Producing Goods and Services</td>
<td>“Benihana of Tokyo”</td>
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<th>Class</th>
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<th>Topics</th>
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| 9     | Wed 10/7 | CAFETERIA DAY                  | Team presentations  
Business attire is required. |
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<th>Class</th>
<th>Date</th>
<th>Topics</th>
<th>Assignment</th>
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<tr>
<td>10</td>
<td>Mon 10/12</td>
<td>Financial Statement Analysis + Assignment</td>
<td>See page 10 and LATTE for the assigned homework</td>
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<tr>
<td>11</td>
<td>Wed 10/14</td>
<td>Guest Lecturer: Jason Bernard</td>
<td>See LATTE for the assigned homework</td>
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<td>Associate Director of Academic Technology, IBS</td>
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<td>11a</td>
<td>Fri 10/16</td>
<td>Guest Lecturer: Jason Bernard</td>
<td>One student per final paper team should attend this special session held in</td>
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<td>OPTIONAL</td>
<td>Associate Director of Academic Technology, IBS</td>
<td>the IBS Bloomberg Lab (next to room 54). We will pass around a sign-up sheet.</td>
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<td>12</td>
<td>Mon 10/19</td>
<td>Case Analysis + Assignment</td>
<td>“Clarkson Lumber Company”</td>
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<td>See page 11 and LATTE for the individual assignment</td>
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<td>13</td>
<td>Wed 10/21</td>
<td>Case Analysis</td>
<td>“Crown Cork and Seal in 1989”</td>
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<td>“The Five Competitive Forces that Shape Strategy”</td>
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<td>One-page outline of the final paper topic + names of team members is due by</td>
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<td>8pm on Thursday, 10/22.</td>
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<td>14</td>
<td>Mon 10/26</td>
<td>Case Analysis and midterm review</td>
<td>“Taran Swan at Nickelodeon Latin America (A”)</td>
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<td>BE: ”Leadership and Decision Making”</td>
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<td>15</td>
<td>Wed 10/28</td>
<td>MIDTERM (normal class time but held in a different location)</td>
<td>Exam, worth 20% of final grade, will cover everything we have done to date; the exam is open book, so bring all course materials and notes, as well as a calculator (but you will not be allowed to use a laptop or smart phone).</td>
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<tr>
<td>16</td>
<td>Mon 11/2</td>
<td>Real Estate Lecture</td>
<td>See LATTE</td>
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<td>17</td>
<td>Wed 11/4</td>
<td>Case Analysis + Assignment</td>
<td>“Pinckney Street”. See LATTE for individual assignment</td>
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<td>Class</td>
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<td>Topic</td>
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<td><strong>Business in the Global Economy</strong></td>
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<td>18</td>
<td>Mon 11/9</td>
<td>Case Analysis</td>
<td>“Grupo Bimbo”</td>
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<td>Email me by 11 pm who is on your team and what</td>
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<td>your proposed topic is for the Globalization</td>
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<td>presentations (but only one email per team!)</td>
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<td>20</td>
<td>Mon 11/16</td>
<td>GLOBALIZATION PRESENTATIONS</td>
<td>Team Presentations. Business attire is required,</td>
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<td>even if you are not presenting.</td>
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<td>21</td>
<td>Wed 11/18</td>
<td>GLOBALIZATION PRESENTATIONS</td>
<td>Team Presentations. Business attire is required,</td>
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<td>even if you are not presenting.</td>
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<td>22</td>
<td>Mon 11/23</td>
<td>Case Analysis</td>
<td>“Teva Pharmaceutical Industries, Ltd”</td>
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<td><strong>Corporate Executive Series</strong></td>
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<td>23</td>
<td>Mon 11/30</td>
<td>Daphne Foster, CFO</td>
<td>See LATTE</td>
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<td>Global Partners LP</td>
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<td>24</td>
<td>Wed 12/2</td>
<td>Alden Zecha, CFO &amp; Strategist</td>
<td>See LATTE</td>
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<td>Sproxil</td>
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<td>25</td>
<td>Mon 12/7</td>
<td>Barry Sloane, CEO</td>
<td>See LATTE</td>
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<td>Century Bank</td>
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<td><strong>Business Ethics</strong></td>
<td>SUBMIT FINAL PAPERS AT THE START OF CLASS</td>
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<td>26</td>
<td>Wed 12/9</td>
<td>Case Analysis</td>
<td>McCoy, “Parable of the Sadhu”</td>
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<td></td>
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<td>BE: “Understanding Business Ethics and Social</td>
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<td>Responsibility” (recommended)</td>
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ASSIGNMENTS + STUDY QUESTIONS

In addition to the assigned readings, here are the principal assignments to complete before coming to class. Do not hand in responses to study questions unless directed to do so.

