

Blue ridge spain



**ASSIGN
BUSTER**

Blue Ridge Spain Blue Ridge is a fast food chain created in Virginia. Blue Ridge was acquired by an investment group which introduced Blue Ridge to the International market. After being bought by a beverage company Blue Ridge and the beverage company were sold to Delta Foods for 2 billion American dollars. Yannis Costas and his mentor, Bennett developed a partnership with a Spanish man named Terraluman. The Blue Ridge Spain venture was formed.

The joint venture of Blue Ridge and Terraluman to form Blue Ridge Spain is at an impasse because of cultural differences. Although, Blue Ridge was originally an American company, Blue Ridge's employees came from different countries. The lack of cultural training at Blue Ridge doomed the relationship between Blue Ridge and Terraluman Management. Whereas Terraluman were offended by the way Sondergran conducted business by his harsh stance. Sondergran was harsh because of a perceived lack of motivation on the part of Terraluman.

If I were Dryden or Sondergran, I would not push for dissolution with Terraluman. The growth chart for Spain was higher than France and Germany. If Dryden and Sondergran would have been flexible to only expect the same growth from Germany and France, Spain would still be a fertile ground for the fast food chain. Blue Ridge Spain had potential, it was not losing money. If I were Dryden or Sondergran, Blue Ridge Spain would be priceless to me, but if I did choose dissolution the dollar amount would be the fair market value in Spain at the current market prices. The reason I would pay fair market value is the damage that Dryden's plan to default on the bank loan in Spain would be immense with a ripple effect shadowing every other partnership Delta entered into.

Dryden and Sondergran do not see potential in Blue Ridge Spain. They do not even want to set realistic expectations for Blue Ridge Spain. For Terraluman Management, Blue Ridge Spain is about people, whereas Dryden and Sondergran see only the need to make more money.

If I were Terraluman Management, I would hold Delta to their contract. After the contract expired, I would try to buy out Delta for the lowest price. Since I do not trust Delta after Dryden and Sondergran's actions, I would make it as difficult as I could for them. I would claim half of Blue Ridge Spain, since my workers and labor formed the fast food chain in Spain.

If I were Costas, I would not form a dissolution plan for Blue Ridge Spain. I would pursue one of two actions. The first would be going to a company that appreciated my hard work and qualifications. Costas was clearly the man for Sondergran's job. A company that overlooks loyalty and seniority will do business like Dryden and Sondergran. If Delta can betray Terraluman, then when it comes to layoffs and cut backs I would not feel safe in my job. If a company, even a big one like Delta, treats their partners unfairly, they will not value their employees.

The second course of action I might pursue is a talk with upper management. I would explain my concern and inform them that Sondergran is not the man to deal with Spain because of his cultural background. All of this impasse could have been avoided if Delta management implemented a workshop or other instruction in culture for Delta employees.

If I were Costas I would develop a plan to educate Delta employees efficiently on their culture differences. Maybe if Sondergran understood the Spaniard way of business, he might not have taken such a hard line on Terraluman Management. If Dryden understood the Terraluman Management

culture, he could have seen the potential in Blue Ridge Spain.

Delta Food Group will continue to have problems in their International ventures until they choose the employees with greater care. Delta should make up a management team in place of Sondergran's job. On this team employee representations from every country Delta does business in should be included. If a variety of cultures are represented, then the impasse of Blue Ridge and Terraluman Management would never be an issue.

One last issue that Delta never considered when "stealing an executive from Procter and Gamble" is the idea that Procter and Gamble is not a fast food chain. Procter and Gamble manufacture products alone. Yes Sondergran is a good executive, but he does not deal with people well. Costas is better for the job.