

INT 110 INTERNATIONAL BUSINESS ~ SECTION 01 ~ MWF 9:30-10:20am
Central Piedmont Community College
Spring Semester 2008

INSTRUCTOR: Nadine Russell, CPA
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HOURS: 10:30-11:30 MWF;
1:00-2:00 T/Th. (Except for Meetings)

TEXT: *International Business: The Challenges of Globalization, 4th edition*, John J. Wild, et.al., Pearson-Prentice Hall ISBN 0-13-174743-6

COURSE DESCRIPTION: An overview of the environment, principles and practices of international business. Topics addressed include various forms of international business endeavor, international trade theory, multinational trade organizations, economic integration and trading blocs, governmental influences on the strategies and practices of international business, multinational corporate organizations, management considerations and marketing considerations. **(3 contact hours, 3 credit hours)**

COURSE OBJECTIVES: Upon completion of this course, students should be able to:

1. *Understand the term “globalization” and its application to global markets and global production of goods and services; Understand the impact of culture and governments on international business.*
2. *Explain basic theoretical concepts of international trade and understand the fundamental aspects of foreign exchange, convertibility, and markets, including percent relationships.*
3. *Explain the meaning and various levels of regional economic integration; describe goals and potential benefits of such organizations*
4. *Explain the basic nature of trade-related organizations such as the WTO, OECD and the OPEC cartel.*
5. *Demonstrate an understanding of the nature of foreign direct investment (FDI). Describe a range of governmental policy viewpoints regarding FDI.*
6. *Demonstrate an understanding of different political systems and understand their impact on the range of economic systems(including market, command, mixed and state directed economies).*
7. *Using blank outline maps, locate all countries and selected principal cities on each continent.*
8. *Identify and locate on a world map the top 10 world economies and the top 10 trading partner countries (exports and imports) of the United States, name their currencies, calculate exchange rates and explain the relative importance of international business to the economy of the U. S. A.*
9. *Describe key issues of marketing and research and development (R&D) that global companies must address.*
10. *Describe and analyze various modes of entry into international business.*
11. *Define key elements of export, import and countertrade strategies, including various methods of payment, and selected INCOTERMS and other key terms relating to modes of entry.*
12. *Demonstrate significantly improved capabilities for reading, and synthesizing in writing, information about global issues, global companies, foreign countries and cultures.*

CORE COMPETENCY:

Central Piedmont Community College has adopted a set of core competencies that are expected of all graduates. Communication, Critical Thinking, Personal Growth & Responsibility, and Information Technology & Quantitative Literacy have been identified as skills needed to be successful in the workplace or to participate as an educated citizen. These competencies are demonstrated through the content of the discipline or program of study, and complement basic program knowledge and application. This course will address “Critical Thinking”.

GRADING:

ITEM	POINTS ~ %	GRADING SCALE
1. Attendance/Participation	100 pts. 14	A = 90--100% (630+ points)
2. Four Unit Tests (with maps)	400 pts. 57	B = 80-89% (560-629)
3. Three Reading Reports	60 pts. 09	C = 70-79% (490-559)
4. Market Entry Strategy <i>Group</i> Project	90 pts. 13	D = 60-69% (420-489)
5. Maps	50 pts. 07	
Total	700 pts. 100%	F = Below 60% (420 or less)

Your grades will be recorded in your personal Blackboard Grade Book. You are encouraged to check them regularly to make sure all of your work is properly accounted for. Any discrepancies should be reported to your instructor immediately.

ATTENDANCE AND PARTICIPATION:

All students are expected to attend class regularly and **ON TIME**, to read assigned material, and to participate in discussions and other class activities. *Tardiness is disrespectful to fellow students as well as the instructor.* Tardiness and absences will *definitely* lower grades, both directly (attendance/participation grade) and indirectly (missing information provided in lectures). It is expected that students will have **no more than three unexcused absences during the semester.** *Make-up tests will be given only for excused absences. In those rare cases, special arrangements for testing must be made by the student. Late work may be accepted for a limited time after the due date with a 20% late penalty. Participation includes class discussion and periodic homework assignments.*

DETAILS OF ATTENDANCE POLICY:

There are 100 points available for Attendance/Participation. Of course a student cannot participate if he/she is not present. Unexcused absences and times tardy can be expected to reduce those points as follows. ***Two times tardy equal one absence.***

