

## Week 2 - GBSR Seminar

### Case Study - Globalizing Consumer Durables: Singer Sewing Machine before 1914

#### Overall Aims

- To understand the process of internationalisation of firms and the different levels of risk and control involved in each mode of entry.
- To demonstrate a critical understanding of the theories of international business and the ability to apply them to help analyse real life cases.
- To discuss ways through which global business can help economic development and create value for society.
- To engage in research within a group and discuss and organise arguments.
- To present and discuss ideas in public.

#### Preparation for the Seminar in Week 2

- . With your group, read and prepare a presentation for the seminar.
- . You are expected to present in class one of the questions below.
- . Each question should be presented in 5 minutes maximum. It is not a requirement, but ideally all the members of the group should present.
- . You are encouraged to use PowerPoint slides for your presentation.
- . Each presentation will be followed by a short discussion in class.

#### Questions to be prepared for presentation and discussion in the Seminar in Week 2

1. How much of a hold did Singer have to have in its domestic market before going abroad? What are the pros and cons of building a factory in Glasgow? Why not choose somewhere else? Why Choose FDI rather than licensing?
  - 1.1 Apply the Eclectic Paradigm by John H. Dunning to address these questions and explain the growth of multinational manufacturing by Singer.
  - 1.2 Apply the 'New Internalization Theory' by Rugman Verbeke and Nguyen to address these questions and explain the global business strategy developed by Singer before WWI.
2. Drawing on Cazorra and Narula (2015) explain the internationalization motives for Singer to go abroad.
3. Why were sewing machines one of the world's first global products?
4. How was Singer able to capture 90% of the world market for sewing machines?
5. What was the most important factor behind Singer's success in the Russian market?
6. How would you compare the globalisation of sewing machines in the 19<sup>th</sup> century with that of computers in the late 20<sup>th</sup> and early 21<sup>st</sup> centuries?