

# [Case study for marvel](https://assignbuster.com/case-study-for-marvel/)

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Disneyhas a competitive advantage by buying Marvel because it is considered liked by many people By buying Marvel Disney is able to put the characters into their theme park for attractions Provides new intellectual property for TV shows and expands their consumers worldwide Issue 2: What are sources of risk and can they be managed?

A competitor could buy out DC Comics and use that to compete against Disney for eying Marvel Marvels lesser characters could fall to be groomed Into stars, and that could cause a loss in profit In the deal Issue 3: How can the Investment be financed? The Investment will be financed through stock and cash Marvel will receive about 1. 44 billion In cash and Disney stock Issue 4: What Is the short-term effect of the Investment’s acceptance on Idleness reported earnings?

The firms earnings per share (PEPS) may be diluted In the short run After the deal was omelet Disney shares feel 3 percent to about $26 Earnings would be low In the beginning because Marvels stock prices in shares went up Issue 5: Does the investment have inherent flexibilities that allow Disney to modify it in response to changing circumstances? Disney was willing to support future Marvel films because of Marvels lack of capital. Expanded certain Marvel characters to theme parks around Paris and Hong Kong