

Dynamics in the glass industry

Business, Management



The paper “ Dynamics in the Glass Industry” is a meaningful example of a term paper on business. Kitchen products are in a wide range of variety: plastics, metal, glass, and wood. Therefore, the kitchen products industry is quite competitive. On that note, Pyrex a production line of glass kitchen products possesses a significant percent of the glass manufacturing sector. Therefore, Pyrex protects its products in order to maintain and expand the market niche it enjoys. Subsequently, proper evaluation of tariff schedules, economy stakeholders, and legal mechanisms that protect the product from theft are important during decision making (Hoben, 2010).

Vital to indicate, daily activities provoke and insight the discovery of intellectual property. For example, Littleton gets to find an idea from an incident that the wife encounters while in the kitchen. The innovation was the ability to bake using glass utensils. Littleton took his wife’s creativity to his place of work. Researchers checked out the proposal and acknowledged its viability. Consequently, the process of protecting the discovery commenced since the idea of baking in a glass was new to the world.

In the market, Pyrex products were in three major types: serving items, preparation utensils, and baking tools. By the summer of 2006, a market research proximate that 79% of household in the United States of America owned a Pyrex product. Important to mention, Pyrex dominated the market with a share of 75%. The closest competitor, Anchor Hocking, controlled twenty-two percent of the industry. Although Pyrex was the dominating shareholder in the glass commodities, non-glass goods offered a significant competition (Berezhkovskaya, 2013). Across the globe, in 2006, margins in the glass making industry started to diminish and averaged at seven

percent. Commoditization characterized the attractiveness of the commodities entering a new market. Aside from that, relatively lower labor costs in the new markets increased the appetite for the use of glass products. However, the work represented a prominent cost difficulty for the penetration of Pyrex product in developing economies in spite of enormous up-front capital investment.

Important to acknowledge, tariffs presented new dynamics in customer products companies based in the United States of America. Duties varied widely from one product to another and dependent upon the country of origin with the purpose of leveraging domestic manufacturing. Consequently, the International Tariff Schedule produced a harmonized tariff schedule that associates each product with an appropriate tax.

After the formation, World Kitchen depended on outsourcing from manufacturing partners. To maintain competitiveness, the company needed to continue outsourcing. Consequently, World Kitchen shut down some of its plants across the nation since it could cheaply outsource from Korea, China, and Thailand. Subsequently, by 2006, it possessed only two production firms: Charleroi's Pyrex plant and a Corning manufacturing place in New York. In business, sourcing is the process of finding searching for products in the market for the purpose of purchasing them (Kelvin, 2011). It includes a procedure of comparing a product's quality, quantity and prices in order to make the decision to make a purchase. Sourcing has several benefits to the buyer that include: eliminating exploitation and finding the best product in the market.

From an objective point of view, it relatively beneficial for World Kitchen to

outsource the products as it tries to establish a more economical way of producing glasses. As a result, the company mitigates its cost of production and increase profit margins of Pyrex products. Besides that, the institution's items gain a competitive price advantage over the competitors. However, dependent on the details of tariff schedules, the company may opt to produce glasses locally and eliminate transportation charges.

Critically, Personal entities possess different products and services.

Therefore, companies should safeguard their properties from harm and theft from other individuals. In that view, intellectual property becomes valuable to an organization. Importantly, institutions ought to secure valuable properties through patents, Certificate of secrecy and franchises (Kelvin, 2011). Aside from that, the World Intellectual Property Organization (WIPO) and other bodies of governance set rules and policies that enable companies. The process of protecting ideas and knowledge enables one to curb counterfeiting, imitation and stop pirates.

Strategically, decision making is a process that requires a critical analysis of factors affecting a phenomenon. For instance, Pyrex needs to make sure that it considers the underlying influences of the economy before settling for a decision. Due to the desire to optimize its profit, it is prudent for the company to buy a product for making glass items since it would be cheaper for them. Consequently, more profit is realized and efforts channeled towards conquering new markets.