For our first class, on Monday, 8/31, please look at the Kellogg Company site: http://www.kelloggs.com/en_US/home.html

Look at the home page for about 20 seconds; do not click anything. Write down your immediate reactions. (We’ll discuss them in class.) Now, go to the upper right hand corner and click “Who We Are”. Then, click “Marketplace Commitment”. What is your reaction to their “Promise to You”? Finally, return to the home page and explore some of the links in the middle. Your reactions?

On Wednesday, 9/2, we discuss the management process.

Be sure to read the assigned book chapter, “Managing the Business”. So much of this chapter is valuable but pay extra attention to two concepts as portrayed on p.58 (“Hierarchy of Strategy”) and p.60 (“Strategy Formulation”).

Also, look at the Starbucks Coffee Company site: http://www.starbucks.com/

➢ Does it have a similar feel and appearance to Kellogg’s home page?

➢ Find its “Mission Statement.” (Hint: go to the lower left “About Us” and click “Our Company”.) Print the page and bring it to class. What’s the message?

➢ See if you can find Kellogg’s mission statement on its site.

On Wednesday, 9/9, we begin our section on marketing.

Be sure to read the assigned book chapter, “Marketing Processes and Consumer Behavior”.

How you would apply the concepts in the textbook to Kellogg’s? (Spend 10 minutes on the website.)
- Evaluate its "marketing mix", using your knowledge of their product + industry.
- Which element of the four P's is most important to the company, and why?

On Thursday, 9/10, we will go deeper into the 4 Ps.

Come prepared to discuss the material in the next two assigned chapters; think about the following four questions (the first two are from the first assigned chapter for today, the last two are from the second):

1. Describe the four stages of the product life cycle (pp. 205-6) and the market mix that is used in each. Provide at least one example of a product in each stage other than those provided in the text.
2. Select a product and analyze pricing objectives for it. What information would you want if you were to adopt a profit-maximizing objective or a market share objective?

3. Come up with examples, other than those provided in the text, for companies that sell through the four distribution channels shown at the top of p.233.

4. What are the benefits and drawbacks of on-line retailing for the company that sells its product and for the consumer?

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**On Wednesday, 9/16, we will be discussing “Reebok International, Inc.”**  (To help with your first business school case, please read “A Guide to Case Analysis”, which is posted on LATTE.)

There is nothing to hand in. Here is your study guide:

**Case Summary**

Reebok executives are reviewing the company’s advertising and promotion programs for the second half of 1988. These include sponsorship of the 1988 Summer Olympics and a rock concert tour organized by Amnesty International. In addition, Reebok is launching a new advertising campaign with the slogan, “Reeboks Let U.B.U.” (NOTE: We will not have time to evaluate the tour sponsorship.)

**Study Questions**

1. Why has Reebok been successful? What are the company’s strengths and weaknesses?
2. How do consumers buy athletic footwear? How is the market segmented?
3. How would you evaluate Reebok’s proposed 1988 communications program?
4. Does Reebok need an umbrella brand campaign (versus product specific advertising alone)? Is the UBU campaign appropriate?

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**On Monday, 9/21, we will discuss “The Fashion Channel”. See LATTE for the team assignment due at the start of class.**

**Case Summary**

The new Senior Vice President of Marketing for The Fashion Channel (TFC), a cable TV network dedicated to round-the-clock fashion-oriented programming, is preparing to recommend a change in the company’s traditional marketing approach by introducing a market segmentation program which, in part, is a response to the intensifying competitive environment for TFC. As such, it needs to successfully strengthen the company’s brand and positioning with viewers and advertisers. At the same time, the program must maintain consumer and distributor satisfaction with the network. This is also a situation for change management, as TFC has never done a program like this before and the SVP, Dana Wheeler, is new on the job.
On Wednesday, 9/30, we will discuss “Benihana of Tokyo”.

