

The Journey West: Expanding a Chinese Business to the U.S.



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The Journey West: Expanding a Chinese Business to the U.S.

Summary

- China vs. US Market Comparison
- SWOT Analysis of Thecasesolutions.com
- Market Research: US Computer Case
- Theories to be reviewed
- Next Steps

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Next steps

- Invest and recruit new members for the sales team
- Get new clients in order to maximize capacity
- Be more aggressive on the After-Market

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Year	Q1	Q2	Q3	Q4
2010	100	150	200	250
2011	150	200	250	300
2012	200	250	300	350
2013	250	300	350	400

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Pros

- Experience over the domestic market
- Same time approaching new clients
- Working with factory at full capacity
- Working more appealing to the US market
- Quick access to the market
- No need to invest in value chain

Cons

- Lower margins
- Feasibility of having a partner
- Availability of brands
- Already established representation in China & US
- Difficult to do-brand
- Cultural conflicts

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Category	Item	Value
Revenue	1000	1000
Expenses	500	500
Profit	500	500

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Team 7
Urooshi, Iyck, Anand, Jason, Hangee & Alice

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Team 7

Urvashi, Irvi, Andrea, Janus, Hongjin & Alice

Summary

- China -> USA expansion issues
- SWOT Analysis of SUNS and ProSwitch
- Whether to cooperate with competitor or not?
- Decision: No Partnership
- Next Steps

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SWOT ANALYSIS

Suns

S

Strengths

- Low Price/High Quality
- Technology
- Grangier
- Portfolio
- High margins
- UL Certificate

W

Weaknesses

- No sales department
- “Made in China”
- Inexperience in the American market

O

Opportunities

- Growth in the American market
- Increase capacity

T

Threats

- ProSwitch
- Not getting enough new clients to utilize new plant
- Threat of new entrants on the market

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SWOT ANALYSIS

Proswitch

S

Strengths

- American market
- Loyalty
- Great sales team
- Market experience (40 years)

W

Weaknesses

- High prices
- Lost Grainger
- Portfolio
- No experience with the Chinese market

O

Opportunities

- Expand Internationally
- Move the manufacturing to China
- Diversify the portfolio

T

Threats

- Suns
- Loosing clients due to the portfolio

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Pros

- Dominance over the footswitch market
- Save time approaching new clients
- Running new factory at full capacity
- Being more appealing to the US market
- Quick access to the market
- No need to invest in sales team

Cons

- Lower margins
- Possibility of losing Grangier
- Devaluation of brand
- Already established representation in China & US
- ProSwitch is declining
- Cultural conflicts

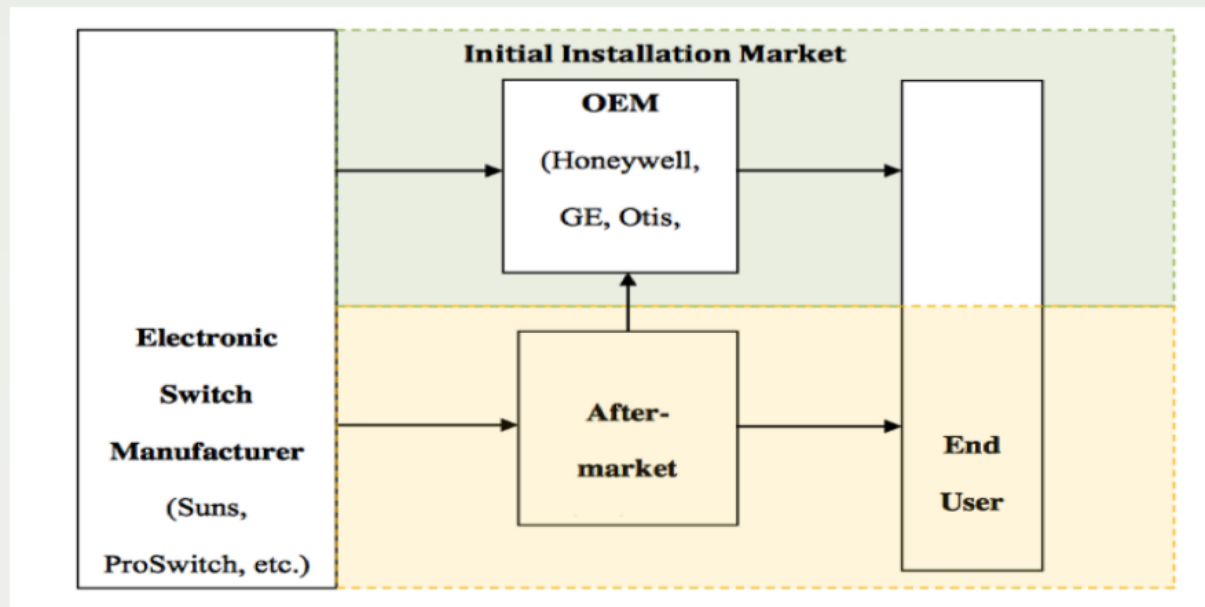




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