

k

by S B

Submission date: 12-May-2021 07:24AM (UTC-0400)

Submission ID: 1584311000

File name: Radio_Corporation_of_America_case_Study.edited.docx (12.54K)

Word count: 508

Character count: 2846

Radio Corporation of America case Study

Name

Institution

Course

Instructor

Date

Radio Corporation of America case Study

Question 1

The foreign market entry modes played a significant role in Radio Corporation of America (RCA) losing the liquid crystal display technology invention. For instance, by the time the company introduced the LCD technology into the market, the foreign entities from Europe and Japan wanted RCA to license their patents to manufacture cathode ray tubes (Gross, 2012). The foreign entities induced RCA to offer licenses on some of the company's inventions, including the LCD technology, amid frustration from RCA researchers (Gross, 2012). The foreign entities were allowed to visit research labs to witness how RCA researchers came up with different technological innovations without much restriction. This move led to the foreign competitors exploiting RCA's innovative ideas though the company executives expressed minimal concern regarding the emergence of competitors capitalizing on their technology. Indeed, the negative consequences were witnessed in the early 70s, when foreign companies from Japan invaded the American radio and television market space. Soon European companies like Sony and Sharp did the same with their LCD technologies.

Question 2

The Radio Corporation of America became defunct due to different reasons; first, the company's executives refused to fund the LCD project and asked the Raritan operation to seek external funding, which sank the company into debt. Despite the Raritan engineers securing financial support and developing the three products on time, the company executives refused to deny them funding to commercialize the project to generate significant revenue for the company upon commercialization (Gross, 2012). Second, since the company executives were unwilling to commercialize the LCD technology, some of the best staff, including the LCD researchers like

Joel Goldmacher, an organic chemist, and Luis Zanon, left the company to join Optel. This startup was keen on LCD technology (Gross, 2012). This move left RCA with limited researchers who understood the intricacies of the LCD technology. Third, in the 1970s, Heilmeyer, one of the lead researchers, grew frustrated with his managers, who in his account deemed the LCD technology as a threat and not an opportunity (Gross, 2012). RCA was not keen to tap into the emerging LCD technology they invented because they saw it as a waste of time. By the time the world had migrated to LCD systems, they were left behind.

Question 3

To avoid collapse, RCA should have ensured that they retain some of their best researchers. Once the researchers joined Optel, they found a conducive environment and the necessary support to implement the LCD technology deemed undesirable by RCA, hence helping Optel make money from the technology. In addition to that, successful companies are jealous of their technological inventions. They protect their inventions and cannot allow rival firms even to see them. RCA should not have allowed other company representatives to visit their research laboratories, where they witnessed the company's operations, hence borrowing ideas that they implemented in their respective entities.

Reference

Gross, B. (2012, November 1). Full Page Reload. IEEE Spectrum: Technology, Engineering, and Science News.

k

ORIGINALITY REPORT

0%

SIMILARITY INDEX

0%

INTERNET SOURCES

0%

PUBLICATIONS

0%

STUDENT PAPERS

PRIMARY SOURCES

Exclude quotes On

Exclude bibliography On

Exclude matches Off