Case Summary
Set in the 1970s, this case described the development of a particular limited-menu restaurant and the expansion of this model into a chain. The creator of this chain, Rocky Aoki, is a young Japanese entrepreneur who grew the business to its current state of 15 restaurants, 5 of which are franchised. The case illustrates how a well-designed operating system can fit into the competitive strategy of a business and help to deliver superior performance.

Study Questions
1. What is the Benihana concept? What attracts customers to its restaurants?
2. How does Benihana's cost structure differ from that of a typical sit-down restaurant?
3. Examine the production system in detail. (It may help if you draw a process flow diagram that identifies how customers pass through the system, where key operations are done, how food is handled, etc.) What are the major design choices which generate operating efficiencies?

On Wednesday 10/7, using PowerPoint, you will be presenting in teams of 5 or 6 students one of the cafeterias or food stores on campus. Please follow these instructions carefully.

Based on your own experience and, as appropriate, on the concepts in the Benihana case and in the chapter in BE, please be sure to address the following:

1. How does the cafeteria or store define "quality"?
2. Draw a flow diagram depicting how customers move through the cafeteria or store to select, purchase, and consume products.
3. How might the cafeteria or store be reorganized to provide greater value to its customers?

Each group must send me an e-mail by 8 pm on Thursday, 10/1 (you may do it sooner!)

- The names of team members (only one e-mail per team, or you get a deduction!)
- Your choice of cafeteria or store (I cannot guaranty your choice if another team has already selected it)

You MUST email me your PPT slides by 9 am on Wednesday, 10/7
Each team will have 5 minutes to deliver the presentation. Everyone should have a speaking role; please practice your presentation. Be sure to wear business attire (required).

On Monday, 10/12, we will again discuss the Kellogg Company.

Thus, please return to the site: http://www.kelloggs.com/en_US/home.html Find and click the tiny link “Company Site”. On the drag down menu, click “Investor Relations”. On the left side, click “SEC filings”. In the view box, enter “Annual”. You can view the 2015 annual report in multiple formats and access the EXCEL file. See LATTE for the homework assignment.
On Wednesday, 10/14, Jason Bernard will teach about the various financial databases available here at Brandeis; you will be expected to make use in them in your projects and final paper. See LATTE for the assignment.

On Monday, 10/19, we will discuss “Clarkson Lumber Company”. See LATTE for the individual assignment.

Case Summary

Clarkson Lumber Company has been expanding rapidly for several years. Increases in working capital requirements have outrun the capacity of the company to generate funds from internal sources. Part of the company’s available funds have used by Mr. Clarkson to buy out his partner, thereby further increasing the financial pressure on the company. To continue to expand, he is actively considering a entering into a relationship with a new bank which will lend him the needed funds.

Study Questions

1. Why does this profitable company need to borrow money?
2. How has Mr. Clarkson met the financing needs of the company over the past few years?
3. During this period, has the financial strength of the company improved or deteriorated?

On Wednesday, 10/21, we will discuss “Crown Cork and Seal in 1989”

Case Summary

John Connelly ran this company for over 30 years and followed essentially the same strategy for the entire period. The total return to shareholders over the 32-year period was just under 20% compounded (which is excellent). Now that he has stepped down as CEO and given control to William Avery, is it finally time for a change?

Study Questions

Please read the case and the Porter article, and come prepared to discuss the following questions:

1. How well did Crown Cork do under John Connelly? What were the keys to the company’s success?
2. How attractive is the metal container industry? (Try to use Porter’s 5-forces model.)
3. What are the strategic issues that William Avery needs to consider? What strategic options are open to him?
On Monday, 10/26, we will discuss “Taran Swan at Nickelodeon Latin America (A)”

Case Summary

Taran Swan was the GM of Nickelodeon Latin America, a new cable channel for kids in Latin America. She had written the business plan, pulled together a team to launch the channel in December 1996, and led the start-up through its first 18 months on air. Now in June 1998, she had to leave the company’s headquarters for her home in New York because her four-month pregnancy had been diagnosed as high risk. Unable to travel for at least the next 6 months, she has to decide if and how she should continue to run the channel from her home in New York.