<u>MWF Sections:</u>	<u>Point Reduction</u>	<u>Tue.Thr. Sections:</u>
0—3 absences:	No reduction in points.	0—3 absences
4---5 absences:	05 point reduction	4 absences
6—7 absences:	10 point reduction.	5 absences
8—9 absences:	15 point reduction.	6 absences
10--11 absences:	20 point reduction.	7 absences
12--13 absences:	30 point reduction.	8 absences
14 + absences:	40 point reduction	9 + absences

*****Note: Two times tardy = one absence.*****

UNITS AND UNIT TESTS: The course consists of four units as summarized below:

UNIT I	UNIT II	UNIT III	UNIT IV
Ch. 1 Globalization	Ch. 4 Economic Systems and Development	Ch. 7 Foreign Direct Investment	Ch. 11 International Strategy and Organization: pp. 316-329 Ch. 12 Analyzing International Opportunities
Ch. 2 Cross-Cultural Business	Ch. 5 International Trade	Ch. 8 Regional Economic Integration	Ch. 13 Selecting and Managing Entry Modes
Ch. 3 Politics and Law in Business	Ch. 6 Business-Government Trade Relations	Ch. 9 International Financial Markets: pp.267-283 Ch. 10 International Monetary System: pp. 298-313	Ch. 14 Developing and Marketing Products
Maps: North Am., Cent. Am., SA	Map: Europe	Maps: Mid. East, Asia, Aust., NZ	Map: Africa
Test I, Feb. 6, 2008 Doc. #308 in Testing Center—Central High	Test II, March 6-7, 2008 #308 in Testing Center--CH	Test III, April 9, 2008 #308 in Testing Center--CH	Test IV, Monday May 5, 2008 (Final) In Classroom

The tests will include short-answer essay as well as objective questions. Map work will also be included as indicated above. See GRADING, page 2, for further information.

WRITTEN ASSIGNMENTS:

I. INTERNATIONAL READING REPORTS

A. Each student is responsible for reading and writing a report on **three (3) substantial articles on international topics**. These articles may be taken from any current business source, but the following periodicals are readily available: *The Wall Street Journal, Business Week, The Economist, Fortune, Forbes, The Charlotte Observer, Newsweek, U. S. News and World Report, the New York Times, etc.* Your articles may include topics such as Current Business Events, Culture, Regional Economic Blocs (such as NAFTA, EU, ASEAN, APEC, MERCOSUR,), Economic and/or Political events, Exporting, Importing, International Marketing, etc.

B. **On the due date**, (See schedule on pages 5 and 6) turn in a photocopy of your article (or the **NEATLY CLIPPED** article) **STAPLED** to a concise summary of about half a page, single spaced. The synopsis should be neatly typed and must follow the **exact format of the attached sample (p7)**. **You must proofread carefully. No Sentence fragments or misspelled words should be turned in. I will read carefully and grade each report and return them promptly to you. You must use the exact format for your article summaries as illustrated by the sample on page 7.**

C. Part of your regular class participation should be appropriate references to your various readings as they apply to the current class discussion. You will be required to discuss/present at least one of your article summaries to the class.

II. MAPS

You will receive a packet of outline maps of each continent showing all the countries on each continent. You will label all of the countries and certain key cities/landmarks on these maps. In addition, you will look up and record the population of each country. **Each of your unit tests will include a map component comprising all of the countries and city/other locations (see table above).** Students in former classes have enjoyed learning the location of some 168 countries and approximately 150 principal cities, bodies of water, etc. One of the best sources for information you need for the map project is the CIA *World Factbook*, which you should access at:

<http://www.cia.gov/cia/publications/factbook>

III. MARKET ENTRY STRATEGY GROUP PROJECT

- A. Research a nation as a future market for a new video game system called M-box. The M-box competes against the video games of companies already in the market, such as Sony, Nintendo, and Microsoft. The M-box can be played either at home or between players in an online, interactive format. Working in teams, students will research and analyze a country, then recommend a course of action to the producer (PCB Corporation) of the M-box during an in-class presentation at the end of the semester.
- B. You will be assigned to groups and have the entire semester to work on this assignment. Presentations will be given during the week of April 28th. Professional attire is recommended.

CPCC POLICIES AND INFORMATION:

Saturday, April 12, 2007, is the last day to withdraw and receive a “W.” Read the CPCC Spring Semester 2008 Class Schedule for the details of your responsibility.
CPCC Withdrawal Policy

“When a student determines that he/she will be unable to complete courses in which he/she is currently enrolled, it is the student’s responsibility to initiate procedures leading to a formal withdrawal (“W”) in order to avoid a failing (“F”) grade. To receive a “W” grade a student must withdraw before the last 25% of the academic term.” If you are passing the course, but feel you must withdraw for some reason, please see your instructor prior to doing so, as there may be other alternatives.

