

# [Ruinously case study](https://assignbuster.com/ruinously-case-study/)

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Whether an agent or the distributor is beneficial for the company depends on the situation and what the Ruinously has in its vision. Here in the given case study, it shows that Gerald considers the success more than a trend and wants that he wants concentrates more on preserving the business as a family business, showing the recalcitrance towards not introducing any new in the family business. In case of adopting the agents, we need to step up same existing operational functionalities, Inch is in Ottawa, in France, which was something against the vision and wish of Gerard.

And Having a Distributor was something that was going in the way what Gerard wanted.

Following are the advantages of having a distributorship agreement over sales agent agreement. 1) There is not responsibility that needs to be shared between the distributor and Gerard. And in this selling the sunglasses in France becomes the core responsibility of the distributor and thus, Gerard can be free from the duties of selling the products in France and can concentrate over the business in Canada. ) Distributors should be more motivated to sell the stock that they purchase from he Ruinously, since they take on greater risk of failing to sell. This way the sales of the Ruinously can be increased in France by giving independent responsibility to the distributor and at the same time, Gerard can also contributor towards the sales n Canada.

Thus by having the sales in both Canada and France, simultaneously and independently can make great sales for the Ruinously. ) The supplier will not need to monitor accounts with a number of customers, but only with the distributor. This way Gerard can decrease the overhead of incurring the business in the France ) Various other possibilities of having international business endeavor for the Ruinously are as follows: 1) Turn-key Projects: In this means of medium, the organization helps to provide all kind of services that are required for the organization to set up business in another country.

Like here, any Sunglasses company in France would help Ruinously to set Jp his own organization from the very beginning of the design stage to the operational level. But in this case, since the Gerard is not interested in taking his manufacturing out of house, having such projects in not feasible.

) Joint Venture: In this, Ruinously needs to collaborate with the local companies or government of the foreign company in order to build up various industrial operations right from manufacturing the product and sales. Read also aboutBarilla SPA’s salesCase Study.

This leads to have a shared management and manufacturing capabilities, which is again against the willing of the Gerard. 3) Foreign Direct Investment (FDA): In this medium, the company needs to invest the money and have a complete ownership over the business enterprise established in the foreign country.

But again having a complete ownership was what the Gerard didn’t wanted to. ) Following are the options that the Ruinously and the Distributor, Eel Sequel Choice must have considered in the distribution agreement. ) Terms of Sales: The distributorship agreement should include all the concern regarding payment and interest over the overdue of the payment. Terms and condition for when to make the payment and what should be the ratio of the payment before and after the delivery of the goods etc. 2) Territorial Limitations: Supplier should limit the distributor to sell only in the specific locations such that in future there are no issues regarding the conflicts with there companies and not violates the rules and regulation of the hosting countries.

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Price Control: Determining the cost of the product plays a very crucial role for sales. Since the distributor have a total control over determining the price, still some countries required the supplier to recommend prices for each item that are supplied such that their remains a control over the price and distributors doesn’t exploit the advantage of independence totally. 4) Right to appoint Sub-Distributor: Main distributor like here, Eel Sequel Choice can appoint some other sub-distributors in order to cover a large territory effectively. Distributor performance obligation: According to me, this is very important in the agreement, which can act as the medium to solve any disputes between the supplier and distributor.

Agreement should have some obligations which distributor should follow like technical support, packaging, domestic law and import and export compliance etc. 5) Despite all this mentioning in the agreement, if at all there is something remaining, and then CICS can be useful.

Canada and France are signatory members of the CICS, hence it will be the instrument used to determine the outcome of disputed issues Inhere governing law has not been specified. 4) Dominique introduced some new unconventional styles and materials that made a boom in the sale in Canada and France. So in order to be way from the IP conflicts Ray a Porter should be registered as a trademark in the ELI. If possible, any aesthetic distinctions of Ray Porter designs should be registered for industrial design protection.

An IP clause should be included in the agreement, outlining the rights and obligations of the distributor with regards to using the Ray Porter name and logo in marketing, advertising and distribution.