



2013 NLC FBLA GLOBAL BUSINESS FINAL CASE STUDY

PARTICIPANT INSTRUCTIONS

1. You have 20 minutes to review the case.
2. Presentation time is seven minutes. At six minutes the timekeeper will stand and hold up a colored card indicating one minute is left and at seven minutes the timekeeper will stand and hold up a colored card indicating time is up.
3. The presentation is interactive with the judges who will ask questions throughout the presentations. The judges will play the role of owner of Art/FX (a successful screen printing company in the United States). Your operations team must explain the advantages of outsourcing your growing business orders to a company in China.
4. Each team member will be given two note cards.
5. Cover all the points described in the case and be prepared to answer questions posed by the judges.
6. All team members must participate in the presentation as well as answer the questions.

PERFORMANCE INDICATORS

- Describe sources of product opportunities for international business
- Analyze economic trends to determine products and services to offer in a global marketplace
- Describe an appropriate product/service mix for a global business
- List major factors considered when planning products and services for global trade
- Identify needs and wants of prospective global customers

CASE STUDY SITUATION

You are the operations team for a very successful screen printing company (Art/FX) in the United States. Your company has licensing rights to produce college merchandise for major universities in the Big Ten, SEC, PAC 12, and Big 12 Conferences. The demand for your merchandise has grown tremendously and you are having a difficult time keeping ahead of the orders. You want to produce the best quality merchandise at the lowest price. The apparel that you screen print is manufactured in the United States and your company has proudly promoted the “Made in USA” theme.

An apparel/screen printing company in China has indicated an interest in outsourcing your growing business orders. The cost of labor is much lower in China than the United States. The Chinese company has sent you a proposal to purchase/screen print your orders in China. The quality of the apparel is close to the quality offered in the United States; however, the cost to produce apparel for major universities is 40 percent less in China than the United States. If you agree to purchase your apparel and have it screen printed in China, you will have to allow greater turn-around time for the universities to receive the apparel.

Why should your company seriously consider outsourcing your orders to a company in China?

What extra challenges arise from conducting business in another country?

How can you make sure that China will legally print the logos and mascots of major universities?

If your company decides to outsource projects to China, how will you change the “Made in USA” promotion?

What are the greatest advantages associated with conducting business in China?

THINGS TO CONSIDER

- The company must clearly communicate all orders with a company located in China.
- What is the negative impression associated with outsourcing?
- Why should your company be concerned about licenses and legal agreements when conducting business with China?



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FINAL CASE STUDY
JUDGES' NOTES**

JUDGING THE PRESENTATION

1. This is a role-playing event with judges serving as the owner of Art/FX (a successful screen printing company in the United States). The team assumes the role of your operations team.
2. This is a team event.
3. Review the Judges' Instructions and the Case Study Situation.
4. After the introductions, you should begin the meeting by welcoming the team members. The team members will then begin their dialogue with the owner (judge).
5. This is an interactive problem, so treat the presentation as a conversation. Each of the members of the team should respond to at least one question or issue. At six minutes the timekeeper will stand and at seven minutes the timekeeper will stand and hold up a colored card indicating time is up.
6. You will close the event by thanking the participants for their input and recommendations. The participants will hand in their note cards before leaving.
7. Complete the rating sheet.

JUDGES' INSTRUCTIONS

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printed in China, you will have to allow greater turn-around time for the universities to receive the apparel.

You have asked your operations team to give solid reasons for outsourcing your order to the company in China.

During the role-play performance, feel free to ask any of the following questions:

1. What licensing concerns do we have dealing with a Chinese company?
2. Will the increased profit resulting from outsourcing outweigh the lower quality merchandise?
3. How do we handle our “Made in USA” promotion when we conduct a big portion of our business in China?
4. If we decide to produce merchandise in China, what type of communication will be necessary with our retailers?
5. Will we have to travel to China periodically to check business operations? Why?

There is no right or wrong answer to the event. However, if a team event, the ability of the team members to work together to come to a consensus, based on the facts provided (and those that you care to add) should be the basis for the score. The individual or team should present its suggestions with clarity and conviction.

Feel free to enhance the story as much as you want, but if you enhance it for one, make sure you enhance it for all the groups.