CPCC Academic Integrity Policy

Students are expected to follow the letter and spirit of the CPCC Academic Integrity Policy, which can be found at the following location on the CPCC Website:

http://www.cpcc.edu/Student_Handbook/Policies/#Integrity

Cheating will result in zero credit on the item involved and possible failure in the course.

CPCC Special Services Policy

“Students who have a documented disability or who think they may have a learning problem may contact the Office of Services for Students with Disabilities in Terrell 219 or may call 704-330-6556 or 704-330-6621. Instructors will provide the necessary accommodation upon advice of that office.”

Campus Security

To reach campus security, phone: 704-330-6632, or in an emergency dial 704-330-6911.

Daily Schedule---First Half-Semester--MWF
INT 110 International Businesses: Spring Semester 2008-- Russell

Day	Date	#	Primary Topic	Reading Assignment	Key Focus/Activities
Fri	1/11	1	Course Introduction	Course Syllabus	Text Readings, International Article Readings, Internet Sites, Grading Procedure, etc.
Mon	1/14	2	Ch. 1 Globalization	Pp. 2-38 + Handouts	Basic concepts and definitions relating to international business
Wed	1/16	3	Ch. 1 Globalization	Pp. 2-38 + Handouts	Top 10 World Economies (GDP) Exercise
Fri	1/18		Ch. 1 Globalization	Pp. 2-38 + Handouts	Top 10 USA Trading Partners Exercise
Mon	1/21		Martin Luther King Holiday	No Class	No Class
Wed	1/23	4	Ch. 2 Cross-Cultural Bus.	Pp48-83	
Fri	1/25	5	Ch. 2 Cross-Cultural Bus.	Pp48-83	
Mon	1/28	6	Ch. 2 Cross-Cultural Bus.	Pp48-83	American vs. British English Exercise
Wed	1/30	7	Ch. 3 Politics and Law	Pp. 84-119	
Fri	2/1	8	Ch. 3 Politics and Law	Pp. 84-119	INTERNATIONAL ARTICLE #1 DUE
Mon	02/4	9	Ch. 3 Politics and Law	Pp. 84-119	3 legal traditions
Wed	2/6	10	TEST 1 Ch. 1-3	Pp. 2-119 + Lectures, NA, CA, SA maps	Testing Center. Document #308
Fri	2/8	11	Miscellaneous		
Mon	2/11	12	Ch. 4 Economic Systems	Pp. 120-149	Central planning versus free market economies
Wed	2/13	13	Ch. 4 Economic Systems	Pp. 120-149	
Fri	2/15	14	Ch. 4 Economic Systems	Pp. 120-149	
Mon	2/18	15	Ch. 5 International Trade	Pp. 150-175	Trade Theory Exercise: Absolute and Comparative Advantage
Wed	2/20	16	Ch. 5 International Trade	Pp. 150-175	
Fri	2/22	17	Ch. 5 International Trade	Pp. 150-175	Factor Proportions Theory; Product Life Cycle
Mon	2/25	18	Ch. 5 International Trade	Pp. 150-175	Porter Diamond
Wed	2/27	19	Ch. 6 Business-Government	Pp. 176-201	Barriers and subsidies
Fri	2/29	20	Ch. 6 Business-Government	Pp. 176-201	WTO
Mon	3/3	21	Ch. 6 Business-Government	Pp. 176-201	
Wed	3/5	22	Review and catch up		
Fri	3/7	23	Test II, Ch. 4-6	Pp. 79-166 Lectures + Europe Map	Testing Center. Document #308

+++**SPRING BREAK: March 10--14, 2008**+++
Have Fun ~ Be Careful!

Daily Schedule---Second Half-Semester--MWF
INT 110 International Businesses: Spring Semester 2008--Russell

