

Mini Case: ABC Paper Manufacturing Company

Mr. White and Ms. White are the owners of a ABC Paper Manufacturing Company. The company manufactures paper a small town called Barrie. They hope to pass down the company to their son, Dave White. Mr. and Ms. White started the business with nothing, and they worked very hard to make a living and put food on the table. Their goal was to provide a better life for their child. Dave later went to a good business school in a large city nearby called Mountainview.

During business school, Dave met many business people and made some good connections that he thinks would be useful for the family business. The thing is, all these connections work in Mountainview. He also learned that Mountainview could really use a paper manufacturer in the city.

After Dave graduated, he decided to ask his parents about expanding to Mountainview. Currently, both the factory and the office are located in Barrie, which is far away from forests, and there's little tax breaks in the town. On the other hand, the Mountainview has forests nearby, has tax breaks for businesses, and has more customers. ABC Paper Manufacturing Company has \$10,000 in savings, and Dave thinks that they should invest that \$10,000 in opening a new office in Mountainview.

When Dave asked Mr. White about this, Mr. White replied,
"That sounds very risky Dave. When we first started this business, we borrowed money from people in this town, and they wanted the factory to be located here. They can't see what's happening in Mountainview. Besides, I like our lifestyle in Barrie. I don't want to move to Mountainview."

Dave felt that from a business perspective, in order to expand and grow the business, it's better to open an office in Mountainview. That way, the business will have access to big banks, government centres, and logistics centres. He talked to Ms. White, who replied,
"That sounds very scary to expand into Mountainview. I've suggested changes to the business before too, and he's usually pretty stubborn about keeping things the same. Your father is very cautious, and that's prevented the business from failing many times. But maybe you can work a job and earn some money first, and then you can use that money to open an office in Mountainview."

Dave still feels that from a business perspective, it's a very good idea to open a new office in Mountainview. His dad could still stay in Barrie while he manages the office in Mountainview, but his dad seems very against the idea of Mountainview. He could try to make some money working a job first, but it might take him a couple years to save up the money. He wonders what he should do.

Case Questions

1. How can you relate Sniff, Scurry, Hem, and Haw to the characters in the case?
2. What do you think Dave should do?
3. How can Dave help his father change?