

# Managerial economics assignment

[Profession](#), [Manager](#)



American Seafood Distributors Association. Using the five forces framework:

- Entry: Since Brazil producers and the other five countries named in the complaint has a natural competitive advantage like lower labor costs, availability of cheap land, and favorable climate, which results in a higher yield per acre and three harvests per year, Brazil producers and the other five countries named in the complaint enjoy the economies of production which in turn saves them from such challenges, complaints and threats of new entry. - Power of Input Suppliers: Brazil exports more than 58, 000 ones of shrimp, with about one-third of that going to the U.

S. Since a large amount is bought from the U. S. , there are only a few substitutes to buy that amount. So, the U. S. Has limited alternative, leading to Brazil having power over the U. S. - Power of Buyers: The American Seafood Distributors Association has supported Brazilian and other foreign producers, arguing that the Southern Shrimp Alliance is engaging in unfair trade practices by trying to impose 300 percent tariff. The buyers prefer cheaper products, so the buyers have power in negotiating trade terms.

Industry Rivalry: Brazil and other foreign countries have a natural competitive advantage, such as lower labor costs, availability of cheap land, and a more favorable climate. Since these advantages are naturally obtained and sustainable, the rivalry is not very intense. - Substitutes and

Complements: There isn't any substitute for shrimp. People who demand shrimp will only demand shrimp, since they would not change their preference to other seafood as a substitute for shrimp. Week 1 Managerial Economics Assignment By agrarian