Day	Date	#	Primary Topic	Reading Assignment	Key Focus/Activities
Mon	3/17	24	Ch. 7 Foreign Direct Investment	Pp. 202-226	Nature of Foreign Direct Investment
Wed	3/19	25	Ch. 7 Foreign Direct Invest.	Pp. 202-226	FDI trends and causes INTERNATIONAL ARTICLE #2 DUE
Fri	3/21	26	Good Friday	No Class	No Class
Mon	3/24	27	Ch. 7 Foreign Direct Invest.	Pp. 202-226	FDI trends and causes
Wed	3/26	28	Ch. 8 Regional Economic Integration	Pp. 228-257	NAFTA, EU, ASEAN, MERCOSUR, Etc.
Fri	3/28	29	Ch. 8 Reg. Eco. Integration	Pp. 228-257	
Mon	3/31	30	Ch. 8 Reg. Eco. Integration	Pp. 228-257	
Wed	4/2	31	Ch. 9 International Financial Markets	Pp. 258-285	Currency Exchange Exercise
Fri	4/3	32	Ch. 9 International Financial Markets; Ch 10 International Monetary System	Pp. 258-285 Pp. 298-313	Currency Exchange Exercise—Spot vs. Forward Note: Chapter 10 component
Mon	4/7	33	Ch. 9 International Financial Markets; Ch 10 International Monetary System	Pp. 258-285 Pp. 298-313	Currency Exchange Exercise—Spot vs. Forward Note: Chapter 10 component
Wed	4/9	34	Test 3, Ch. 7-10	Ch. 7, 8, 9, 10 + Lectures, ASIA Map	Testing Center. Document #308
Fri	4/11		Ch. 11 International Strategy and Organization	Pp. 316-329	Note: Only part of Chapter 11 is required
Mon	4/14	35	Ch. 12 Analyzing International Opportunities	342-369	Note: Chapter 11 component Last Day to Withdraw for “W” rather than “F”!
Wed	4/16	36	Ch. 12 Analyz. Int. Opport.	342-369	INTERNATIONAL ARTICLE #3 DUE.
Fri	4/18	37	Ch. 12 Analyz. Int. Opport.	342-369	
Mon	4/21	38	Ch. 13 Select. Entry Modes	Pp. 370-399	
Wed	4/23	39	Ch. 13 Select. Entry Modes	Pp. 370-399	
Fri	4/25	40	Ch. 13 Select. Entry Modes	Pp. 370-399	Content TBA
Mon	4/28	41	Group Presentations		
Wed	4/30	42	Group Presentations		
Fri	5/2	43	Group Presentations		Last Regular Class!!
Mon	5/5	46	Final Exam 8:00-10:30am (Be on time!) Chapters 11, 12, 13	Ch. 11-14 Africa Map	Final Exam will be held in the regular classroom. Most students will need the full 2.5 hours, so it is advisable to come on time.

Sample: You Must Use This Format)

BI-WEEKLY READING REPORT: No. 1 (Re-number as 2, 3, etc. for each summary)

INT 110 INTERNATIONAL BUSINESS ~ SECTION "enter your section"

DATE DUE: 3/16/07

DATE SUBMITTED: 3/21/07

NAME: "YOUR NAME"

SOURCE/DATE/PAGE: *Business Week*,

http://www.businessweek.com/globalbiz/content/mar2007/gb20070321_751932.htm?chan=top+news_top+news+index_businessweek+exclusives, March 21, 2007

TITLE: **Dell's New PC for the China Masses.**

AUTHOR: Bruce Einhorn (Hong Kong)

Primary Focus: The new Dell EC280 personal computer for China is compact, energy-efficient, and part of a new market-share assault on the mainland.

Computer software giants DELL have been hard at work in the lab for almost a year developing what they call "Project Huangpu", a new computer designed to meet the specific standards of the Chinese market.

Darrel Ward has been the figure overseeing this project at Dell's research and development center in Shanghai since last summer, just a few months after the project was launched. On March 21st Ward's boss Michael Dell, was in Shanghai to witness the first outcome from the lab, hoping it is the beginning of a successful market-share campaign in the most intensely-growing PC market. The final product to emerge out of "Project Huangpu" is the Dell EC280, a small, energy-efficient PC that holds a good amount of processing power. This new gadget will start at \$340 for a basic configuration with no monitor and up to \$520 for a more professional setup with a 17" LCD monitor.

Even though its price is considerably low, a lot of effort was put on this design. Ward a 16-year Dell employee explains: "We didn't want to make a cheap PC. That's easy enough to do," instead, the design team challenged themselves to create a computer that appeals to environments more demanding than those in the big cities like Beijing or Shanghai where cost and availability of power are not much of an issue.

The EC280 was designed to particularly appeal to the Chinese lifestyle of cramped small places, it is one-eighth of a desktop, it uses a processor usually found in laptops, and it consumes 65 watts of power as opposed to the normal PC's 250 watts. All of this due to China's status as the world's second largest PC market after the U.S. These growth statistics plus this design could make for a very profitable formula.

Obviously, tons of other companies are hard at work, trying to enter these new markets where profitable sales await. Dell expects Project Huangpu to beat every other company to the punch by approaching every possible flaw with careful research and testing.

