

Establishing a Subsidiary in Foreign Country

1. Assuming that you own an international business and it is successful, identify reasons why it may be feasible to establish a small subsidiary in the foreign country rather than continue exporting.
2. Name the country and research customs and cultural issues and which specific risks these would be a concern and most difficult to overcome.
3. Identify the advantages and disadvantages associated with establishing a small subsidiary in the foreign country of concern. Include from the financial risks to the practical and logistical risks faced.

Create a proposal, to 'make a case' for establishing this DFI which defends with facts and fully supports your findings and methods to reduce the risks noted

- Written Discussion Paper –5 pages in length, (double-spaced).
- Offer details from our readings, and solutions based on our classwork
- Conclude with a summary that clearly identifies what needs to be done to insure success.