

Apple computer and krispy kreme



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Apple Computer and Krispy Kreme Apple Computer is one of the leading corporations in the field of computers and software. It has a great variety of production: Intel chip computers, Mac Book Pro (laptop), Mac mini (lowest cost desktop computer), Boot Camp (a new software product), and many other products. They are rather popular and effective on the computer and software market, but there is some critic about it. It is possible to say that Apple Computer had vertically integrated business model. In addition to that the corporation often refuses to operate open standards while using original Macintosh. But Apple Computer is a rather profitable and successful corporation. Its main success is a very high quality of its production, and many customers are devoted to the company and its brand for a very long time. It offers a range of professional software products which are very popular in the world. Apple's CEO Steve Jobs is a successful manager, especially after 1996 when he has returned to the corporation, and the technological potential of Apple and NeXT was put together. He terminated some products, such as Newton and OpenDoc. Under his guidance Apple Computer increased its profitability, although his official salary was \$1 per year. The company is increasing its activity by new markets entering, such as music distribution and consumer electronics, and Steve Job's activity as the Apple's CEO is highly estimated by shareholders and consumers. So, if I had large amount of money I would invest Apple Computer as this company has great technological and scientific potential which can be well realised in the future.

Krispy Kreme is one of the biggest doughnut store chains in the world. It was originated in 1933 by Vernon Carver Rudolph, and now the company has about 360 U. S. stores (Krispy Kreme Press Kit). In 1990s Krispy Kreme began

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its international expansion by opening stores in Canada, Mexico, England and South Korea. In 2000 the corporation went public, and switched to the New York Stock Exchange. But in spite of business success Krispy Kreme has some controversies resulted from the necessity of constant growth: as Steven P. Clark, an assistant professor of finance noted, " there was enormous pressure, as there is for all companies, to grow very quickly and sustain growth quarter after quarter after quarter, this was not the sort of business that was going to have that kind of unending growth (O'Sullivan, 2005)". The main strength of the company is high quality of its production and fast tempos of its developing, but some critics underline its franchising policy controversies: " Krispy Kreme requires franchisees to buy equipment and ingredients from headquarters at marked-up prices. This strategy, while not unheard of, can hurt franchisees in the long run (O'Sullivan, 2005)". The revenue of some outbound stores decreased, and they closed. The whole amount of stores is increasing, but the revenue goes down. But in spite of that, franchise potential of Krispy Kreme is rather high, and the company's ability of market expansion is strong: as attorney Metzger said, " Krispy Kreme as a company still has a lot of value in its name and in its product (O'Sullivan, 2005)". Its franchise policy should be critically analyzed and evaluated - it must be done to strengthen the position of the company on the market.

Sources

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