

Major products and industries essay



**ASSIGN
BUSTER**

Subway is energized to expand its brand to Brazil where the room for growth in this country has great potential. After extensive analysis of our business model we have partnered with GE Franchise Finance to finance our Brazilian investment. We will test pilot our first store in Brasilia where there are a large influx of tourist and upscale hotel chains. Brazil's recent moves toward becoming a more open economy offer the prospect of increasing economic efficiency and ensuring that new resources flow into activities in which Brazil has a strong international competitive position.

It's in our best interest to maintain a ninety nine years agreement with the Brazilian government and hiring local employees which will help in the stabilization of the local market. Entry modes: Entry will be gain through franchising under Subway International, GE Franchise Finance and the Brazilian Economic and Development Committee. Entering Brazil as a franchise will minimize startup cost and free up cash flow. One reason the costs is so low is that Subway outlets feature a very simple operation.

No cooking is involved so franchisees don't have to invest large sums in expensive grills and fryers. Also, the decor package is streamlined so that money isn't wasted on non-recoverable assets. Organizational structure: After organizing our international market we decided to implement the functional organizational structure in Subway's Brazilian franchise. This will allow Subway to group people together because they hold similar positions in Subway, perform a similar set of tasks, or use the same kind of skills.

People grouped together according to similarities in their positions can easily communicate and share information with each other. People who approach

problems from the same perspective can often make decisions more quickly and effectively than can people whose perspectives differs. As business increases in Brazil we will seek future organizational structure to sustain our growth. Strategic Alliance: Subway will support local businesses in the region to supply fresh goods to its restaurant and lease local trucks to deliver its goods.

Our competitors in Brazil are Burger King and McDonalds whereby we hold the competitive advantage due to location. We will have a backup plan for fresh vegetables from Guyana which is a few miles south of the border. : This operation will be a satellite to our stores in the United States. Our mission statement reads: “ To provide the tools and knowledge to allow entrepreneurs to successfully compete in the QSR industry worldwide by consistently offering value to consumers through providing great-tasting food that is good for them and made the way they like it. ” Our goal is the have ten stores open in the next three years and a maximum of fifty in the next eight years. We will re-evaluate the economic feasibility of the region annually and make recommendations as we see fit.

We will have backup generators, twenty four hours service for our customers and a play area for kids in the restaurant. This will be a long term commitment to the Brazilian people. The start up cost will reflect the following items: Initial Franchise Fee, Real Property, Leasehold Improvements, Equipment, Security System, Freight Charges, Outside Signs, Opening Inventory, Insurance, Supplies, Training Expenses, Opening Advertisement, Legal ; Accounting and Misc. Expenses.

Start-Up Costs All monetary negotiations will be paid in US dollars per contract requirement between Subway International, GE Franchise Finance and the Brazilian Economic and Development Committee. Local personnel and vendors will be paid in local currency according to the exchange rate.

Financing Sources Subway International has come to an agreement with GE Franchise Finance to finance this expansion in Brazil one hundred percent. Subway International will finance its franchise if GE Franchise Finance should experience any market down fall or short fall.

Action Plan Our strategic planning and finance department will analyze this proposal and come up with a business plan to present to our stakeholders.

Funds will be dispersed as needed my top level management.

Module 8: CREATING A GLOBAL MIS (MANAGEMENT INFORMATION SYSTEMS) Global Information Needs Manager of Subway will need the following reports to make proper business decisions.

System Analysis Report: Can be used by the business manager to study the inputs, processes, and outputs of the entire company.

Forecasting Report: making decisions based on predictions of future trends and events such as inflation and interest rates, employment levels, or supply costs – all of which can affect sales of small businesses.

Econometric Analysis Report: Through this type of analysis businesses can estimate demand cycles, cost and supply functions, income distribution changes, and so forth.

Balance Sheet: is typically distributed on an annual basis as part of the Summary of Year-end Operating Results report, which is provided to all business managers.

Global Information Sources Internal sources of information are those which can give valuable information regarding the

organization from the internal sources of Subway. Information can be of many types therefore, there can be many internal sources of information.

Examples of some major internal sources of information are as follows:

Employee Skills and Competencies: Internal sources of information includes: training officer, HR staff, employees surveys and internal training records.

Employee Demo-graphics: Internal sources information includes payroll records, workload reports, organizational charts and affirmative action reports.

The borderless global economy has accentuated the importance of knowledge as the most critical source of competitive advantage. Our upper management will collect critical external data from Brazilian Economic Development Department, local banks and distribution agencies. Technology for Managing Information After an extensive review, Subway will have a Wide Area Network linked to our main headquarter via AT; T. The applications will be link to report inventory levels, sale analysis and other financial reports.

We also have a licensing agreement to Symantec Security Systems to provide monitoring of our network. The fiber optic lines will be lease through the Brazilian government. We will be using Cisco router to provide wireless access for our customers. Action Plan We will have the necessary computer applications install on our servers that will have the capability to access internal data and generate reports for management.

Our supplies will be purchase from local suppliers and deliver to our location. We have partner with local suppliers to get the lowest possible prices and

services. Our restaurants will have wireless internet access for our customers.