Dell's New PC for the China Masses

The new Dell EC280 personal computer for China is compact, energy-efficient, and part of a new market-share assault on the mainland by Bruce Einhorn.

For almost a year, Darrel Ward has been working on Project Huangpu, the code name used inside Dell (DELL) for a new, low-cost computer designed specifically for the hotly contested Chinese market. Huangpu is the name of the river that runs through Shanghai. And last summer, just a few months after Project Huangpu's launch, Ward moved from Austin, Tex., to Dell's research and development center in Shanghai to oversee the project.

On Mar. 21 his boss, Michael Dell, was in Shanghai to unveil the first product to emerge from the PC maker's new Chinese product rollout. It's the beginning of what Dell hopes will be a successful market-share assault in the world's fastest-growing PC market. The Dell EC280 is compact, energy-efficient, and still packs considerable processing power. It will retail starting at \$340 for a basic configuration with no monitor, to \$520 for a more advanced setup with a 17-in. LCD screen.

Ward insists that a lot of brainpower went into the design of the EC280. "We didn't just want to make a cheap PC. That's easy enough to do," explains Ward, a 16-year Dell veteran. Rather, his Chinese design team decided they needed to create something that would appeal to consumers who have never bought computers before and who live in less affluent parts of the country where cost and availability of electricity are bigger issues than in wealthy coastal cities like Beijing, Shanghai, or Shenzhen. "We wanted to design something optimized for users and the environments that [the computers] are going into," he says.

TAILORED FOR CHINA'S CONSUMERS

Because many urban Chinese live in modest apartments, the EC280 is much smaller than an ordinary desktop. It's actually one-eighth the size of an ordinary desktop and comparable to Apple's (APPL) Mac Mini. It uses an Intel (INTC) Celeron processor, commonly found in laptops, rather than a Pentium. And the PC consumes far less power—65 watts compared to an ordinary PC's 250 watts. Because it uses less power, it only needs one fan, which makes it much quieter. Again, that's something Chinese living in cramped quarters might find appealing. And appeal might well translate into sales growth. China is the world's second largest PC market after the U.S. And according to International Data Corp., in 2006 Chinese PC sales grew 21%, vs. just 2.6% in the U.S.

Lenovo (LNVGY) dominates the market, with 36% share, but both Dell and Hewlett Packard (HPQ) are at about 9%, putting them within striking distance of longtime No. 2, Beijing-based Founder Technology Group.

DELL'S REBOUND STRATEGY

While Michael Dell was in Shanghai, he addressed questions about how the troubled PC maker would regain momentum less than two months after the departure of former chief executive Michael Rollins and an admission that quarterly results wouldn't match analysts' expectations. In particular, he said, Dell would look to grow through acquisitions in its division that provides computing services. "I expect to see acquisitions there and significant investment to enable us to build capability in the software and services area," Dell said at a press conference.

Ward hopes that the new PC will give Dell—which traditionally has been strong in sales to companies but not to consumers in China—a way of reaching a bigger base of customers. To do that, his designers looked at market research showing that typical PCs have more features than most Chinese need. For instance, while computers have several slots to allow add-ons like high-performance graphics cards, Ward says that market research shows over 90% of users only use one slot.

So the Project Huangpu team created a PC with just one slot. "The fewer slots you have, the fewer openings you have, the more reliable [the PC] tends to be," says Ward. Because the EC280 has just one slot, "if it gets knocked around, it will hold up."

BID FOR THE NEXT BILLION

Dell, of course, is hardly the only tech giant trying to create simpler products for new customers in places like China. Companies like Motorola (MOT), Nokia (NOK), Intel, and Microsoft (MSFT) all are looking to boost sales in the developing world—home to what's known in the IT world as the "next billion" consumers (see BusinessWeek.com, 12/7/06, "Telecoms Hungry for Next Billion Callers").

Dell sees the Shanghai-designed computer as its first major entry in the next-billion sweepstakes. "This is a product designed first for the demands of Chinese consumers," said Michael Dell in a statement released by the company on Mar. 21. "Many of the world's second billion PC users are right here in China, and we intend to earn their confidence and their business over time."

Sure enough, Ward sees variations of the model working well in India, Brazil, and other emerging markets. "This is just the first step," he promises. He expects to launch a version of the EC280 in India by the middle of the year and is looking at Latin American markets, too. Project Huangpu could easily morph into Project Ganges and Project Amazon.

Einhorn is a correspondent in BusinessWeek's Hong Kong bureau .

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