Study Questions

1. How would you describe the culture at Nickelodeon Latin America. Be specific.

2. How did Swan go about building that culture? (Consider Nickelodeon Latin America's position within its company, its organizational design, and its culture.)

3. How would you describe Swan’s leadership style? What impact has it hand on the culture?

4. What actions should she take at the end of the case? Should she assign an interim director?

On Wednesday, 11/4, we will discuss “Pinckney Street”. See LATTE for the individual assignment.

Case Summary

Edward Banay, a recent college graduate with a full-time job and $240,000 in savings, would like to begin investing in real estate on a part-time basis. His goal is to gain experience and build an equity base for future real estate investments. He focuses his search on small income-producing residential properties in Beacon Hill, which he considers the best residential section of downtown Boston. He proposes to buy a run-down property with maximum leverage for his equity and then use his amateur construction experience to supervise the rehabilitation himself. Increasing his returns at a low cost is his objective.

Study Questions

1. How did Banay search for the property?

2. How would you evaluate the Pinckney Street property? What are the risks and rewards?

3. How would you evaluate Banay’s search for a mortgage?

4. What do the numbers look like? Should he make this investment? The HW assignment should help you answer these questions.
On Monday, 11/9, we will discuss “Grupo Bimbo”.

Case Summary

Grupo Bimbo, a leading global player in the baking industry, has expanded into China while at the same time undertaking initiatives to make its US and South American operations more profitable.

Study Questions

1. If you were a stockholder, analyst or an executive with the firm, what is the best question you could ask about the firm’s globalization efforts?

2. How would you propose to address the challenges that Grupo Bimbo faces in Brazil and the US?

3. Should Grupo Bimbo be going to China? Why, or why not?

On Wednesday, 11/11, we will discuss “Levendary Café: The China Challenge”

Case Summary

The case describes the establishment of Levendary Café’s subsidiary company in China and its evolving relationship with its parent company during the first two years of its existence. In particular, it focuses on the decisions and actions of Louis Chen, the founding president of the subsidiary, as he tries to establish operations in China and to negotiate his relationships with US headquarters. The trigger issue revolves around how the recently appointed chief executive, Mia Foster, should manage the Chinese subsidiary. Chen has been resistant to headquarter interference in local operations and Foster, who is concerned about aspects of the Chinese expansion, has struggled to work effectively with him.

Study Questions

1. What is your evaluation of the way Levendary Café has entered the China market?

2. What changes (if any) should Mia Foster make? Specifically, what should she do about Louis Chen? And what changes (if any) would you propose at headquarters?

3. Prepare a specific action program for Foster to help her deal with the need for continued growth in China. What should be on the agenda for her meeting with Chen?

On Monday, 11/16, and Wednesday, 11/18, your teams will present your Globalization PPT decks in class.

Business attire is required for all students, regardless of the day you present.

All PPT decks must be emailed to me by 9 am on March 30, regardless of the day you present.
On Monday, 11/23, we will discuss “Teva Pharmaceutical Industries, Ltd”

Case Summary

The case examines the strategic challenges facing Teva Pharmaceutical Industries, which emerged from a small domestic market, Israel, to become a global giant. It built its business on generic pharmaceutical production but the company is a growing force in innovative drugs. One central question raised is how Teva can compete on price with low-cost, emerging market companies at the same time it develops innovative drugs to compete with the R&D juggernauts of ‘Big Pharma.’

Study Questions

1. How did Teva succeed in Israel? Why did such a company emerge in Israel?

2. As the CEO of Teva, which markets would you concentrate on developing going forward?

On Wednesday, 12/9, in our last class, we discuss “Parable of the Sadhu,” one of the most thought-provoking cases taught in US business schools and at corporate off-sites.

Study Questions

1. Why does Bowen McCoy now feel the way he does?

2. What responsibilities did he have?

3. Did he do the right thing?

4. Why did he act the way he did?

Remember to bring in your final paper. No electronic submissions.